

**Piquadro S.p.A.****The Board of Directors discloses the Consolidated Revenues and the Net Financial Position for the first nine months of Financial Year 2018/2019 ended as of December 31, 2018.**

- **Consolidated Revenues: € 107.3 million (+50.5% compared to the nine months of the previous year);**
- **Net Financial Position: positive and equal to € 26.9 million (improving by € 38.8 million compared to negative value of € 11.9 million recorded as of 31 December, 2017).**

Silla di Gaggio Montano (BO), February 7, 2019. Today the Board of Directors of Piquadro S.p.A., which designs, manufactures and distributes leather goods, examined and approved the main economic and financial performance indicators on a consolidated basis for the first nine months of the Financial Year 2018/2019 ended 31 December 2018, specifically the revenues and the Net Financial Position of the Piquadro Group.

Revenues of the first nine months of FY 2018/2019 (by brand)

Brand <i>(in thousands Euro)</i>	Net Revenues December 31, 2018	%	Net Revenues December 31, 2017	%	Var. % 18 vs 17
PIQUADRO	54,617	50.9%	53,285	74.7%	2.5%
THE BRIDGE	20,516	19.1%	18,035	25.3%	13.8%
LANCEL	32,181	30.0%	-	0.0%	n.a.
Total	107,313	100.0%	71,320	100.0%	50.5%

For the first nine months of the Financial Year 2018/2019 ended 31 December 2018, the Piquadro Group reported revenues of € 107.3 million with a 50.5% increase compared to the € 71.3 million reported in the same period of the previous year.

The increase in revenues was determined both by the introduction in the consolidation area of Lancel on June 2018 and by a 2.5% increase in sales from the Piquadro brand and by a 13.8% increase in sales from the The Bridge brand.

With reference to the **Piquadro brand**, for the first nine months of the Financial Year 2018/2019, ended 31 December 2018, sales amounted to € **54.6 million** and it recorded a **2.5% increase** compared to the same period of the previous fiscal year. This increase was mainly driven both by higher sales in the Wholesale channel, which was up 2.1% which accounted for 57.2% of the total Piquadro brand turnover and a 3.0% increase in DOS sales (which also included the Piquadro e-commerce) which accounted for 42.8% of the total Piquadro brand turnover.

With reference to the **The Bridge brand**, for the first nine months of the Financial Year 2018/2019, ended 31 December 2018, sales amounted to € **20.5 million** and it recorded a **13.8% increase** compared to same period of the previous fiscal year; such growth was determined by both a 12.9% increase in sales of the Wholesale channel, which accounted for 70.1% of the total The Bridge brand turnover and a 15.8% increase in DOS sales (which also included the The Bridge e-commerce) which accounted for 29.9% of the total The Bridge brand turnover.



With reference to the **Lancel brand**, sales revenues for the period June – December 2018 amounted to € **32.2 million** (growth contribution equal to approx. 45.1%), 80.8% of which deriving from the DOS channel where Lancel has 58 boutiques in France, 2 boutiques in Italy and 1 in Spain, Russia and China each one.

Revenues of the first three months of FY 2018/2019 (by geographical area)

Geographic area (in million Euro)	Net Revenues 31 December, 2018	%	Net Revenues 31 December, 2017	%	Var, % 18 vs 17
Italy	57,962	54.0%	53,897	75.6%	7.5%
Europe	46,126	43.0%	15,431	21.6%	198.9%
Rest of the world	3,226	3.0%	1,992	2.8%	62.0%
Total	107,313	100.0%	71,320	100.0%	50.5%

Under a geographic point of view, as of 31 December 2018, the Group's revenues amounted to € **57.9 million** and highlighted a **7.5% increase** on the **Italian market**, which absorbs a percentage of the Group's total turnover equal to 54.0% (75.6% of consolidated sales at December, 31 2017). The increase was driven by both Piquadro and The Bridge sales' growth and by the introduction into the consolidation area of Maison Lancel on June 2018.

In the European market, the Group recorded a turnover of € **46.1 million**, equal to 43.0% of consolidated sales (21.6% at 31 December 2017), with a **198,9% increase** compared to the same period of the previous year. The increase in revenues was determined by both the introduction of Lancel into the consolidation area on June 2018 (growth contribution equal to approx. 190.4%), and the increase of The Bridge sales, in the German and United Kingdom markets in particular.

In the non-European geographical area (named "Rest of the World") the Group recorded a turnover of € **3.2 million** equal to 3.0% of consolidated sales (2.8% at 31 December 2017), with a **62.0% increase** compared to the same period of the previous year by the introduction into the consolidation area of Maison Lancel on June 2018.

Net Financial Position

(in million Euro)	31 December, 2018	31 March, 2018	31 December, 2017
(A) Cash	389	182	227
(B) Other cash and cash equivalents (available current bank accounts)	57,622	23,370	16,469
(C) Liquidity (A) + (B)	58,011	23,552	16,696
(D) Finance leases	(20)	(904)	(1,071)
(E) Current bank debt	0	0	0
(F) Current portion of non-current debt	(9,358)	(12,504)	(12,842)
(G) Payables to Il Ponte S.p.A, for the acquisition of The Bridge	(742)	(817)	(820)
(H) Current financial debt (D) + (E) + (F) + (G)	(10,120)	(14,225)	(14,733)
(I) Short-term net financial position (C) + (H)	47,891	9,327	1,963
(L) Non-current bank debt	(15,997)	(11,128)	(12,147)
(M) Payables to Richemont Holding Sa for the acquisition of Lancel	(3,863)	0	0



(N) Finance leases	0	(12)	(20)
(O) Payables to The Ponte S.p.A, for the acquisition of The Bridge	(1,095)	(1,840)	(1,733)
(P) Non-current financial debt (L) + (M) + (N)	(20,594)	(12,980)	(13,900)
(Q) Net Financial Position (I) + (P)	26,937	(3,653)	(11,937)

Net Financial Position of the Piquadro Group as of December 31, 2018 posted a positive value of € 26,9 million compared to the negative value of € 3,7 million recorded as of March 31, 2018 and compared to the negative value of € 11,9 million recorded in December 31, 2017.

The Net financial position of the Piquadro Group as of December 31, 2018, compared with the one recorded on the same period of the previous fiscal year, improved for, an amount of € 38,8 million, due to the introduction into the consolidation area of Maison Lancel, and in particular due to the cash received at the execution of the acquisition of Maison Lancel, equal to € 38,5 million as at December 31, 2018, including the € 35,0 million contribution paid in Lancel by the Richemont Group to cover any future liability of Lancel Group and as well as for € 3.8 million relating to the exploitation of the earn-out contractually agreed in favor of Richemont Group too.

The variation in the Net Financial Position of the Piquadro Group as of December 31, 2018, compared with the one recorded on the same period of the previous fiscal year, is also influenced by the payment of € 3,0 million dividends, made by Piquadro S.p.a. on August 2018, and by € 7,1 million of a free cash flow period for Piquadro and The Bridge brand.

*“The third quarter closed positively for the group and for our three brands” commented **Marco Palmieri, Chairman and CEO of the Piquadro Group**, “While the Piquadro brand continues to show constant growth and The Bridge confirms – with increasing sales - the potential we expected from its re-launch, a significant contribution to the Group's turnover comes from the sales of the Lancel brand which, in light of the good results achieved in the period despite the difficult context, continues to validate our strategic product, positioning and organizational choices”.*

The manager responsible for preparing the Piquadro S.p.A.'s, financial reports, Roberto Trotta, declares – pursuant to paragraph 2 of Article 154-bis of Legislative Decree 58/1998 – that the accounting information contained in this press release corresponds to the documented results, books, and accounting record.

Piquadro Group

The Piquadro Group operates in the sector of leather accessories through the Piquadro, The Bridge and Lancel brands. Cornerstones for the three brands is attention to details and the quality of the workmanship as well as the leather but the Piquadro product stands out for its innovative design and technological content, while The Bridge emphasizes the vintage flavor of Tuscan craftsmanship and finally the Lancel collections embody the Parisian allure of a fashion house founded in 1876. The origins of the Group date back to 1987 when Marco Palmieri, now President and Chief Executive Officer, founded his company near Bologna, where it is still headquartered. The distribution network extends over 50 countries around the world and counts 190 outlets including 104 Piquadro boutiques (66 in Italy and 38 abroad including 55 DOS directly operated stores and 49 franchised stores), 14 The Bridge boutiques (12 in Italy and 2 abroad including 9 DOS directly operated stores and 5 franchised) and 72 Lancel boutiques (58 in France and 14 abroad, of which 63 DOS directly operated stores and 9 franchised).



PIQUADRO

*The Group's consolidated turnover for the year 2017/2018 ended on March 31, 2018 is € 97,6 million and the consolidated net profit amounts to approximately € 4.8 million.
Piquadro S.p.A. has been listed on the Italian Stock Exchange since October 2007.*

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