



PRESS RELEASE

Salvatore Ferragamo Sp.A.

**The Board of Directors Approves
the Consolidated Financial Statement as of 30 June 2015**

**Revenue and Profit Growth Continues for the Salvatore Ferragamo Group:
First Half Revenue +10%, Gross Operating Profit (EBITDA¹) +15%, Operating Profit
(EBIT) +12% and Group Net Profit +13% vs. 1H 2014**

- **Revenues: 722 million Euros (+10% vs. 659 million Euros at 30 June 2014)**
- **Gross Operating Profit (EBITDA¹): 165 million Euros (+15% vs. 143 million Euros at 30 June 2014)**
- **Operating Profit (EBIT): 136 million Euros (+12% vs. 121 million Euros at 30 June 2014)**
- **Net Profit: 90 million Euros (+10% vs. 82 million Euros at 30 June 2014), including 2 million Euros of Minority Interest**
- **Group Net Profit: 88 million Euros (+13% vs. 78 million Euros at 30 June 2014)**

Florence, 27 August 2015 – The Board of Directors of **Salvatore Ferragamo Sp.A.** (MTA: SFER), parent company of the Salvatore Ferragamo Group, one of the global leaders in the luxury sector, meeting under the chairmanship of Ferruccio Ferragamo, examined and approved the **Consolidated Financial Statement as of 30 June 2015**, drafted according to IAS/IFRS international accounting principles (Limited Review).

¹ EBITDA is measured by our management to evaluate operating performance. We define EBITDA as operating income plus (i) depreciation of property, plant and equipment, investment property, (ii) amortization of other intangible assets with definite useful life and (iii) write-downs of property, plant and equipment, investment property and other intangible assets with definite useful life and goodwill. We believe that EBITDA is an important indicator for measuring the Group's performance as it is not influenced by various methods of calculating taxes, amortization or depreciation. As EBITDA is not an indicator defined by the accounting principles used by our Group, our method of calculating EBITDA may not be strictly comparable to that used by other companies.



Notes to the Income Statement for 1H 2015

Consolidated Revenue figures

As of 30 June 2015, the Group has posted **Total Revenue of 722 million Euros**, registering a **reported 10% increase (current exchange rates including the negative hedging effect of 23 million Euros)**, vs. the 659 million Euros recorded in 1H 2014. **Revenue growth at constant exchange rates² was 2%**.

In **2Q 2015** the **Total Revenue** trend was similar to the one reported in 1Q 2015: Revenue reached **395 million Euros** from 360 million Euros in 2Q 2014, **reporting a 10% increase (current exchange rates including the negative hedging effect of 15 million Euros)** and **2% at constant exchange rates²**.

Revenues by geographical area³

The **Asia Pacific** area is confirmed as the Group's top market in terms of Revenues, **increasing by 7% (-4% at constant exchange rates)** vs. 1H 2014. In particular the **retail channel in China** recorded a **Revenue growth of 17% (+3% at constant exchange rates)** in the first six months of 2015, while trends in Hong Kong and Macao further deteriorated in 2Q 2015.

Europe posted an **increase** in Revenues of **8% (+6% at constant exchange rates)** compared to 1H 2014, with an **acceleration in 2Q 2015 (+13%)**. The retail channel confirmed its double-digit growth (further accelerating in 2Q), while the wholesale business, negatively impacted by the geopolitical tensions in Eastern Europe and Greece, saw a stable turnover (increasing in 2Q).

North America recorded a Revenue **increase of 16% (+3% at constant exchange rates)** in the first six months of 2015, **accelerating in 2Q 2015 (+4% at constant exchange rates)**, despite the challenging comparison base (+12% at constant exchange rates in 2Q 2014) and the temporary closure of the Rodeo Drive store in Los Angeles.

The **Japanese market** registered a **8% growth (+11% at constant exchange rates)** in 1H 2015 and a **12% growth (+18% at constant exchange rates)** in 2Q 2015.

Revenues in the **Central and South America** in 1H 2015 continued the double-digit growth, posting an **increase of 18% (+12% at constant exchange rates)**. In **2Q 2015** Revenues **grew 10% (+7% at constant exchange rates)**, despite the challenging comparison base (+29% at constant exchange rates in 2Q 2014).

² Revenues at "constant exchange rates" are calculated by applying to the Revenue of the first three/six months 2014, not including the "hedging effect", the average exchange rate of the first three/six months 2015.

³ The variations in Revenues are calculated at current exchange rates including the hedging effect, unless differently indicated.



Revenues by distribution channel⁴

As of 30 June 2015, the **Group's Retail network** could count on **380 Directly Operated Stores (DOS)**, while the **Wholesale and Travel Retail channel** included **267 Third Party Operated Stores (TPOS)**, as well as the presence in Department Stores and high-level multi-brand Specialty Stores.

In 1H 2015 the **Retail distribution channel** posted consolidated Revenues **up by over 11% (+3% at constant exchange rates)**, with a **roughly stable growth at constant exchange rates and perimeter (like-for-like)** vs. 1H 2014.

The **Wholesale channel**, despite the hard comparison base (+12% at constant exchange rates in 1H 2014) and the ongoing geopolitical tensions in Eastern Europe and in Greece, registered an **increase in Revenues of 6% (stable at constant exchange rates)** vs. 1H 2014.

Revenues by product category⁴

Among the product categories it is especially worth highlighting the increase of **handbags and leather accessories**, that posted a growth of **16%** in 1H 2015, while the performance of **fragrances (-5%)** was penalized by the unstable situation in Eastern Europe and by a different delivery calendar vs. the same period of last year.

Gross Profit

In 1H 2015 the **Gross Profit increased by 15%**, reaching **475 million Euros**. Its **incidence on Revenues increased 300 basis points**, moving to **65.8%**, from 62.8% in 1H 2014, despite the negative hedging effect of 23 million Euros. **In 2Q 2015 the Gross Profit reached 264 million Euros, with an incidence on Revenues increasing by 270 basis points to 66.7%**, from 64.0% in 2Q 2014, despite the negative hedging effect of 15 million Euros.

Operating Costs

In 1H 2015 **Operating Costs grew by 16% (+5% at constant exchange rates)**, reaching **340 million Euros**, with an **incidence on Revenues of 47.0%**, from 44.5% in 1H 2014.

⁴ The variations in Revenues are calculated at current exchange rates including the hedging effect, unless differently indicated.



Gross Operating Profit (EBITDA)⁵

The **Gross Operating Profit (EBITDA)** increased by **15%** over the period, reaching **165 million Euros**, from 143 million Euros of 1H 2014, with an **incidence on Revenues significantly increasing to 22.8%**, from 21.7% in 1H 2014. **In 2Q 2015 the EBITDA reached 104 million Euros**, further increasing the incidence on Revenues to **26.2%**, from 25.1% in 2Q 2014.

Operating Profit (EBIT)

The **Operating Profit (EBIT)** increased, over the period, from 121 million Euros in 1H 2014 to **136 million Euros (+12%)** in 1H 2015, with an **incidence on Revenues reaching 18.8%** from 18.3%. **In 2Q 2015 the EBIT reached 89 million Euros**, further improving the incidence on Revenues to **22.4%**, from 21.9% in 2Q 2014.

Profit before taxes

The **Profit before taxes** in 1H 2015 increased to **130 million Euros (+10%)**, from 118 million Euros in 1H 2014, and its **incidence on Revenues was 18.0%** vs. 17.9% in 1H 2014.

Net Profit for the Period

The **Net Profit for the period**, including the Minority Interest of 2 million Euros, was **90 million Euros**, marking a **10% increase**.
The **Group Net Profit** reached **88 million Euros**, as compared to 78 million Euros in 1H 2014, marking an **increase of 13%**.

⁵ EBITDA is measured by our management to evaluate operating performance. We define EBITDA as operating income plus (i) depreciation of property, plant and equipment, investment property, (ii) amortization of other intangible assets with definite useful life and (iii) write-downs of property, plant and equipment, investment property and other intangible assets with definite useful life and goodwill. We believe that EBITDA is an important indicator for measuring the Group's performance as it is not influenced by various methods of calculating taxes, amortization or depreciation. As EBITDA is not an indicator defined by the accounting principles used by our Group, our method of calculating EBITDA may not be strictly comparable to that used by other companies.



Notes to the Balance Sheet for 1H 2015

Net Working Capital⁶

The **Net Working Capital** as of 30 June 2015 increased less than the Revenue to **323 million Euros (+7%)** from 301 million Euros as of 30 June 2014. In particular the Inventory increase by only 1%.

Investments (CAPEX)

Investments (CAPEX) reached **30 million Euros** as of 30 June 2015 vs. **34 million Euros** in 1H 2014; the decrease is justified by the fact that the majority of the Investments will be accomplished in the second part of the year.

Net Financial Position

The **Net Financial Debt** as at 30 June 2015 **decreased to 98 million Euros**, compared to 114 million Euros as at 30 June 2014, also thanks to the significant operating cash generation which, in 1H 2015, reached 63 million Euros, vs. 24 million Euros in 1H 2014.

⁶ Net working capital is calculated (in accordance with CESR Recommendation 05-054/b of February 10, 2005) as inventories and trade receivables net of trade payables (excluding other current assets and liabilities and other financial assets and liabilities). As net working capital is not an indicator defined by the accounting principles used by our Group, our method of calculating net working capital may not be strictly comparable to that used by other companies.

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The business trends, recorded in the first months of the current year, justify expectations for growth also throughout 2015, in the absence of severely unfavourable market conditions.

The manager mandated to draft the corporate accounting documents, Ernesto Greco, pursuant to article 154-bis, paragraph 2, of Legislative Decree no. 58/1998 (Consolidated Financial Law), hereby declares that the information contained in this Press Release faithfully represents the content of documents, financial books and accounting records.

Furthermore, in addition to the conventional financial indicators required by IFRS, this Press Release includes some alternative performance indicators (such as EBITDA, for example) in order to allow for a better assessment of the performance of the economic and financial management. These indicators have been calculated according to the usual market practices.

This document may contain forecasts, relating to future events and operating results, which by their very nature are uncertain, in that they depend on future events and developments that cannot be predicted with certainty. Actual results may therefore differ with those forecast, due to a variety of factors.

The Consolidated Financial Statement as of 30 June 2015 will be available to anyone requesting it at the headquarters of the Company, Via Tornabuoni nr. 2, and can also be consulted in the "Investor Relations/Financial Documents" section of the Salvatore Ferragamo Group's website <http://group.ferragamo.com>, from 28 August 2015.

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The Results of 1H 2015 will be illustrated today, 27 August 2015, at 6:00 PM (CET) in a conference call with the financial community. The presentation will be available on the Company's website <http://group.ferragamo.com> in the "Investor Relations/Presentations" section.

Salvatore Ferragamo Sp.A.

Salvatore Ferragamo Sp.A. is the parent Company of the Salvatore Ferragamo Group, one of the world's leaders in the luxury industry and whose origins date back to 1927.

The Group is active in the creation, production and sale of shoes, leather goods, apparel, silk products and other accessories, along with women's and men's fragrances. The Group's product offer also includes eyewear and watches, manufactured by licensees.

The uniqueness and exclusivity of our creations, along with the perfect blend of style, creativity and innovation enriched by the quality and superior craftsmanship of the 'Made in Italy' tradition, have always been the hallmarks of the Group's products.

With approximately 4,000 employees and a network of over 640 mono-brand stores as of 30 June 2015, the Ferragamo Group operates in Italy and worldwide through companies that allow it to be a leader in the European, American and Asian markets.

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This Press Release is also available on the website <http://group.ferragamo.com>, in the section "Investor Relations/Financial Press Releases".

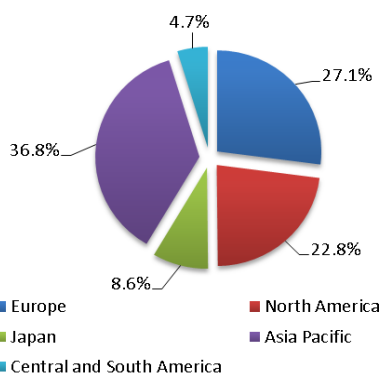
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On the following pages, a more detailed analysis of Revenues, the consolidated income statement, a summary of statement of financial position, the consolidated cash flow statement, and the net financial position of the Salvatore Ferragamo Group as of 30 June 2015.

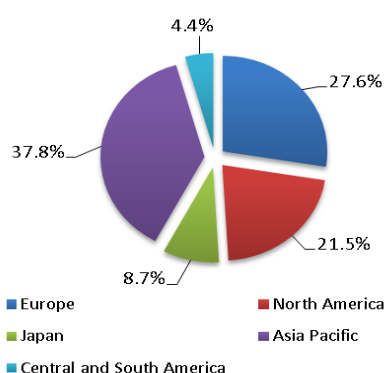
Revenue by geographic area as of 30 June 2015

(In thousands of Euro)	Half-year period ended 30 June					at constant exchange rate	
	2015	% on Revenue	2014	% on Revenue	% Change	% Change	
Europe	195,494	27.1%	181,665	27.6%	7.6%	6.2%	
North America	164,480	22.8%	141,657	21.5%	16.1%	3.2%	
Japan	62,528	8.6%	57,760	8.7%	8.3%	11.3%	
Asia Pacific	265,650	36.8%	248,928	37.8%	6.7%	(4.1%)	
Central and South America	34,223	4.7%	29,009	4.4%	18.0%	12.2%	
Total	722,375	100.0%	659,019	100.0%	9.6%	2.0%	

Revenue by geographic area as at 30 June 2015



Revenue by geographic area as at 30 June 2014

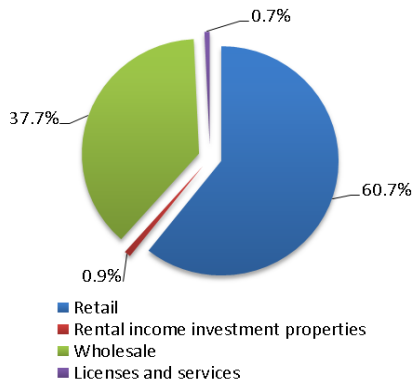


Revenue by distribution channel as of 30 June 2015

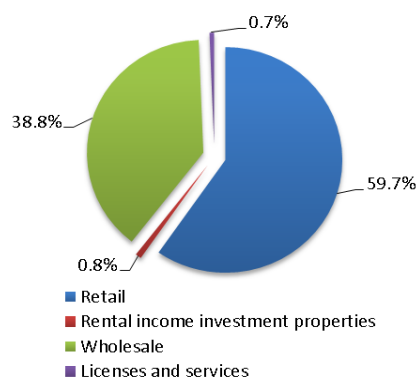
(In thousands of Euro)	Half-year period ended 30 June					at constant exchange rate	
	2015	% on Revenue	2014	% on Revenue	% Change	% Change	
Retail	438,135	60.7%	393,361	59.7%	11.4%	3.1%	
Wholesale	272,554	37.7%	255,953	38.8%	6.5%	0.2%	
Licenses and services	5,264	0.7%	4,224	0.7%	24.6%	24.6%	
Rental income investment properties	6,422	0.9%	5,481	0.8%	17.2%	(4.6%)	
Total	722,375	100.0%	659,019	100.0%	9.6%	2.0%	

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Revenue by distribution channel
as at 30 June 2015



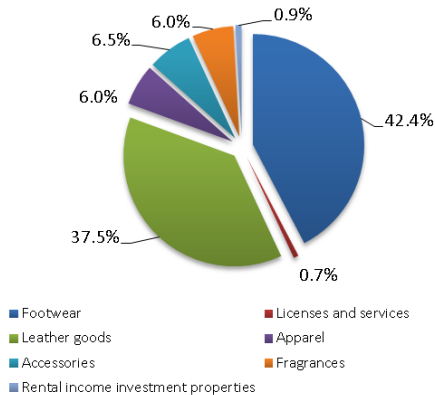
Revenue by distribution channel
as at 30 June 2014



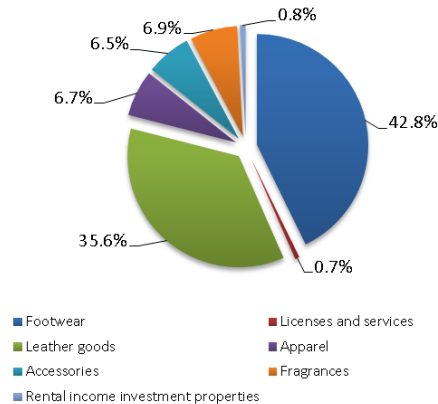
Revenue by product category as of 30 June 2015

(In thousands of Euro)	Half-year period ended 30 June				at constant exchange rate	
	2015	% on Revenue	2014	% on Revenue	% Change	% Change
Footwear	305,899	42.4%	281,861	42.8%	8.5%	(0.3%)
Leather goods	271,076	37.5%	234,558	35.6%	15.6%	7.5%
Apparel	43,289	6.0%	44,169	6.7%	(2.0%)	(6.8%)
Accessories	46,970	6.5%	43,108	6.5%	9.0%	2.4%
Fragrances	43,455	6.0%	45,618	6.9%	(4.7%)	(5.2%)
Licenses and services	5,264	0.7%	4,224	0.7%	24.6%	24.6%
Rental income investment properties	6,422	0.9%	5,481	0.8%	17.2%	(4.6%)
Total	722,375	100.0%	659,019	100.0%	9.6%	2.0%

Revenue by product category
as at 30 June 2015



Revenue by product category
as at 30 June 2014





Consolidated results for Salvatore Ferragamo Group

Consolidated income statement as of 30 June 2015

(In thousands of Euro)	Half-year period ended 30 June				
	2015	% on Revenue	2014	% on Revenue	% Change
Revenue from sales and services	715,953	99.1%	653,538	99.2%	9.6%
Rental income investment properties	6,422	0.9%	5,481	0.8%	17.2%
Revenues	722,375	100.0%	659,019	100.0%	9.6%
Cost of goods sold	(247,143)	(34.2%)	(245,278)	(37.2%)	0.8%
Gross profit	475,232	65.8%	413,741	62.8%	14.9%
Style, product development and logistics costs	(22,371)	(3.1%)	(22,723)	(3.4%)	(1.5%)
Sales & distribution costs	(224,689)	(31.1%)	(184,314)	(28.0%)	21.9%
Marketing & communication costs	(35,335)	(4.9%)	(34,586)	(5.2%)	2.2%
General and administrative costs	(52,781)	(7.3%)	(47,671)	(7.2%)	10.7%
Other operating costs	(9,919)	(1.4%)	(8,586)	(1.3%)	15.5%
Other income	5,414	0.7%	4,707	0.7%	15.0%
Operating profit	135,551	18.8%	120,568	18.3%	12.4%
Financial charges	(31,837)	(4.4%)	(10,851)	(1.6%)	193.4%
Financial income	26,150	3.6%	8,402	1.3%	211.2%
Profit before taxes	129,864	18.0%	118,119	17.9%	9.9%
Income taxes	(40,025)	(5.5%)	(36,102)	(5.5%)	10.9%
Net profit/(loss) for the period	89,839	12.4%	82,017	12.4%	9.5%
Net profit/(loss) - Group	88,153	12.2%	78,078	11.8%	12.9%
Net profit/(loss) - minority interests	1,686	0.2%	3,939	0.6%	(57.2%)
EBITDA(*)	164,641	22.8%	143,035	21.7%	15.1%

(*) EBITDA is operating profit before amortization and depreciation and write-downs of tangible/intangible assets. EBITDA so defined is a parameter used by the management to monitor and assess the operating performance and is not identified as an accounting measurement under IFRS and, therefore, must not be considered as an alternative measurement to assess Group performance. Since the composition of EBITDA is not regulated by reference accounting standards, the determination criterion applied by the Group may differ from that adopted by others and therefore may not be comparable.



Summary of consolidated statement of financial position as of 30 June 2015

(In thousands of Euro)	30 June 2015	31 December 2014	% change
Property, plant and equipment	221,630	212,077	4.5%
Investment property	7,440	7,015	6.1%
Intangible assets with definite useful life	30,946	29,220	5.9%
Inventories	339,452	338,555	0.3%
Trade receivables	174,069	150,895	15.4%
Trade payables	(190,050)	(187,555)	1.3%
Other non current assets/(liabilities), net	54,607	45,032	21.3%
Other current assets/(liabilities), net	(35,620)	(37,692)	(5.5%)
Net invested capital	602,474	557,547	8.1%
Group shareholders' equity	458,783	466,190	(1.6%)
Minority interests	46,058	42,004	9.7%
Shareholders' equity (A)	504,841	508,194	(0.7%)
Net financial debt (B) (1)	97,633	49,353	97.8%
Total sources of financing (A+B)	602,474	557,547	8.1%

(1) Pursuant to the provisions of CONSOB Communication no. DEM/6064293 of 28 July 2006, it should be noted that net financial debt is calculated as the sum of cash and cash equivalents, current financial receivables including the positive fair value of financial instruments and current financial assets, current and non current financial liabilities and the negative fair value of financial instruments and has been determined in accordance with the provisions of CESR's Recommendation on alternative performance measures 05-178/b of 3 November 2005 "Recommendations of Cesr on alternative performance measures".

Net financial position as of 30 June 2015

(In thousands of Euro)	30 June 2015	31 December 2014	Change 2015 vs 2014
A. Cash	984	1,073	(89)
B. Other cash equivalents	93,826	95,390	(1,564)
C. Cash and cash equivalents (A)+(B)	94,810	96,463	(1,653)
Derivatives – non-hedge component	726	976	(250)
Other financial assets	-	-	-
D. Current financial receivables	726	976	(250)
E. Current bank payables	165,673	121,083	44,590
F. Derivatives – non-hedge component	318	260	58
G. Other current financial payables	4,433	4,118	315
H. Current financial debt (E)+(F)+(G)	170,424	125,461	44,963
I. Current financial debt, net (H)-(C)-(D)	74,888	28,022	46,866
J. Non current bank payables	22,745	21,331	1,414
K. Derivatives – non-hedge component	-	-	-
M. Other non current financial payables	-	-	-
N. Non-current financial debt (J)+(K)+(M)	22,745	21,331	1,414
O. Net financial debt (I)+(N)	97,633	49,353	48,280



Consolidated statement of cash flows as of 30 June 2015

(In thousands of Euro)	Half-year period ended 30 June	
	2015	2014
Net profit / (loss) for the period	89,839	82,017
Depreciation, amortization and write down of property, plant and equipment, intangible assets and investment properties	29,090	22,467
Net change in deferred taxes	(7,328)	(6,958)
Net change in provision for employee benefit plans	(125)	(33)
Loss/(gain) on disposal of tangible and intangible assets	715	484
Other non cash items	1,190	2,191
Net change in net working capital	(51,230)	(75,943)
Net change in other assets and liabilities	1,183	(715)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	63,334	23,510
Purchase of tangible assets	(24,936)	(31,749)
Purchase of intangible assets	(5,437)	(2,524)
Net change in non current assets and liabilities	(1,306)	(329)
Proceeds from the sale of tangible and intangible assets	108	144
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(31,571)	(34,458)
Net change in financial receivables	381	515
Net change in financial payables	38,404	77,466
Payment of dividends	(70,732)	(69,130)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(31,947)	8,851
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(184)	(2,097)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	96,455	70,292
Net increase / (decrease) in cash and cash equivalents	(184)	(2,097)
Net effect of translation of foreign currencies	(1,461)	(812)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	94,810	67,383