



AEFFE

First Quarter 2014 Results Presentation
13, May 2014

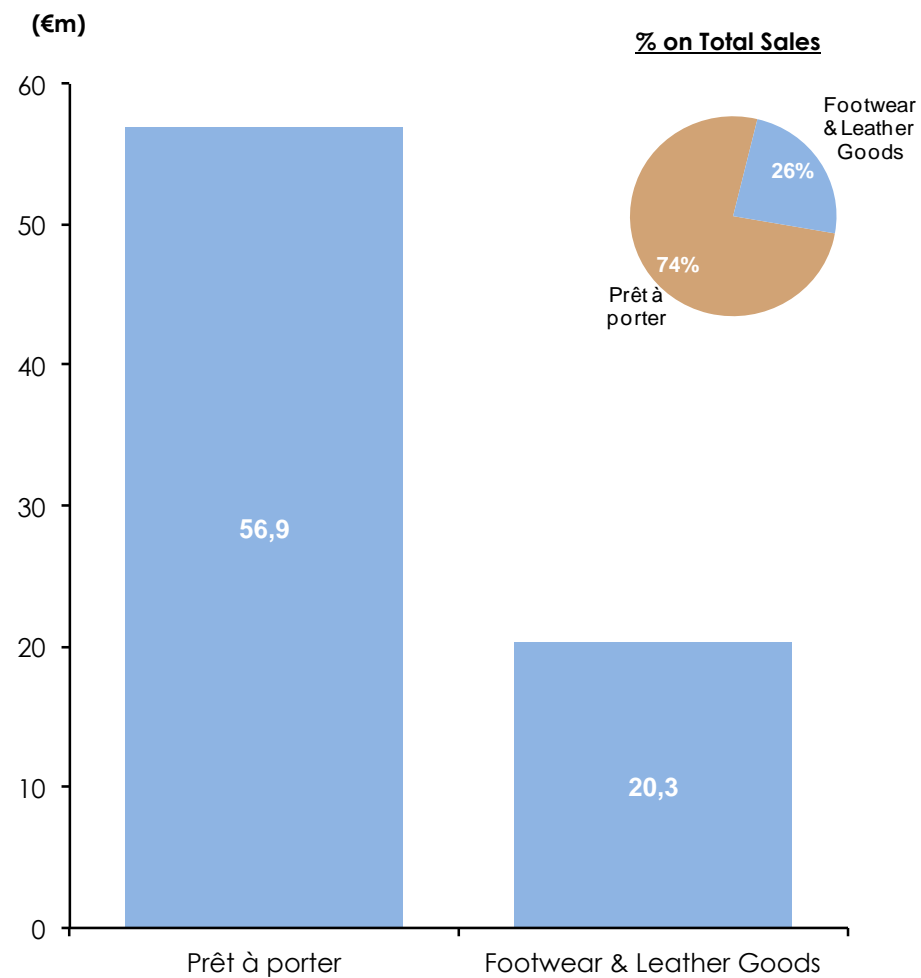
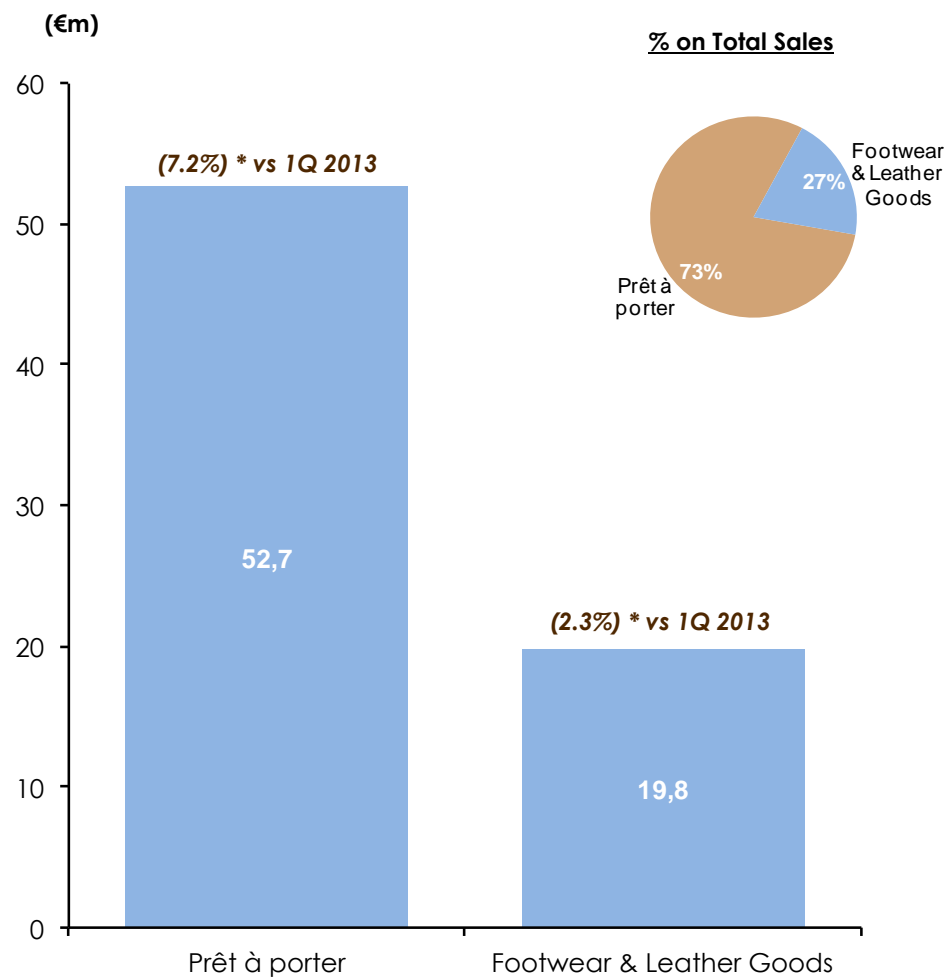
1Q 2014 Key Facts

- ❖ **Consolidated Revenues** -7.4% at € 67.6m, (-7.3% at constant exchange rates); consolidated sales would have increased by 3.7% at constant exchange rates, net of the effects of already terminated licenses and of the reorganization of the distribution in Japan
- ❖ **Consolidated EBITDA** for € 10.7m (15.8% on sales), compared to an EBITDA of € 9.5m (13% on sales) in 1Q 2013, with a €1.2m improvement
- ❖ **Consolidated Net Profit** at € 3.2m, compared to a Net Profit of € 2m in 1Q 2013, with a €1.2m improvement
- ❖ **Consolidated Net Financial Debt** of € 88.3m (€ 88.6m as of 31 December 2013)
- ❖ **257 Mono Brand Stores** (vs. 269 at the end of 2013)

Net Sales Breakdown by Division⁽¹⁾

1Q 2014

1Q 2013



(1) Before inter-divisional eliminations

* At constant exchange rates

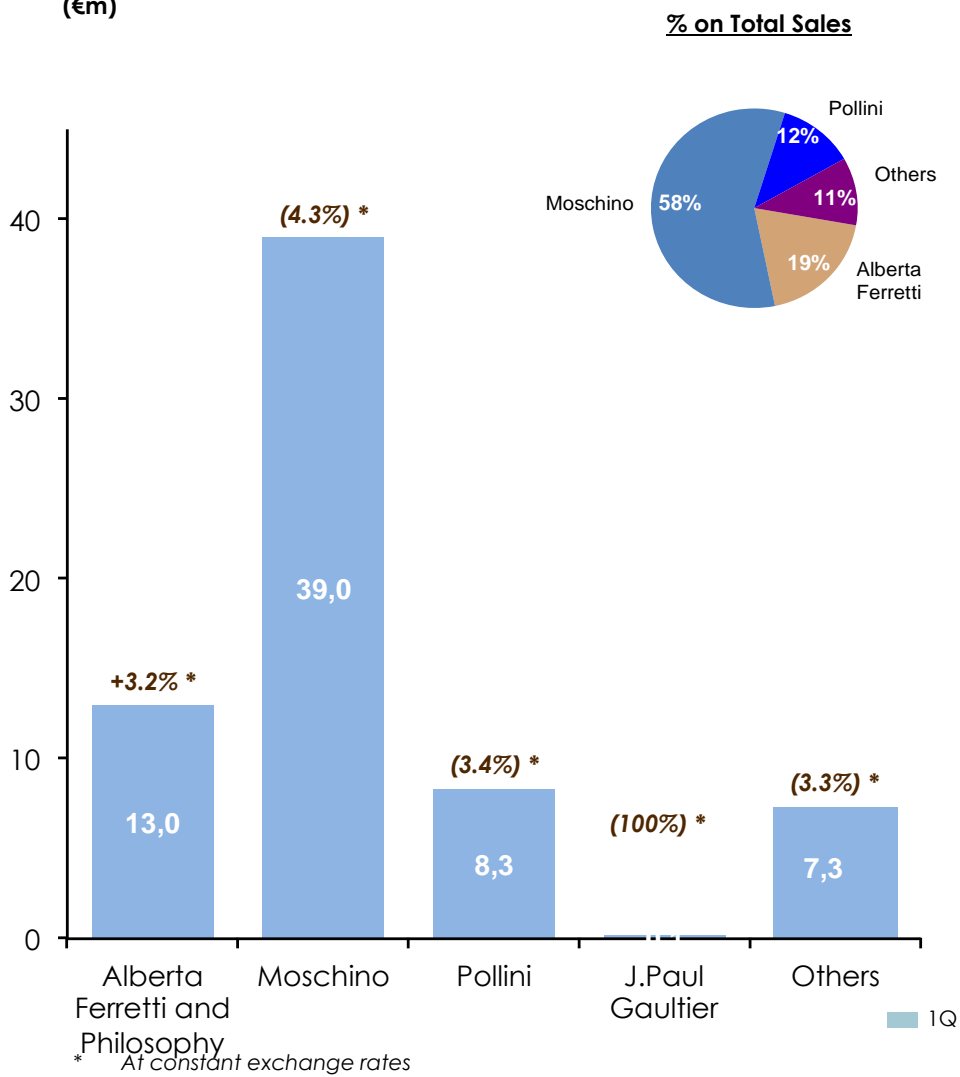
■ 1Q

Net Sales Breakdown by Brand

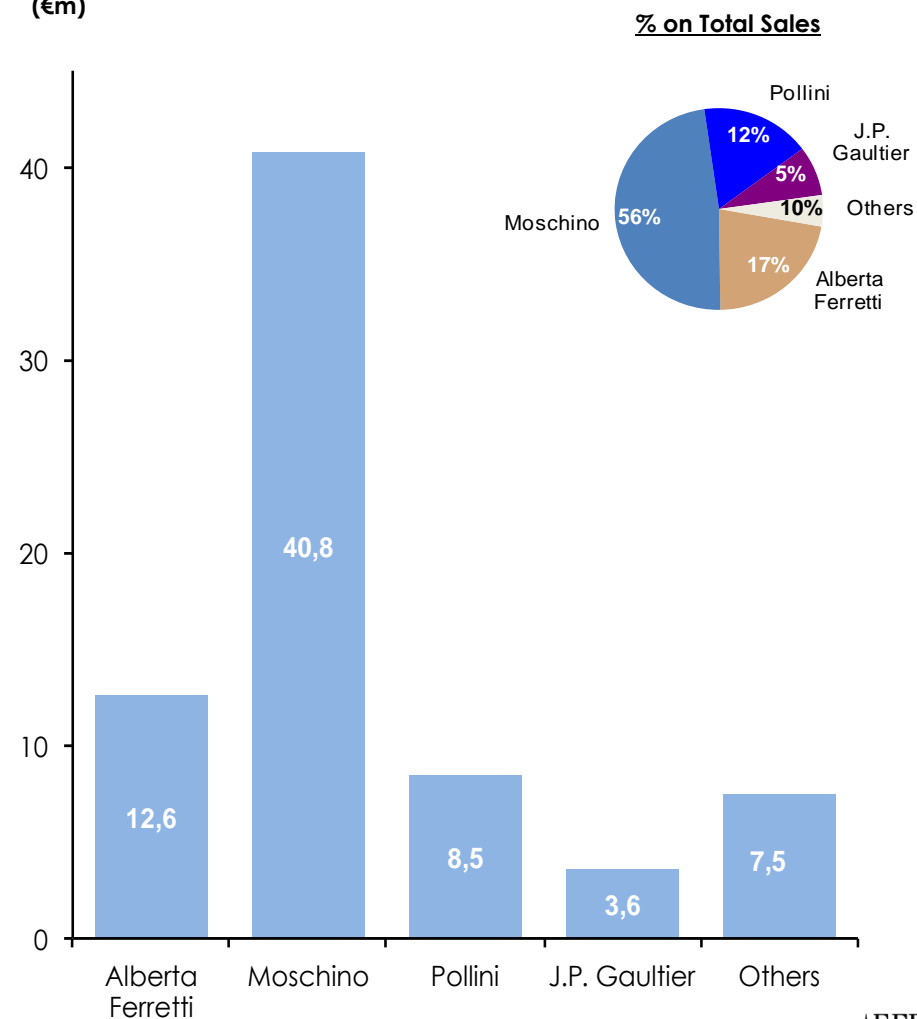
1Q 2014

1Q 2013

(€m)

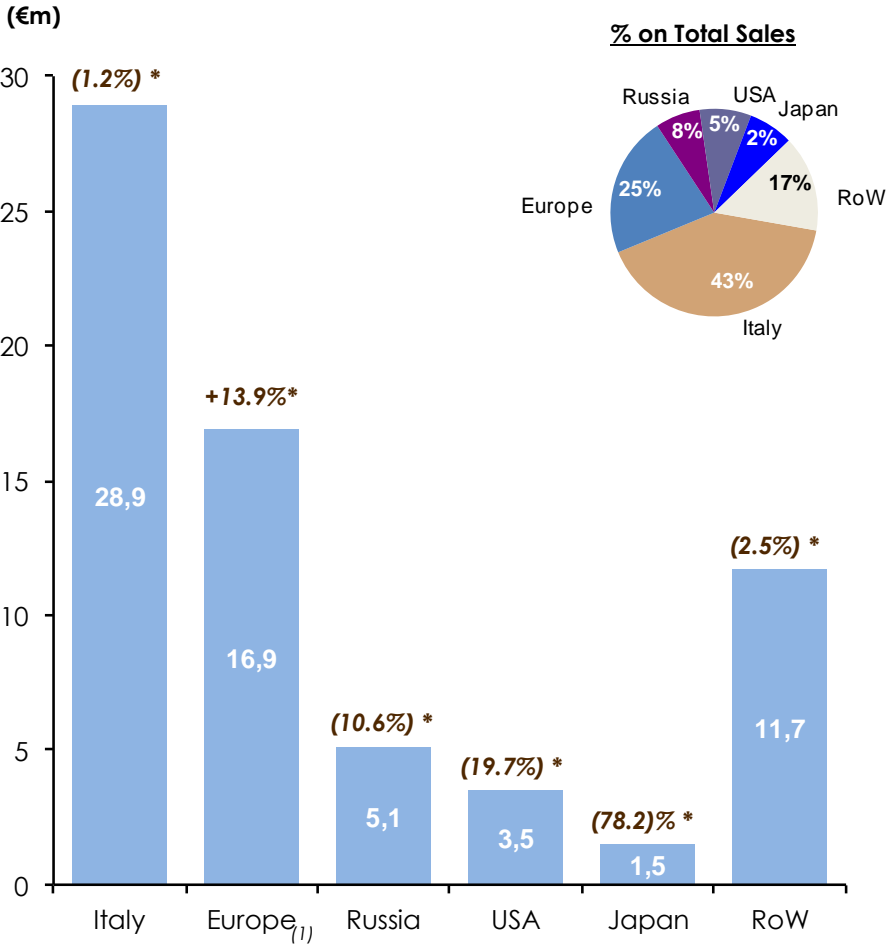


(€m)

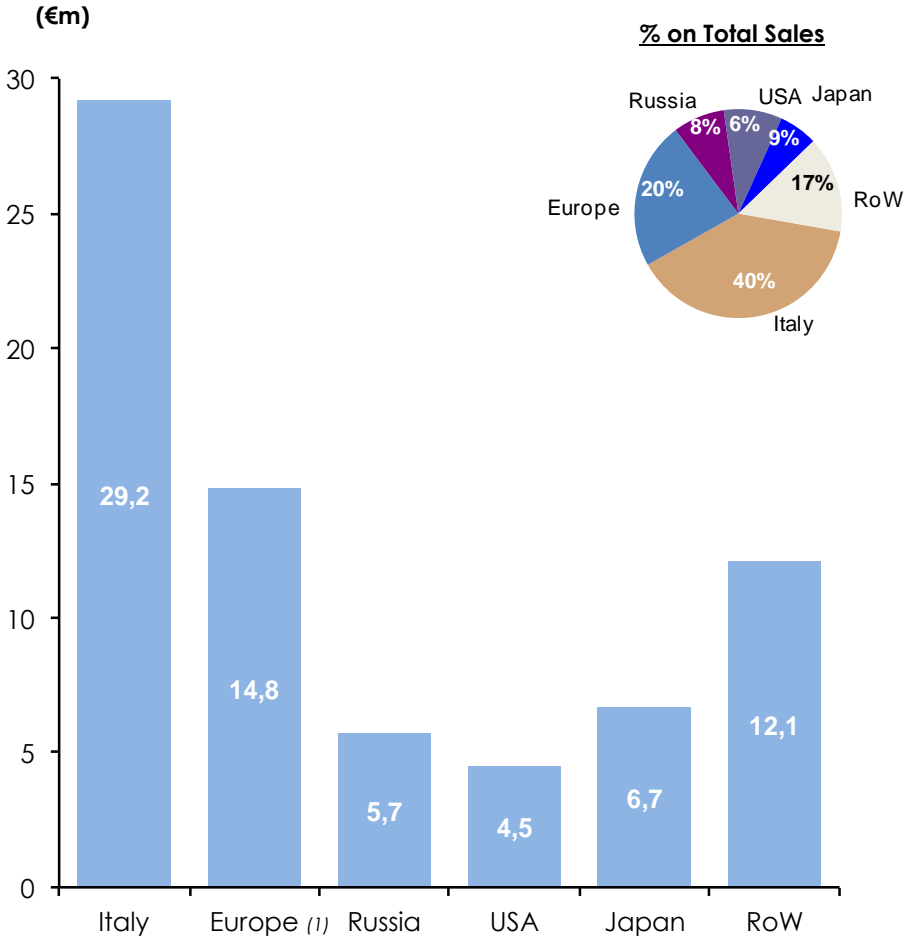


Net Sales Breakdown by Region

1Q 2014



1Q 2013



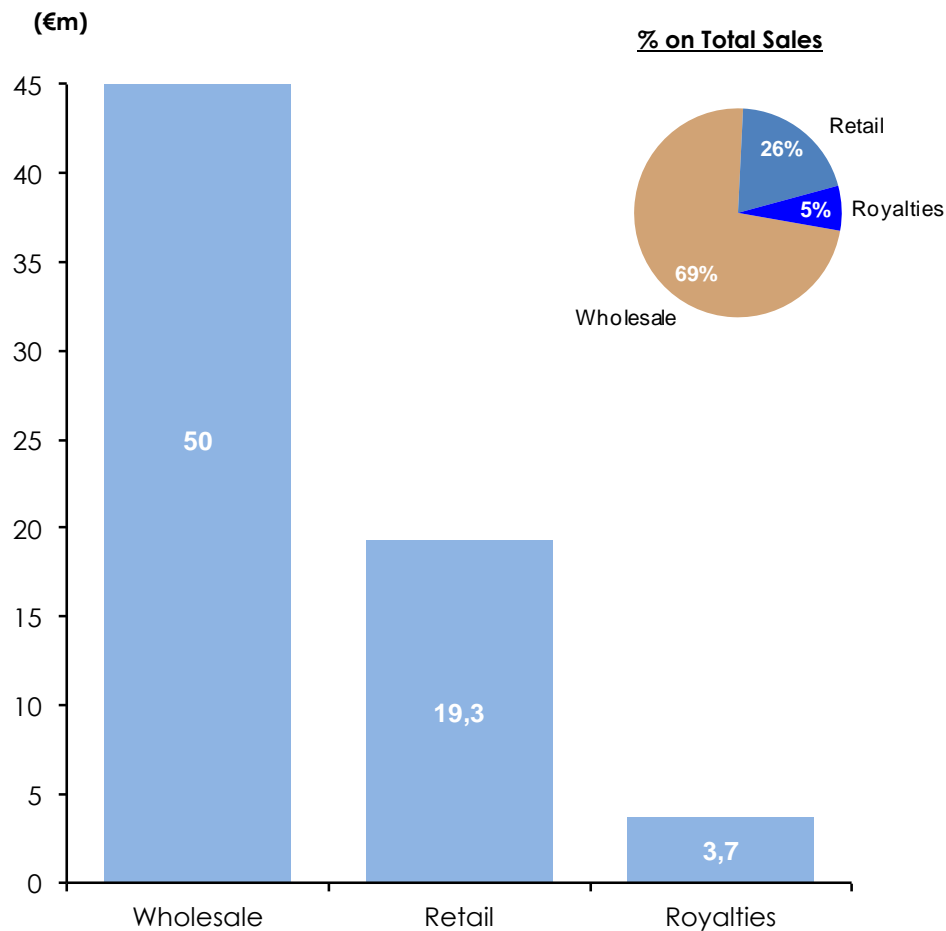
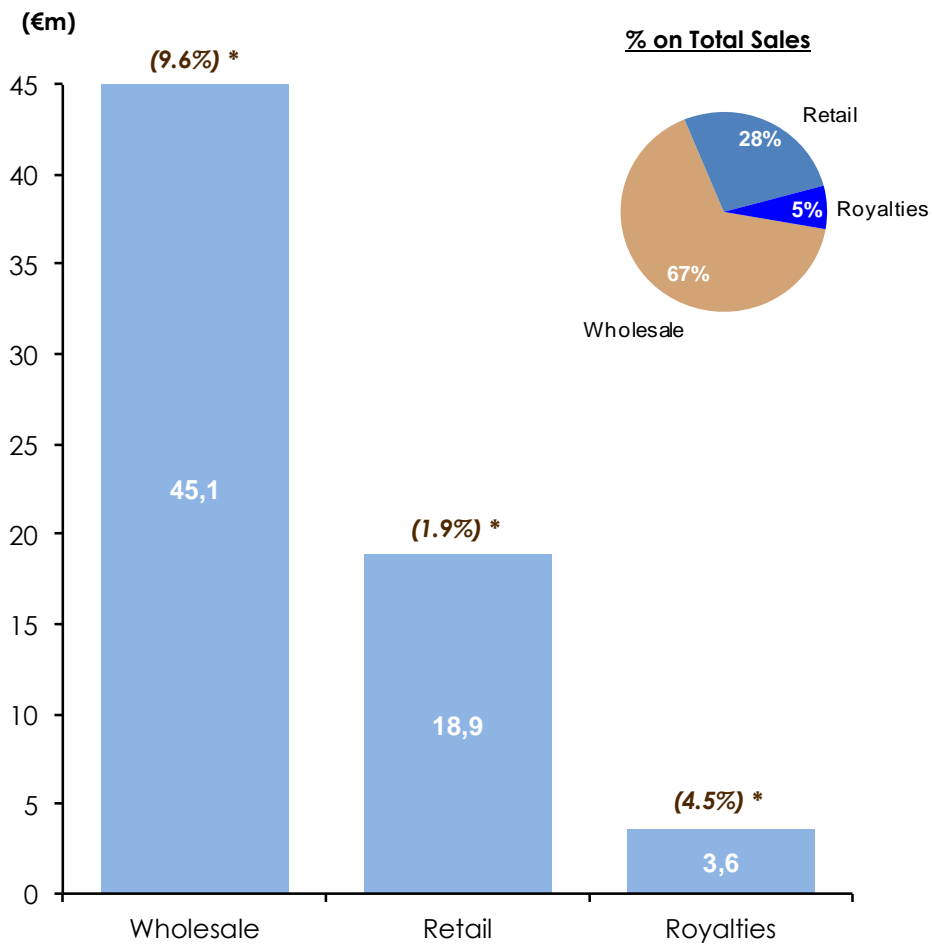
(1) Italy and Russia excluded
 * At constant exchange rates

1Q

Net Sales Breakdown by Channel

1Q 2014

1Q 2013



* At constant exchange rates

1Q

Mono-brand Stores Network

DOS

	<u>1Q14</u>	<u>FY13</u>
Europe	46	46
USA	1	3
Asia	10	42
Total	57	91



Franchising

	<u>1Q14</u>	<u>FY13</u>
Europe	58	62
USA	3	3
Asia	139	113
Total	200	178



Income Statement – 1Q 2014/2013

(€m)

	<u>1Q 14</u>	<u>1Q 13</u>
Net Sales	67,6	73,1
% change	(7,4%)	
Other Revenues	1,9	2,2
Total Revenues	69,5	75,3
% change	(7,6%)	
Raw Materials Costs	(20,6)	(23,4)
Service Costs	(16,5)	(18,0)
Costs for use of third parties	(5,6)	(6,5)
Personnel	(15,0)	(16,3)
Other Operating Expenses	(1,1)	(1,7)
Total Operating Expenses	(58,8)	(65,8)
EBITDA	10,7	9,5
Margin (% of Net sales)	15,8%	13,0%
Depreciation and Amortisation	(3,0)	(3,1)
EBIT	7,7	6,3
Margin (% of Net sales)	11,4%	8,7%
Net Financial Income / (Expenses)	(1,6)	(1,7)
Profit before taxes	6,1	4,6
Margin (% of Net sales)	9,0%	6,3%
Taxes	(2,6)	(2,0)
Net income/(loss) before Minorities	3,54	2,63
Margin (% of Net sales)	5,2%	3,6%
Minority Interests	(0,3)	(0,6)
Net Income/(Loss) for the Group	3,2	2,0
Margin (% of Net sales)	4,8%	2,8%

Summary Balance Sheet

(€m)

	<u>1Q 14</u>	<u>FY 13</u>	<u>1Q 13</u>
Net Working Capital	84,8	76,4	86,5
Net Tangible Assets	64,3	64,6	66,9
Net Intangible Assets	128,7	132,8	136,6
Net Financial Assets	4,8	4,8	2,8
Severance Staff, Provisions & Others	(47,5)	(46,6)	(48,6)
Net Capital Employed	235,1	232,0	244,1
Group Shareholders' Equity	129,8	126,8	133,4
Minorities	17,0	16,6	16,1
Shareholders' Equity & Minorities	146,8	143,4	149,5
Net Debt	82,8	83,1	89,0
Shares Buyback	5,5	5,5	5,5
Net Financial Debt and Shareholders' Equity	235,1	232,0	244,1
Accounts Receivables	41,2	35,8	42,1
Accounts Payables	(41,7)	(45,4)	(46,4)
Inventory	72,8	74,1	75,3
Operating NWC	72,3	64,4	71,1
<i>As % of LTM sales</i>	29,4%	25,7%	28,1%
Other Current Assets/Liabilities	12,5	12,0	15,4
Net Working Capital	84,8	76,4	86,5

Summary Cash Flow

(€m)

	<u>1Q 14</u>	<u>FY 13</u>	<u>1Q 13</u>
PBT	6,1	(0,7)	4,6
Operating Cash Flow	0,7	16,0	(1,6)
Capital Expenditure	1,4	(7,2)	(3,2)
Free Cash Flow	2,1	8,8	(4,8)
Cash Flows from Financing Activities	(3,7)	(6,6)	3,5
Cash and cash equivalents at the beginning of the year	7,5	5,4	5,4
Cash Flow of the Period	(1,5)	2,1	(1,3)
Cash and cash equivalents at the end of the year	6	7,5	4,1

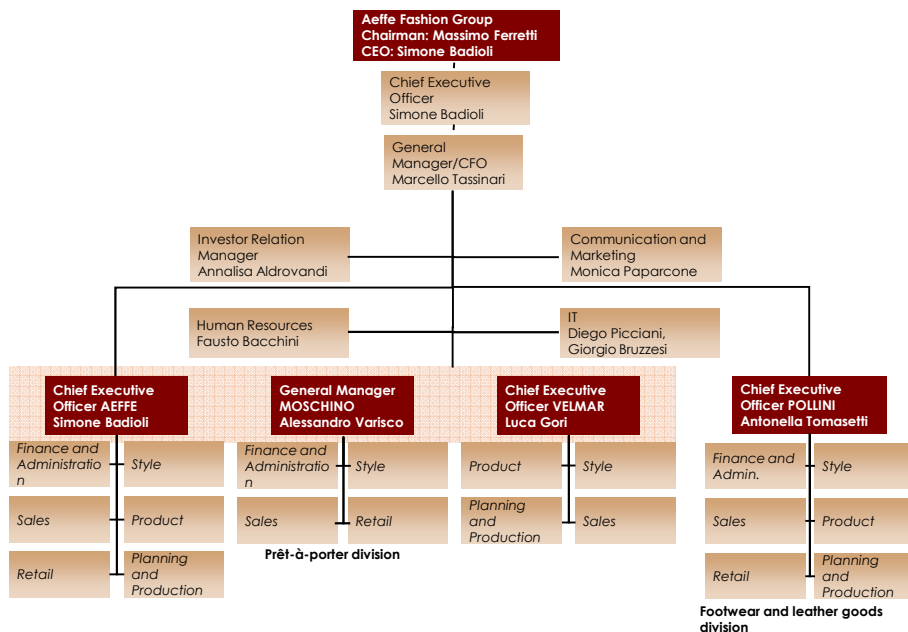


AEFFE

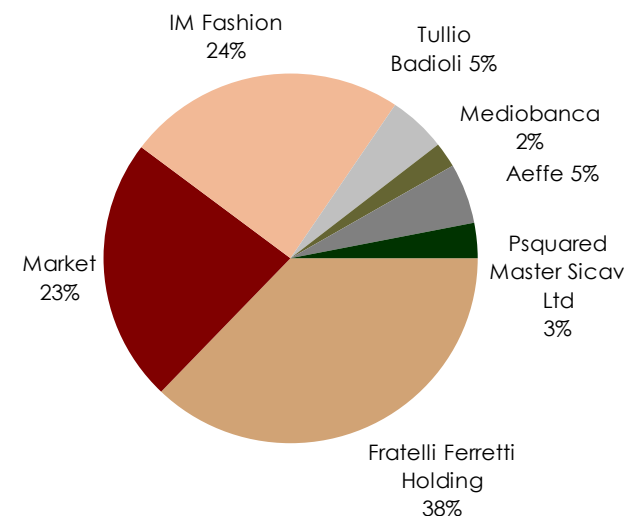
Appendices

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

AEFFE S.p.A

Annalisa Aldrovandi

+39 0541 965494

annalisa.aldrovandi@aeffe.com

www.aeffe.com

(1) Source: Consob as of 13 May 2014

Cash Flow Statement

(€m)	<u>1Q 14</u>	<u>FY 13</u>	<u>1Q 13</u>
PBT	6,1	(0,7)	4,6
Depreciation & Amortisation	3,0	14,6	3,1
Provisions & Impairments	(0,7)	(1,1)	(0,6)
Taxes	(2,2)	(3,0)	(1,6)
Net Interest	1,6	6,7	1,7
Change in other liabilities / (assets)	(7,1)	(0,5)	(8,8)
Operating Cash Flow	0,7	16,0	(1,6)
Capital expenditure for intangible assets	2,4	(2,2)	(0,3)
Capital expenditure for tangible assets	(0,9)	(5,0)	(2,9)
(Increase) / decrease in investments in other fixed assets	0,0	0,0	0,0
Cash Flows from Financing Activities	1,4	(7,2)	(3,2)
Free Cash Flow	2,1	8,8	(4,8)
Equity Issue	(0,2)	(0,5)	0,0
Change in short term debt	(1,4)	0,2	2,9
Change in long term debt	(0,4)	0,4	2,3
Net Interest	(1,6)	(6,7)	(1,7)
Cash Flows from Financing Activities	(3,7)	(6,6)	3,5
Cash and cash equivalents at the beginning of the year	7,5	5,4	5,4
Cash Flow of the Period	(1,5)	2,1	(1,3)
Cash and cash equivalents at the end of the year	6,0	7,5	4,1

Income Statement – Full Year 2011-2013

(€m)	2013A	2012A	2011A
Net Sales	251,1	254,1	246,0
% change	(1,2%)	3,3%	12,2%
Other Revenues	7,5	7,0	6,5
Total Revenues	258,6	261,1	252,5
% change	(1,0%)	3,4%	12,2%
Raw Materials Costs	(79,2)	(75,4)	(73,6)
Service Costs	(66,9)	(71,2)	(73,2)
Cost for use of third parties assets	(25,5)	(24,8)	(23,4)
Personnel	(63,1)	(62,3)	(59,8)
Other Operating Expenses	(3,3)	(4,6)	(4,2)
Total Operating Expenses	(238,0)	(238,3)	(234,2)
EBITDA	20,6	22,8	18,39
Margin (% of Net sales)	8,2%	9,0%	7,5%
Depreciation and Amortisation	(14,6)	(14,0)	(14,8)
EBIT	6,0	8,8	3,6
Margin (% of Net sales)	2,4%	3,5%	1,4%
Net Financial Income / (Expenses)	(6,7)	(7,5)	(4,8)
PBT	(0,7)	1,4	(1,2)
Margin (% of Net sales)	n.a	0,5%	n.a
Taxes	(1,3)	(4,6)	(2,86)
Net income before Minorities	(1,97)	(3,22)	(4,1)
Margin (% of Net sales)	n.a	n.a	n.a
Minority Interests	(1,2)	0,2	(0,2)
Net Income for the Group	(3,2)	(3,0)	(4,3)
Margin (% of Net sales)	n.a	n.a	n.a

Important Information

- The information provided in this presentation is being furnished to you solely for your information on a confidential basis. Neither this document nor any copy thereof may be reproduced or redistributed. Persons into whose possession the content of this presentation come should inform themselves about and observe any such restrictions. Any failure to comply with the restrictions set forth above may constitute a violation of applicable securities laws.
- This announcement does not constitute an invitation to underwrite, subscribe for or otherwise acquire or dispose of any Aeffe SpA shares.