



PRESS RELEASE

Salvatore Ferragamo S.p.A.

FY 2016 Group Preliminary Consolidated Revenue Figures

**Salvatore Ferragamo Group:
Consolidated Revenues¹ up 4% in 4Q 2016 and up 1% in FY 2016**

Florence, 31 January 2017 – **Salvatore Ferragamo S.p.A.** (MTA: SFER), parent company of the Salvatore Ferragamo Group, one of the global leaders in the luxury sector, released the **Group's Preliminary Consolidated Revenues¹ for the Fiscal Year 2016**, which amount to **1,438 million Euros up by 1% at current exchange rates and down by 2% at constant exchange rates² vs. FY 2015**.

Preliminary Consolidated Revenue¹ figures for FY 2016

As of 31 December 2016, the Salvatore Ferragamo Group reported **Total Revenues¹ of 1,438 million Euros up by 1% at current exchange rates (-2% at constant exchange rates²)** over the 1,430 million Euros recorded in FY 2015. Revenues¹, in 4Q 2016, confirmed the improved trend, reporting a **4% growth (+1% at constant exchange rates²)**. The positive development is confirmed also by the further acceleration of the retail channel sales in January 2017.

Revenues¹ by geographical area³

The **Asia Pacific** area is confirmed as the Group's top market in terms of Revenues¹, representing 36% of total in FY 2016, **up by 1%. In 4Q 2016 the growth** was over **4%**, despite the hard comparison base (+8% in 4Q 2015). The positive performance was achieved despite the still weak business in Hong Kong which remained negative, despite a further improvement. In particular, in 4Q 2016, the retail business registered a decrease of 13% at constant exchange rates² (-21% in 9M 2016). The **retail channel in China** recorded **Revenues¹ up 6%** at constant exchange rates² in FY 2016, with an acceleration in 4Q 2016 (+13% constant exchange rates² vs.+3% in 9M 2016).

¹ Preliminary/Non-Audited Revenues drafted according to IAS/IFRS International Accounting Principles.

² Revenues at "constant exchange rates" are calculated by applying to the Revenues of the full-year 2015, not including the "hedging effect", the average exchange rate of the full-year 2016.

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

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Europe posted an **decrease** in Revenues⁴ of **4%** in FY 2016, penalized by lower tourist flows due to the dramatic events occurred. In **4Q 2016** the **decrease** was **2%**, despite the hard comparison base (+9% in 4Q 2015), mainly thanks to the further improvement of the retail business (-1% vs. -9% in 9M 2016).

North America, despite the strong currency that also negatively impacted tourist flows in the United States, registered an **increase** in Revenues⁴ of **over 4%** in FY 2016 (-2% at constant exchange rates⁵). In **4Q 2016** Revenues⁴ **increased 7%** (+2% at constant exchange rates⁵), thanks to the good performance of the retail business up by 10%.

The **Japanese market** reported **stable** Revenues⁴ in FY 2016, but **up 3% in 4Q 2016**, despite the hard comparison base (+18% in 4Q 2015).

Revenues⁴ in **Central and South America** showed an **increase of 6%** in FY 2016, with an acceleration in **4Q 2016 (+12%)**. At constant exchange rates⁵ the growth was even more significant, showing a +16% in FY 2016 and +23% in 4Q 2016.

Revenues⁴ by distribution channel⁶

As of 31 December 2016, the **Group's network** totalled **683 points of sale**, and could count on **402 Directly Operated Stores (DOS)**, while the **Wholesale and Travel Retail channel** included **281 Third Party Operated Stores (TPOS)**, as well as the presence in Department Stores and high-level multi-brand Specialty Stores.

In FY 2016 the **Retail distribution channel** posted Consolidated Revenues⁴ **up by over 2% (+5% in 4Q 2016)**. At constant exchange rates⁵ the trend was negative by 1% in FY 2016, but positive by over 2% in 4Q 2016.

The **Wholesale channel** delivered in FY 2016 a **2% decrease**, mainly penalized by the negative performance of the US market, but **4Q 2016** showed a positive trend (**+3%**).

Revenues⁴ by product category⁶

Among the product categories, **shoes** registered Revenues⁴ **up by 2%** in FY 2016, while **handbags and leather** accessories showed a **stable trend** vs. a hard comparison base (+12% in FY 2015). **Fragrances** reported **stable Revenues⁴** in FY 2016, with a further improvement in 4Q 2016 (+11%).

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⁵ Revenues at "constant exchange rates" are calculated by applying to the Revenues of the full-year 2015, not including the "hedging effect", the average exchange rate of the full-year 2016.

⁶ The variations in Revenues are calculated at current exchange rates (including the "hedging effect"), unless differently indicated.

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The manager mandated to draft the corporate accounting documents, Marco Fortini, 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.

Salvatore Ferragamo S.p.A.

Salvatore Ferragamo S.p.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 over 680 mono-brand stores as of 31 December 2016, 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".



On the following pages a more detailed analysis of Revenues⁷ of the Salvatore Ferragamo Group as of 31 December 2016.

Revenue⁷ by geographical area as of 31 December 2016

	2016	%weight on tot	2015	%weight on tot	2016 vs 2015 %	Constant Rates 2016 vs 2015 %
(In thousands of Euro)						
Europe	364.292	25,3%	380.625	26,6%	-4,3%	-4,0%
North America	348.265	24,2%	333.770	23,3%	4,3%	-2,2%
Japan	126.689	8,8%	127.281	8,9%	-0,5%	-8,2%
Asia Pacific	521.730	36,3%	515.950	36,1%	1,1%	-2,3%
Latin America	76.852	5,3%	72.413	5,1%	6,1%	15,9%
Total	1.437.828	100,0%	1.430.039	100,0%	0,5%	-2,5%

Revenue⁷ by distribution channel as of 31 December 2016

	2016	%weight on tot	2015	%weight on tot	2016 vs 2015 %	Constant Rates 2016 vs 2015 %
(In thousands of Euro)						
Retail	912.361	63,5%	892.041	62,4%	2,3%	-0,8%
Wholesale	502.647	35,0%	513.582	35,9%	-2,1%	-5,1%
Licences	9.865	0,7%	11.540	0,8%	-14,5%	-14,5%
Rental income	12.954	0,9%	12.876	0,9%	0,6%	0,4%
Total	1.437.828	100,0%	1.430.039	100,0%	0,5%	-2,5%



⁷ Preliminary/Non-Audited Revenues drafted according to IAS/IFRS International Accounting Principles.

Revenue⁸ by product category as of 31 December 2016

	2016	%weight on tot	2015	%weight on tot	2016 vs 2015 %	Constant Rates 2016 vs 2015 %
(In thousands of Euro)						
Shoes	611.158	42,5%	600.812	42,0%	1,7%	-1,5%
Leather goods & handbags	528.949	36,8%	528.800	37,0%	0,0%	-3,3%
RTW	93.550	6,5%	92.955	6,5%	0,6%	-3,0%
Silk & other access.	93.254	6,5%	95.393	6,7%	-2,2%	-5,3%
Fragrances	88.097	6,1%	87.663	6,1%	0,5%	0,3%
Licences	9.865	0,7%	11.540	0,8%	-14,5%	-14,5%
Rental income	12.954	0,9%	12.876	0,9%	0,6%	0,4%
Total	1.437.828	100,0%	1.430.039	100,0%	0,5%	-2,5%

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