

Salvatore Ferragamo

9M 2013 Results Update

Analyst Presentation

November 14, 2013 - 6.00 PM Italian Time



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The Manager in Charge of preparing the Company financial reports hereby certifies pursuant to paragraph 2 of art. 154-bis of Legislative Decree no. 58 of February 24, 1998, that the accounting disclosures of this document are consistent with the accounting documents, ledgers and entries.

9M 2013 Market Scenario

- Luxury business keeps outperforming the general industrial trend despite a contraction in 3Q 2013
- Asia Pacific travelers still fueling luxury demand, but becoming less predictable in timing and destinations. Market scenario within Asia still mixed geographically and wide span in performance by brand
- Europe in modest growth due to the still difficult economic, supported by global tourist flows in key destinations, although with a deceleration in 3Q 2013
- US, Canada and Mexico keep showing solid organic growth, with US economy likely to rebound after the past economical uncertainty
- Japanese consumers' confidence still soft, and market performance penalized in EURO terms
- Euro's strength vs. major currencies and significant devaluation of emerging markets currencies, pushing Top brands to increase prices
- "Lower traffic in the stores" reported by major brands, partially offset by average ticket increase

9M 2013 Key Facts (1/2)

- Solid sales trend in 9M: +10% at current FX and +11% at constant FX
- RTL growing by 8% (+10% at constant FX) with resilient L-f-L (+6.2%)
- Strong performance for WHL and Travel Retail (+13% at constant FX)
- US confirming the long solid double-digit trend (+11% at constant FX in 3Q) and Latam strongly accelerating (+35% at constant FX in 3Q, supported by both RTL and WHL)
- APAC still boosted by Mainland China RTL growth (>+20% in 9M)
- Japan still soft (+2% at constant FX) and hit by JPY weakness



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9M 2013 Key Facts (2/2)

- Leather goods overperforming in line with strategy and accelerating (+22% in 3Q 2013 at constant FX vs. +16% in 1H)
- 9M confirming the strong operating leverage: OpEx up by only 4% (from 47.9% to 45.5% incidence on Revenues), and by 5% in 3Q despite higher Communication & Marketing costs (+29% vs. 3Q'12)
- EBITDA increasing by 22% vs. 9M'12, with its incidence on Revenues up from 18.9% to 21.0% (from 19.5% to 20.8% in 3Q)
- Group Net Profit up by 61% with Minorities Interests down 52%
- Capex reaching EUR47m in 9M (+29% vs. 9M'12) with an acceleration in 3Q (+94%)



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FINANCIALS

9M 2013 Revenue By Region

(Euro MM)	September YTD			Δ % Const FX	Weight on Tot 2013	Weight on Tot 2012
	2013	2012	Δ %			
Europe	246,7	221,3	11,5%	11,5%	27,0%	26,6%
North America	204,5	179,7	13,8%	13,0%	22,4%	21,6%
Japan	86,7	100,0	-13,3%	1,7%	9,5%	12,0%
Asia Pacific	337,5	297,0	13,6%	12,1%	36,9%	35,7%
Latin America	39,4	34,6	14,1%	15,8%	4,3%	4,2%
Total	914,8	832,6	9,9%	11,2%	100,0%	100,0%

9M 2013 Revenue By Distribution Channel

(Euro MM)	September YTD			Δ % Const FX	Weight on Tot 2013	Weight on Tot 2012
	2013	2012	Δ %			
Retail	576,1	532,5	8,2%	10,2%	63,0%	64,0%
Wholesale	322,9	286,6	12,7%	12,8%	35,3%	34,4%
Licences & Other Rev.	7,7	7,2	7,1%	7,1%	0,8%	0,9%
Rental income	8,0	6,2	29,0%	32,6%	0,9%	0,7%
Total	914,8	832,6	9,9%	11,2%	100,0%	100,0%

9M 2013 Revenue By Product

(Euro MM)	September YTD				Weight on Tot 2013	Weight on Tot 2012
	2013	2012	Δ %	Δ % Const FX		
Shoes	399,2	364,4	9,6%	10,0%	43,6%	43,8%
Leather goods & handbags	300,3	258,5	16,2%	17,7%	32,8%	31,1%
RTW	72,8	76,0	-4,2%	-0,4%	8,0%	9,1%
Silk & other access.	62,7	61,9	1,3%	4,5%	6,9%	7,4%
Fragrances	64,0	58,4	9,7%	10,4%	7,0%	7,0%
Licences & Other Rev.	7,7	7,2	7,1%	7,1%	0,8%	0,9%
Rental income	8,0	6,2	29,0%	32,6%	0,9%	0,7%
Total	914,8	832,6	9,9%	11,2%	100,0%	100,0%

9M 2013 P&L

(Euro MM)	September YTD				
	2013	%	2012	%	Δ %
Total revenue	914,8	100,0%	832,6	100,0%	9,9%
Cost of goods sold	(336,5)	-36,8%	(301,5)	-36,2%	11,6%
Gross profit	578,4	63,2%	531,0	63,8%	8,9%
Total operating costs	(416,2)	-45,5%	(398,8)	-47,9%	4,4%
EBIT	162,2	17,7%	132,2	15,9%	22,6%
Financial income (expenses)	5,4	0,6%	(2,3)	-0,3%	-333,7%
Companies valued with the Equity Method	–	0,0%	0,6	0,1%	-100,0%
EBT	167,6	18,3%	130,5	15,7%	28,4%
Taxes	(48,0)	-5,2%	(45,8)	-5,5%	4,7%
Net income	119,6	13,1%	84,7	10,2%	41,3%
Group net income	112,4	12,3%	69,6	8,4%	61,4%
Income to minorities	7,2	0,8%	15,0	1,8%	-52,0%
EBITDA	191,8	21,0%	157,0	18,9%	22,2%

9M 2013 Balance Sheet

(Euro MM)	SEPT 13 YTD	SEPT 12 YTD	%	TY 12
Tangible assets	158,5	137,7	15,1%	146,6
Intangible assets	22,0	18,5	19,3%	20,7
Financial assets	–	1,3	-100,0%	1,3
Fixed assets	180,5	157,4	14,7%	168,6
Inventory	285,7	259,6	10,0%	249,8
Trade receivables	98,1	87,4	12,2%	105,2
Trade payables	(163,2)	(132,9)	22,8%	(157,7)
Operating working capital	220,6	214,1	3,0%	197,3
Other assets (liabilities)	11,9	(10,6)	-212,5%	8,4
Severance indemnity	(10,3)	(11,7)	-11,5%	(11,4)
Risk funds	(4,5)	(6,4)	-30,2%	(5,4)
Net invested capital	398,2	342,8	16,2%	357,4
Shareholders' equity (A)	363,6	278,8	30,4%	299,5
Group equity	330,3	229,1	44,2%	267,3
Minority interest	33,3	49,7	-33,2%	32,2
Current financial liabilities	(97,8)	(120,2)	-18,6%	(170,7)
Non current financial liabilities	–	–	-	–
Cash & equivalents	63,2	56,2	12,4%	112,8
Net debt (B)	(34,7)	(64,0)	-45,8%	(57,9)
Financial sources (A-B)	398,2	342,8	16,2%	357,4