

*Salvatore Ferragamo*

## FY 2011 Results Update

Analyst Presentation

March 15, 2012 - 6.00 PM Italian Time



## Disclaimer

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*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.*

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## 2011 Market Scenario

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- Financial markets strong volatility and geo-political issues have characterized the 2011 macro-economic context with different “reactions” from consumers
- The Luxury market showed polarization towards the high-end brands with solid heritage, timeless values and global distribution
- China as growth engine with robust spending both locally and internationally
- Increasing travellers flows have modified the “Luxury geography” across different markets and distribution channels
- The existing network consolidation and upgrading is key, while perimeter extension is mainly driven by China



## 2011 Key Facts (1/2)

- Greater China as Group #1 Market
- Europe growing as an “emerging market”, driven by travellers and successful operational improvements
- Solid like-for-like growth boosted Retail channel performance
- More than 20 DOS new openings with main focus on China
- Key locations renovation and enlargement fundamental to succeed in the “mature markets”



Salvatore Ferragamo Store at Hohhot, Inner Mongolia

## 2011 Key Facts (2/2)

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- Wholesale, growing more than proportionally, driven by Emerging Markets and Travel Retail
- Continuing rejuvenation of brand's image under the growing lead of Massimiliano Giornetti, through Fashion Shows and events worldwide
- Improved coordination across product collections
- Continuing expansion of e-commerce activities across the global markets
- Successful IPO enhancing Company's reputation and Brand awareness



Milan, 2012 Summer Spring Fashion Show

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# FINANCIALS

## FY 2011 Highlights

(Euro MM)	Dec YTD				Q4		
	2011	2010	Δ %		2011	2010	Δ %
Total Revenue	986.4	781.6	26.2%		285.1	231.8	23.0%
EBITDA	183.7	113.1	62.4%		51.3	34.2	49.8%
EBIT	156.6	86.4	81.2%		43.5	27.8	56.4%
Net Income*	103.3	60.8	69.8%		24.9	18.5	35.1%

\* Including Minorities Interest

## FY 2011 Revenue By Region

(Euro MM)	Dec YTD				Weight on Tot 2011	Weight on Tot 2010
	2011	2010	Δ %	Δ % Const FX		
Europe	238.4	182.3	30.8%	29.9%	24.2%	23.3%
North America	221.3	174.0	27.2%	26.0%	22.4%	22.3%
Japan	127.8	126.8	0.8%	-4.4%	13.0%	16.2%
Asia Pacific	357.7	267.9	33.5%	32.4%	36.3%	34.3%
Latin America	41.1	30.6	34.6%	32.9%	4.2%	3.9%
<b>Total</b>	<b>986.4</b>	<b>781.6</b>	<b>26.2%</b>	<b>24.1%</b>	<b>100.0%</b>	<b>100.0%</b>



## FY 2011 Revenue By Distribution Channel

(Euro MM)	Dec YTD				Weight on Tot 2011	Weight on Tot 2010
	2011	2010	Δ %	Δ % Const FX		
Retail	658.3	543.0	21.2%	19.1%	66.7%	69.5%
Wholesale	313.1	223.7	40.0%	37.8%	31.7%	28.6%
Licences	7.6	6.8	11.2%	11.2%	0.8%	0.9%
Rental income	7.4	8.1	-9.1%	-4.5%	0.7%	1.0%
<b>Total</b>	<b>986.4</b>	<b>781.6</b>	<b>26.2%</b>	<b>24.1%</b>	<b>100.0%</b>	<b>100.0%</b>

## FY 2011 Revenue By Product

(Euro MM)	Dec YTD				Weight on Tot 2011	Weight on Tot 2010
	2011	2010	Δ %	Δ % Const FX		
Shoes	423.1	319.0	32.6%	30.6%	42.9%	40.8%
Leather goods & handbags	309.0	243.7	26.8%	24.3%	31.3%	31.2%
RTW	102.5	90.1	13.8%	11.0%	10.4%	11.5%
Silk & other access.	78.4	67.4	16.3%	14.1%	7.9%	8.6%
Fragrances	58.4	46.4	25.7%	26.2%	5.9%	5.9%
Licences	7.6	6.8	11.2%	11.2%	0.8%	0.9%
Rental income	7.4	8.1	-9.1%	-4.5%	0.7%	1.0%
<b>Total</b>	<b>986.4</b>	<b>781.6</b>	<b>26.2%</b>	<b>24.1%</b>	<b>100.0%</b>	<b>100.0%</b>

## FY 2011 P&L

(Euro MM)	Dec YTD				
	2011	%	2010	%	Δ %
<b>Total revenue</b>	<b>986.4</b>	<b>100.0%</b>	<b>781.6</b>	<b>100.0%</b>	<b>26.2%</b>
Cost of goods sold	(352.9)	-35.8%	(289.4)	-37.0%	22.0%
<b>Gross profit</b>	<b>633.5</b>	<b>64.2%</b>	<b>492.2</b>	<b>63.0%</b>	<b>28.7%</b>
Total operating costs	(476.8)	-48.3%	(405.8)	-51.9%	17.5%
<b>EBIT</b>	<b>156.6</b>	<b>15.9%</b>	<b>86.4</b>	<b>11.1%</b>	<b>81.2%</b>
Financial income (expenses)	(3.0)	-0.3%	2.4	0.3%	-225.3%
Companies valued with the Equity Method	0.7	0.1%	0.5	0.1%	46.8%
<b>EBT</b>	<b>154.3</b>	<b>15.6%</b>	<b>89.3</b>	<b>11.4%</b>	<b>72.8%</b>
Taxes	(51.1)	-5.2%	(28.5)	-3.6%	79.1%
<b>Net income</b>	<b>103.3</b>	<b>10.5%</b>	<b>60.8</b>	<b>7.8%</b>	<b>69.8%</b>
Group net income	81.3	8.2%	48.9	6.3%	66.3%
Income to minorities	22.0	2.2%	11.9	1.5%	84.2%
EBITDA	183.7	18.6%	113.1	14.5%	62.4%
IPO costs	5.1	0.5%	–	0.0%	na
<b>EBITDA (w/o IPO costs)</b>	<b>188.8</b>	<b>19.1%</b>	<b>113.1</b>	<b>14.5%</b>	<b>66.9%</b>

## FY 2011 Balance Sheet

(Euro MM)	FY 11	FY 10	%
Tangible assets	128.2	115.2	11.4%
Intangible assets	18.1	14.9	21.2%
Financial assets	1.4	1.1	21.9%
<b>Fixed assets</b>	<b>147.7</b>	<b>131.2</b>	<b>12.6%</b>
Inventory	242.6	182.8	32.7%
Trade receivables	97.7	75.4	29.6%
Trade payables	(154.3)	(103.6)	49.0%
<b>Operating working capital</b>	<b>185.9</b>	<b>154.5</b>	<b>20.3%</b>
Other assets (liabilities)	(23.3)	(12.8)	82.3%
Severance indemnity	(10.7)	(9.3)	14.5%
Risk funds	(14.1)	(5.1)	179.7%
<b>Net invested capital</b>	<b>285.5</b>	<b>258.6</b>	<b>10.4%</b>
<b>Shareholders' equity (A)</b>	<b>256.1</b>	<b>240.4</b>	<b>6.5%</b>
Group equity	211.4	193.1	9.5%
Minority interest	44.7	47.4	-5.6%
Current financial liabilities	(105.2)	(152.2)	-30.8%
Non current financial liabilities	(0.0)	(0.1)	-95.8%
Cash & equivalents	75.8	134.1	-43.4%
<b>Net debt (B)</b>	<b>(29.4)</b>	<b>(18.2)</b>	<b>61.9%</b>
<b>Financial sources (A-B)</b>	<b>285.5</b>	<b>258.6</b>	<b>10.4%</b>