

# FOLLI FOLLIE GROUP

## First Half 2013 Financial Results



August 29<sup>th</sup>, 2013

## First Half 2013 Summarized Income Statement continuing operations\*

<i>in € million</i>	H1 2013	H1 2012	% change
<b>Revenue</b>	<b>434,4</b>	<b>416,9</b>	<b>4,2%</b>
<b>Gross margin</b>	<b>211,9</b>	<b>202,9</b>	<b>4,4%</b>
Selling expenses	-110,2	-111,7	-1,3%
Administrative expenses	-24,4	-29,2	-16,4%
Other income and expenses	2,2	-1,9	
<b>Operating profit</b>	<b>79,5</b>	<b>60,1</b>	<b>32,3%</b>
Net financial income (expense)	155,9	-20,2	
Share of profit of associates	7,9	0,0	
Income taxes	-3,2	-12,9	
<b>Net profit before minority interests</b>	<b>240,1</b>	<b>27,0</b>	<b>789,3%</b>
Minority interests	-0,51	-0,54	-5,6%
<b>Group share of net profit</b>	<b>239,6</b>	<b>26,5</b>	<b>805,5%</b>
Amortisation - Depreciation	10,1	10,2	-1,0%
<b>EBITDA</b>	<b>89,6</b>	<b>70,3</b>	<b>27,5%</b>

\* excluding the Travel Retail activity

## First Half 2013 Summarized Income Statement incl. discontinued operations\*

<i>in € million</i>	H1 2013	H1 2012	% change
<b>Revenue</b>	<b>481,2</b>	<b>532,9</b>	<b>-9,7%</b>
<b>Gross margin</b>	<b>235,8</b>	<b>264,7</b>	<b>-10,9%</b>
Selling expenses	-126,6	-143,2	-11,6%
Administrative expenses	-27,3	-33,7	-19,0%
Other income and expenses	4,4	4,6	-4,3%
<b>Operating profit</b>	<b>86,3</b>	<b>92,4</b>	<b>-6,6%</b>
Net financial income (expense)	153,0	-24,3	
Share of profit of associates	7,9	0,0	
Income taxes	-2,6	-15,1	
<b>Net profit before minority interests</b>	<b>244,6</b>	<b>53,0</b>	<b>361,5%</b>
Minority interests	-0,51	-0,54	-5,6%
<b>Group share of net profit</b>	<b>244,1</b>	<b>52,5</b>	<b>365,3%</b>
Amortisation - Depreciation	11,4	13,1	-13,0%
<b>EBITDA</b>	<b>97,7</b>	<b>105,5</b>	<b>-7,4%</b>

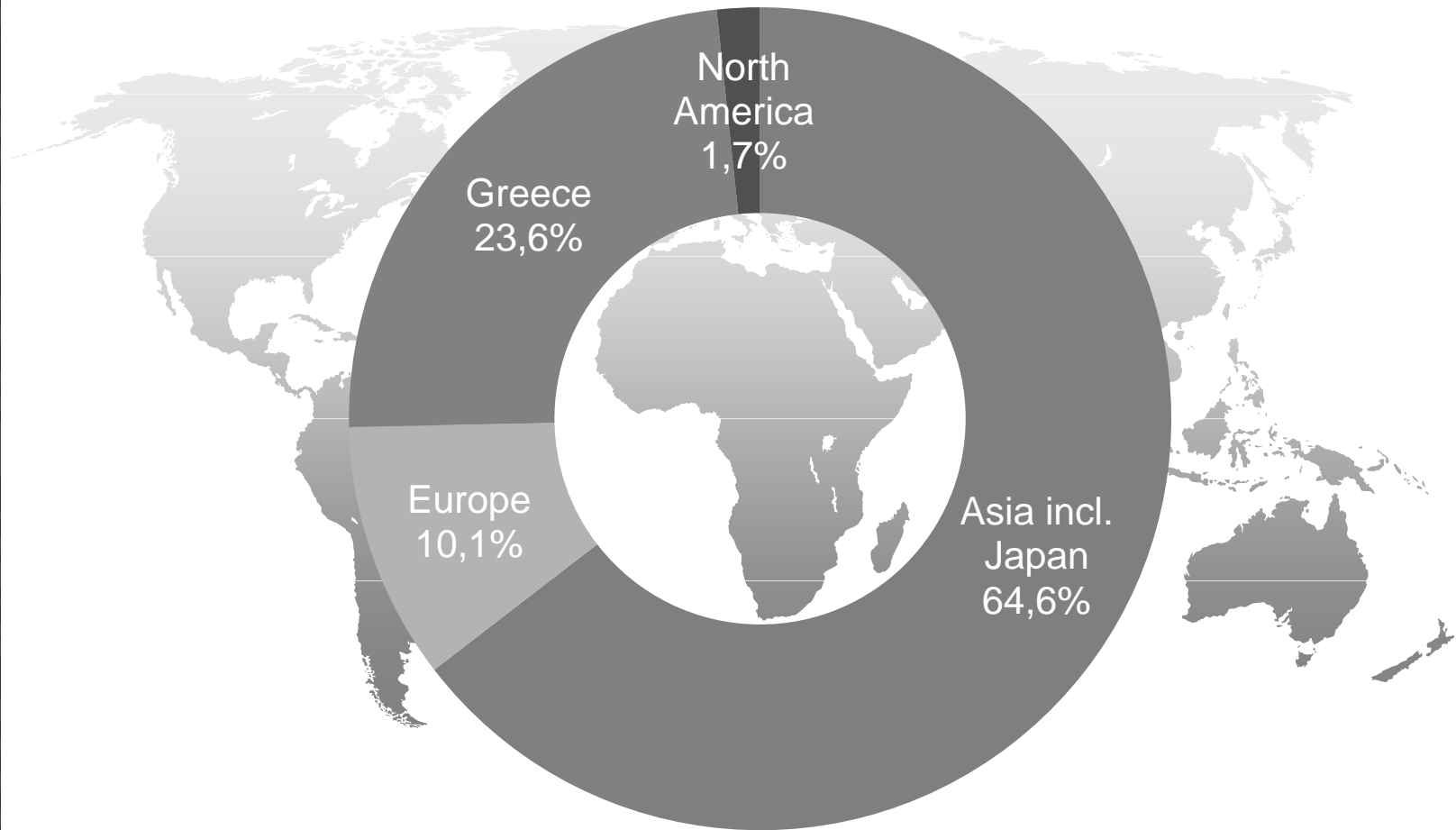
\* including the first quarter 2013 of the Travel Retail activity

## Revenue by activity continuing operations\*

<i>in € million</i>	H1 2013	H1 2012	chg. in %
Jewellery, Watches, Accessories	322,9	308,0	4,8%
Retail & Wholesale	48,9	49,6	-1,4%
Department Stores	61,0	57,0	7,0%
Other Activities	1,6	2,3	-30,4%
<b>Total</b>	<b>434,4</b>	<b>416,9</b>	<b>4,2%</b>

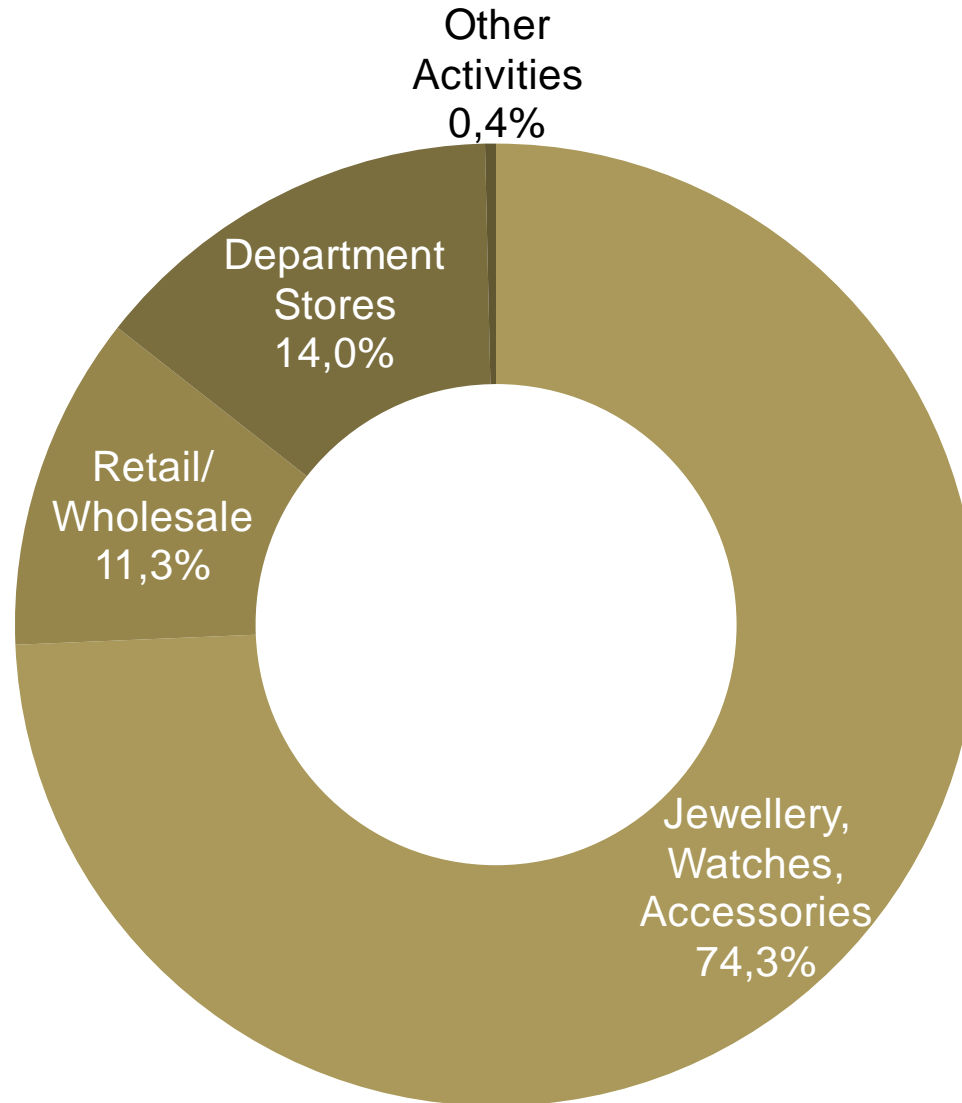
\* excluding the Travel Retail activity

## Revenue split by geographical region



# Revenue split by activity continuing operations\*

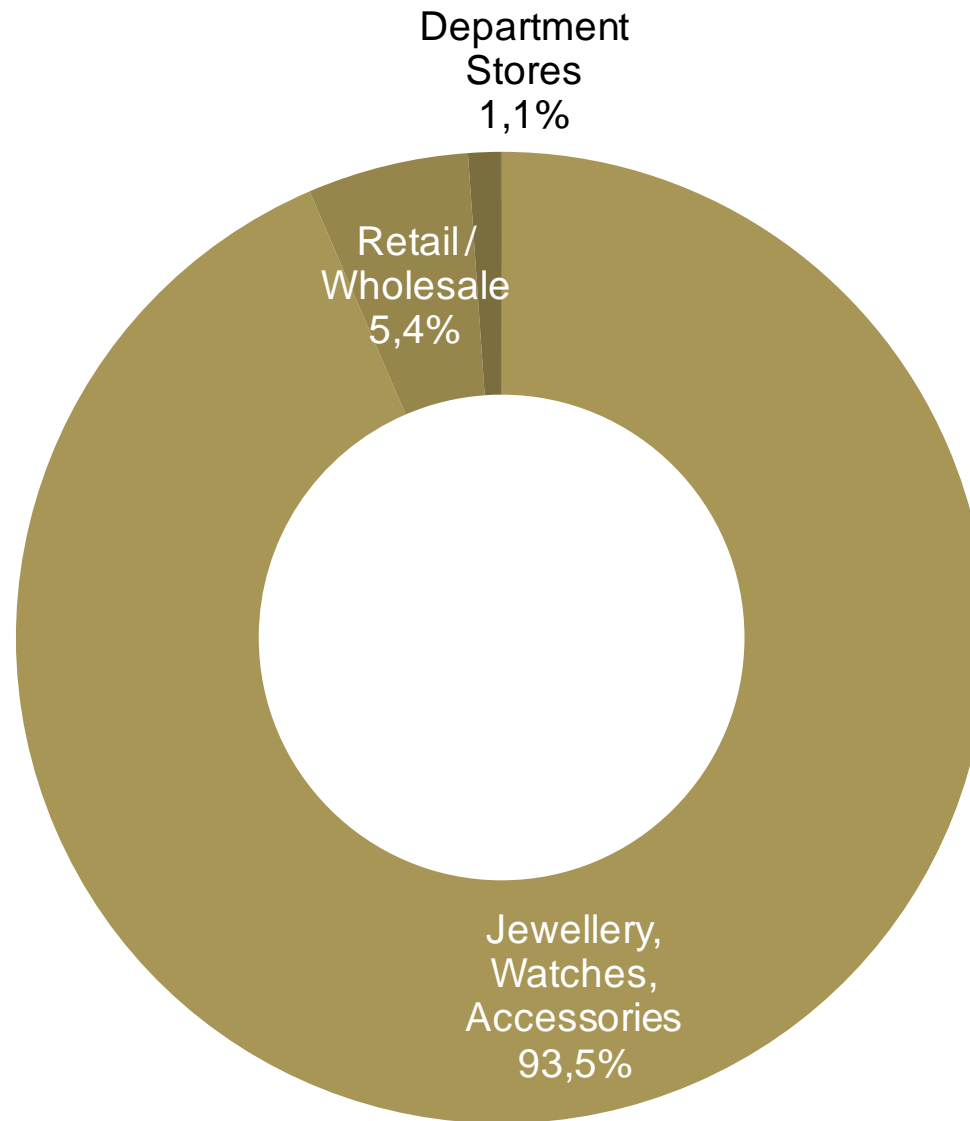
H1 2013



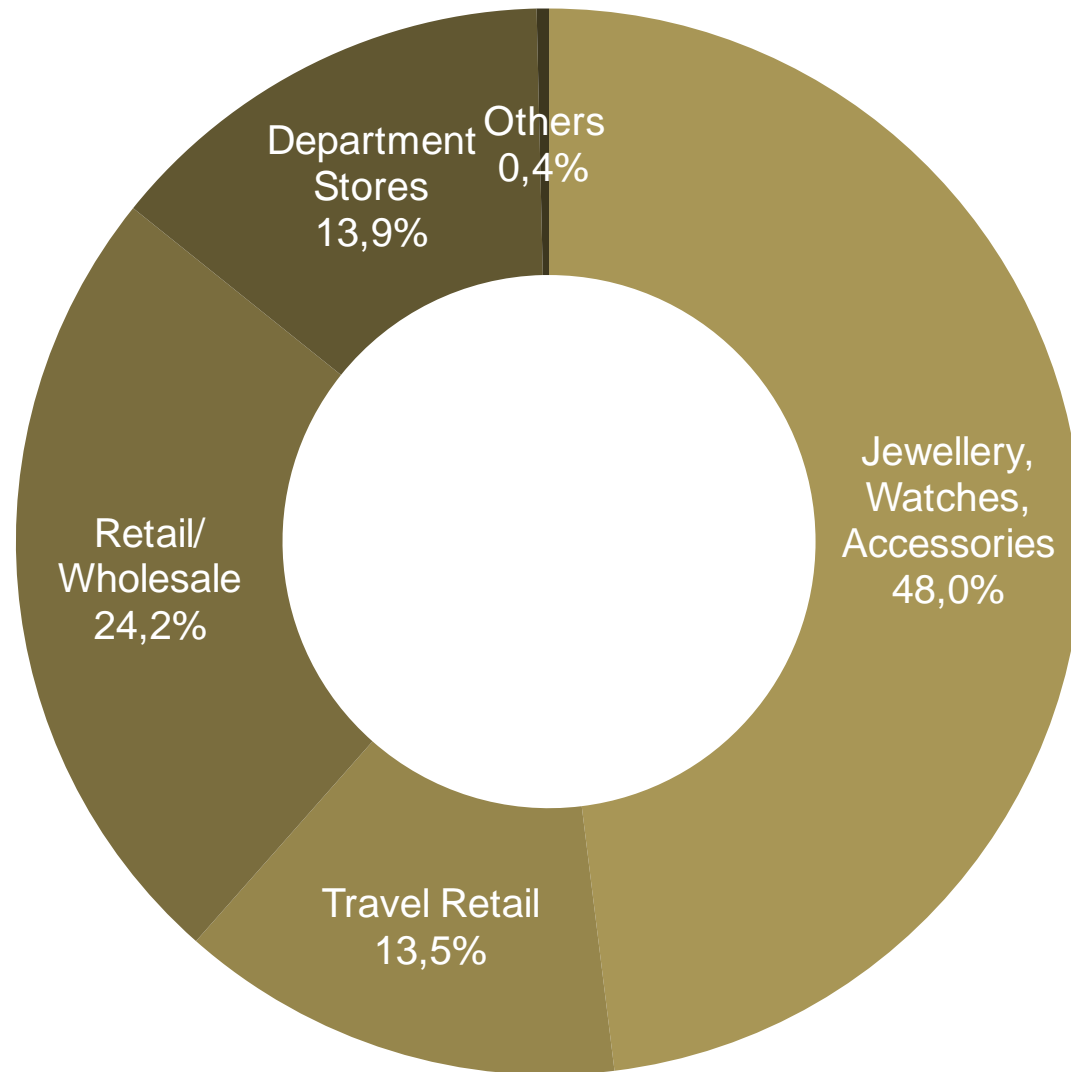
\* excluding the Travel Retail activity

## EBITDA by activity from continued operations

H1 2013



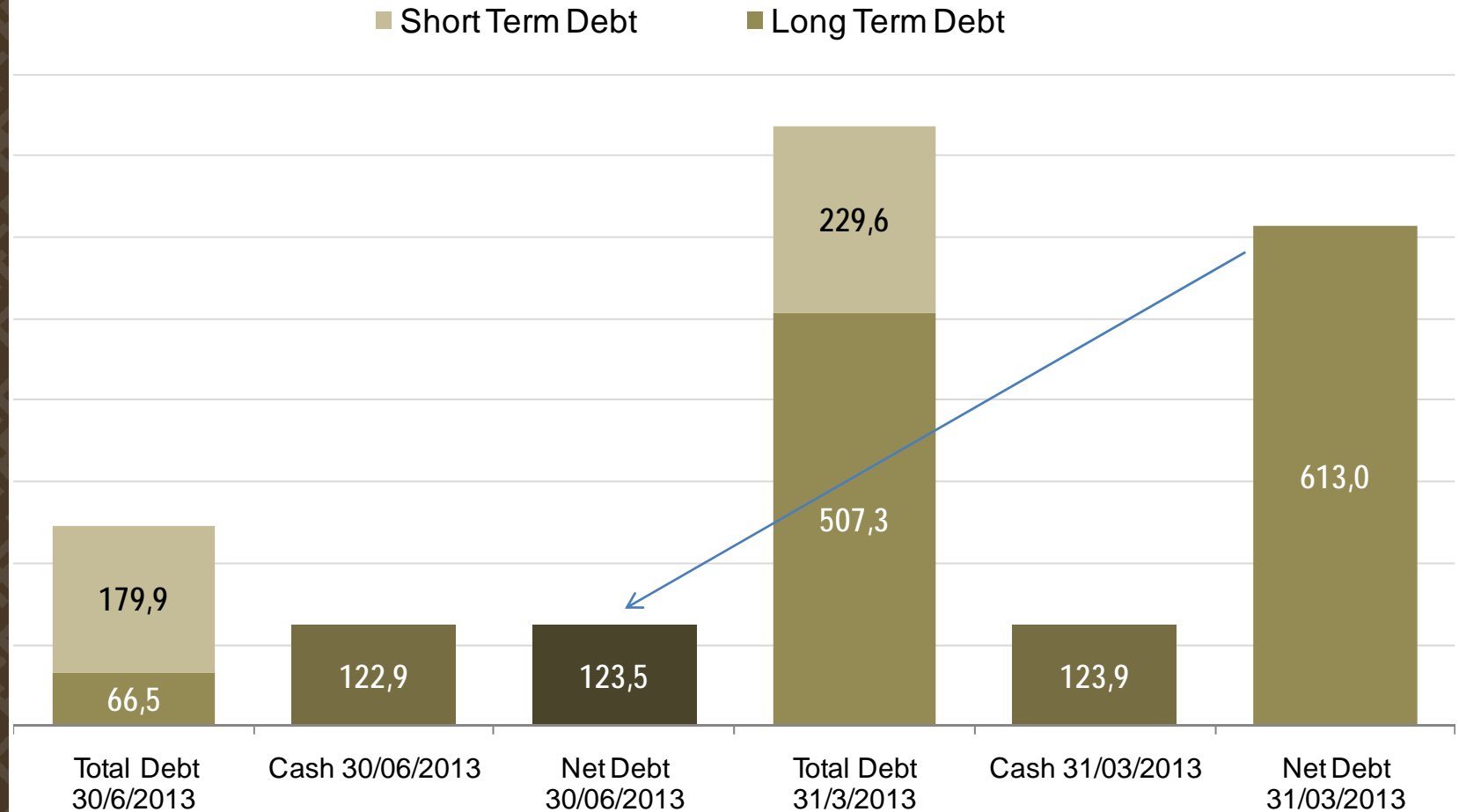
## Capex split by activity



Group capex reached in H1 2013 €7.2 million against €11.0 million in H1 2012



## Debt Structure by quarter

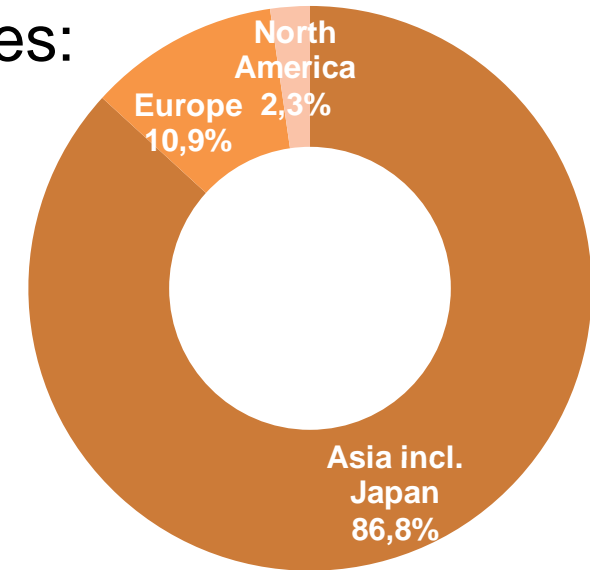


Total debt decreased in Q2 2013 by EUR 490.6m, net debt decreased by EUR 489.6m

## Jewellery, Watches and Accessories:

### Key figures (in Eur million)

	H1 2013	H1 2012	change
Revenue	322,9	308,0	4,8%
EBITDA	83,8	69,7	20,2%
EBITDA margin	26,0%	22,6%	
Gross Margin	51,5%	52,3%	



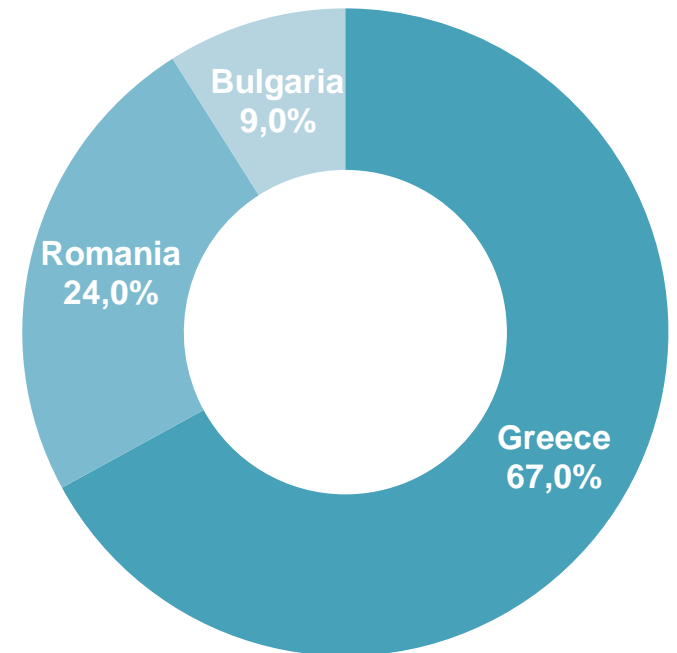
- Solid revenue increase by 4.8%, Gross profit increased by 3.3%, with the respective margin at 51.5%.
- Operating profit increased by 21.1% due to decreased operating expenses with the respective margin at 24.1% vs. 20.9% in H1 2012.
- EBITDA increased strongly by 20.1% with the respective margin reaching 26.0% from 22.6% supported by decreased selling/marketing and administrative expenses.
- Folli Follie brand opened in the second quarter of 2012 – 29 new POS\* with the network reaching now 559 POS.

\*8 relocations

## Retail/Wholesale:

### Key figures (in Eur million)

	H1 2013	H1 2012	change
Revenue	48,9	49,5	-1,2%
EBITDA	3,9	-0,4	
EBITDA margin	8,0%	-0,9%	
Gross Margin	48,8%	45,0%	

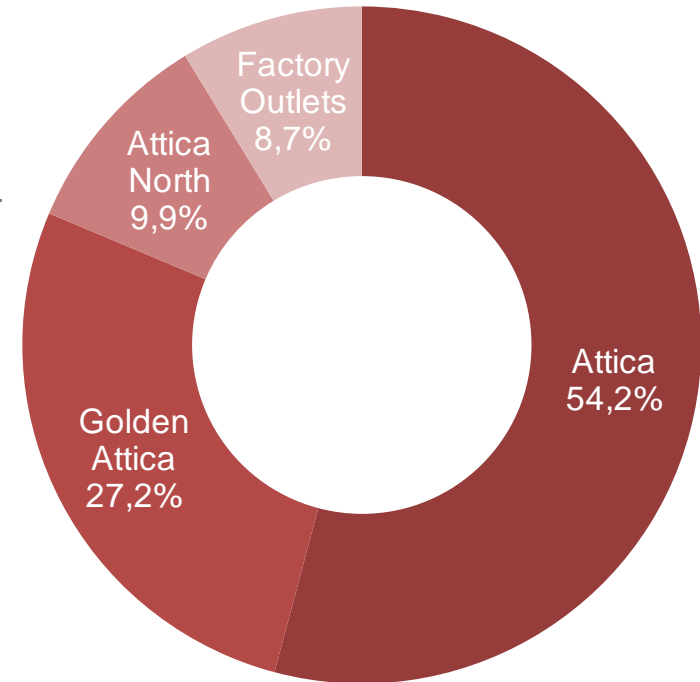


- Revenues decline slightly by 1.2% impacted by the weak economic conditions.
- Gross profit increased by 7.1% with the respective gross margin reaching 48.8% from 45.0% in the same period last year, supported by a decline of COGS by 8.1%.
- EBITDA reached €3.9m with the respective margin at 8.0% from -0.9% the previous year.

## Department Stores:

### Key figures (in Eur million)

	H1 2013	H1 2012	change
Revenue	61,0	57,0	7,0%
EBITDA	5,1	2,3	121,7%
EBITDA margin	8,3%	3,9%	
Gross Margin	34,8%	33,8%	



- Revenues increased in the first half by 7.0%, over performing the positive trend of the first quarter (+3%). Revenues in Q2 2013 vs. Q2 2012 increased by 11.4%.
- Gross profit increased by 10.4% reaching €21.3m with the respective gross margin slightly increased to 34.8% from 33.8% in the same period last year.
- EBITDA increased impressively from €2.3m in H1 2012 to €5.1m with the respective margin at 8.3% from 3.9% in the previous period.

## Other activities:

### Key figures (in Eur million)

	H1 2013	H1 2012	change
Revenue	1,6	2,3	-30,4%
EBIT DA	-3,1	-1,2	
EBIT DA margin	-199,0%	-51,7%	
Gross Margin	23,6%	13,3%	

- Revenues decreased by 30.4% to €1.6m from €2.3m.
- Gross profit increased by 20.4% to €0.37m from €0,31m in the same period last year.
- EBITDA decreased to €-3.1m from €-1.2m.

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