



**PRESS RELEASE**

**Salvatore Ferragamo S.p.A.**

**FY 2020 Group Preliminary Consolidated Revenue Figures**

- **Salvatore Ferragamo Group Consolidated Revenues<sup>1</sup> down 33.5% in FY 2020 (-33.4% at constant exchange rates<sup>2</sup>) vs. FY 2019**
- **4Q 2020 Consolidated Revenues<sup>1</sup> down 20.4% (-19.9% at constant exchange rates<sup>2</sup>) vs. 4Q 2019**
- **In 4Q 2020 continues the gradual improvement of the Retail channel, with a solid Revenues<sup>1,2</sup> increase in the Digital (+61.1%), in China (+33.9%) and Taiwan (+12.9%) vs. 4Q 2019**

*Florence, 28 January 2021* – The Salvatore Ferragamo Group, one of the global leaders in the luxury sector, released the Group's Preliminary Consolidated Revenues<sup>1</sup> for the full year 2020, which amount to 916 million Euros down 33.5% at current exchange rates and down 33.4% at constant exchange rates<sup>2</sup> vs. FY 2019.

**Preliminary Consolidated Revenue<sup>1</sup> figures for FY 2020**

As of 31 December 2020 the Salvatore Ferragamo Group reported Total Revenues<sup>1</sup> of 916 million Euros down 33.5% at current exchange rates (-33.4% at constant exchange rates<sup>2</sup>) vs. the 1,377 million Euros recorded in FY 2019. Revenues<sup>1</sup> in 4Q 2020, improving vs. 9M 2020, registered a 20.4% decrease at current exchange rates (-19.9% at constant exchange rates<sup>2</sup>).

The drop in Revenues<sup>1</sup> in FY 2020 has been determined by the rapid diffusion of the pandemic caused by a novel coronavirus, known as Covid-19 and the consequent decisions taken by the National governments regarding prohibitions and lock-downs of the commercial activities and of the international traffic. The consequent closure of the majority of the Group's store network in those countries and the significant reduction in traffic in the remaining stores, negatively impacted the results of the first six months of the year, that registered a progressive improvement, with alternating phases linked to the second wave of the pandemic and the consequent restrictions, in the second part on the year.



### **Revenues<sup>1</sup> by distribution channel<sup>3</sup>**

As of 31 December 2020, the Group's Retail network counted on a total of 644 points of sales, including 395 Directly Operated Stores (DOS) and 249 Third Party Operated Stores (TPOS) in the Wholesale and Travel Retail channel, as well as the presence in Department Stores and high-level multi-brand Specialty Stores.

In FY 2020 the Retail distribution channel posted consolidated Revenues<sup>1</sup> down 29.2% (-28.6% at constant exchange rates<sup>2</sup>), with a decrease of 29.9% at constant exchange rates<sup>2</sup> and perimeter (like-for-like) vs. FY 2019, with the primary and secondary channel posting a similar performance. In 4Q 2020 Retail Revenues<sup>1</sup> decreased 13.7% (-13.2% at constant exchange rates<sup>2</sup>), with a -16.4% like-for-like performance and the contribution of the e-commerce channel registering a strong acceleration (+61.1% at constant exchange rates<sup>2</sup>).

The Wholesale channel registered a decrease in Revenues<sup>1</sup> of 41.7% (-42.2% at constant exchange rates<sup>2</sup>) vs. FY 2019, mainly penalized by the performance of the Travel Retail channel and of Fragrances.

In 4Q 2020 Wholesale Revenues<sup>1</sup> were down 33.8% (-32.9% at constant exchange rates<sup>2</sup>).

### **Revenues<sup>1</sup> by geographical area<sup>3</sup>**

The Asia Pacific area is confirmed as the Group's top market in terms of Revenues<sup>1</sup>, decreasing by 25.5% (-25.0% at constant exchange rates<sup>2</sup>) vs. FY 2019.

The 4Q 2020 performance in the area (-11.2% at constant exchange rates<sup>2</sup>) was negatively impacted by the performance of the Wholesale channel especially of the Travel Retail, that was mostly affected by the pandemic, while the performance of the Retail channel was positive.

The retail channel in China, in 4Q 2020, registered a Revenues<sup>1</sup> increase of 33.9% at constant exchange rates<sup>2</sup> bringing the FY performance to a +11.3% at constant exchange rates<sup>2</sup> vs. FY 2019. Also the Directly Operated Stores in Korea registered a Revenues<sup>1</sup> increase vs. FY 2019, while in Taiwan (+12.9% in 4Q 2020 at constant exchange rates<sup>2</sup>) Retail Revenues<sup>1</sup> were in line with FY 2019, supported by the double-digit increase registered in the second part of 2020 that compensated the negative performance of the first six months.

The Japanese market registered a 24.5% decrease in Revenues<sup>1</sup> (-25.0% at constant exchange rates<sup>2</sup>) in FY 2020, with 4Q 2020 (-6.7% at current exchange rates and -7.4% at constant exchange rates<sup>2</sup>) benefitting from the positive performance of the Retail channel (+2.9% at current exchange rates and +1.3% at constant exchange rates<sup>2</sup>).

Overall the Asian continent represents over 50% of total Group's FY 2020 Revenues<sup>1</sup>.

EMEA posted, in FY 2020, a decrease in Revenues<sup>1</sup> of 42.5% (-41.9% at constant exchange rates<sup>2</sup>), with 4Q 2020 (-34.0% at constant exchange rates<sup>2</sup>) still strongly penalized by the stores closures and the lack of tourists' flows in the period.



North America recorded a Revenue<sup>1</sup> decrease of 39.4% (-41.4% at constant exchange rates<sup>2</sup>) in FY 2020, with 4Q 2020 down 26.6% (-27.5% at constant exchange rates<sup>2</sup>).

Revenues<sup>1</sup> in the Central and South America in FY 2020 were down 35.6%, (-29.5% at constant exchange rates<sup>2</sup>). 4Q 2020 was down 10.7% (-2.5% at constant exchange rates<sup>2</sup>), with all the markets excluding Mexico, still highly penalized by the stores closures, reporting a positive performance vs. 4Q 2019.

### **Revenues<sup>1</sup> by product category<sup>3</sup>**

All product categories, at constant exchange rates<sup>2</sup>, reported a decrease in FY 2020 vs. the same period of last year.

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### **Notes to the press release**

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

<sup>2</sup> Revenues at “constant exchange rates” are calculated by applying to the Revenues of the period 2019, not including the “hedging effect”, the average exchange rates of the same period 2020.

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

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*The manager charged to prepare the corporate accounting documents, Alessandro Corsi, 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

*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 forecasted, due to a variety of factors.*

## **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 of 644 mono-brand stores as of 31 December 2020, 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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## **For further information:**

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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<sup>1</sup> of the Salvatore Ferragamo Group as of 31 December 2020.

### Revenue<sup>1</sup> by distribution channel as of 31 December 2020

	2020	%weight on tot	2019	%weight on tot	2020 vs 2019 %	Constant Rates 2020 vs 2019 %
Retail	637,083	69.6%	899,485	65.3%	-29.2%	-28.6%
Wholesale	269,100	29.4%	461,372	33.5%	-41.7%	-42.2%
Licences	7,389	0.8%	11,592	0.8%	-36.3%	-36.3%
Rental income	2,253	0.2%	4,812	0.3%	-53.2%	-52.2%
<b>Total</b>	<b>915,825</b>	<b>100.0%</b>	<b>1,377,261</b>	<b>100.0%</b>	<b>-33.5%</b>	<b>-33.4%</b>

### Revenue<sup>1</sup> by geographic area as of 31 December 2020

	2020	%weight on tot	2019	%weight on tot	2020 vs 2019 %	Constant Rates 2020 vs 2019 %
Europe	199,715	21.8%	347,243	25.2%	-42.5%	-41.9%
North America	192,636	21.0%	317,879	23.1%	-39.4%	-41.4%
Japan	89,453	9.8%	118,453	8.6%	-24.5%	-25.0%
Asia Pacific	380,993	41.6%	511,313	37.1%	-25.5%	-25.0%
Latin America	53,028	5.8%	82,372	6.0%	-35.6%	-29.5%
<b>Total</b>	<b>915,825</b>	<b>100.0%</b>	<b>1,377,261</b>	<b>100.0%</b>	<b>-33.5%</b>	<b>-33.4%</b>



Revenue<sup>1</sup> by product category as of 31 December 2020

	2020	%weight on tot	2019	%weight on tot	2020 vs 2019 %	Constant Rates 2020 vs 2019 %
Shoes	374,729	40.9%	575,571	41.8%	-34.9%	-35.0%
Leather goods & handbag	388,643	42.4%	540,818	39.3%	-28.1%	-27.9%
RTW	50,218	5.5%	74,232	5.4%	-32.4%	-31.9%
Silk & other access.	50,802	5.5%	82,472	6.0%	-38.4%	-37.6%
Fragrances	41,792	4.6%	87,765	6.4%	-52.4%	-52.2%
Licences	7,389	0.8%	11,592	0.8%	-36.3%	-36.3%
Rental income	2,253	0.2%	4,812	0.3%	-53.2%	-52.2%
<b>Total</b>	<b>915,825</b>	<b>100.0%</b>	<b>1,377,261</b>	<b>100.0%</b>	<b>-33.5%</b>	<b>-33.4%</b>