

MARCOLIN
EYEWEAR



Investors presentation

FY17 Financial Results

March 23, 2018

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Agenda



- **Key consolidated financials: FY 2017**
- Appendix

Sales

Consolidated Net Sales increase +6.2% vs. PY, mainly driven by TF (+6%), SK (+22%) and GU (~+15% in Europe and RoW).

Good performance of new brand Moncler and the housebrand WEB.

FY 2017

FY 2016

469.1 **441.9**

+ 6.2% PY @ curr FX
+ 7.1% PY @ const FX

EBITDA

FY 17 EBITDA Reported is **€ 52.1m, +12.2%** vs. PY (€ 46.4m, 10.5% on NS).

FY 17 EBITDA Adjusted * is **€ 55.0m, +10.5%** vs. PY (€49.7m, 11.3% on NS).

FY 2017
Reported

FY 2017
Adjusted *

52.1 **55.0**

+12.2% PY

+ 10.5% PY

11.1% On Net Sales

11.7% On Net Sales

Net Debt

Compared to FY16 (€ 204.8m), FY17 shows a change primarily due to refinancing of February 2017 and LVMH Project.

FY 2017

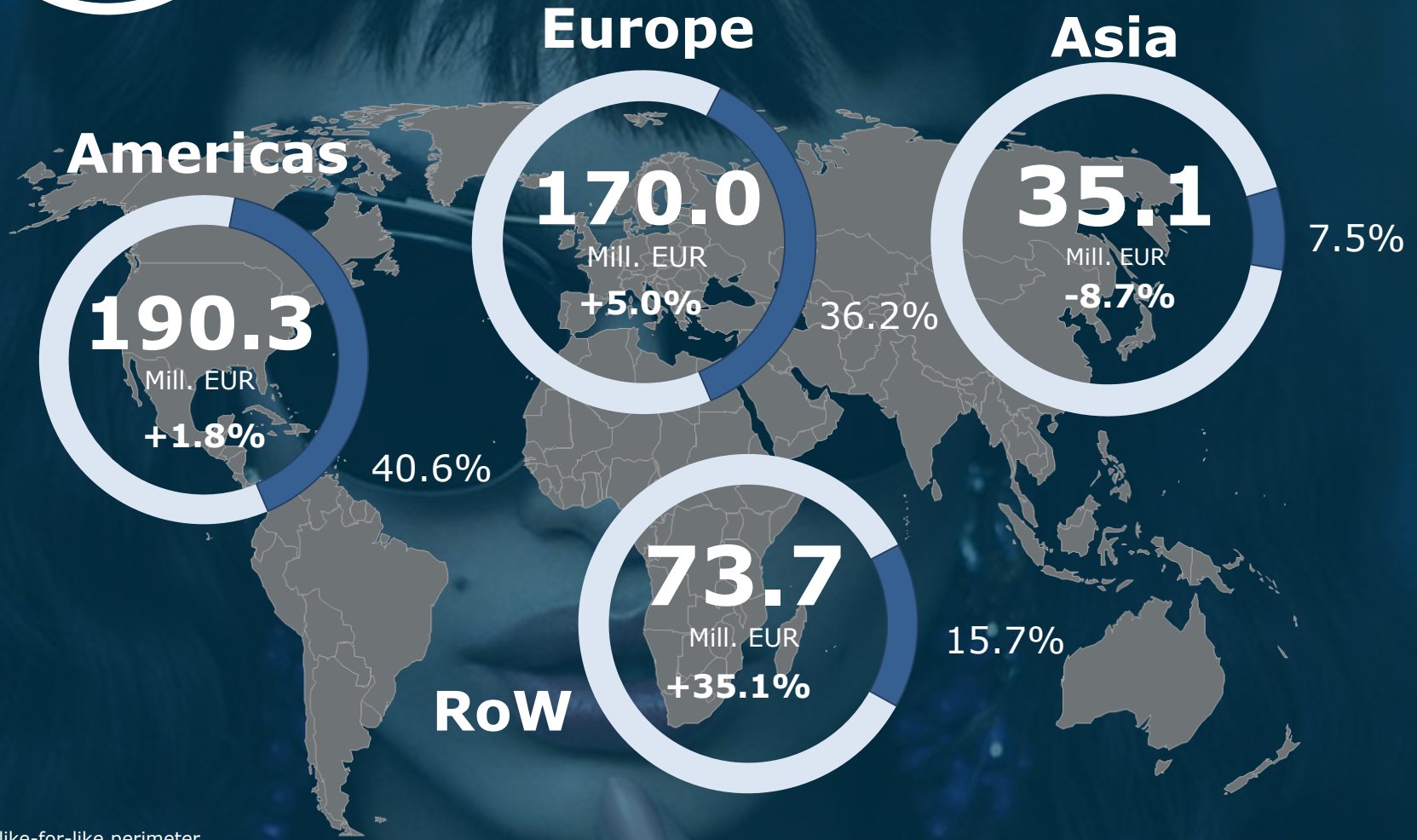
237.4

Leverage **4.3x**

(*) EBITDA is affected by few extraordinary items. For this reason it has been adjusted to restate the one-off effects as represented in "Consolidated Adjusted EBITDA" on Appendix section.



FY 2017
Global sales
By market destination



PY like-for-like perimeter

Consolidated Profit & Loss

(EURm)	FY 17		FY 16		Var %
	Reported	%NS	Reported	%NS	
Net sales	469,1	100,0%	441,9	100,0%	6,2%
Gross Margin	275,7	58,8%	258,9	58,6%	6,5%
EBITDA	52,1	11,1%	46,3	10,5%	12,6%
EBIT	34,0	7,3%	31,5	7,1%	8,0%
EBITDA ADJUSTED	55,0	11,7%	49,7	11,3%	10,5%

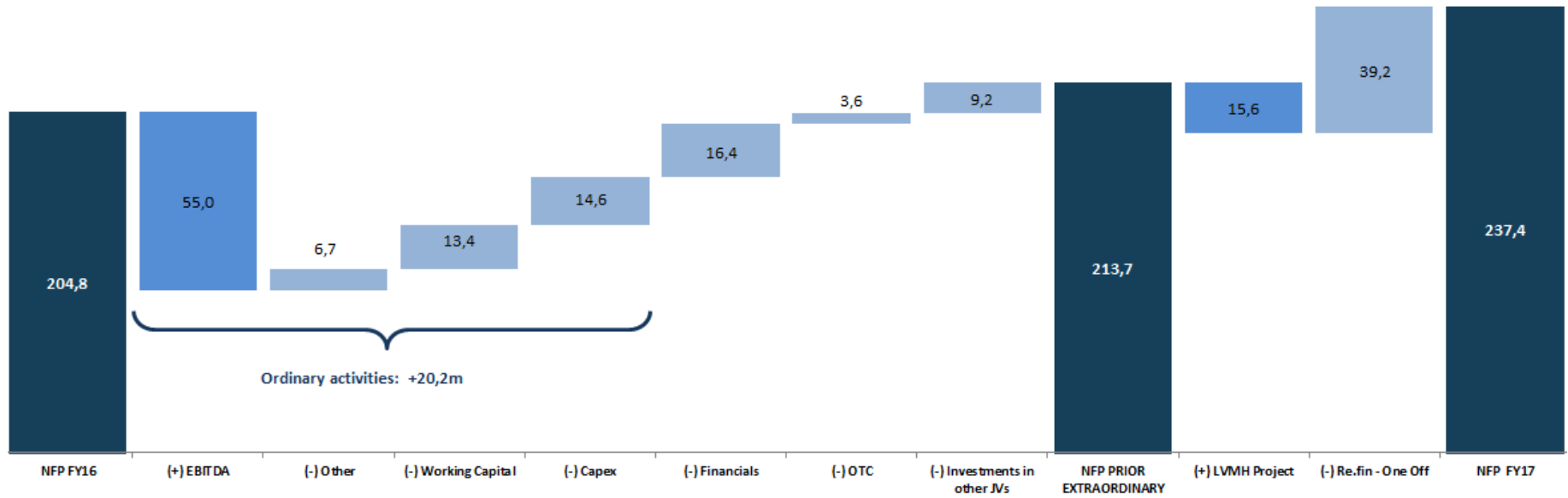
Key observations

- **Net Sales:** the increase compared to PY is 6.2% (+€27.2m).
- **GM:** strong and solid performance of GM thanks to price and cost control despite market pressure.
- **EBITDA Reported:** the increase compared to PY is mainly due to lower one-off items and the improvement of operating leverage (which improved the **EBITDA Adjusted**).

Consolidated Cash Flow (Net Debt)



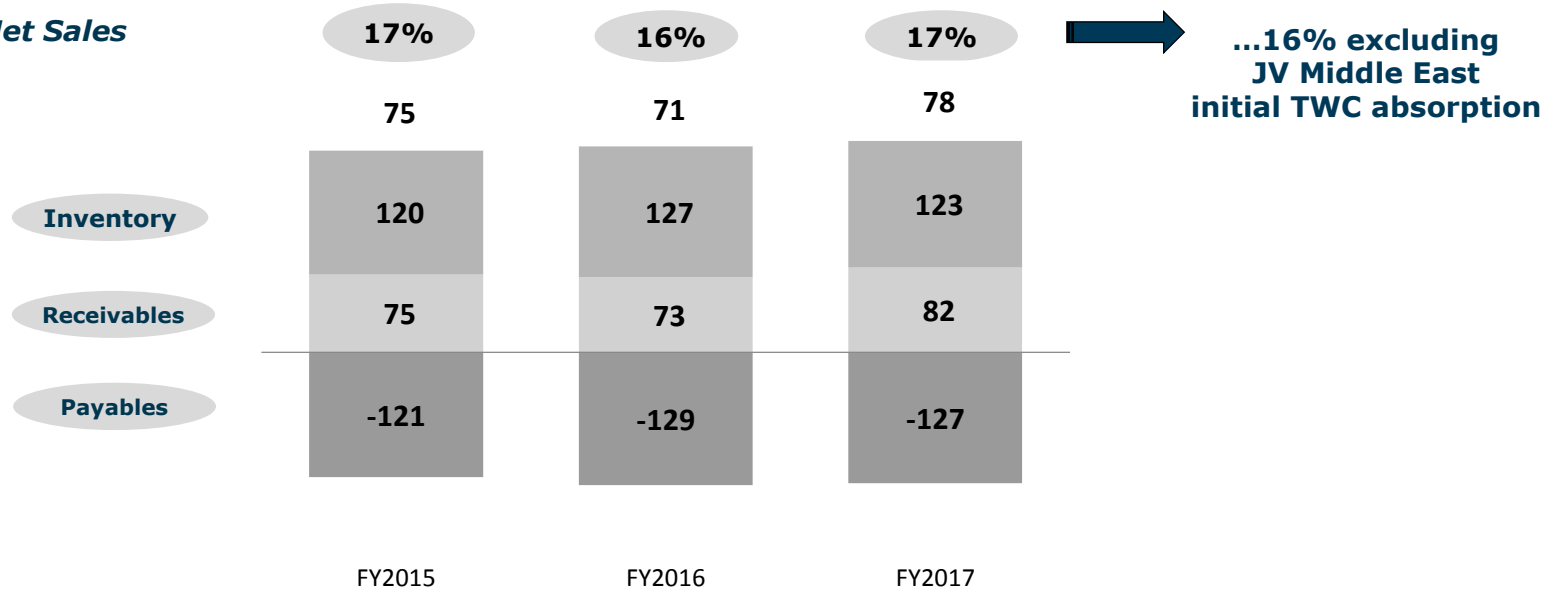
Key financials: FY 2017



Leverage ratio
4.3x

Trade Working Capital

As % on Net Sales



Key observations

- **TWC:** Stability of the % on Net Sales, Dec 2017 some 16%, very close to PY (like for like perimeter)
- **Trade Receivables:** sales timing...driving increase...good performance of DSO index which shows a decrease by 2 days compared to Dec 16
- **Trade Payables:** Dec 2017 in line with Dec 16
- **Inventory:** Overall decrease as of Dec 2017 despite new JV in Middle East and buildup of stock to manage the 2018 expected sales

Net Financial Position

	(EURm)	FY 2017	FY 2016
1	Current financial liabilities	39,4	51,7
2	Non current financial liabilities	261,2	205,0
	Financial Liabilities	300,6	256,7
	Financial Assets*	63,2	51,9
	Net Financial Position	237,4	204,8
	Revolving Credit Facility	10,0	25,0
	Short term borrowings from Banks	7,7	8,3
	Current Financial Loan	19,5	15,5
	Receivable Factoring	0,0	0,0
	Vendor Loan (HVHC) - Current portion	0,0	0,0
	Bond accrued interests	1,4	2,5
	Current Financial Lease	0,7	0,4
	Current financial liabilities	39,4	51,7
	Senior Secured bonds	250,0	200,0
	Non Current Financial Loan	5,5	4,2
	Non Current Financial Lease and other	5,8	0,8
	Non Current financial liabilities	261,2	205,0

* Financial Assets include bond amortized fees, accounted on Financial Liabilities on the Condensed Consolidated Statement of Financial Position.

Agenda



- Key consolidated financials: FY 2017
- **Appendix**

(EURm)	FY 2017				FY 2016			
	Reported	%NS	Adjusted	%NS	Reported	%NS	Adjusted	%NS
Net sales	469,1	100,0%	469,1	100,0%	441,9	100,0%	441,9	100,0%
Cost of sales	(193,4)	-41,2%	(193,4)	-41,2%	(183,0)	-41,4%	(182,7)	-41,3%
Gross Margin	275,7	58,8%	275,7	58,8%	258,9	58,6%	259,2	58,7%
Selling and marketing costs	(198,9)	-42,4%	(196,9)	-42,0%	(188,7)	-42,7%	(186,4)	-42,2%
General and administrative expenses	(28,3)	-6,0%	(27,4)	-5,8%	(25,7)	-5,8%	(25,1)	-5,7%
Other operating income and expenses	3,6	0,8%	3,6	0,8%	1,9	0,4%	1,9	0,4%
EBITDA	52,1	11,1%	55,0	11,7%	46,4	10,5%	49,7	11,3%
Amortization-Depreciation	(18,1)	-3,8%	(17,7)	-3,8%	(15,0)	-3,4%	(15,0)	-3,4%
Operating Profit	34,0	7,3%	37,3	8,0%	31,5	7,1%	34,8	7,9%
Equity method investments	(6,6)	-1,4%	0,0	0,0%	0,0	0,0%	0,0	0,0%
Net finance costs	(33,8)	-7,2%	(20,7)	-4,4%	(16,1)	-3,6%	(16,1)	-3,6%
Profit before taxes	(6,4)	-1,4%	16,6	3,5%	15,4	3,5%	18,7	4,2%
Income tax expense	(8,1)	-1,7%	(0,6)	-0,1%	(3,2)	-0,7%	(3,2)	-0,7%
Net Result	(14,5)	-3,1%	16,0	3,4%	12,2	2,8%	15,5	3,5%

FY17 Key Adjustments

- € 13m bond refinancing costs
- € 8m US tax reform effect

Statement of Financial Position

Balance Sheet (EURm)	FY 2017	FY 2016	Change
Trade receivables	82,1	72,6	9,4
Inventory	122,6	126,9	(4,3)
Trade Payables	(126,8)	(128,5)	1,7
TRADE WORKING CAPITAL	77,9	71,0	6,8
Other assets and liabilities	(29,5)	(22,9)	(6,6)
NET WORKING CAPITAL	48,4	48,1	0,2
Total Fixed Assets	399,1	403,6	(4,5)
Funds	(7,8)	(7,8)	0,1
NET INVESTED CAPITAL	439,7	443,9	(4,1)
Net Financial Position	237,4	204,8	32,6
Equity	202,3	239,0	(36,7)
COVERAGE OF NIC	439,7	443,9	(4,1)

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