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EYEWEAR



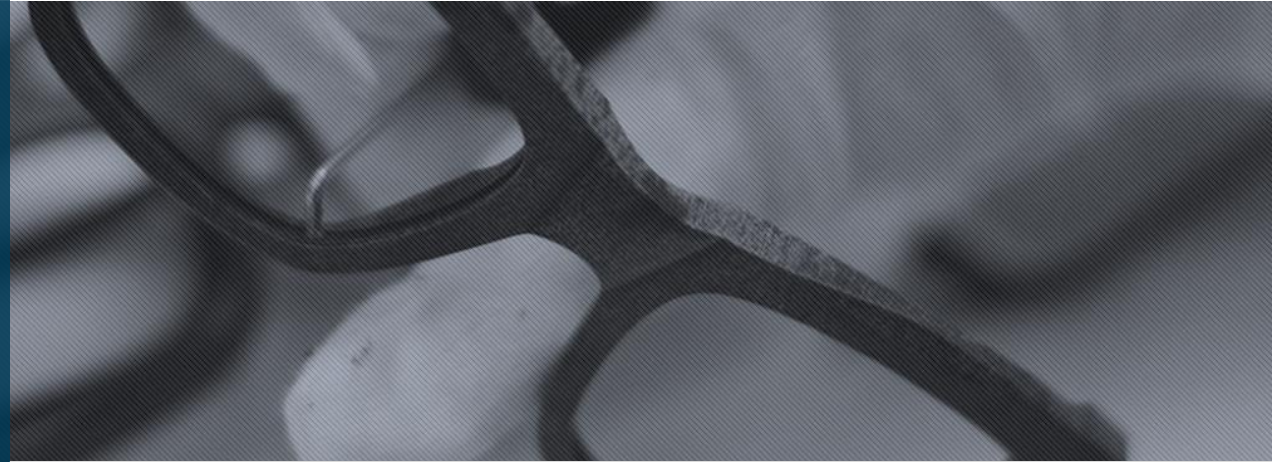
Investors Presentation
FY18 Financial Results

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Agenda



- **Key consolidated financials: FY 2018**
- Appendix

Sales

Consolidated Net Sales increase +2.8% vs. PY at curr. FX, while +6.1% at const. FX due to USD devaluation. Net Sales increase at const. FX is mainly driven by TF (+5%), SK (+16%), GU (+9%) and TB (+41%).

FY 2018

482

+2.8% PY @ curr FX
+6.1% PY @ const FX

FY 2017

469

EBITDA

FY 18 EBITDA Reported is **€ 51m**.
FY 18 EBITDA Adjusted * is **€ 57m, +4%** vs. PY (€55m, 11.7% on NS).

FY 2018
Reported

51

10.6% On Net Sales

FY 2018
Adjusted *

57

+4% PY

11.9% On Net Sales

Net Debt

Compared to FY17 (€ 237m), FY 18 shows a change mostly due positive ordinary activities cash flow partially offset by the budgeted capital increase to the associate entity Thélios SpA.

FY 2018

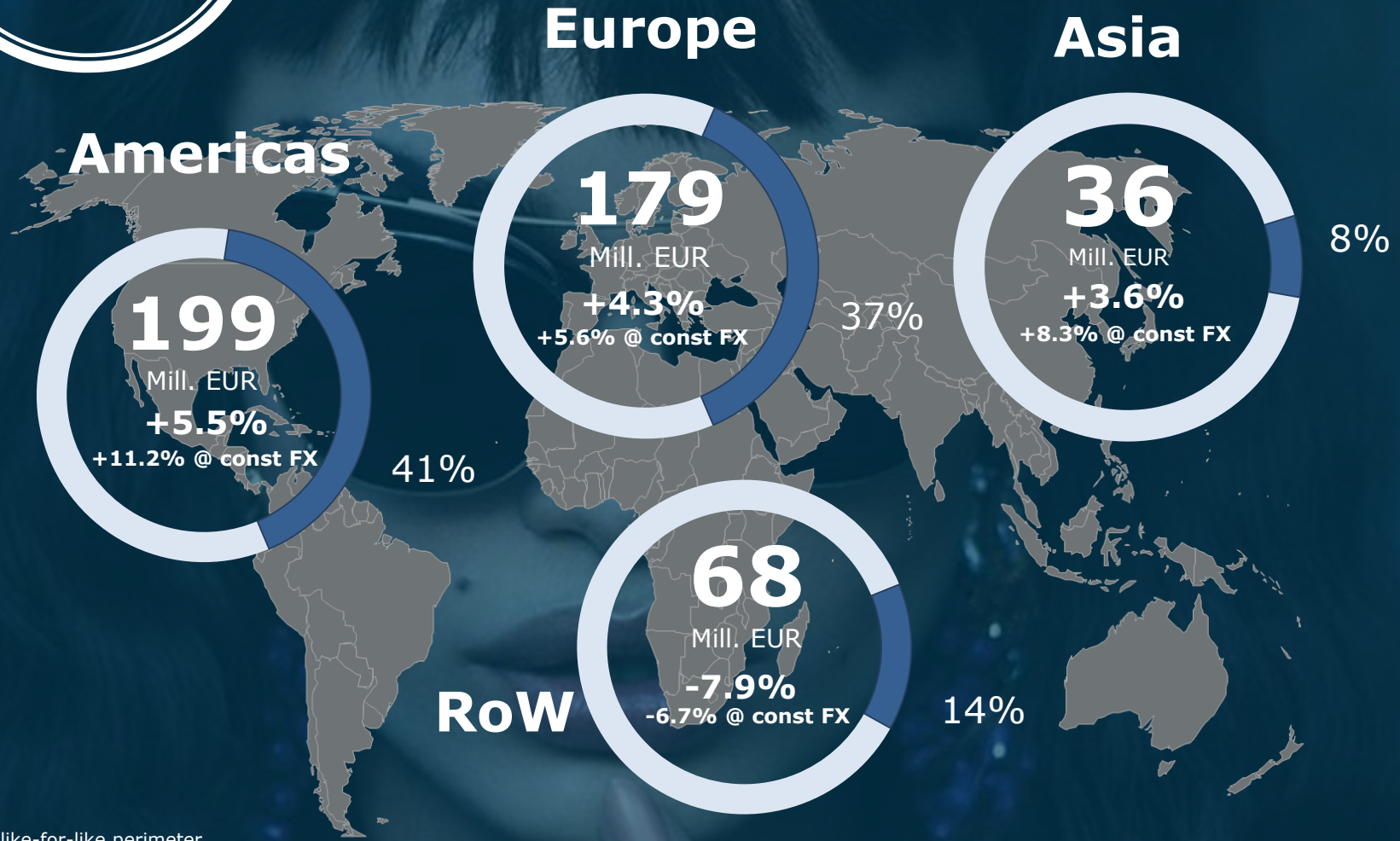
234

Leverage **4.1x**

(*) EBITDA Reported is affected by few extraordinary items. For this reason it has been adjusted to exclude one-off effects.



FY 2018
Global sales
By market destination



PY like-for-like perimeter

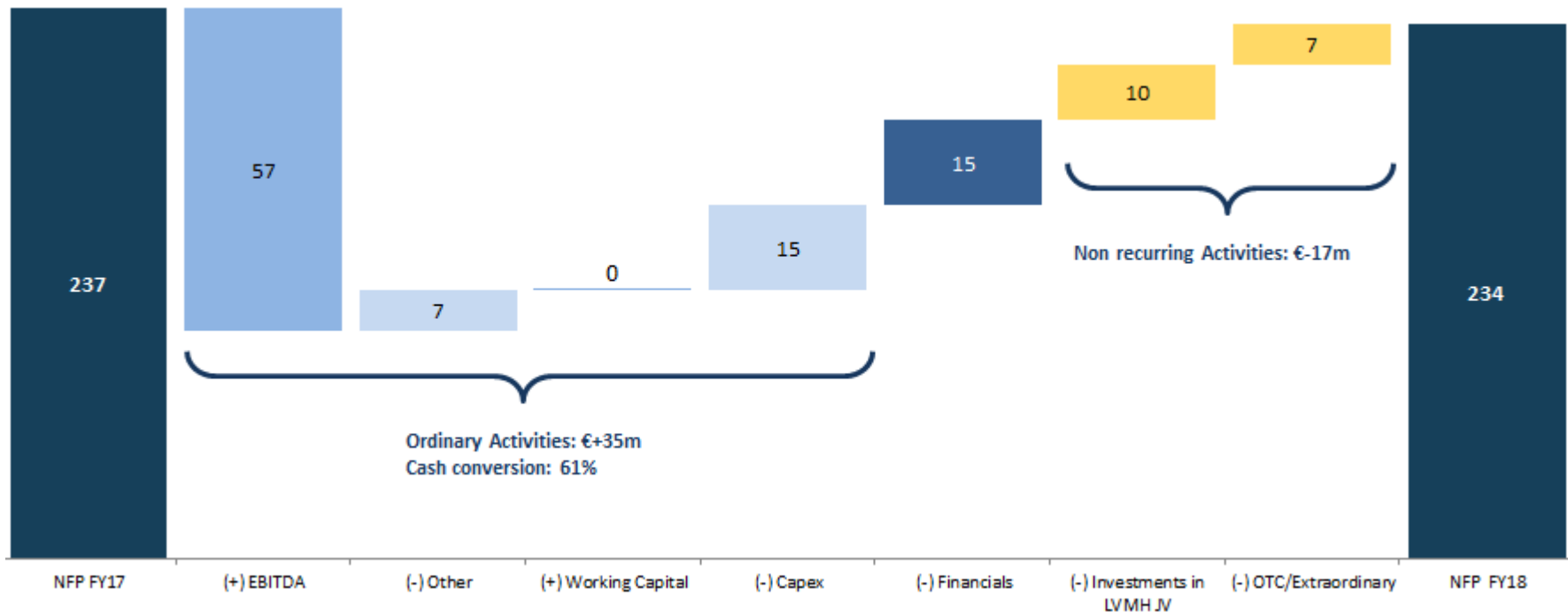
Consolidated Income Statement

(EURm)	FY 2018		FY 2017	
	Adjusted	%NS	Adjusted	%NS
Net sales	482	100,0%	469	100,0%
Gross Margin	283	58,7%	276	58,8%
EBITDA	57	11,9%	55	11,7%
EBIT	36	7,5%	37	8,0%

Key observations

- **Net Sales:** the increase compared to PY is +2.8% (+€13.1m) at curr FX, while is +6.1% (+€28.5m) at const FX.
- **GM:** continuous strong and solid performance of GM, different sales mix driving lower percentage versus FY 2017.
- **EBITDA:** Improving in value and % compared to PY.

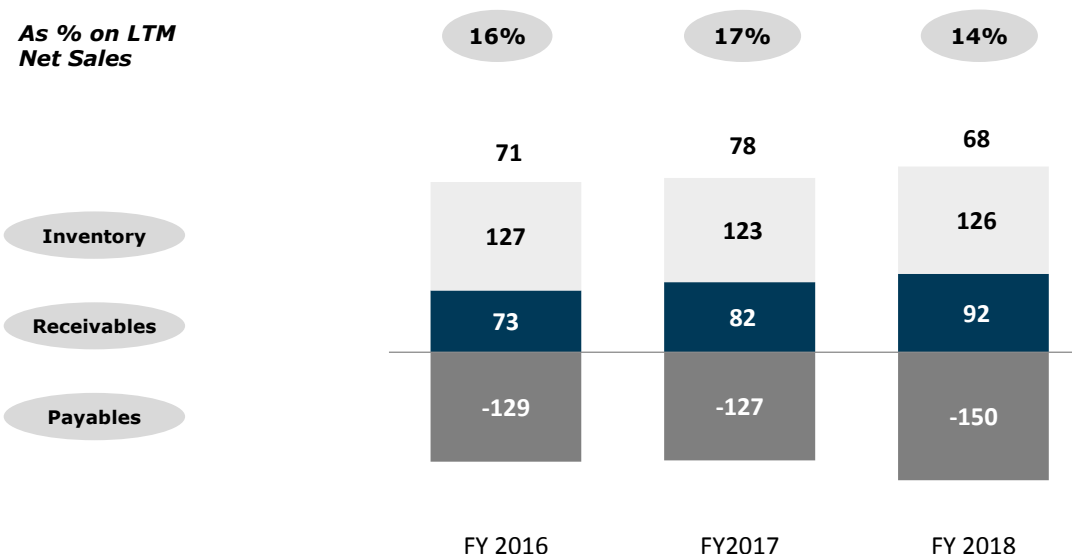
Consolidated Cash Flow (Net Debt)



Key observations

- **NFP:** FY 2018 NFP impacted by the budgeted capital increase to the associate entity Thélios SpA.
- **Non recurring activities:** mainly LVMH JV capital increase and other one time costs related mainly to discontinued assets and some reorganization severances.

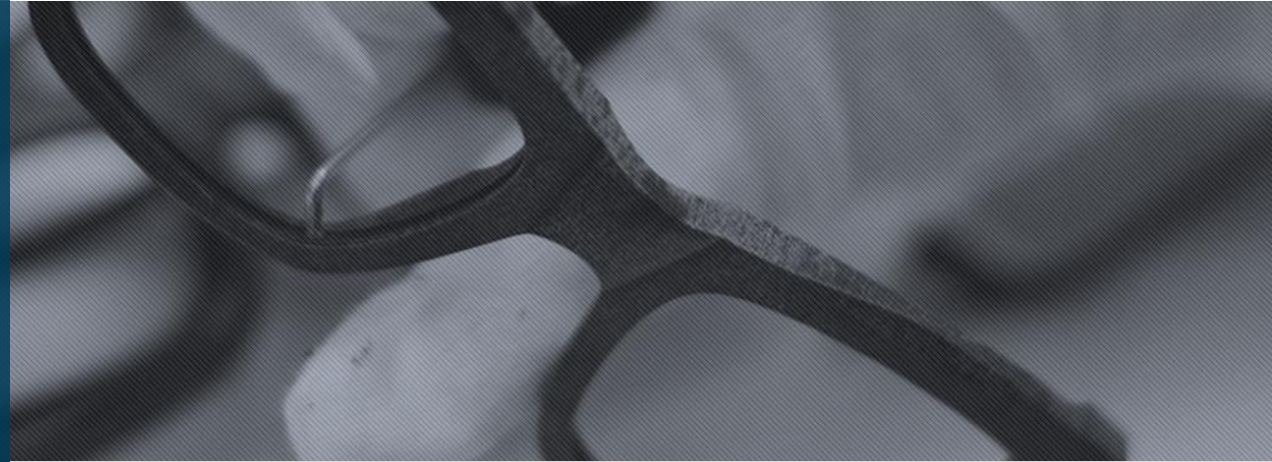
Trade Working Capital



Key observations

- **Trade Receivables:** sales timing...driving increase...good performance of DSO index which continues to improve vs PY.
- **Trade Payables:** increase due to volume growth achieved on FY18 and build up on inventory to support expected sales growth in 1Q19.
- **Inventory:** Good stock management, similar level of previous years despite support to sales increase of FY 2019 and new subsidiary in Mexico initial inventory build-up.

Agenda



- Key consolidated financials: FY 2018
- **Appendix**

Income Statement

(EURm)	FY 2018				FY 2017			
	Reported	%NS	Adjusted	%NS	Reported	%NS	Adjusted	%NS
Net sales	482	100%	482	100%	469	100%	469	100%
Cost of sales	(203)	-42%	(199)	-41%	(193)	-41%	(193)	-41%
Gross Margin	279	58%	283	59%	276	59%	276	59%
Selling and marketing costs	(204)	-42%	(202)	-42%	(199)	-42%	(197)	-42%
G&A expenses	(29)	-6%	(28)	-6%	(28)	-6%	(27)	-6%
Other income and expenses	4	1%	4	1%	4	1%	4	1%
EBITDA	51	11%	57	12%	52	11%	55	12%
Amortization-Depreciation	(22)	-5%	(21)	-4%	(18)	-4%	(18)	-4%
Operating Profit	29	6%	36	7%	34	7%	37	8%
Equity method investments	(9)	-2%	-	0%	(7)	-1%	0	0%
Net finance costs	(24)	-5%	(19)	-4%	(34)	-7%	(21)	-4%
Profit before taxes	(4)	-1%	17	3%	(6)	-1%	17	4%
Income tax expense	3	1%	(2)	-1%	(8)	-2%	(1)	0%
Net Result	(1)	0%	14	3%	(15)	-3%	15	3%

Statement of Financial Position

Balance Sheet (EURm)	FY 2018	FY 2017	Delta
Trade receivables	92,0	82,1	9,9
Inventory	126,1	122,6	3,5
Trade Payables	(150,1)	(126,8)	(23,3)
Trade Working Capital	67,9	77,9	(10,0)
Other assets and liabilities	(15,4)	(29,5)	14,1
NET WORKING CAPITAL	52,5	48,4	4,2
Total Fixed Assets	410,6	399,1	11,5
Funds *	(21,5)	(7,8)	(13,8)
NET INVESTED CAPITAL	441,6	439,7	1,9
Net Financial Position	234,4	237,4	(3,0)
Equity	207,2	202,3	4,9
COVERAGE OF NIC	441,6	439,7	1,9

* Variation vs PY mainly due to reclassification under IFRS 15 adoption

Net Financial Position

	FY 2017	FY 2018
(EURm)		
Current financial liabilities	39.4	40.2
Non current financial liabilities	261.2	256.9
Financial Liabilities	300.6	297.1
Financial Assets *	63.2	62.7
Net Financial Position	237.4	234.4
Revolving Credit Facility	10.0	10.0
Short term borrowings from Banks	7.7	10.0
Current Financial Loan	19.5	18.2
Bond accrued interests	1.4	1.4
Current Financial Lease	0.7	0.6
Current financial liabilities	39.4	40.2
Senior Secured bonds	250.0	250.0
Non Current Financial Loan	5.5	2.0
Non Current Financial Lease and other	5.8	4.9
Non Current financial liabilities	261.2	256.9

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

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