

# Folli Follie Group Full Year 2009 Financial Results

30<sup>th</sup> March, 2010



## FF Group Full Year 2009 - Overview Financials

*Amounts in € million*

		% of sales
<b>Total Sales</b>	<b>992,5</b>	
<b>EBITDA</b>	<b>199,4</b>	<b>20,1%</b>
<b>EBIT</b>	<b>177,5</b>	<b>17,9%</b>
<b>EBT</b>	<b>157,8</b>	<b>15,9%</b>
<b>EAT after min.</b>	<b>98,2</b>	<b>9,9%</b>

## FF Group – Financial Highlights Full Year 2009

- § Overall a solid group revenue performance showing an increase of 6% reaching €992.5m, operating profit increased by 3.2% compared to same period last year.
- § EBITDA and Gross margin could be maintained at high level with 20.1% and 49.7% vs. 20.4% and 50.6% in FY 2008.
- § Outstanding sales performance of the brands Links of London (+22%) and Folli Follie (+14%) and very solid revenue increase of Elmec Sport (+7%) driven by another strong quarter of the department store segment which continuously gains market share.
- § Despite lower revenues for Hellenic Duty Free Shops, EBITDA could be maintained at the same level.
- § Excluding the extraordinary tax of €7.3m, group net profit after taxes (before minorities) would have reached €122.5m increased by 23.5% year on year instead of reaching €115.2 million (+16.1%)
- § Group net profit after taxes and minorities increased by 27.5% and reached €98.2m supported by lower net financial expenses and despite the extraordinary tax.
- § Group cash increased by €46.4 million vs. 2008, group net debt reduced by €24.3m

## FF Group – Summarized Income Statement

<i>In million EUR</i>	2009	2008	% Change
<b>Revenue</b>	<b>992,5</b>	<b>937,3</b>	<b>5,9%</b>
<b>Gross margin</b>	<b>493,3</b>	<b>474,4</b>	<b>4,0%</b>
Selling expenses	-279,9	-275,3	1,7%
Administrative expenses	-56,5	-52,4	7,8%
Other income and expenses	20,6	25,3	
<b>Operating profit</b>	<b>177,5</b>	<b>172,0</b>	<b>3,2%</b>
Net financial income (expense)	-19,7	-42,3	-53,4%
Income taxes	-42,5	-30,4	39,8%
<b>Net profit before minority interests</b>	<b>115,3</b>	<b>99,3</b>	<b>16,1%</b>
Minority interests	-17,1	-22,3	
<b>Group share of net profit</b>	<b>98,2</b>	<b>77,0</b>	<b>27,5%</b>
Amortisation - Depreciation	21,9	19,1	
<b>EBITDA</b>	<b>199,4</b>	<b>191,1</b>	<b>4,3%</b>

## FF Group – Pro Forma Revenue by company

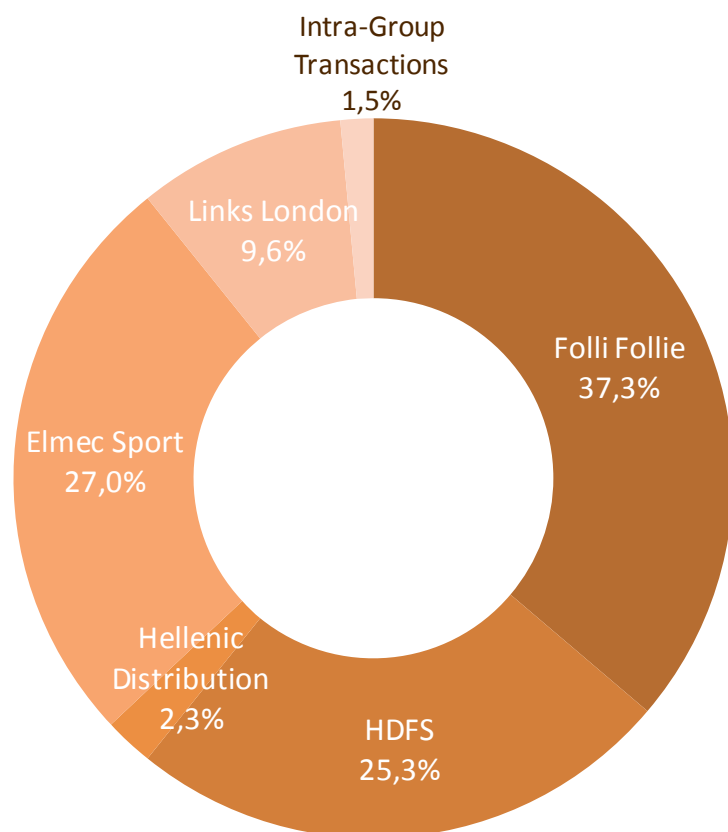
### Revenue by company

<i>In million EUR</i>	2009	2008	Organic growth
Folli Follie stand alone	370,2	324,7	14,0%
Hellenic Duty Free Shops	251,5	268,2	-6,2%
Hellenic Distributions	22,7	24,1	-5,8%
Elmec Sport	267,5	250,7	6,7%
Links of London	95,6	78,1	22,4%
Intra-Group Sales	15,0	8,4	
<b>Total</b>	<b>992,5</b>	<b>937,4</b>	<b>5,9%</b>

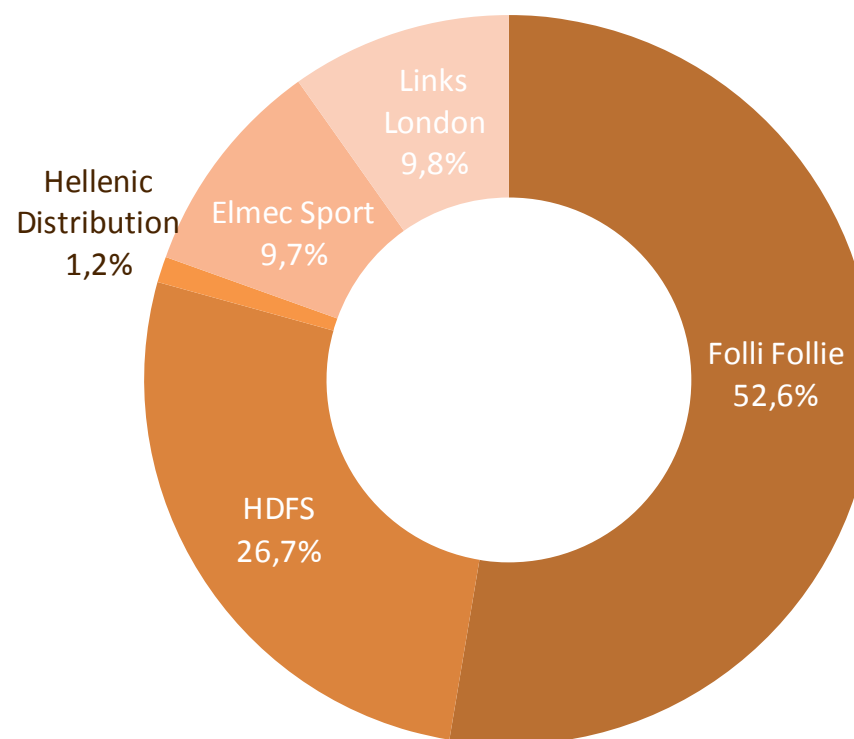
Intra-Group Sales on HDFFS Group level € 3,3m

## FF Group – Revenue and EBITDA split by company

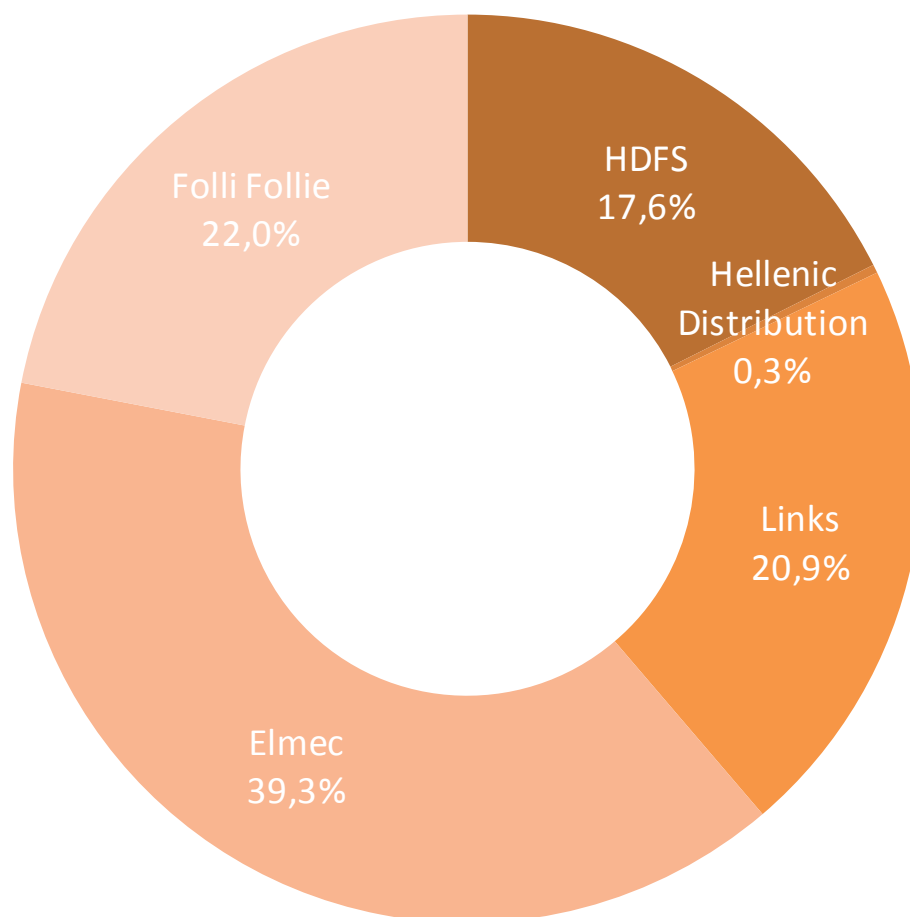
### Revenue split by company



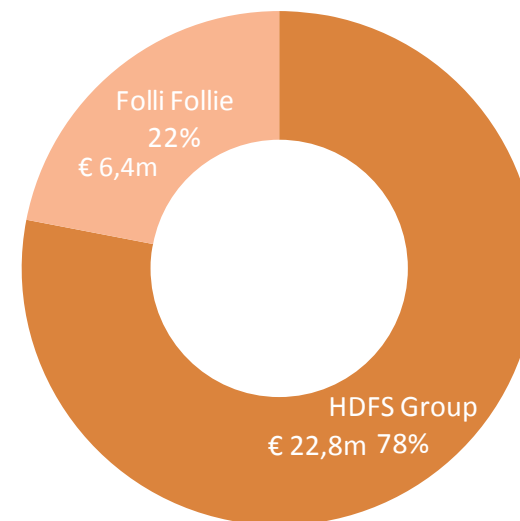
### EBITDA split by company



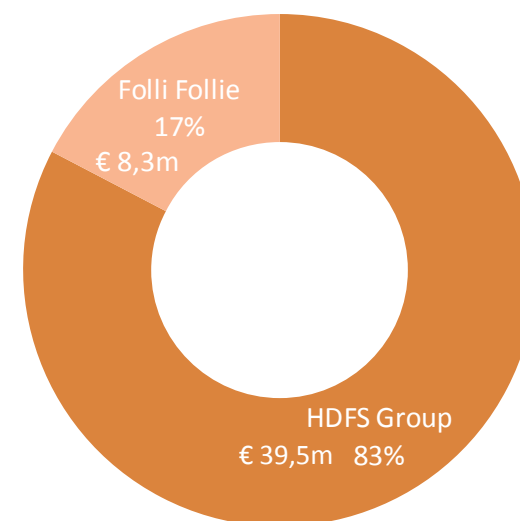
# FF Group – Capex Split by company



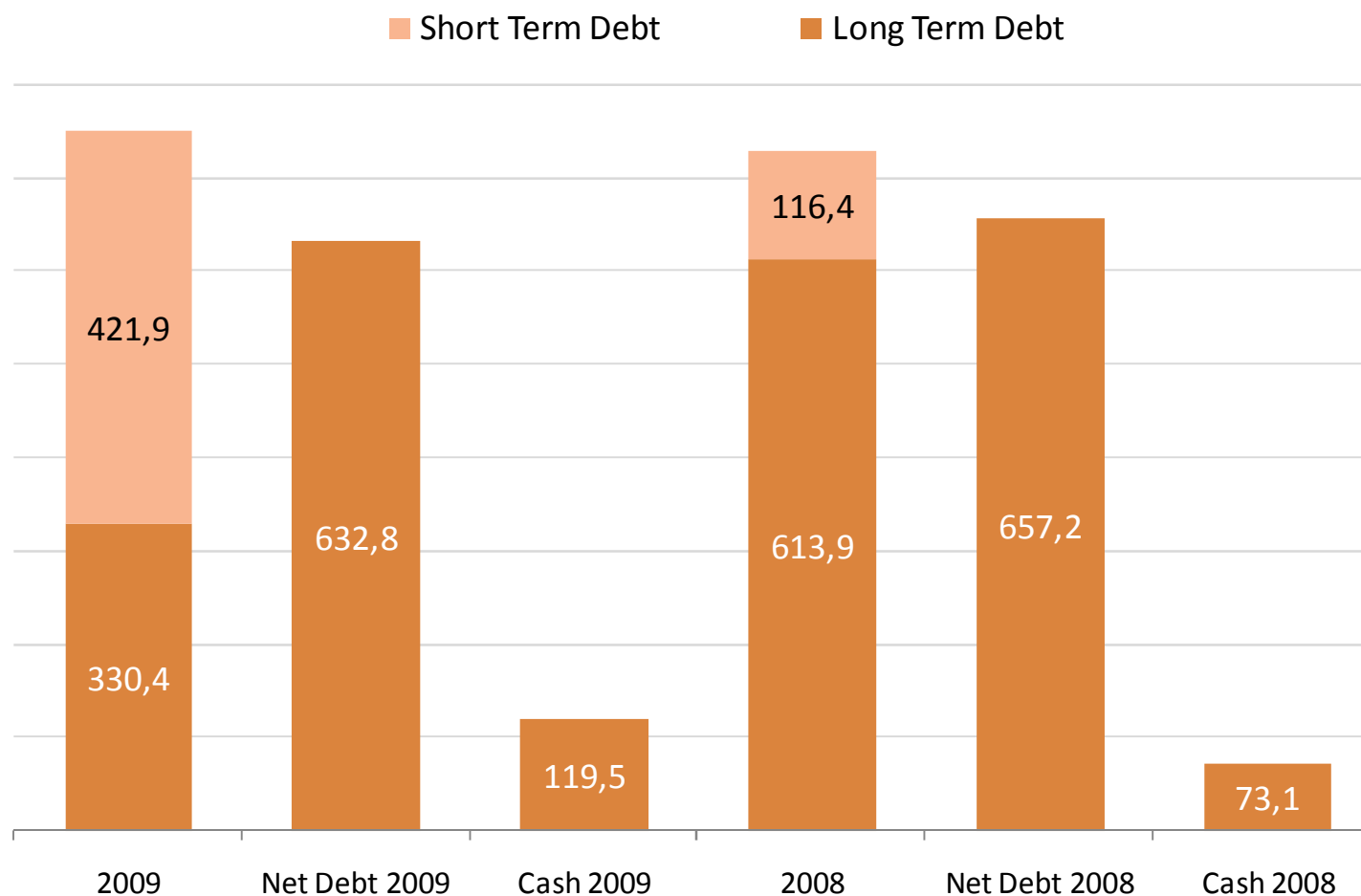
## Group Capex 2009



## Group Capex 2008



## FF Group Debt Structure FY 2009 vs. FY 2008



FY 2009 - Net Debt/EBITDA 3,2 x versus 3,4x in FY 2008

Net debt decreased by €24,4 million, cash increased by €46,4 million



**CASH FLOW STATEMENT ( Amounts reported in Euro ) 2nd alternative: Indirect Method**
**Cash Flows related to Operating Activities**

Net Profit before taxes (From Continuing operations)

**Adjustments in respect of non-cash transactions:**

Depreciation and Amortisation

Devaluation of tangible and intangible assets

Provisions

Foreign Exchange rate differences

Cash flows from investing activities

Debit interest and similar expenses

**Adjustments related to working capital or other operating activities**

Decrease/(increase) of Inventories

Decrease/(increase) of Receivables

Increase/(decrease) of payable accounts (except Banks Loans)

**Less**

Interest paid and similar expenses

Income Tax paid

**Net cash inflows/(outflows) from Operating Activities (a)**
**Cash Flows related to Investing Activities**

Purchases of subsidiaries, associates and other investments

Purchases of tangible and intangible assets

Proceeds from sale of tangible and intangible assets

Proceeds from sale of financial assets

Dividends received

Interest received

Decrease/(increase) of other long-term receivables

**Net cash inflows/(outflows) from Investing Activities (b)**
**Cash Flows related to Financing Activities**

Capital returning to Minorities

Own Stock

Proceeds from Borrowings

Repayment of Loans

Payments for leases

Dividends paid

**Net cash inflows/(outflows) from Financing Activities (c)**
**Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)**

Cash and cash equivalents at the beginning of the Year

**Cash and cash equivalents at the end of the Year**

	THE GROUP		THE COMPANY	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Net Profit before taxes (From Continuing operations)	157.760.300,57	129.618.924,97	15.470.054,26	7.290.315,42
<b>Adjustments in respect of non-cash transactions:</b>	0,00	0,00	0,00	0,00
Depreciation and Amortisation	21.863.118,54	19.073.511,68	1.229.604,84	1.209.439,54
Devaluation of tangible and intangible assets	0,00	0,00	0,00	0,00
Provisions	5.750.168,21	2.883.646,01	949.428,01	2.655.186,98
Foreign Exchange rate differences	-3.723.505,12	4.065.375,38	0,00	0,00
Cash flows from investing activities	-15.249.183,29	-4.871.910,08	-26.571.659,64	-23.211.156,16
Debit interest and similar expenses	32.511.915,10	46.663.500,83	12.866.743,34	23.103.016,29
<b>Adjustments related to working capital or other operating activities</b>	0,00	0,00	0,00	0,00
Decrease/(increase) of Inventories	-28.158.985,05	-31.625.034,96	414.175,05	-119.541,21
Decrease/(increase) of Receivables	-22.200.171,49	-87.384.646,78	-3.289.367,17	2.419.035,19
Increase/(decrease) of payable accounts (except Banks Loans)	-29.310.808,95	33.956.728,96	1.632.954,40	4.063.101,68
<b>Less</b>	0,00	0,00	0,00	0,00
Interest paid and similar expenses	-31.475.378,63	-45.443.033,32	-11.887.768,57	-22.811.400,07
Income Tax paid	-32.364.075,35	-34.101.726,45	0,00	-1.726.519,15
<b>Net cash inflows/(outflows) from Operating Activities (a)</b>	<b>55.403.394,54</b>	<b>32.835.336,24</b>	<b>-9.185.835,48</b>	<b>-7.128.521,49</b>
<b>Cash Flows related to Investing Activities</b>				
Purchases of subsidiaries, associates and other investments	-220.295,00	-43.776.338,31	-7.657,12	-34.307.322,58
Purchases of tangible and intangible assets	-29.267.423,43	-47.893.310,64	-1.063.569,33	-2.147.510,26
Proceeds from sale of tangible and intangible assets	3.213.077,67	9.549.821,87	5.877,80	238.476,93
Proceeds from sale of financial assets	14.156.518,43	3.496.760,90	13.454.709,05	3.695.760,90
Dividends received	102.269,87	199.000,00	15.204.010,50	18.219.888,22
Interest received	613.980,72	1.529.511,46	5.584,89	137.151,29
Decrease/(increase) of other long-term receivables	-620.205,60	-1.849.832,20	-90.018,90	-33.225,97
<b>Net cash inflows/(outflows) from Investing Activities (b)</b>	<b>-12.022.077,34</b>	<b>-78.744.386,92</b>	<b>27.508.936,89</b>	<b>-14.196.781,47</b>
<b>Cash Flows related to Financing Activities</b>				
Capital returning to Minorities	-600.000,00			
Own Stock	-1.042.539,44	-5.660.110,22	0,00	-2.833.744,34
Proceeds from Borrowings	128.990.421,91	162.737.467,49	22.100.000,00	18.361.164,79
Repayment of Loans	-107.694.094,09	-104.524.129,43	-36.186.050,06	0,00
Payments for leases	-2.129.065,36	-1.563.399,82	-35.461,36	-31.903,82
Dividends paid	-14.494.195,87	-23.524.848,53	-3.294.687,50	-4.630.179,76
<b>Net cash inflows/(outflows) from Financing Activities (c)</b>	<b>3.030.527,15</b>	<b>27.464.979,49</b>	<b>-17.416.198,92</b>	<b>10.865.336,87</b>
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>46.411.844,35</b>	<b>-18.444.071,19</b>	<b>906.902,49</b>	<b>-10.459.966,09</b>
Cash and cash equivalents at the beginning of the Year	73.064.483,75	91.508.554,94	3.983.042,61	14.443.008,70
<b><u>Cash and cash equivalents at the end of the Year</u></b>	<b><u>119.476.328,10</u></b>	<b><u>73.064.483,75</u></b>	<b><u>4.889.945,10</u></b>	<b><u>3.983.042,61</u></b>

Folli Follie



## Folli Follie stand-alone: Financial Highlights Full Year 2009

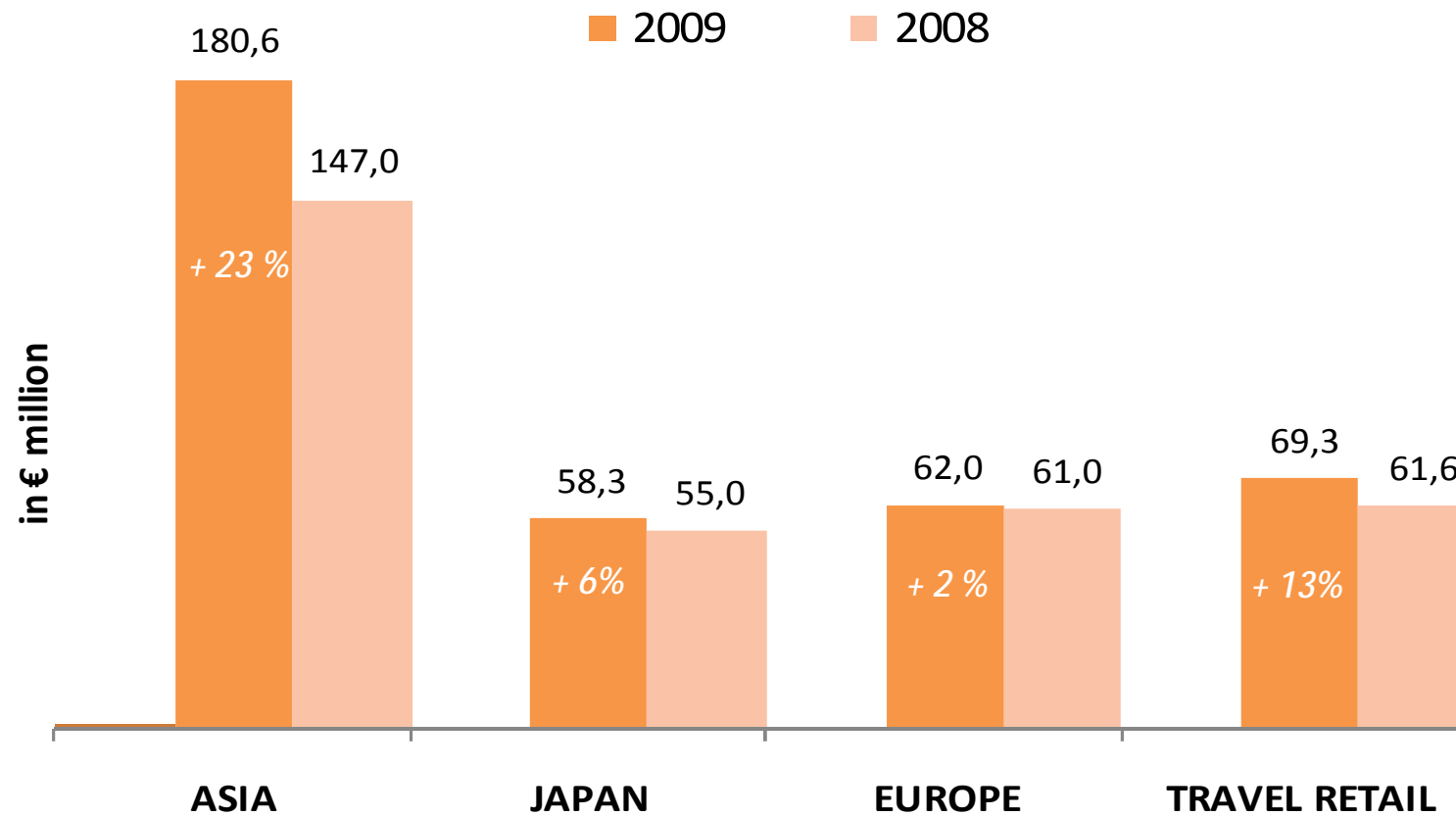
- § Excellent top and bottom line performance of the Folli Follie brand despite high comparables in 2008.
- § All regions demonstrating resilience in a difficult economic environment , Asia with a continued outstanding growth rate.
- § Despite the challenging environment the brand achieved a double digit revenue growth (+14%) and double digit EBITDA (+10%) and Earnings before Tax growth (+26,5%).
- § Net profit \* increased by 28% supported by decreased financial expenses (-27%).
- § Cash for Folli Follie brand increased by more than € 30 million year on year, operating free cash flow at € 15.9 million per year end.

\* Method of equity consolidation of the HDFS group by 56,8%

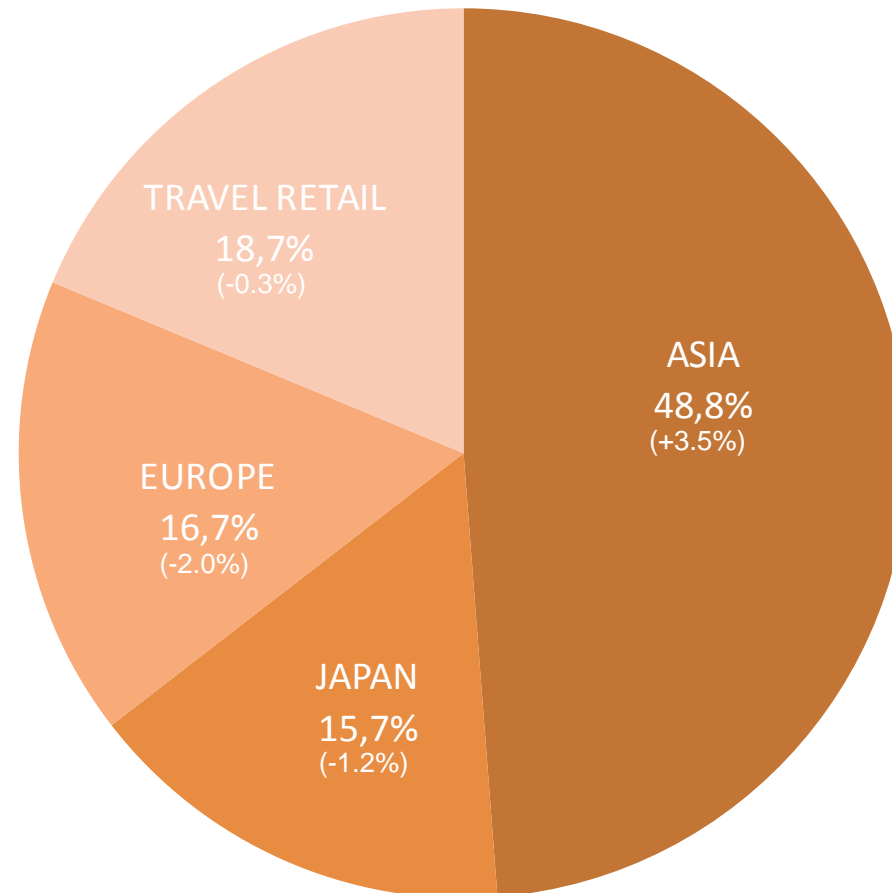
## Folli Follie stand-alone: FY 2009 Financial Highlights

<i>In million EUR</i>	2009	2008	% Change
<b>Revenue</b>	<b>370,2</b>	<b>324,7</b>	<b>14,0%</b>
<b>EBITDA</b>	<b>104,9</b>	<b>95,4</b>	<b>10,0%</b>
EBITDA Margin	28,3%	29,4%	
Gross Margin	52,1%	53,3%	
EBT	117,9	93,2	26,5%
<b>Net profit after minorities</b>	<b>99,8</b>	<b>77,8</b>	<b>28,3%</b>

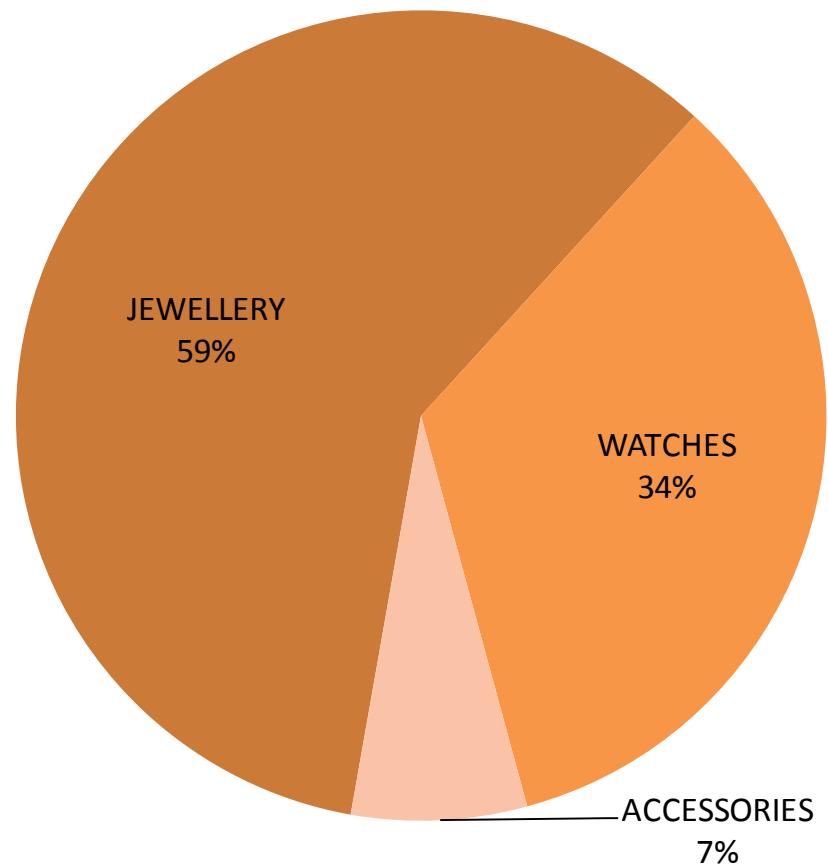
## Net sales by Region



## Net sales by Region



# Product Category Sales



## Remarks

- § During the 4th quarter of 2009, 10 new points of sale opened\*:
  - 4 in UK, 2 in Spain, 1 in Singapore, 1 in China, 1 in Hawaii, 1 in Taiwan (Duty Free)
- § End of Q4 2009 Folli Follie counted 402 points of sale in 24 countries
- § 3,0% of total turnover in local currency accounted from new openings from 31/12/2008 till 31/12/2009

\* 3 shops closed for relocation purposes and did not re-open until year end.



# HELLENIC DUTY FREE SHOPS



## 12M 2009 – Contribution by Company

Amounts in € million	HDFS	ELMEC Sport	Hellenic Distributions	Links London	HDFS Group 12M 2009	% of sales	HDFS Group 12M 2008	% of sales	YoY
<b>Sales</b>	251.5	267.5	22.7	95.6	637.3		621.1		
<b>Intra-Group Sales</b>	-4.3				-4.3		-4.0		
<b>Total Sales</b>	247.1	267.5	22.7	95.6	<b>632.9</b>		<b>617.1</b>		2.6%
<b>EBITDA</b>	53.2	19.4	2.3	19.5	<b>95.5</b>	15.1%	<b>96.9</b>	15.7%	-1.5%
Depreciation					15.3		13.1		
<b>EBIT</b>					<b>80.2</b>	12.7%	<b>83.8</b>	13.6%	-4.3%
Interest & participation income					-17.8		-21.3		
<b>EBT</b>					<b>62.4</b>	9.9%	<b>62.5</b>	10.1%	-0.1%
Taxes					24.6		15.3		
<b>EAT</b>					<b>37.8</b>	6.0%	<b>47.1</b>	7.6%	-19.7%
Minority interest					2.4		4.0		
<b>EAT after minorities</b>					<b>35.4</b>	5.6%	<b>43.1</b>	7.0%	-17.8%
<b>EAT after minorities before windfall tax</b>					<b>41.9</b>	6.6%	<b>43.1</b>	7.0%	-2.9%

## Links of London: 12M year-on-year comparison

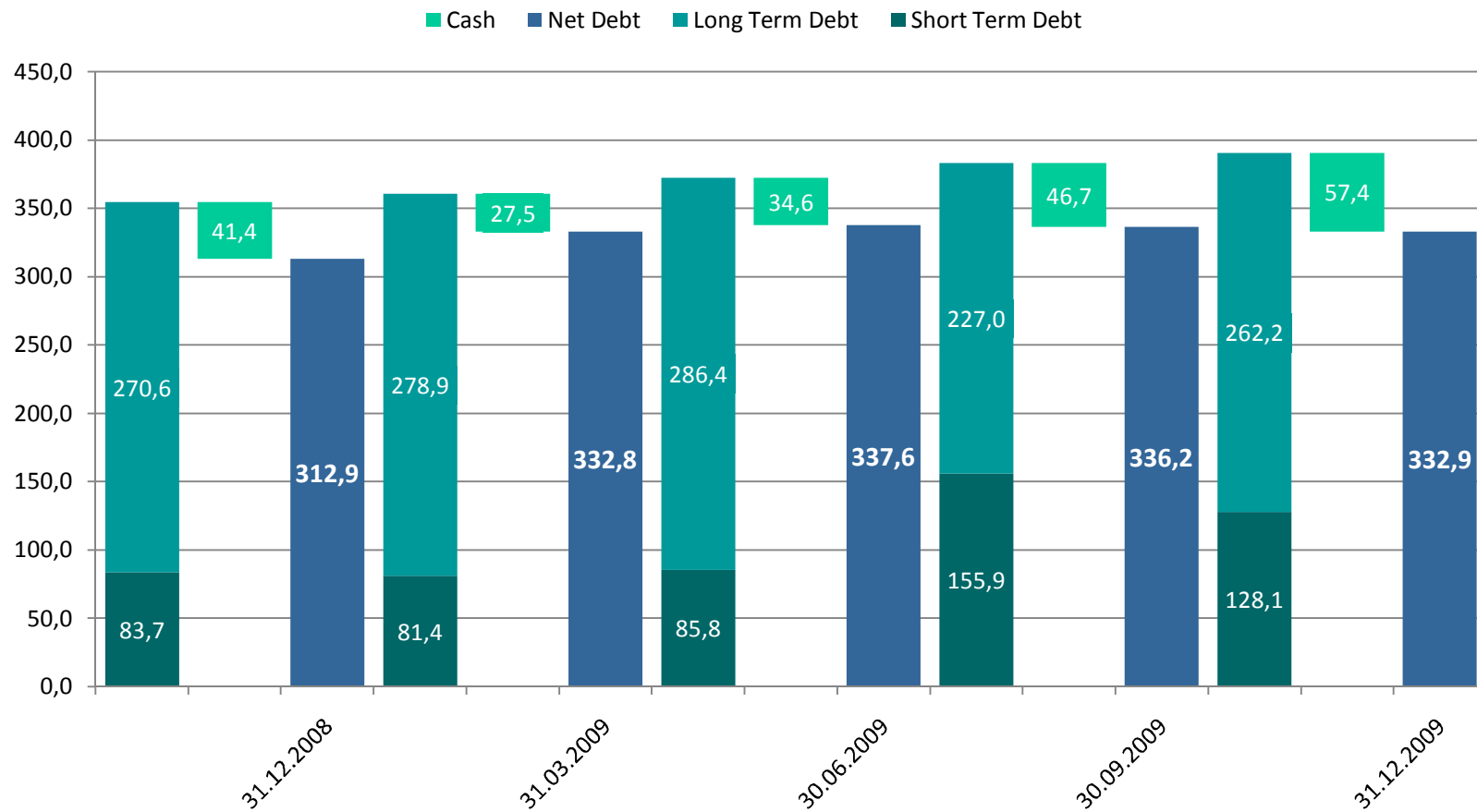


<i>(amounts in GBP '000)</i>	<b>12M 2009</b>	<i>% Sales</i>	<i>+/- 09/08</i>
<b>Turnover</b>	<b>85,150</b>	100.0%	36.8%
Cost of Sales	<u>25,323</u>	29.7%	56.5%
Gross Profit	<u>59,827</u>	70.3%	29.9%
Other Income	370		-140.7%
Administration Expenses	10,914	12.8%	6.0%
Sales Expenses	34,798	40.9%	30.1%
Interest Income/Expenses	-430		
<b>Earnings before Tax</b>	<b><u>14,055</u></b>	16.5%	88.7%
Total Depreciation	2,925		
<b>EBITDA</b>	<b><u>17,410</u></b>	20.4%	69.6%
<b>EBIT</b>	<b><u>14,485</u></b>	17.0%	78.8%
Income tax	3,973		
<b>EAT</b>	<b><u>10,082</u></b>	11.8%	81.0%

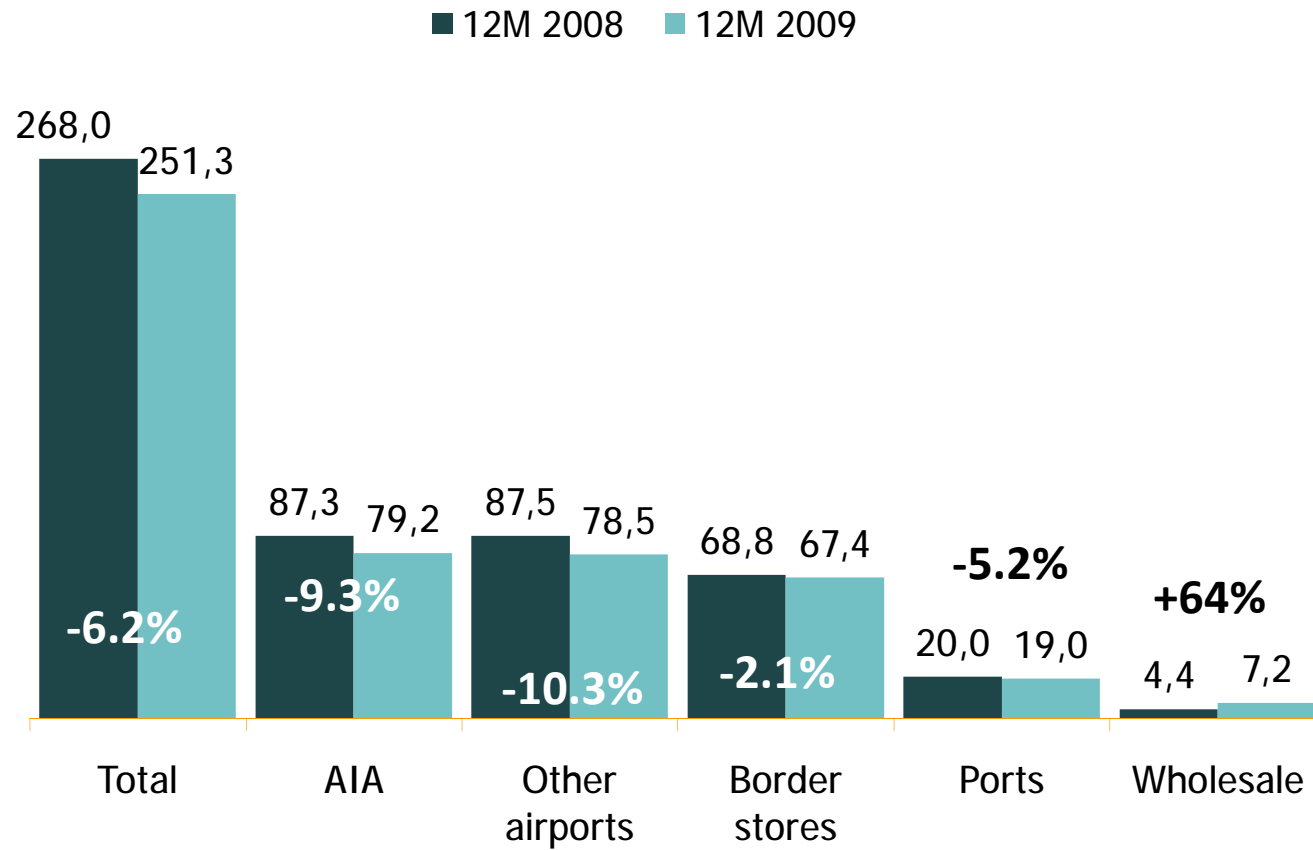
## HDFS Group Cash Flow Statement – 12M 2009

<i>(Euro '000)</i>	<u>12M 2009</u>	<u>12M 2008</u>
<b><u>Operating Cash Flow</u></b>		
<b>Cash flow before working capital changes</b>	<b>96,584</b>	<b>101,747</b>
Investments in working capital	-32,454	-14,833
<b>Cash from operations</b>	<b>64,130</b>	<b>86,914</b>
Interest expenses	-19,166	-21,336
Taxes paid	-17,256	-17,377
<b>Net cash from operating activities (a)</b>	<b>27,708</b>	<b>48,201</b>
<b><u>Cash flow from investment activities</u></b>		
Acquisition of subsidiaries	-282	-9,471
CapEx and other investments	-22,839	-39,554
Sale of assets	803	7,559
Interest income	489	1,855
Dividends received	91	199
Sale of financial assets	702	0
<b>Cash flow from investment activities (b)</b>	<b>-21,036</b>	<b>-39,412</b>
<b><u>Cash flow from financing activities</u></b>		
Capital return to minority stakeholders	-600	0
Increase / (Decrease) of debt	37,373	35,891
Share buyback	-1,043	-2,826
Dividends paid	-26,392	-38,450
<b>Cash flow from financing activities (c)</b>	<b>9,339</b>	<b>-5,386</b>
<b>Increase / (decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>16,011</b>	<b>3,403</b>
<b>Cash at the beginning of the period</b>	<b>41,416</b>	<b>38,013</b>
<b>Cash at the end of the period</b>	<b>57,427</b>	<b>41,416</b>
<b>Operating Free Cash Flow (net cash flow from operating activities minus capex)</b>	<b>4,869</b>	<b>8,647</b>

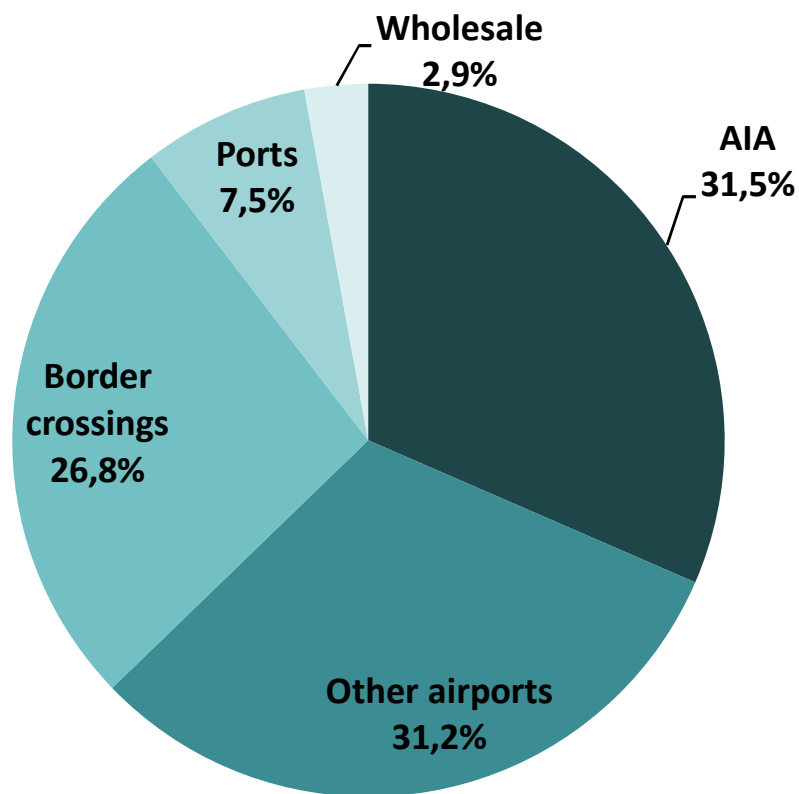
# HDFS Group Debt Structure – 12M 2009



## Sales by channel



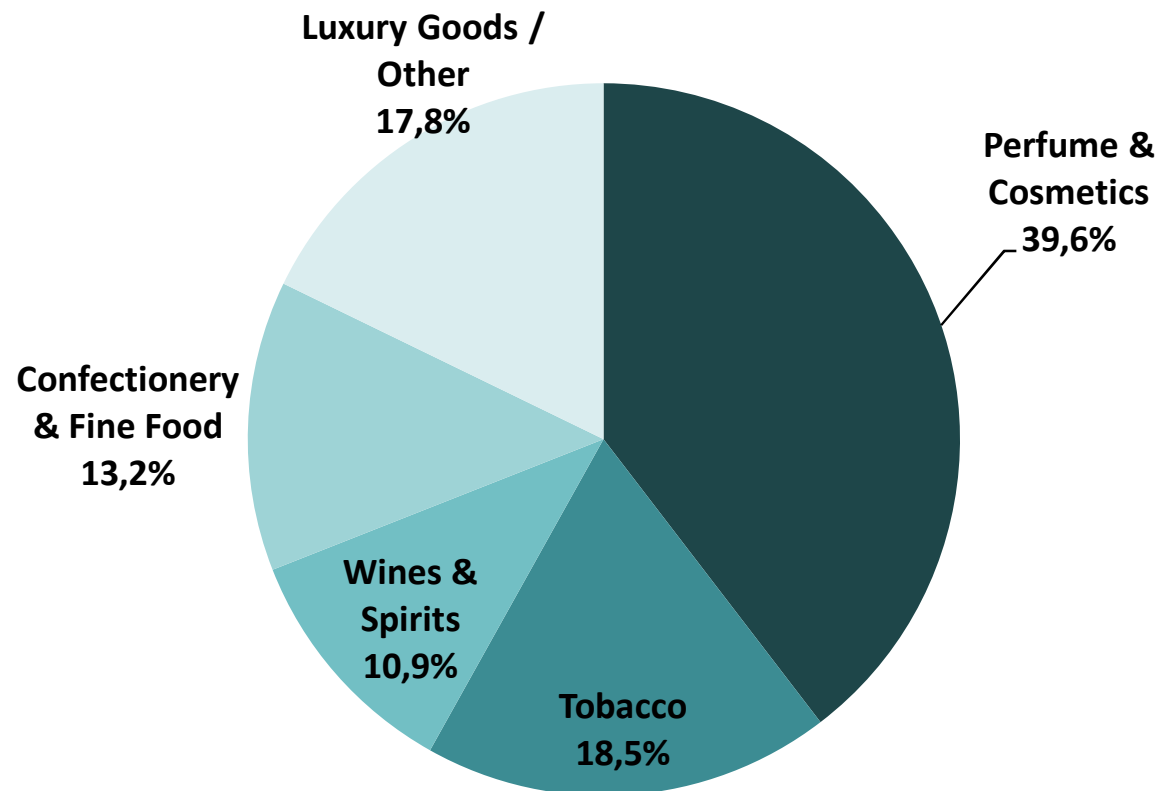
## Sales by channel



### Sales 12M 2009 vs. 12M 2008:

- § AIA sales -9.3% YoY
- § Other airports' sales -10.3% YoY
- § Border sales -2.1% YoY
- § Port sales -5.2% YoY
- § Wholesale +64% YoY

## Sales by category



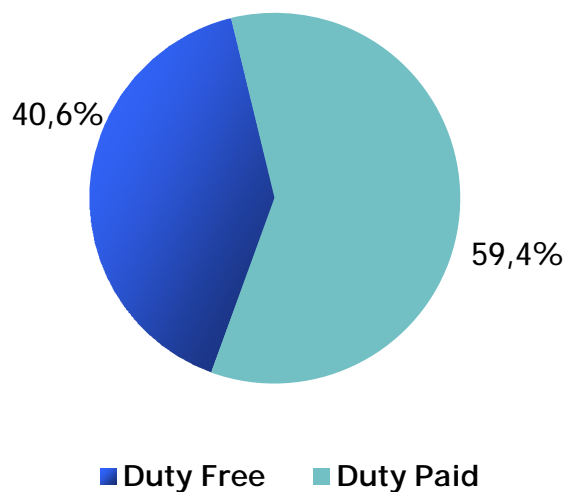
### Best performing product categories:

- § Tobacco sales +0.4% at €46.5 million.
- § Confectionery & Fine Food sales -0.9% at €33.1 million.
- § Luxury Goods / Other products sales -5.8% at €44.7 million.

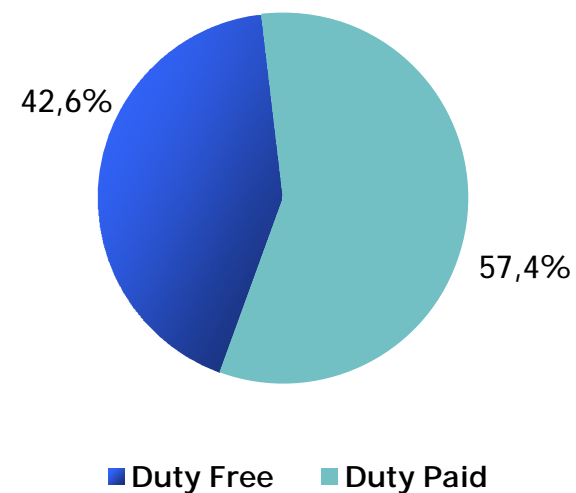


## Duty Free versus Duty Paid sales

12M 2008

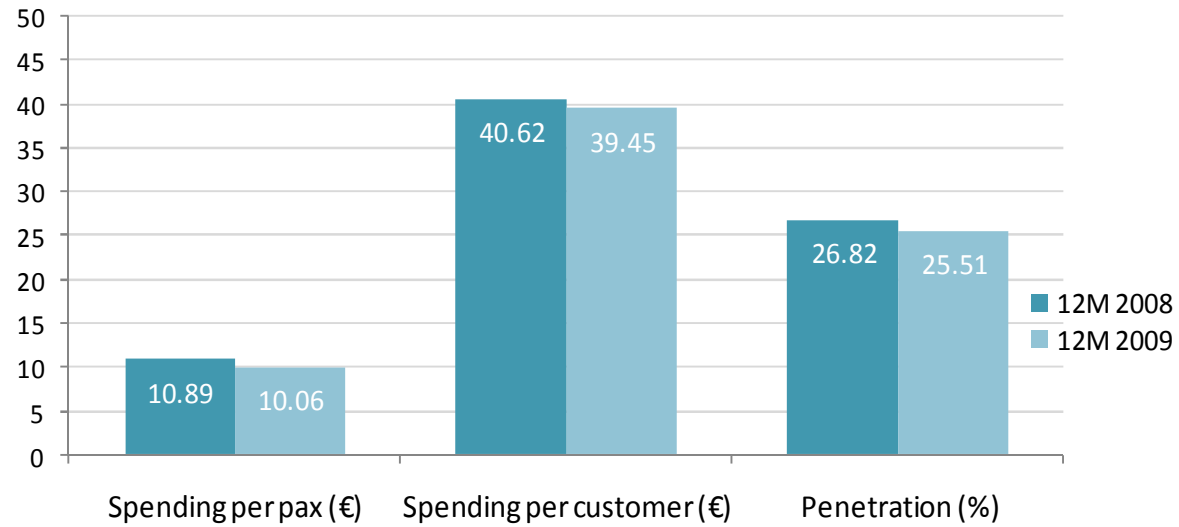


12M 2009



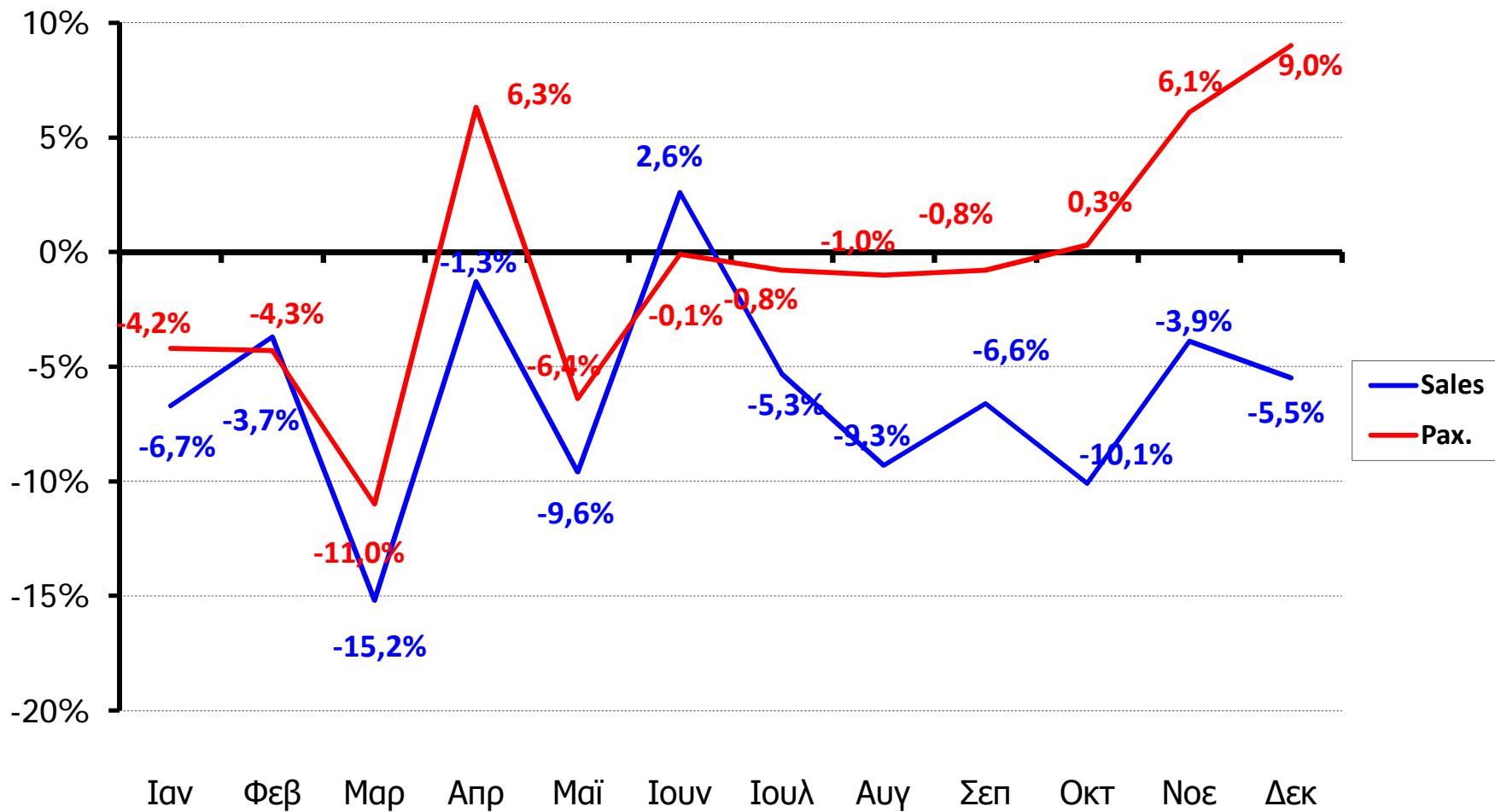
- § DF sales decreased by 1.8% reaching €107.0 million from €109.0 million in 12M 2008.
- § DP sales decreased by 9.3% reaching €144.3 million from €159.1 million in 12M 2008.

## Key performance indicators



- § Pax spending -7.6% YoY.
- § Customer spending -2.9% YoY.
- § Decreased penetration by 131 bps.

### Sales vs. Departing Passengers Growth



**Sales performance for 12M 2009 -6.2%**

**Pax performance for 12M 2009 -0.7%**



Juicy Couture, Athens

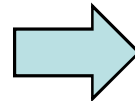
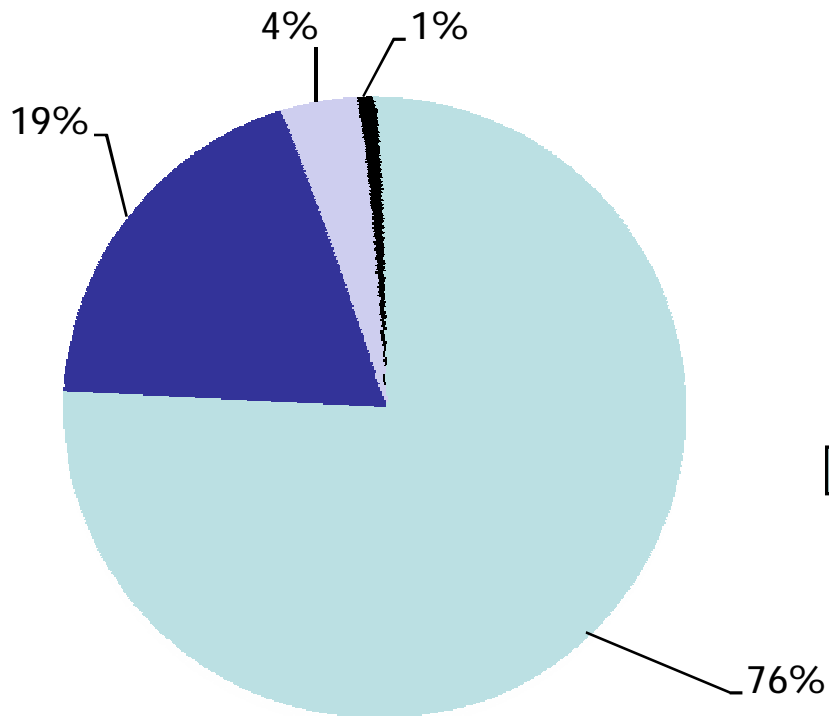


## 12M 2009 –Contribution by company

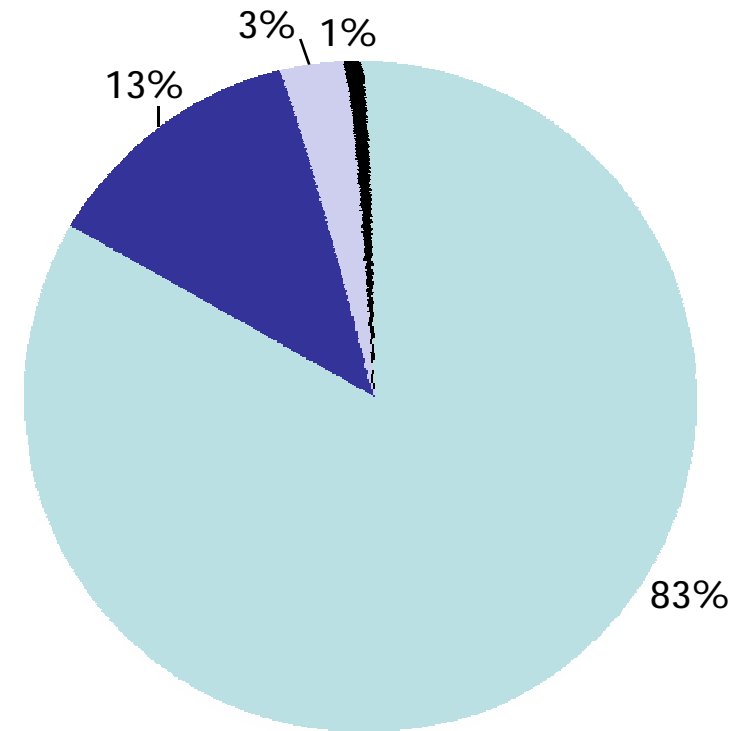
Amounts in € mil	Elmec Sport	attica I,II	Romania	Bulgaria	Factory Outlets	other affiliates	Intra- group	Elmec Group FY 2009	% of sales	Elmec Group FY 2008	% of sales	Y-o-Y
<b>Sales</b>	<b>95,9</b>	<b>137,4</b>	<b>37,7</b>	<b>9,4</b>	<b>17,3</b>	<b>2,0</b>	<b>-32,3</b>	<b>267,5</b>		<b>250,7</b>		6,7%
y-o-y %	0.7%	23.5%	-22.8%	-4.8%	5.3%	13%						
<b>EBITDA</b>								<b>19,4</b>	7,3%	<b>27,8</b>	11,1%	-30,3%
<b>EBIT</b>								<b>12,6</b>	4,7%	<b>22,1</b>	8,8%	-43,1%
Interests								-1,8		-6,5		
<b>EBT</b>								<b>10,8</b>	4,0%	<b>15,7</b>	6,2%	-31,1%
Taxes								-3,2		-3,5		
<b>EAT reported</b>								<b>7,6</b>	2,8%	<b>12,2</b>	4,8%	-37,5%
Minority interest								-2,1		-3,5		
<b>EAT after minorities</b>								<b>5,5</b>	2,1%	<b>8,7</b>	3,5%	-36,5%

# % Sales by region

12M 2008



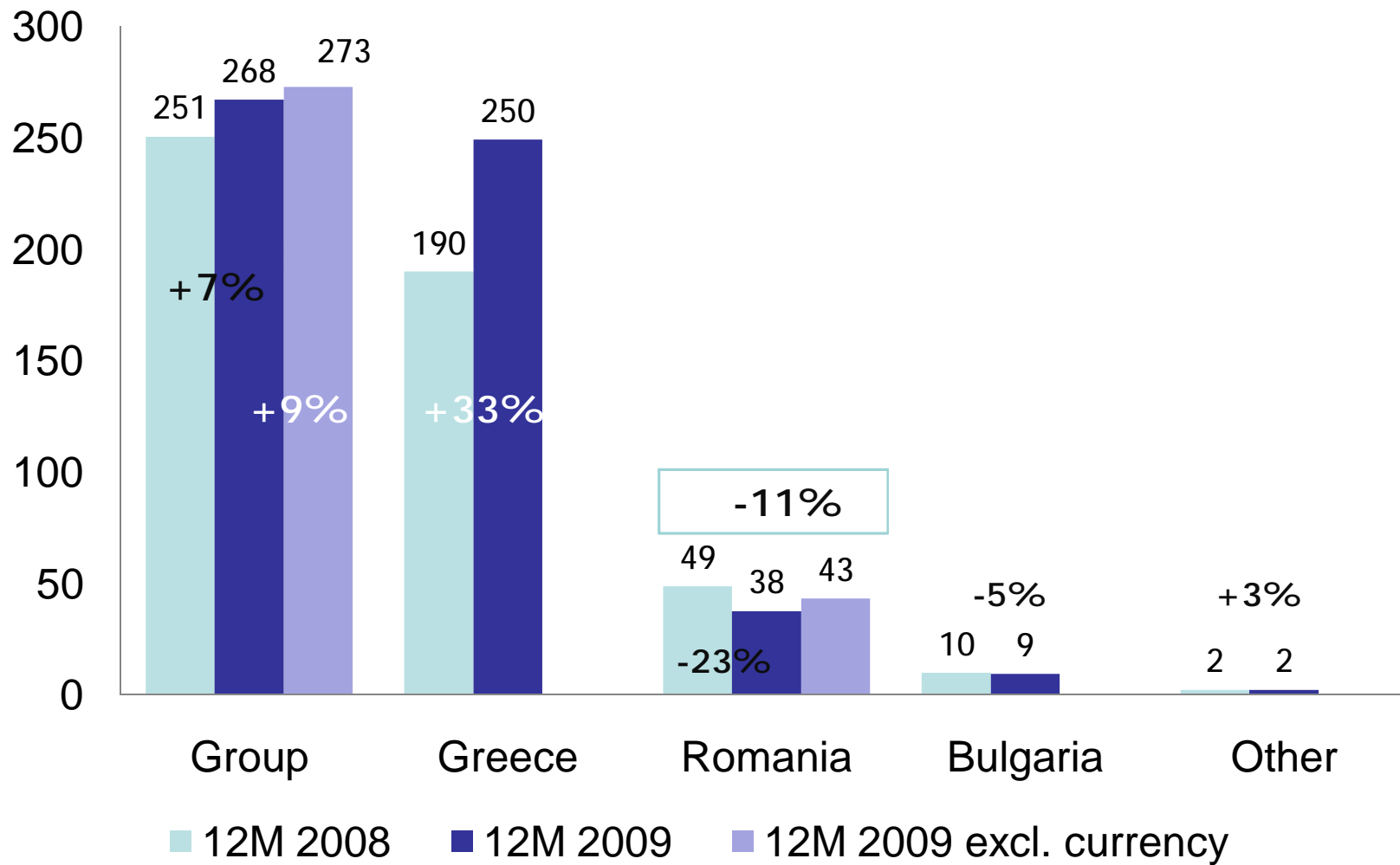
12M 2009



■ Greece ■ Romania ■ Bulgaria ■ Other

■ Greece ■ Romania ■ Bulgaria ■ Other

## Net Sales by region



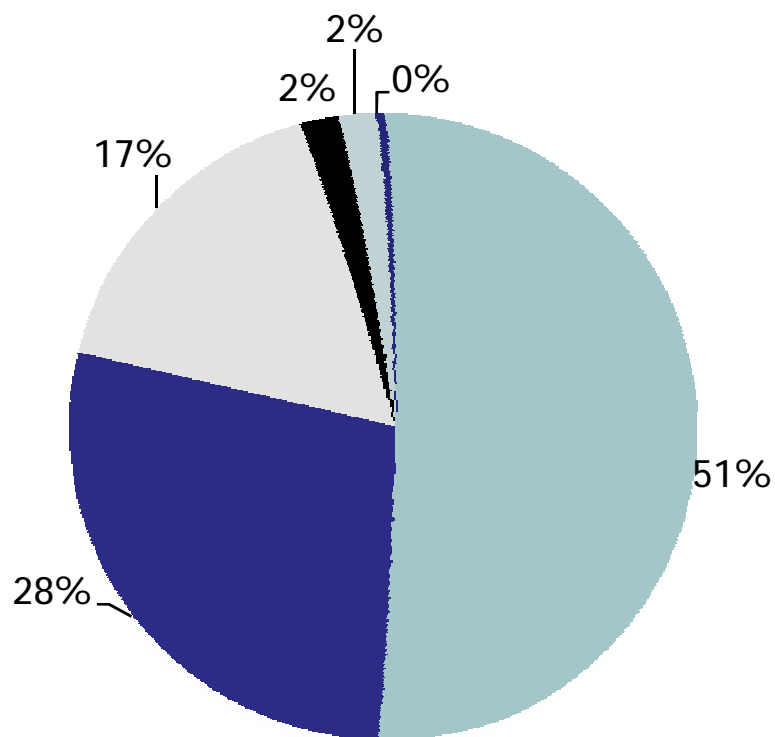
Amounts are in mn euro

*Intra group sales (mainly from Greece) stood at €32.2 mn in 12M 2009 Vs €32.8 mn in 12M 2008*

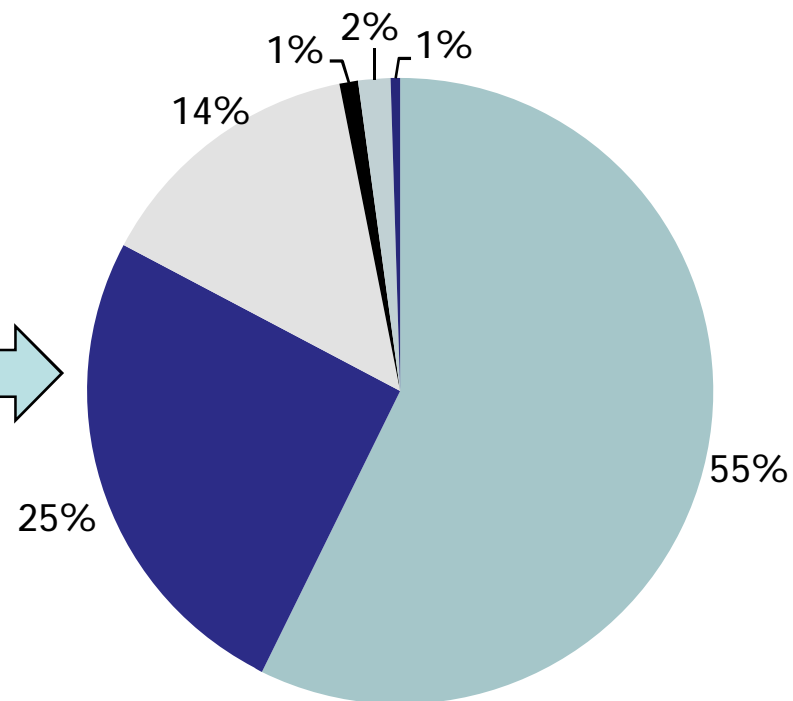


# % Sales by segment

12M 2008



12M 2009



- Department Stores
- Wholesale
- Vehicle

- Retail
- Gym equip
- Other

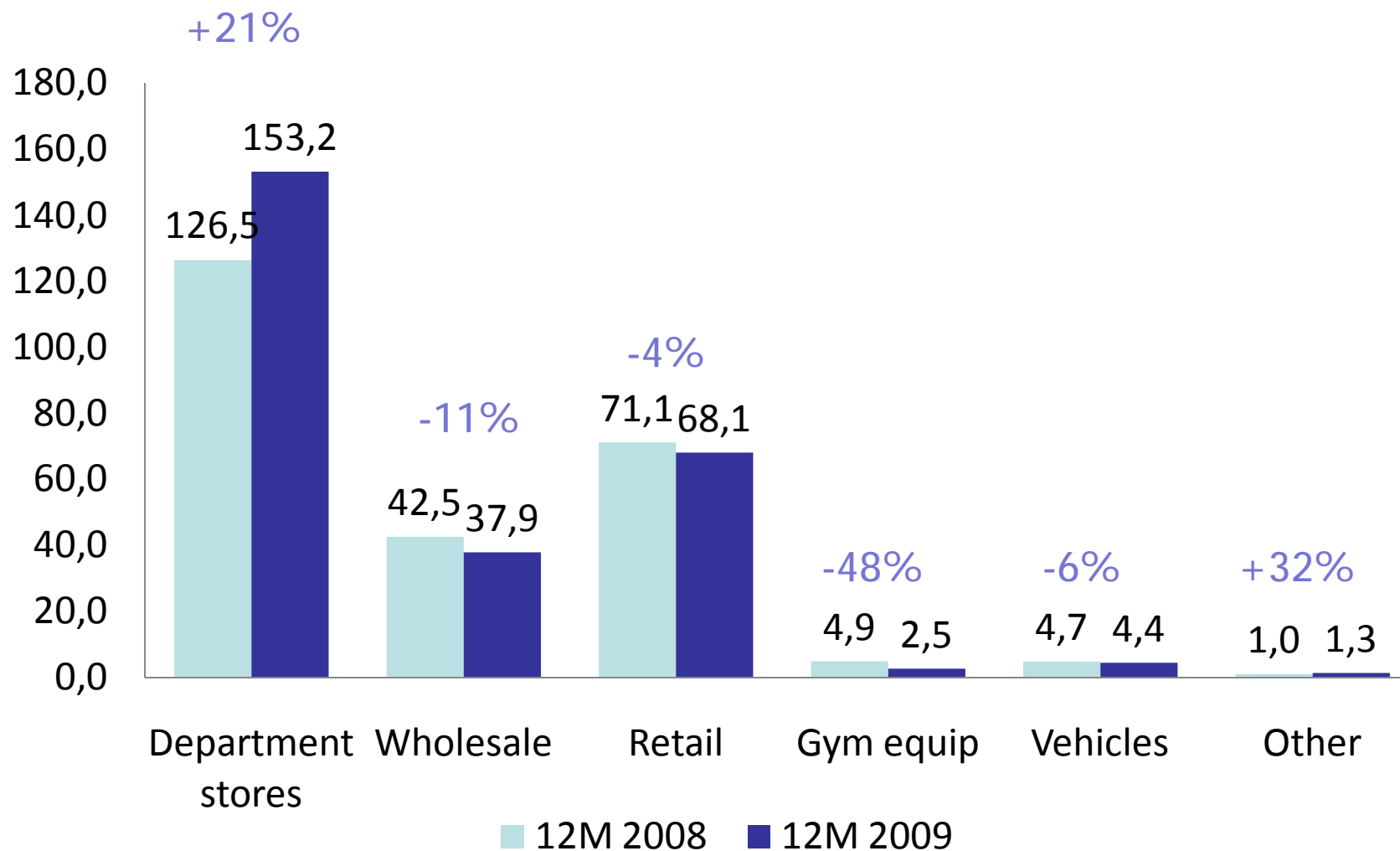
- Department Stores
- Wholesale
- Vehicle

- Retail
- Gym equip
- Other





## Net Sales by segment



Amounts are in million euro



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