

IPO Analices *Race (Ferrari)*

Ferrari is a company that designs and assembles luxurious cars. This was made in Italy and started an extension around the world. It began the number one about this type of cars.

Summary

Ferrari NV, known as Ferrari, is an Italy-based designer, manufacturer and retailer of sports cars that is incorporated in the Netherlands. It operates under the Ferrari brand. Its sports cars portfolio includes, among others, F12berlinetta, FF, Ferrari 488 GTB, 488 Spider, 458 Special, Ferrari California T, F12tdf and LA Ferrari. The Company also offers financing services through Ferrari Financial Services. It also produces limited series and one-off cars. The Company divides its regional markets in EMEA (Europe, the Middle East, India and Africa), Americas, Greater China and Rest of APAC (Asia-Pacific region, excluding Greater China) and is active in over 60 markets worldwide through a network of authorized dealers.

Main address is ubicated in Maranello, 41053, Italy and offer us a web where we can look some automobiles, like *488 pista Spider Series*. Its web is: <https://www.ferrari.com/en-US>

Corporate

Name: Ferrari NV

Industry: Auto & Truck Manufacturers

Sector: Consumer Cyclical

Position:	Name	Age	Since
CHAIRMAN (NON-EXECUTIVE)	John Philipp Elkann	42	FROM "FCA"
CHIEF EXECUTIVE OFFICER	LOUIS C. CAMILLERI	63	2016
VICE CHAIRMAN AND NON-EXECUTIVE DIRECTOR	PIERO FERRARI	73	FROM "FCA"
NON-EXECUTIVE DIRECTOR	DELPHINE ARNAULT	43	FROM "FCA"
NON-EXECUTIVE DIRECTOR	GIUSEPPINA CAPALDO	49	FROM "FCA"

IPO

What was the purpose? This is an initial public offering of common shares of Ferrari N.V. ("Ferrari"). Fiat Chrysler Automobiles N.V. ("FCA") is selling 17,175,000 common shares of Ferrari, equal to approximately 9 percent of the Ferrari share capital. We



are not selling common shares and we will not receive any of the proceeds from the sale of common shares by FCA. Prior to this offering, there has been no public market for our common shares.

Contrasting main things

Exchange: New York Stock Exchange.

	October 2015	March 5 th , 2019	Change
Employees	2858	3287	26%

IPO and *the change*

	October 2015	March 5 th , 2019	Change
Share Price	\$52.00	Share Price \$131.76	153%
Shares Offered	17,175,000	Shares Outstanding 245,138,962	1327%
Offer Amount (Share Price X Shares Offered)	\$893,100,000	Market Cap (millions) \$32,299,509,63	3517%

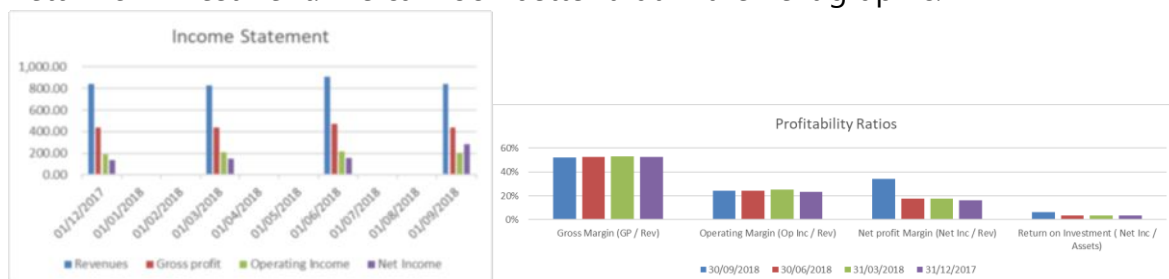
Financial Summary

We present information about Quarterly Income Statement:

Period Ending	30/09/2018	30/06/2018	31/03/2018	31/12/2017
Revenues	838.18	905.65	831.00	839.93
Gross profit	437.19	474.22	440.23	440.70
Operating Income	203.12	218.25	209.93	194.22
Net Income	286.92	160.27	147.63	135.64
Total Assets	4,614.76	4,379.48	4,360.69	4,141.10
Profitability Ratios	30/09/2018	30/06/2018	31/03/2018	31/12/2017
Gross Margin (GP / Rev)	52%	52%	53%	52%
Operating Margin (Op Inc / Rev)	24%	24%	25%	23%
Net profit Margin (Net Inc / Rev)	34%	18%	18%	16%
Return on Investment (Net Inc / Assets)	6%	4%	3%	3%

Observed. Although revenues and gross profit was higher during second quarter, *operating income* was higher, and, in consequence, net income was low.

Last quarter registered was the jul-sep. Here, revenues were lower than other quarters. Put attention in this point. What happens when a company reduces its *Operating Income*? Increases its net income. In this quarter *Net income* improved in 79.02%. Also, it improved some profitability ratios, such as *Net Profit Margin* and *Return on Investment*. We can look better that in the next graphic:

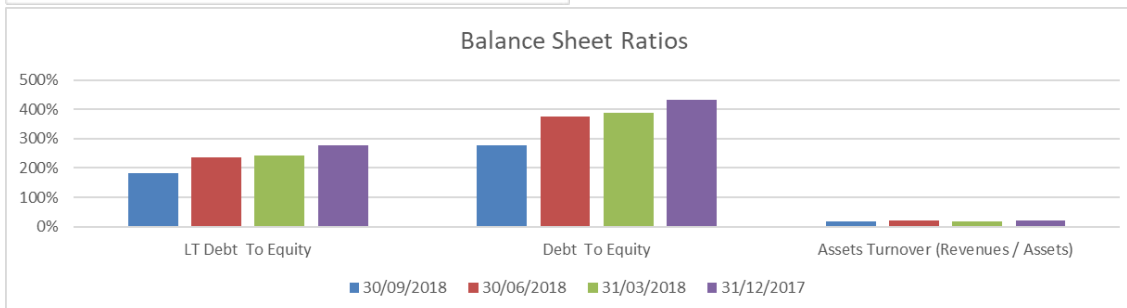
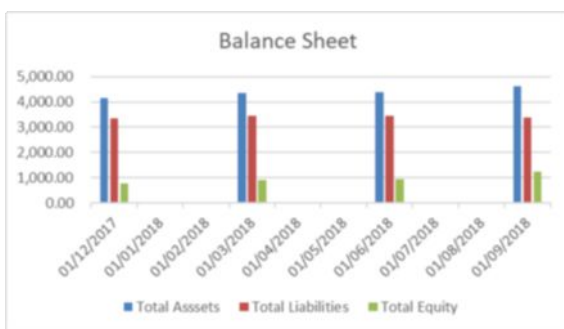


Quarterly Balance Sheet

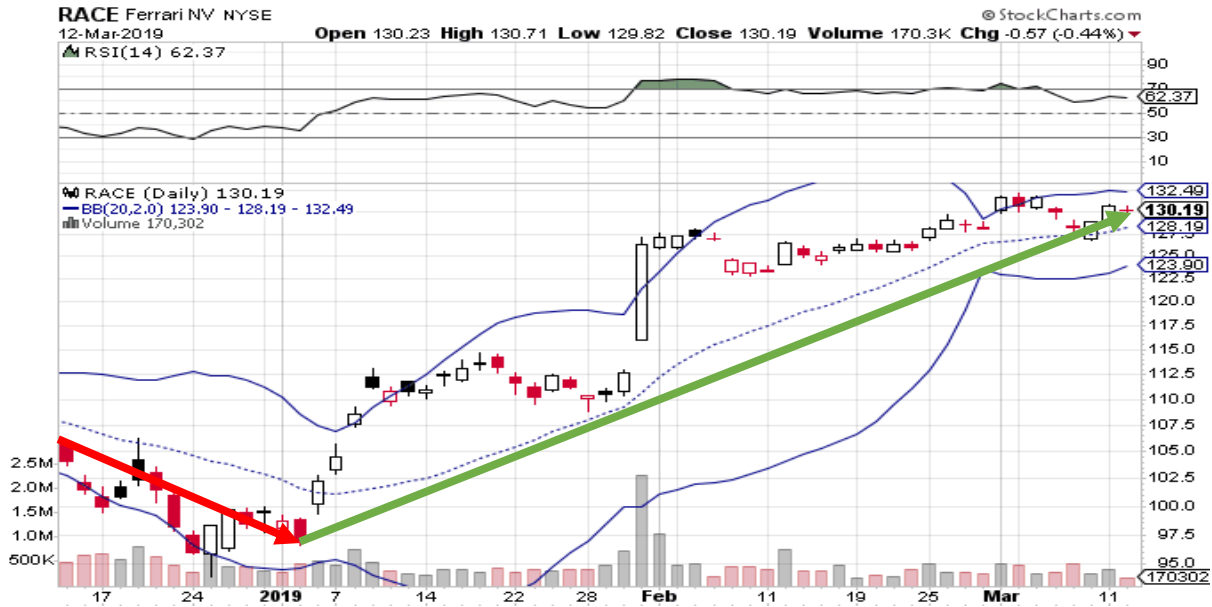
Period Ending	30/09/2018	30/06/2018	31/03/2018	31/12/2017
Total Assets	4,614.76	4,379.48	4,360.69	4,141.10
Total Liabilities	3,388.71	3,455.35	3,466.51	3,362.43
Total Equity	1,226.05	924.13	894.17	778.68
Total Current Assets	2,392.88	2,216.96	2,244.27	2,081.08
Total Current Liabilities	1,170.95	1,276.62	1,312.92	1,214.21
Balance Sheet Ratios	30/09/2018	30/06/2018	31/03/2018	31/12/2017
LT Debt To Equity	181%	236%	241%	276%
Debt To Equity	276%	374%	388%	432%
Assets Turnover (Revenues / Assets)	0.18	0.21	0.19	0.20
Current Ratio (Curr. Assets / Curr. Liab)	0.71	0.64	0.65	0.62

Assets are better than other quarters. In this context, current assets are higher. It is due to the inventory rotation. Each quarter, news products are bought to assemble news Ferrari³ cars.

In current liabilities are lower together with Equity. It sends us good signals about a good finance.



Trend



During the last 3 months, Race's stock followed 2 trends, first, a bearish from December 10th until beginning of January. From here, this trend has remained, with small variations.

Conclusion

This analyze offer us important information about Ferrari's company. If we observe behavior of the Balance Sheet and Income Stament together with different ratios, we have an idea about a good management of resources such as equity and assets. Analyzing the graphic, Ferrari Company has presented a *bullish* trend and this trend will follow during some weeks. Of course, it's depends of a good cash flows and other things.