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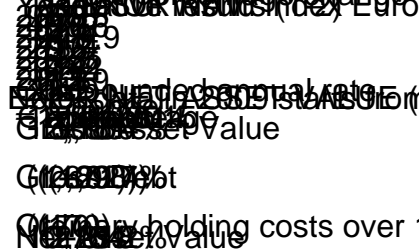
Letter to Shareholders

Dear Shareholders,



EXOR's Net Asset Value, or NAV, grew by 21.2% in 2015, outperforming the MSCI World Index denominated in Euros. The largest contributor to our performance was FCA, thanks to an increase in its share price of 34.4% (reflecting its strong performance).

EXOR NAV PERFORMANCE vs. THE MSCI WORLD INDEX (in Euros)



As of March 31st, the date before EXOR's listing on Borsa Italiana

Global revenues (€ billion)
EBITDA (€ million)
EBITDA margin (%)
Total employees

I would like to set out the significant events that all of us at EXOR lived through in 2015, events that have led to a very strong rebound in our share price. We got off to a busy start to the year by selling C&W (Cushman & Wakefield), a real-estate business we have owned for over 10 years. In contrast to other industry leaders, C&W did not require a capital increase, thanks to the strength of its balance sheet. A quick summary of what was achieved during our C&W ownership:

- Global revenues increased from \$1.5 billion in 2006 to \$2.1 billion in 2014 (+37%);
- Asia Pacific revenues went up from \$44 million in 2006 to \$173 million in 2014 (+293%);
- Corporate Investor Service revenues (which are primarily recurring revenues) grew from \$186 million in 2006 to \$250 million in 2014 (+34%);
- EBITDA grew 51%, from \$116 million in 2006 to \$175 million in 2014 (the company's best ever EBITDA);
- EBITDA margin increased from 7.6% in 2006 to 8.4% in 2014 (in contrast C&W's two leading competitors achieved 6.5% and 7.5% respectively);
- Total employees grew 41% from 11,500 in 2006 to 16,200 in 2014.

As a result of C&W's operational improvements, its discipline in deploying capital and a very strong rebound in its share price, we were able to generate a significant amount of cash. As a long-term responsible owner, we are very proud of the company's achievements and of the fact that as a result of the sale, we were able to secure the money from the C&W sale, we returned to concentrate on our role as business builders and investors.

The process proved more complicated than we had anticipated and we learned a huge amount along the way. PartnerRe is a very deliberate addition to our portfolio. As a business it matches all our pre-established criteria: PartnerRe today has equity of \$6 billion, having distributed close to \$7 billion in capital to shareholders in the form of dividends. Reinsurers play a fundamental role in the insurance industry value chain:

Primary insurers cede to reinsurers a share of their premiums and of the liabilities associated with them. As a consequence, a reinsurer's role is to absorb and deal with the most volatile risks, the ones that usually have the highest cost. By assuming fractions of exposures from a large base of insurance cedants, reinsurers are able to build sufficient capacity to cover these risks. We are interested in this sector for a number of reasons:

- Reinsurers have historically offered returns that exceed their cost of capital and the MSCI World index.

Exhibit 1 - Total Shareholder Returns of reinsurance companies vs. MSCI World over 20 years

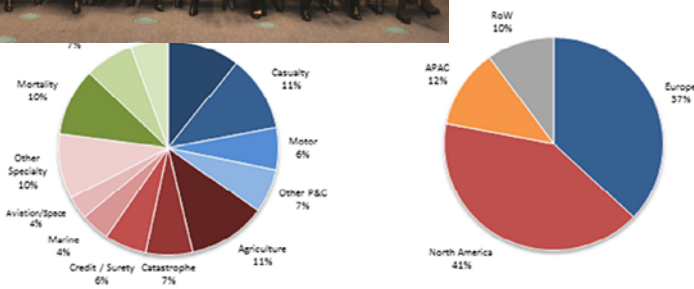


- Reinsurance Index companies: Munich Re, Swiss Re, Hannover Re, SCOR, RGA, Everest Re, PartnerRe, F&W
- Reinsurers usually generate strong cash flows, which they tend to distribute to shareholders through dividends.
- It is reasonable to expect that this industry is one that will be needed for many decades to come. It will continue to grow as the world's population ages and the need for insurance increases.
- An investment in the financial services industry diversifies our portfolio. Following the acquisition, PartnerRe will be a significant part of our portfolio.



durability, which is one of the attributes of the reinsurance industry. here are a number of reasons for choosing PartnerRe: 7 billion in total capital, of which \$6 billion is common equity), allowing diversified product offering (Exhibit 2). This means it can withstand weather geographic mix

PARTNER RE GEOGRAPHIC MIX (2015)



- c) It has historically demonstrated its ability to generate superior performance compared with its industry peers
 - d) it is well-known in the industry for its conservative and disciplined underwriting approach, and prudent risk management
- We also believe that there are several reasons why we will be a good owner of PartnerRe:
- a) PartnerRe will have the ability to allocate and deploy capital to maximize long-term returns as opposed to short-term gains
 - b) Differently from its publicly listed peers who face daily pressure to operate with a "lean" balance sheet
 - c) Unlike most of its competitors, who are aggressively growing in primary insurance, PartnerRe will remain focused on reinsurance

We are delighted indeed to have acquired this highly talented organization. But we are also well aware that the industry is not easy. Ajit Jain, to whom we owe a lot for sharing his insights into the industry with us, has been very clear publicly that the industry is not easy. That said, we are confident that even if it might not be as lucrative as in the past, the sector will continue to be attractive. So by the end of July we had sealed this transformative acquisition. But our eventful year did not stop there. It was a year of change. We have been a happy shareholder of the company since 2009 and I have had the privilege to serve on its board. I'm very grateful to Rupert Pennant-Rea, Chairman of the Board and a former Editor of The Economist, as, with his support, we were able to. On August 12 we announced a proposal to acquire 100% of the issued "B" Shares (and with them the right to elect directors). We paid no premium to acquire the Ordinary shares, but the transaction did include a 30% premium for the "B" Shares. As a result of the transaction, our ownership has increased from 5% to just under 44% with a £287 million total consideration. The Economist Group is a great business that is well led by Chris Stibbs and his team. In 2015 it generated revenue of £1.1 billion. You can see this in what has been achieved:

- Margins from the circulation business have moved from a loss of £6 million in FY07 to a profit of £28 million in FY15
- At the same time, the Group has reduced its dependency on the volatile and cyclical advertising market
- While the Group has been investing in marketing to grow full-price circulation, it has also made that market more resilient
- The shift to content-driven revenues has been underpinned by the growth of the Economist Intelligence Unit
- The Group's performance has been reflected in positive shareholder returns on investment. It has delivered a 100% increase in shareholder value over the last 10 years.

The future promises to be even more exciting thanks to technology that will enable The Economist to reach a global audience. Our focus is on digital circulation of the Economist, which is expected to reach 28% of total circulation by 2020. Our digital circulation will be a key driver of growth. This important year would not have been complete without the incredible achievements of Juventus, which won the Serie A title. In his first year as Juventus coach, Massimiliano Allegri worked wonders. He, the team and the rest of the organization were instrumental in this achievement. I would also like to highlight the return of "Scuderia Ferrari" to the top of the podium with a great comeback, thanks to the efforts of the team. To bring to a close my review of the more significant achievements of our 2015 year, I would like to thank all my colleagues for their hard work and dedication.

GROSS ASSET VALUE

Let me now describe in more detail the four components of our Gross Asset Value (GAV) as summarized in the table below:

GROSS ASSET VALUE (GAV)

- Investments
- Cash and cash equivalents
- Other assets
- Gross Asset Value

INVESTMENTS (66.8 % of GAV)

This line represents the principal component of our assets. I will only focus this year on FCA (our largest investment). A number of things contributed to FCA's strong results: Net Revenue of €113.2 billion, up 18%; an adjusted EBIT of €10.1 billion, up 15%. The star performer for the year was the Jeep Brand that achieved a worldwide record of 1.3 million vehicles shipped. All of FCA's geographies were profitable in the last quarter of the year, which shows the strength of the global brand. The NAFTA Region more than doubled its profits and EMEA was back to sustainable profitability for the year. The FCA components business also had a strong year, with revenues close to €10 billion and adjusted EBIT of €1.1 billion. Not everything went well. In particular, FCA suffered from an increasingly difficult regulatory environment, which impacted its results.

On a more positive note, Net Industrial Debt fell from €7.7 billion to €6.0 billion thanks to positive free cash flow generation. Sergio Marchionne was very candid about this structural issue for the car business in his presentation "Confessions of a Car Man". There's no doubt that mergers and integrations are hard to do and not all of them are successful. But as Sergio Marchionne said, "It is interesting to see how in other capital-intensive industries two major transactions were announced recently: the merger of GE and Alstom, and the merger of Boeing and Airbus. But if we look at the defense industry in the US, which is certainly complex: prime contractors have gone from 100 to 150. Some of FCA's competitors are convinced that they should not engage in "doubling down with the past" (i.e. cost-cutting). We at FIAT were also convinced that value chain extension was the way to go and we ended up making very big investments in the past few years.

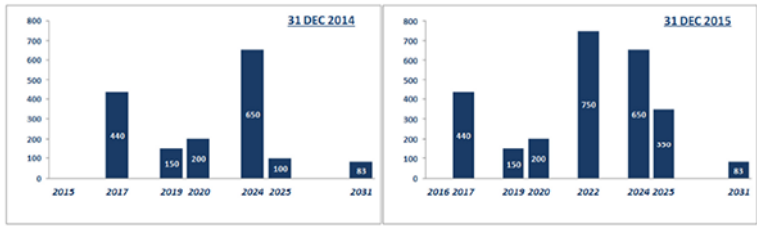
Back then Sergio Marchionne was running Alusuisse, one of the world's largest aluminium businesses. Asked There's no doubt that in this decade we'll see massive change as a result of electrification and other powertra But we're told that the really sexy stuff is now around connectivity, autonomous driving and diverse mobility (th - In spite of shared vehicles, total car sales will grow from 87 million units in 2015 to 115-125 million units in 203 - By 2030, in a high disruption scenario, the share of Level 4 Autonomy (completely self-driven) new cars will be Ultimately even in a high disruption scenario, new car sales will increase from \$2.75 trillion in 2015 to \$4 trillion. Sergio's common sense back in his aluminium days is still valuable and valid today and his practical approach i

FINANCIAL INVESTMENTS (3.8% of GAV)
 The aggregate performance of our financial investments was 10.3% in Euros, outperforming by 2 percentage p But this result reflects a mix of our third party funds (excluding Black Ant) that were the stars of 2015, achieving We also did well in our directly managed equity investments, a concentrated portfolio of publicly traded stocks of Unfortunately our largest financial investment in the Black Ant fund (64.5% of the total financial investments) de

CASH AND CASH EQUIVALENT (26.6% of GAV)
 Throughout the year we maintained a cautious allocation: 71% in time deposits, 23% in liquid third-party funds In a very volatile forex market with 2015 year-end consensus estimates predicting euro-dollar parity, the main fo The conversion allowed us to achieve a yield of 0.41% on our time-deposit holdings. This result would not have

TREASURY STOCK (2.8% of GAV)
 In 2015 we successfully placed a part of our treasury stock via an accelerated book build offering, at a discount My family, through Giovanni Agnelli & Co., participated along with institutions and individual investors, who sha We sold around 50% of our treasury shares, raising €511 million. The average book price of the shares, sold at Despite the important capital gain, the disposal of treasury shares was a difficult decision to take as we are pos This was also a good opportunity to revisit our policy on treasury shares. At the upcoming Annual General Mee In 2016 we will also change our performance metric from NAV to NAV per share in order to increase the discipl

GROSS DEBT
 During 2015 our Gross Debt increased to €2.698 billion as we prepared for the inclusion of PartnerRe in our po When financial markets recovered at the start of November after a prolonged period of volatility, we issued €1 b The active management of our debt allowed us to extend the average maturity of our bond securities and reduc



2016
 We began the year with the spin-off of Ferrari from FCA on January 4, from which EXOR emerged with a 23.5% To provide stability of ownership, we signed a shareholder agreement with Piero Ferrari (the son of the compar A couple of points to highlight Ferrari's enduring uniqueness:

- 60% of new Ferrari cars are sold to existing customers and 34% of existing clients own more than one
- 8 of the 10 most valuable cars ever auctioned are Ferraris
- Scuderia Ferrari is the most successful Formula 1 team in history, with 224 Grand Prix victories, 16 Co
- Consistent strong financial performance over the past decade: shipments grew 3% but net revenues r

But the long-term prospects look even more exciting on the back of Ferrari's best year ever, having shipped 7, What clearly was not expected was the financial markets' volatility, which resulted in one of the worst trading e We are determined to hold on, which is possible due to the permanent nature of our capital and because our st

This year we will be holding our Shareholder Meeting on May 25 at the Alfa Romeo Historical Museum in Arese The Museum, which is named 'La macchina del tempo' (the time machine), is the perfect combination of past, At the meeting room entrance, I suggest you to take time to admire our latest Alfa Romeo, the new Giulia: a nu As always, don't forget to bring your questions in advance of the Shareholder Meeting by follo Some of the questions will be summarized together, summarized by subject and answered during the meeting. The following addres

I very much look forward to welcoming you to Arese!

John Elkann

