

Salvatore Ferragamo

1H 2012 Results Update

Analyst Presentation

August 29, 2012 - 6.00 PM Italian Time



Disclaimer

This presentation contains forward-looking statements regarding future events and results of the Company that are based on the current expectations, projections and assumptions of the management of the Company.

The actual results may differ materially from those expressed in any forward-looking statement and the Company does not assume any liability with respect thereto.

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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.

1H 2012 Market Scenario

- Unresolved political/financial situation and market volatility, especially in Europe, affecting “clear market visibility” and consumers’ behavior
- Luxury industry proving strong resilience with best performances from Top Brands and high-end products
- Asia Pacific as key contributor to market growth with Travel Retail supporting the “consumption globalization”, especially in Europe and US
- China continuing significant growth, despite some slowdown in real estate development and with different performances by city and geography
- Japan still under negative “consumption mood”, while Latin America, SEA and Emerging Luxury Geographies are becoming increasingly important for the Industry

1H 2012 Key Facts

- 9 consecutive quarters of over 20% Revenue growth for the Company
- Resilient 2Q L-f-L RTL growth (+7%) totalling +48% on 2-year cumul. basis (vs. 36% in 1Q)
- Chinese market growing by +38% in 1H V'11 and doubling its size vs. 2Q 2010
- WHL (+33%) over-performing mainly due to Chinese Franchisees and Travel Retail
- “Key stores” renovation as per strategic plan: NY, Munich, Cannes, Seoul, London Bond Str. and Rome Airports completed, London Sloane Str., Vancouver...in progress
- 18 New Openings in 1H, mainly in Emerging Markets and key Airports
- Extraordinary global success for “Leonardo’s Exhibition” and “Resort Fashion Show” at the Louvre Museum in Paris



Salvatore Ferragamo Resort Collection, Paris - Louvre

FINANCIALS

1H 2012 P&L

(Euro MM)	June YTD				
	2012	%	2011	%	Δ %
Total revenue	565,1	100,0%	459,7	100,0%	22,9%
Cost of goods sold	(205,6)	-36,4%	(167,5)	-36,4%	22,7%
Gross profit	359,5	63,6%	292,2	63,6%	23,1%
Total operating costs	(271,1)	-48,0%	(221,2)	-48,1%	22,5%
EBIT	88,4	15,6%	70,9	15,4%	24,7%
Net income	55,9	9,9%	45,7	9,9%	22,5%
Group net income	44,8	7,9%	36,1	7,9%	24,0%
Income to minorities	11,1	2,0%	9,5	2,1%	16,8%
EBITDA	104,7	18,5%	83,8	18,2%	25,0%

1H 2012 Revenue By Region

(Euro MM)	June YTD				Weight on Tot 2012	Weight on Tot 2011
	2012	2011	Δ %	Δ % Const FX		
Europe	146,3	115,7	26,4%	25,4%	25,9%	25,2%
North America	116,8	96,9	20,6%	16,4%	20,7%	21,1%
Japan	66,4	60,9	9,0%	-2,3%	11,7%	13,2%
Asia Pacific	212,4	168,8	25,8%	20,1%	37,6%	36,7%
Latin America	23,2	17,3	34,1%	31,1%	4,1%	3,8%
Total	565,1	459,7	22,9%	17,8%	100,0%	100,0%

1H 2012 Revenue By Distribution Channel

(Euro MM)	June YTD				Weight on Tot 2012	Weight on Tot 2011
	2012	2011	Δ %	Δ % Const FX		
Retail	353,9	301,8	17,3%	10,9%	62,6%	65,7%
Wholesale	202,4	150,1	34,9%	32,5%	35,8%	32,6%
Licences	4,6	4,1	10,9%	10,9%	0,9%	0,9%
Rental income	4,1	3,6	14,6%	5,9%	0,7%	0,8%
Total	565,1	459,7	22,9%	17,8%	100,0%	100,0%

1H 2012 Revenue By Product

(Euro MM)	June YTD				Weight on Tot 2012	Weight on Tot 2011
	2012	2011	Δ %	Δ % Const FX		
Shoes	245,5	197,5	24,3%	18,7%	43,5%	43,0%
Leather goods & handbags	179,8	143,7	25,1%	20,2%	31,8%	31,2%
RTW	50,0	46,0	8,8%	2,6%	8,8%	10,0%
Silk & other access.	42,4	34,9	21,4%	16,2%	7,5%	7,6%
Fragrances	38,7	29,9	29,4%	28,1%	6,8%	6,5%
Licences	4,6	4,1	10,9%	10,9%	0,9%	0,9%
Rental income	4,1	3,6	14,6%	5,9%	0,7%	0,8%
Total	565,1	459,7	22,9%	17,8%	100,0%	100,0%

1H 2012 Balance Sheet

(Euro MM)	1H 12 YTD	1H 11 YTD	%	Dec. 11
Tangible assets	136,3	110,2	23,7%	128,2
Intangible assets	18,3	14,5	25,6%	18,1
Financial assets	1,2	1,2	0,4%	1,4
Fixed assets	155,8	125,9	23,7%	147,7
Inventory	282,8	206,5	37,0%	242,6
Trade receivables	117,9	94,8	24,4%	97,7
Trade payables	(165,8)	(142,7)	16,2%	(154,3)
Operating working capital	234,9	158,5	48,2%	185,9
Other assets (liabilities)	(12,7)	0,3	-4645,1%	(23,3)
Severance indemnity	(11,6)	(9,1)	27,8%	(10,7)
Risk funds	(5,5)	(4,8)	15,6%	(14,1)
Net invested capital	360,9	270,8	33,3%	285,5
Shareholders' equity (A)	261,0	199,3	31,0%	256,1
Group equity	213,1	168,8	26,3%	211,4
Minority interest	47,9	30,5	57,1%	44,7
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Current financial liabilities	(160,8)	(117,8)	36,5%	(105,2)
Non current financial liabilities	—	(39,6)	-100,0%	(0,0)
Cash & equivalents	60,9	85,8	-29,0%	75,8
Net debt (B)	(99,9)	(71,6)	39,6%	(29,4)
Financial sources (A-B)	360,9	270,8	33,3%	285,5