



**AEFFE First Quarter 2016 Consolidated Results
Presentation
12th May 2016**

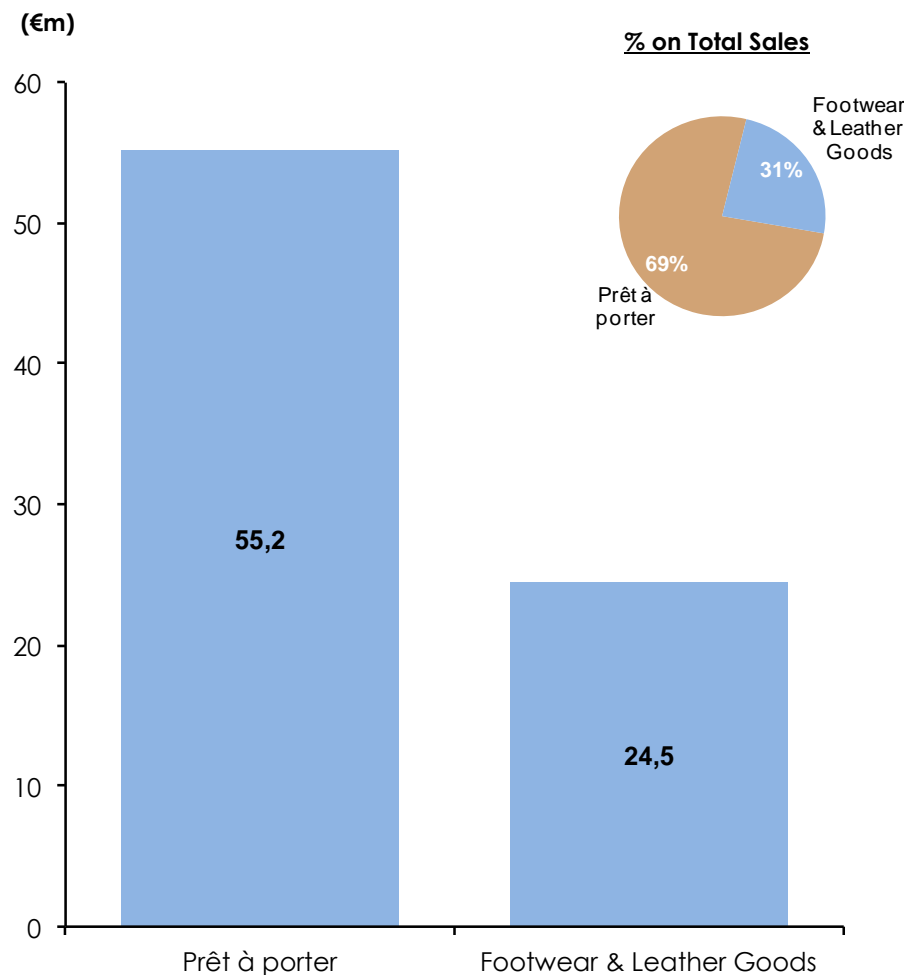
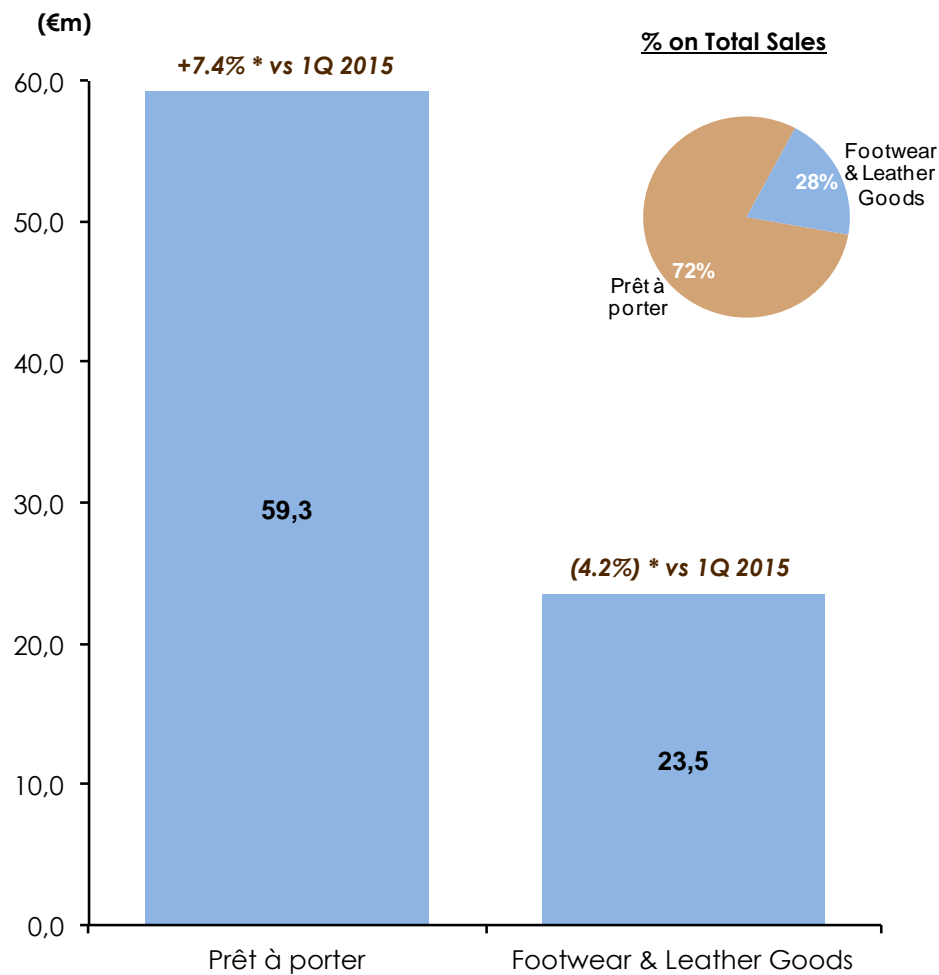
1Q 2016 Key Facts

- ❖ **Consolidated Revenues** +7% at € 76.2m, (+7.0% at constant exchange rates);
- ❖ **Consolidated EBITDA** for € 13.9m (18.3% of sales), compared to an EBITDA of € 12.5m (17.6% of sales) in 1Q 2015, with a € 1.4m improvement (+11%)
- ❖ **Net Profit for the Group** at € 5.7m, compared to a Net Profit of € 4.5m in 1Q 2015, with a €1.2m improvement (+26.7%)
- ❖ **Consolidated Net Financial Debt** of € 87.2m, compared to € 95.4m as of 31 March 2015, with a € 8.2m improvement (€ 80.5m as of 31 December 2015)
- ❖ **249 Mono Brand Stores**

Net Sales Breakdown by Division⁽¹⁾

1Q 2016

1Q 2015



* At constant exchange rates

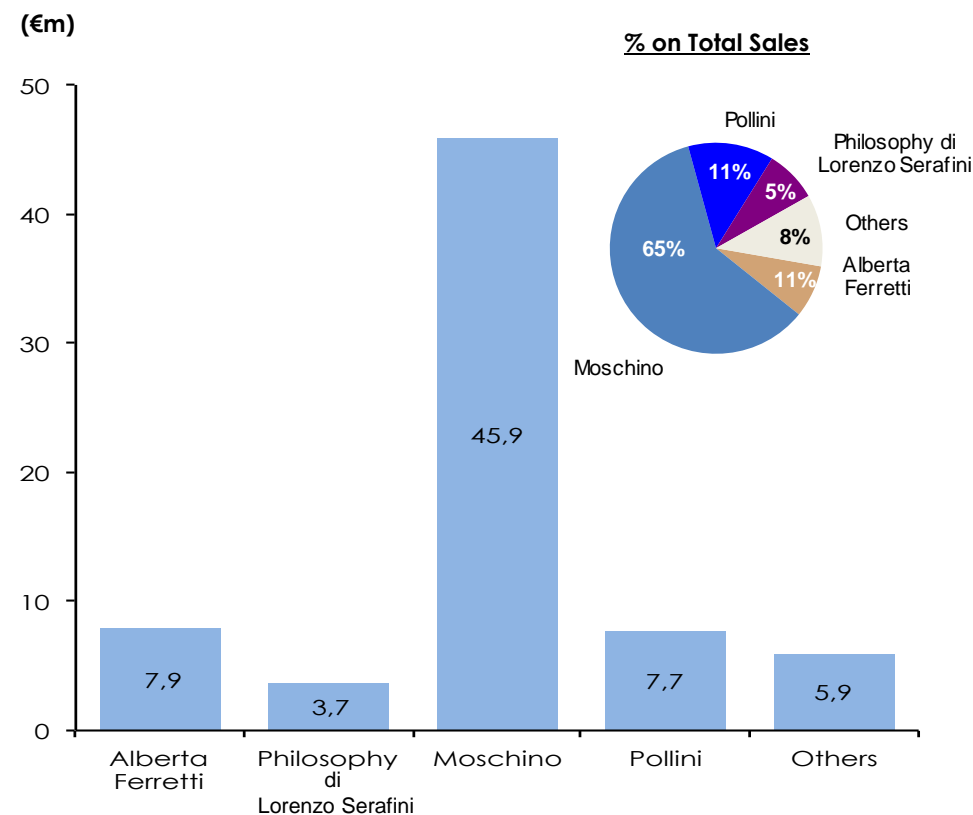
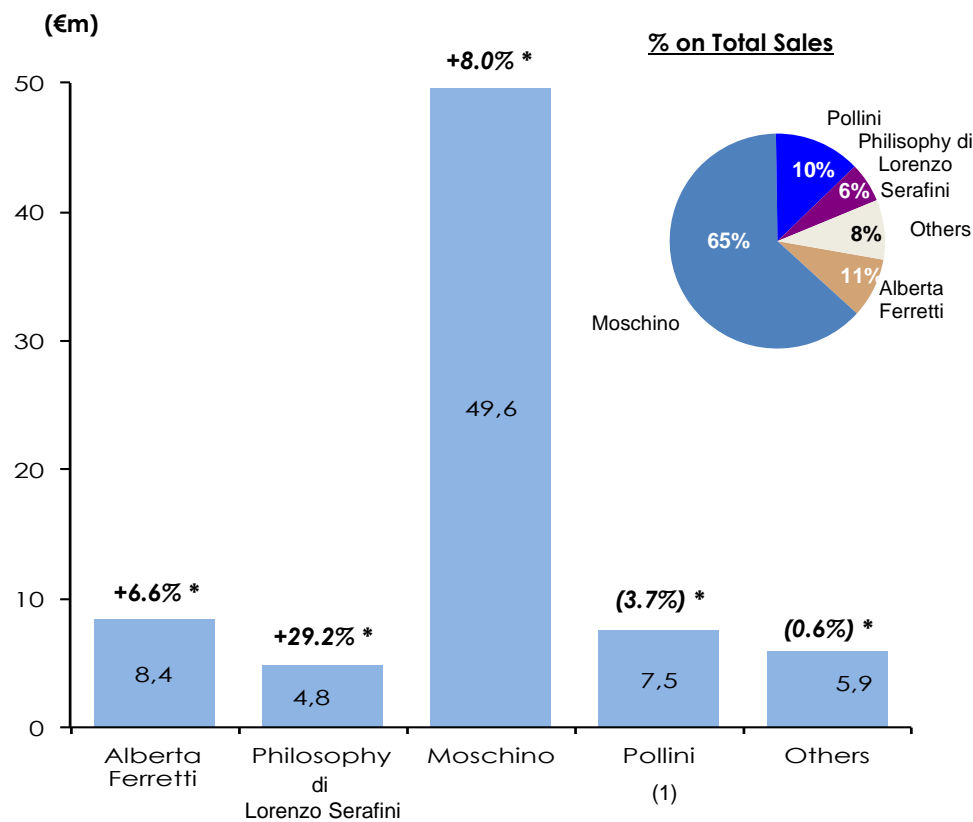
(1) Before inter-divisional eliminations

1Q

Net Sales Breakdown by Brand

1Q 2016

1Q 2015



(1) Pollini Strong focus on offsetting Russian decline with a strengthening of the brand positioning in other regions such as Italy and Eastern Europe. Positive trend of the orders' backlog of Autumn/Winter 2016 collections.

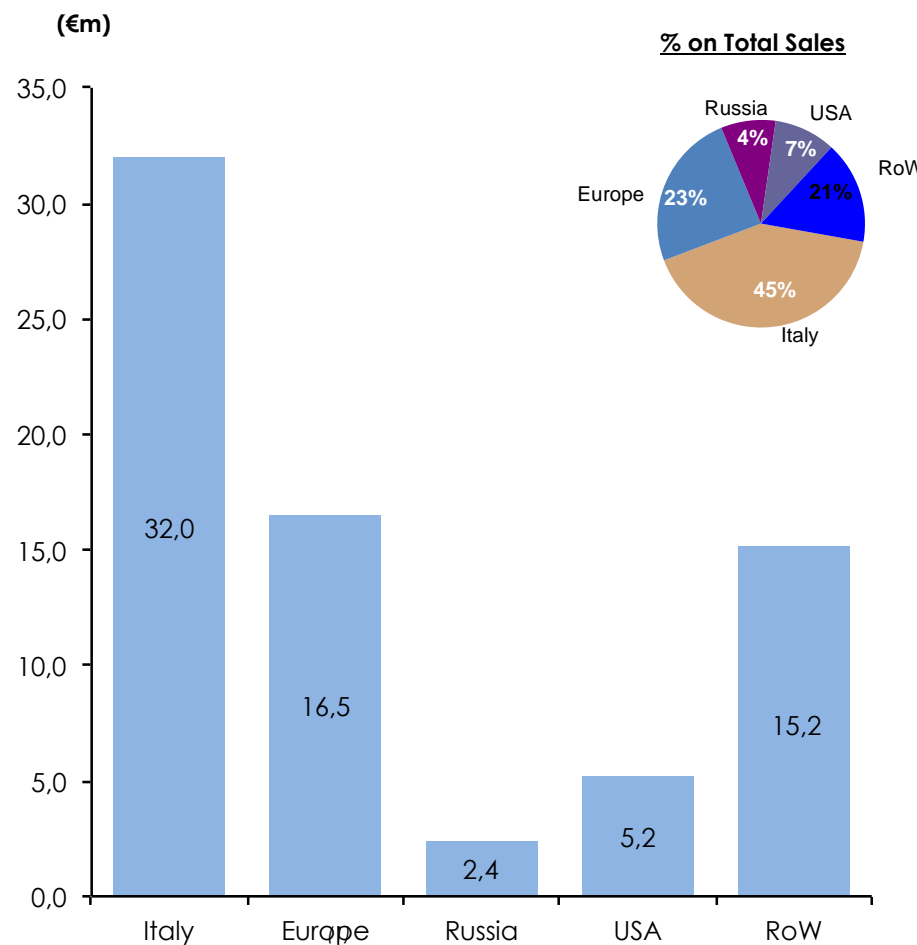
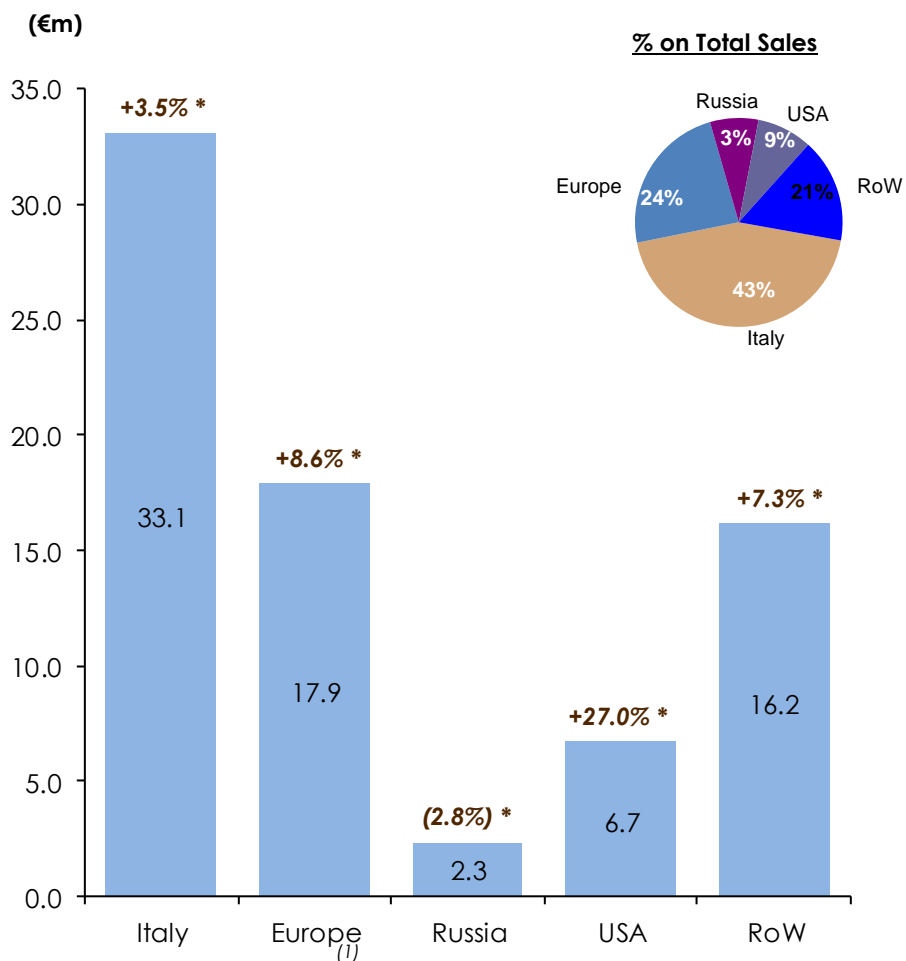
* At constant exchange rates

1Q

Net Sales Breakdown by Region

1Q 2016

1Q 2015



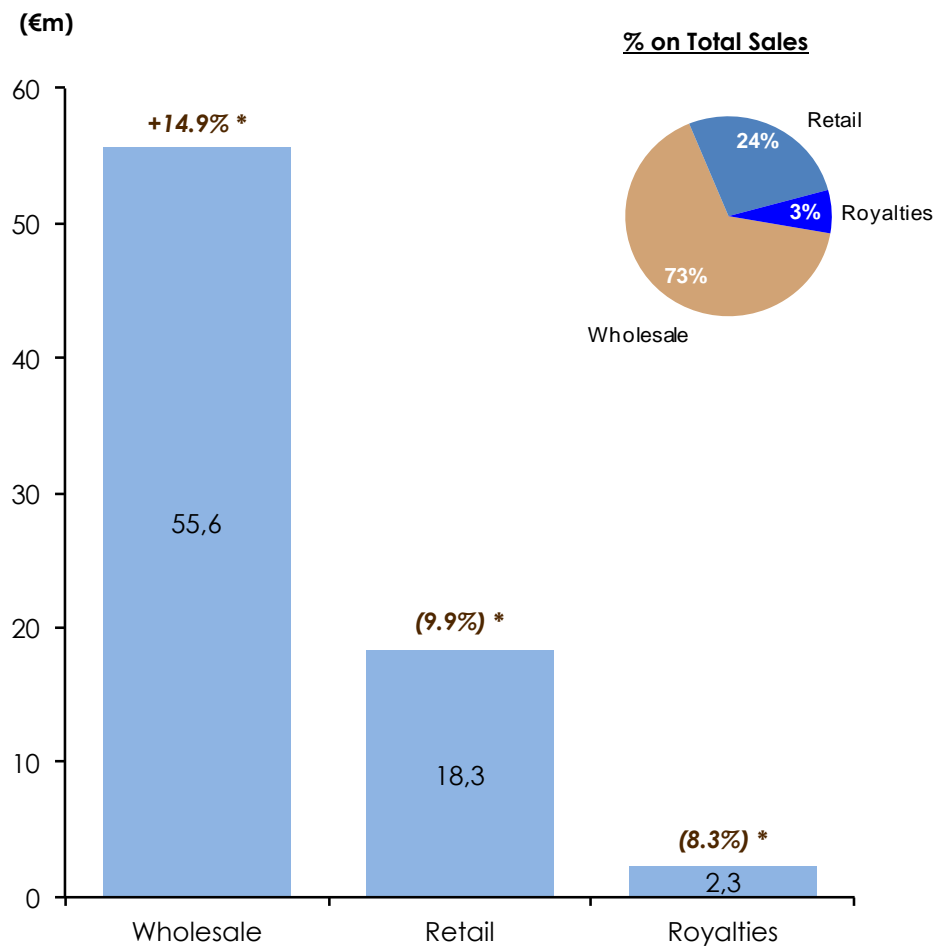
(1) Italy and Russia excluded

* At constant exchange rates

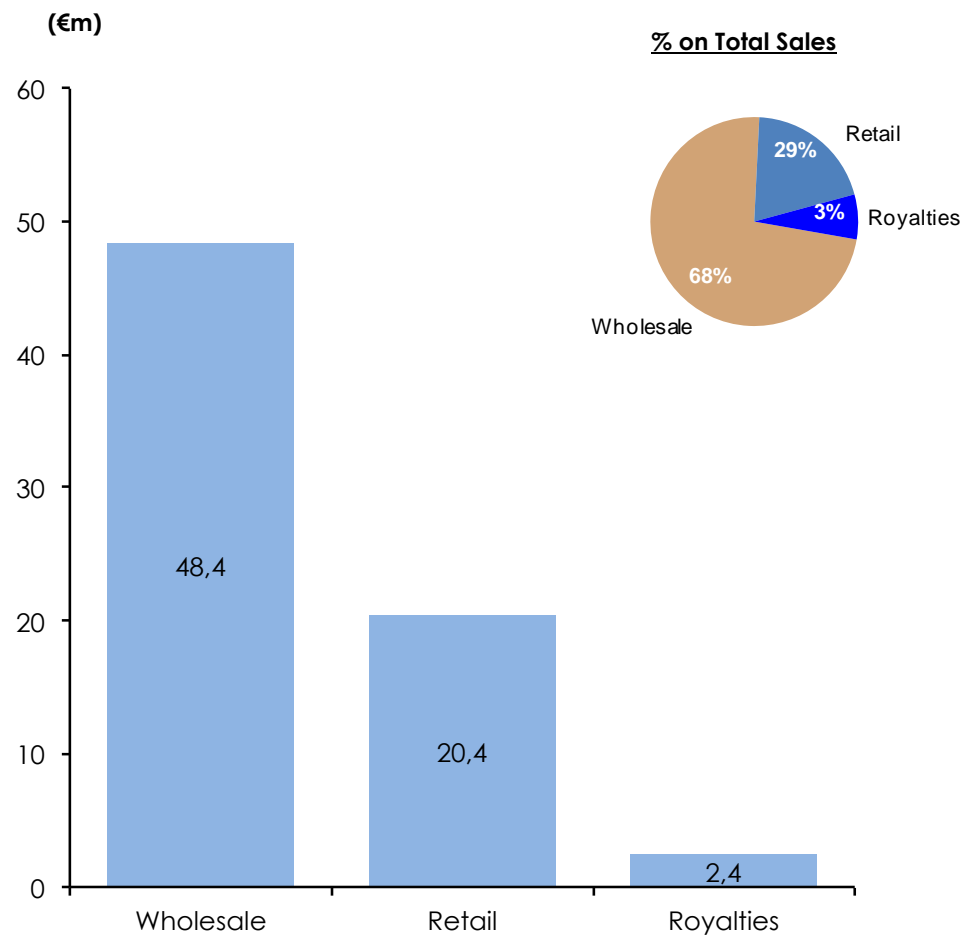
1Q

Net Sales Breakdown by Channel

1Q 2016



1Q 2015



* At constant exchange rates

1Q

Mono-brand Stores Network

DOS

	<u>1Q16</u>	<u>FY15</u>
Europe	46	47
USA	3	3
Asia	14	11
Total	63	61



Franchising

	<u>1Q16</u>	<u>FY15</u>
Europe	49	45
USA	3	3
Asia	134	137
Total	186	185



Income Statement – 1Q 2016/2015

(€m)

	<u>1Q 16</u>	<u>1Q 15</u>
Net Sales	76,2	71,2
% change	7,0%	
Other Revenues	1,2	2,1
Total Revenues	77,4	73,3
% change	5,6%	
Raw Materials Costs	(20,9)	(19,6)
Service Costs	(19,1)	(18,2)
Costs for use of third parties	(6,1)	(5,7)
Personnel	(15,8)	(15,1)
Other Operating Expenses	(1,5)	(2,1)
Total Operating Expenses	(63,5)	(60,7)
EBITDA	13,9	12,5
Margin (% of Net sales)	18,3%	17,6%
Depreciation and Amortisation	(3,0)	(3,1)
EBIT	10,9	9,4
Margin (% of Net sales)	14,3%	13,2%
Net Financial Income / (Expenses)	(0,9)	(1,1)
Profit before taxes	10,0	8,3
Margin (% of Net sales)	13,1%	11,6%
Taxes	(3,7)	(3,1)
Net income/(loss) before Minorities	6,3	5,2
Margin (% of Net sales)	8,3%	7,3%
Minority Interests	(0,5)	(0,6)
Net Income/(Loss) for the Group	5,8	4,6
Margin (% of Net sales)	7,6%	6,4%

Balance Sheet

(€m)	<u>1Q 16</u>	<u>FY 15</u>	<u>1Q 15</u>
Net Working Capital	97,2	82,3	101,1
Net Tangible Assets	62,4	63,3	63,7
Net Intangible Assets	121,4	122,8	127,0
Net Financial Assets	4,4	4,4	4,9
Severance Staff, Provisions & Others	(42,9)	(42,6)	(47,4)
Net Capital Employed	242,5	230,2	249,2
Group Shareholders' Equity	136,9	131,7	135,3
Minorities	18,4	17,9	18,6
Shareholders' Equity & Minorities	155,3	149,6	153,8
Net Debt	81,7	75,0	89,9
Shares Buyback	5,5	5,5	5,5
Net Financial Debt and Shareholders' Equity	242,5	230,2	249,2
Accounts Receivables	41,8	38,3	46,2
Accounts Payables	(48,6)	(61,4)	(49,4)
Inventory	90,7	90,0	89,6
Operating NWC	83,9	66,8	86,4
As % of LTM sales	30,7%	24,8%	33,9%
Other Current Assets/Liabilities	13,3	15,5	14,6
Net Working Capital	97,2	82,3	101,1

Summary Cash Flow

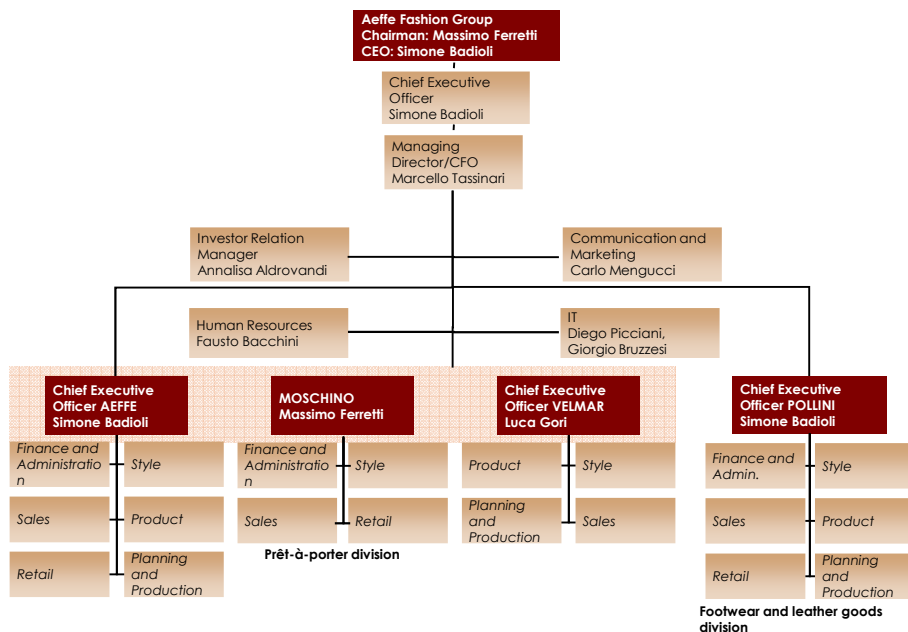
(€m)	<u>1Q 16</u>	<u>FY 15</u>	<u>1Q 15</u>
PBT	10,0	2,9	8,3
Operating Cash Flow	(4,4)	12,8	(9,2)
Capital Expenditure	(0,7)	(7,1)	(2,1)
Free Cash Flow	(5,1)	5,7	(11,3)
Cash Flows from Financing Activities	6,7	(2,4)	12,1
Cash and cash equivalents at the beginning of the year	10,0	6,7	6,7
Cash Flow of the Period	1,6	3,3	0,8
Cash and cash equivalents at the end of the year	11,6	10	7,5



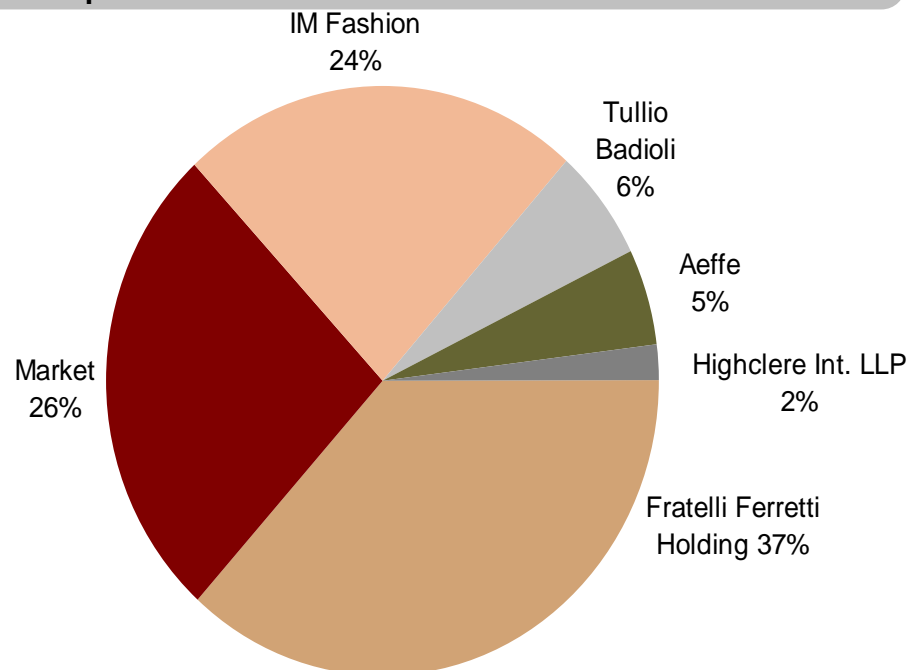
AEFFE Appendices

Company Profile

Organisational Structure



Ownership Structure ⁽¹⁾



Share Information

N° of shares outstanding: 107,362,504

Italian Stock Exchange – STAR Segment

Specialist: Mediobanca S.p.A.

Tickers: AEF IM (Bloomberg) AEF MI (Reuters), AEF (Borsa Italiana)

Investor Relations

Investor Relations

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(1) Source: Consob as of 12 May 2016

Cash Flow Statement

(€m)	<u>1Q 16</u>	<u>FY 15</u>	<u>1Q 15</u>
PBT	10,0	2,9	8,3
Depreciation & Amortisation	3,0	13,5	3,1
Provisions & Impairments	(0,2)	(1,9)	(1,0)
Taxes	(2,1)	(3,6)	(1,6)
Net Interest	0,9	3,0	1,1
Change in other liabilities / (assets)	(16,1)	(1,1)	(19,1)
Operating Cash Flow	(4,4)	12,8	(9,2)
Capital expenditure for intangible assets	(0,3)	(2,0)	(0,8)
Capital expenditure for tangible assets	(0,4)	(5,0)	(1,2)
(Increase) / decrease in investments in other fixed assets	0,0	(0,1)	0,0
Cash Flows from Financing Activities	(0,7)	(7,1)	(2,1)
Free Cash Flow	(5,1)	5,7	(11,3)
Equity Issue	(0,6)	(0,1)	0,6
Change in short term debt	8,2	1,4	13,5
Change in long term debt	0,1	(0,7)	(0,9)
Net Interest	(0,9)	(3,0)	(1,1)
Cash Flows from Financing Activities	6,7	(2,4)	12,1
Cash and cash equivalents at the beginning of the year	10,0	6,7	6,7
Cash Flow of the Period	1,6	3,3	0,8
Cash and cash equivalents at the end of the year	11,6	10,0	7,5

Income Statement – Full Year 2013-2015

(€m)

	<u>2015A</u>	<u>2014A</u>	<u>2013A</u>
Net Sales	268,8	251,5	251,1
% change	6,9%	0,2%	(1,2%)
Other Revenues	5,2	4,3	7,5
Total Revenues	274,0	255,9	258,6
% change	20,1%	(1,0%)	(1,0%)
Raw Materials Costs	(86,2)	(77,9)	(79,2)
Service Costs	(79,2)	(68,6)	(66,9)
Cost for use of third parties assets	(23,5)	(21,2)	(25,5)
Personnel	(61,1)	(58,6)	(63,1)
Other Operating Expenses	(4,7)	(3,8)	(3,3)
Total Operating Expenses	(254,7)	(230,2)	(238,0)
EBITDA	19,3	25,7	20,6
Margin (% of Net sales)	7,2%	10,2%	8,2%
Depreciation and Amortisation	(13,5)	(13,7)	(14,6)
EBIT	5,9	12,0	6,0
Margin (% of Net sales)	2,2%	4,8%	2,4%
Net Financial Income / (Expenses)	(3,0)	(5,9)	(6,7)
PBT	2,9	6,1	(0,7)
Margin (% of Net sales)	1,1%	2,4%	n.a
Taxes	(1,1)	(2,1)	(1,3)
Net income before Minorities	1,70	4,01	(1,97)
Margin (% of Net sales)	0,6%	1,6%	n.a
Minority Interests	(0,2)	(1,3)	(1,2)
Net Income for the Group	1,5	2,7	(3,2)
Margin (% of Net sales)	0,6%	1,1%	n.a

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