MONCLER

MONCLER S.P.A.:
THE BOARD OF DIRECTORS HAS APPROVED THE PRELIMINARY[1]
CONSOLIDATED RESULTS FOR FINANCIAL YEAR ENDED DECEMBER 31, 2013

MONCLER: REVENUES AND EARNINGS GROWTH CONTINUED IN FY 2013

- **Consolidated Revenues: 580.6 million euros, +19% compared to 489.2 million euros as of 31 December 2012; +25% at constant exchange rates**
- **Adjusted EBITDA[2]: 191.7 million euros, up by 19% compared to the 161.5 million euros as of 31 December 2012, giving a margin of 33.0%**
- **Adjusted EBIT[2]: 172.5 million euros, up by 18% compared to the 145.8 million euros as of 31 December 2012, giving a margin of 29.7%**
- **Adjusted Net Income[3]: 96.3 million euros, up by 17% compared to the 82.4 million euros as of 31 December 2012, giving a margin of 16.6%**
- **Reported Net Income: 92.1 million euros (up by 12% compared to financial year 2012)**
- **Net Financial Debt: 178.2 million euros (229.1 million euros as at 31 December 2012)**

Remo Ruffini, Moncler's Chairman and CEO, commented: "2013 will always be remembered as a significant year in Moncler's history. It was the year that marked not only the tenth anniversary of the brand's re-launch and the successful conclusion of the listing process, but it was also another year of double-digit growth.

Moncler's challenge has been that of marrying heritage, technical excellence and aesthetic research, to create the extreme flexibility at the heart of the Moncler down jacket: a clothing item for the mountains but also for the city, worn by all and for any occasion. Today, I can say that we have successfully pursued the path we intended, developing products designed for the future, for internationalization, for technology, for quality. Ten years on, Moncler is ready to capture the opportunities it has created for itself around the world. Right from the start we concentrated on excellence, quality and consistency, always keeping our focus and never straying from the brand's history. Today we still have important markets to penetrate and certain product categories to develop, as we continue to create special products and keep our specialist approach in order to deliver controlled growth. For me, being special and specialists is very important. If you want to become a truly global business you have to have a very simple language and a unique story to tell. This is what Moncler has, a story understood by consumers world-wide. Because Moncler's market is the world!"

[1] FY2013 *Carve-out* (Moncler division only), unaudited data. Rounded figures
[2] Excluding 6.1 million euros of non-recurring costs mainly related to IPO
[3] Excluding 4.2 million euros of non-recurring costs mainly related to IPO, net of tax effect

Milan, 24 February 2014 – The Board of Directors of Moncler S.p.A., meeting today, examined and approved the preliminary consolidated results for the financial year ended December 31, 2013.

The carve-out data contain only Moncler division results, thus with the exclusion of the results relating to the Other Brands division, sold on November 8, 2013. The carve-out Financial Statements were drawn up for full year 2011 and 2012 and reported in the IPO Prospectus. 2012 carve-out results are included in this press release along with 2013 financial results for comparable purposes.

The draft Financial Statements for the year ended December 31, 2013, including the results of the Other Brands division, will be examined by the Board of Directors in its meeting scheduled for March 28, 2014.

Consolidated Revenues Analysis

In financial year 2013 Moncler realized **revenues of 580.6 million euros**, a **19% increase at current exchange rates**, compared to 489.2 million euros for financial year 2012, and up **25% at constant exchange rates**. Growth was significant in all geographic areas and across all distribution channels.

Revenues by Geographic Areas

	31/12/2013		31/12/2012		YoY growth	
	Million euros	% on total	Million euros	% on total	Reported	Constant currencies
Italy	131,0	23%	128,1	26%	+2%	+2%
EMEA (excl. Italy)	200,4	34%	157,4	32%	+27%	+28%
Asia and RoW	181,6	31%	155,0	32%	+17%	+34%
Americas	67,6	12%	48,7	10%	+39%	+44%
Total Revenues	**580,6**	**100%**	**489,2**	**100%**	**+19%**	**+25%**

In the course of 2013, Moncler recorded **double-digit growth in all its international markets**.

In particular, in the **Americas** the company registered growth of 44% at constant exchange rates, driven by the strong performance of the retail channel but also by the good performance of the wholesale channel both in the United States and Canada.

In **Asia** Moncler's sales revenues grew 34% at constant exchange rates due to the strong growth recorded in both the Japanese and the Chinese market. On a current exchange rates basis, the performance of this region suffered from the negative trend of the yen in relation to the euro.

The **EMEA** countries recorded revenue growth at constant exchange rates of 28% with good performances notably from France, the U.K. and Germany.

Italy had a positive performance (+2%), in line with expectations, despite the planned reduction in the multi-brand wholesale doors.

Revenues by Distribution Channel

	31/12/2013		31/12/2012		YoY growth	
	Million euros	% on total	Million euros	% on total	Reported	Constant currencies
Retail	333,6	57%	251,5	51%	+33%	+41%
Wholesale	247,0	43%	237,7	49%	+4%	+7%
Total Revenues	**580,6**	**100%**	**489,2**	**100%**	**+19%**	**+25%**

In the course of 2013, Moncler recorded **growth in both distribution channels**, particularly significant in the retail channel.

As of 31 December 2013, **the retail distribution channel** recorded revenues of 333.6 million euros compared to the 251.5 million euros of financial year 2012, an increase of 33% at current exchange rates and 41% at constant rates, driven by the development of the network of mono-brand retail stores and good growth at existing stores. For the entire financial year 2013, *like-for-like* growth[4] was 14%.

The **wholesale channel** recorded an increase of 7% at constant exchange rates and 4% at current rates, rising to 247.0 million euros in 2013 compared to 237.7 million euros in 2012, despite the planned reduction of the wholesale doors and the conversion from wholesale (shop-in-shops) to retail (concessions) of a few mono-brand stores.

As of 31 December 2013, **the mono-brand distribution network of Moncler** can count on **135 stores**, of which 107 directly operated stores (DOS), up by 24 compared to December 2012, and 28 wholesale stores (shop-in-shops)[5], up by 7 compared to 31 December 2012.

Monobrand Stores Distribution Network

	31/12/2013	31/12/2012	Net openings
DOS	107	83	+24
Shop-in-Shop	28	21	+7
Total	**135**	**104**	**+31**

Analysis of Consolidated Operating Results

In financial year 2013, the consolidated **Gross Margin** was **414.1 million euros** equivalent to 71.3% of revenues compared to 69.7% for financial year 2012. The improvement of the gross margin is to be ascribed chiefly to the development of the retail channel.

In the course of financial year 2013, **selling expenses** were 25.4% of revenues, up from 23.5% in financial year 2012, primarily due to the expansion of the retail channel. The incidence of the **general and administrative expenses** decreased in 2013 to 10% of revenues compared to the 10.5% of 2012. The incidence on revenues of the **advertising expenses** increased to 6.2% in 2013, compared to the 5.9% of 2012.

Adjusted **EBITDA[6]** rose from 161.5 million euros as at 31 December 2012 to **191.7 million euros** as of 31 December 2013 (+19% *YoY*), giving a margin of 33.0%, stable with respect to financial year 2012.

[4] *Like-for-Like* is based on sales growth of DOS (excluding outlet) opened as of Jan 1, 2012
[5] Including one franchise store in Korea

Including the non-recurring costs, equal to 6.1 million euros, mainly connected with the listing process, EBITDA in financial year 2013 was 186.5 million euros.

Adjusted **EBIT**[6] rose from 145.8 million euros as of 31 December 2012 to **172.5 million euros** (+18% *YoY*) as of 31 December 2013, giving a margin of 29.7% (29.8% in 2012).

Including the aforementioned extraordinary costs, the Company's EBIT was 166.4 million euros.

Adjusted **Net Income**[6] was **96.3 million euros**, compared to 82.4 million euros in financial year 2012, thus marking an increase of 17%.

Including the aforementioned extraordinary costs, net of the tax effect, the Company's net income was 92.1 million euros.

Consolidated Balance Sheet and Cash Flow Analysis

Moncler **net financial indebtedness** as of 31 December 2013 was equal to **178.2 million euros**, compared to 229.1 million euros as of 31 December 2012. This figure does not include 8.6 million euros of net cash deriving from the payments received in 2013 in relation to the sale of the *Other Brands* division. The ratio between financial debt and EBITDA at the end of 2013 fell below 1x.

The decrease in indebtedness is substantially linked to the company's good generation of **net cash**, which in the course of financial year 2013 was **50.9 million euros** compared to 41.1 million euros in financial year 2012.

In financial year 2013, **capex** rose to **34.3 million euros**, compared to 26.4 million euros in financial year 2012, primarily related to the development of the network of mono-brand stores. In addition, in the course of the year important investments were made in the development of the network of shop-in-shops, in the expansion of the showrooms and in the IT infrastructure.

Net working capital was **46.9 million euros** as of 31 December 2013 compared to 36.5 million euros as of 31 December 2012, equivalent to 8% of revenues. This change is principally attributable to an increase in inventory, in large part linked to the expansion of the retail channel.

[6] Excluding 6.1 million euros of non-recurring costs mainly related to IPO (4.2 million euros net of taxes)

1) Consolidated *Carve-out* Income Statement[7]

	31/12/2013 Adjusted		31/12/2012		31/12/2013 *Reported*	
	Million euros	%	Million euros	%	Million euros	%
Revenues	**580,6**	**100,0%**	**489,2**	**100,0%**	**580,6**	**100,0%**
YoY growth	*18,7%*		*34,5%*		*18,7%*	
Cost of sales	(166,5)	(28,7%)	(148,3)	(30,3%)	(166,5)	(28,7%)
Gross Margin	**414,1**	**71,3%**	**340,9**	**69,7%**	**414,1**	**71,3%**
Selling expenses	(147,6)	(25,4%)	(115,0)	(23,5%)	(147,6)	(25,4%)
General & Administrative expenses	(57,9)	(10,0%)	(51,2)	(10,5%)	(57,9)	(10,0%)
Advertising & Promotion	(36,0)	(6,2%)	(29,0)	(5,9%)	(36,0)	(6,2%)
Non-recurring items	0,0	0,0%	0,0	0,0%	(6,1)	(1,1%)
EBIT	**172,5**	**29,7%**	**145,8**	**29,8%**	**166,4**	**28,7%**
YoY growth	*18,4%*		*43,3%*		*14,2%*	
Net financial result	(21,2)	(3,6%)	(17,1)	(3,5%)	(21,2)	(3,6%)
EBT	**151,4**	**26,1%**	**128,6**	**26,3%**	**145,2**	**25,0%**
Taxes	(52,7)	(9,1%)	(43,9)	(9,0%)	(50,8)	(8,8%)
Tax rate	*34,8%*		*34,2%*		*35,0%*	
Group Net Income	**98,6**	**17,0%**	**84,7**	**17,3%**	**94,4**	**16,3%**
Minority Result	(2,3)	(0,4%)	(2,3)	(0,5%)	(2,3)	(0,4%)
Net Income	**96,3**	**16,6%**	**82,4**	**16,8%**	**92,1**	**15,9%**
YoY growth	*16,9%*		*47,4%*		*11,8%*	
EBITDA	**191,7**	**33,0%**	**161,5**	**33,0%**	**185,6**	**32,0%**
YoY growth	*18,7%*		*41,1%*		*14,9%*	

[7] Unaudited data. Rounded figures

2) Consolidated *Carve-Out* Balance Sheet Statement[8]

	31/12/2013		31/12/2012	
	Million euros	% on total	Million euros	% on total
Intangible Assets	408,3	86,9%	408,4	94,9%
Tangible Assets	58,2	12,4%	46,5	10,8%
Other Non-current Assets/(Liabilities)	(37,8)	(8,0%)	(40,8)	(9,5%)
Total Non-current Assets	**428,8**	**91,3%**	**414,1**	**96,2%**
Net Working Capital	46,9	10,0%	36,5	8,5%
Other Current Assets/(Liabilities)	(5,9)	(1,3%)	(20,2)	(4,7%)
Total Current Assets	**41,0**	**8,7%**	**16,3**	**3,8%**
Net Invested Capital	**469,8**	**100,0%**	**430,4**	**100,0%**
Net Debt	178,2	37,9%	229,1	53,2%
Pension and Other Provisions	9,6	2,0%	9,3	2,2%
Shareholders' Equity	282,0	60,0%	192,0	44,6%
Total Financing Sources	**469,8**	**100,0%**	**430,4**	**100,0%**

3) Consolidated *Carve-Out* Cash Flow Statement[8]

	31/12/2013	31/12/2012
	Million euros	Million euros
EBITDA Adjusted	191.7	161.5
Change in Net Working Capital	(10.4)	(18.7)
Change in other curr./non curr. assets/(liabilities)	(17.0)	0.9
Capex	(34.3)	(26.4)
Disposals	0.4	0.2
Operating Cash Flow	**130.4**	**117.5**
Net Financial Result	(21.2)	(17.1)
Taxes	(50.8)	(43.9)
Free Cash Flow	**58.4**	**56.4**
Non-recurring items	(6.1)	0.0
Other changes in equity	0.8	(7.8)
Dividends paid	(2.2)	(7.5)
Net Cash Flow	**50.9**	**41.1**
Net Financial Position – Beginning of Period	229.1	270.2
Net Financial Position – End of Period	178.2	229.1
Change in Net Financial Position	**50.9**	**41.1**

[8] Unaudited data. Rounded figures

The manager in charge of preparing corporate accounting documents, Luciano Santel, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

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About Moncler

Moncler was founded at Monestier de Clermont, Grenoble, France, in 1952 and is currently headquartered in Italy. Over the years the brand has combined style with constant technological research assisted by experts in activities linked to the world of the mountain. The Moncler collections marry the extreme demands of outwear for nature with those of city life. In 2003 Remo Ruffini took over the company, of which he is currently Chairman and CEO. Moncler manufactures and directly distributes the Moncler clothing and accessories collections Moncler Gamme Rouge, Moncler Gamme Bleu, Moncler Grenoble and Moncler Enfant through its boutiques and in exclusive international department stores and multi-brand outlets.