



## 9M 2015 Results



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# FILA 9M 2015 Highlights



FILA continues to grow in 9M2015, registering a demand acceleration in all the reference markets, primarily North America, Mexico and Mediterranean Europe, in particular Italy, representing more than 74% of the Core Business turnover.

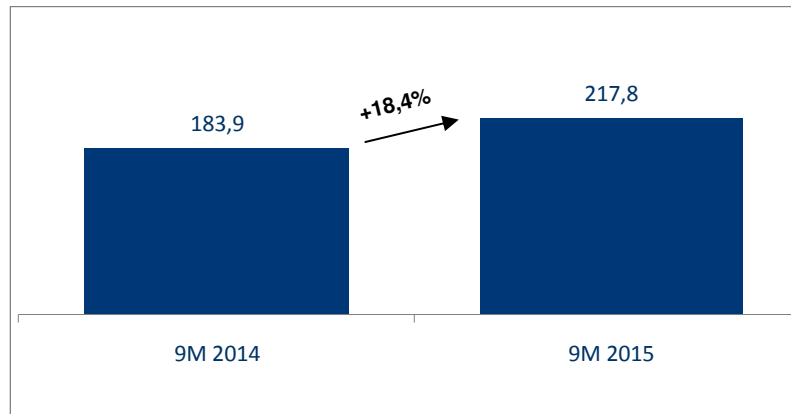
- Core Business Sales +18,4% (organic growth, +9,7%)
  - *Strong results of the school campaign in North America*
  - *Market share growth in Italy in all the covered channels*
  - *Better Sales Mix in Mexico*
- Adjusted EBITDA +20,9%, registering a growth more than proportional than the Sales organic growth.
- Non-recurring cashless negative impact of 45,8mln Euro on financial charges in 9M 2015 concerning the recognition of the fair value of Space S.p.A. Equity at May 31, 2015
- Adjusted Net Profit +21,0%
- Quarterly Working Capital Increase to support the Sales growth and in line with historical seasonal trend
- Net financial position at 30.1mln Euro at the end of September 2015.
- Indian market presence consolidated with acquisition of control of Writefine Products Private Limited in October 2015. The company will be fully consolidated from the beginning of November 2015

# FILA: 9M 2015 Revenues



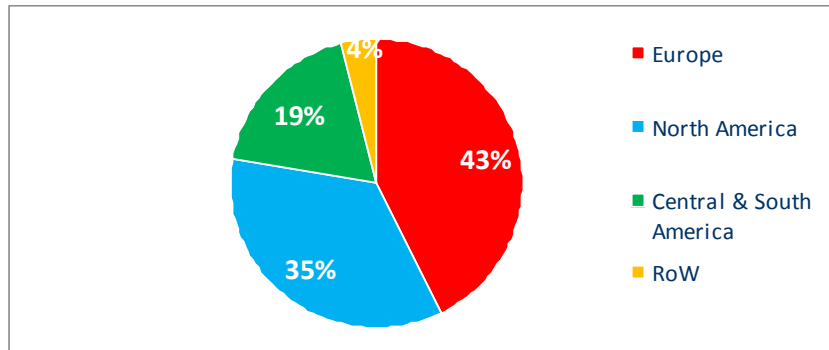
## REPORTED CORE BUSINESS SALES – 9M2015

(€ million)

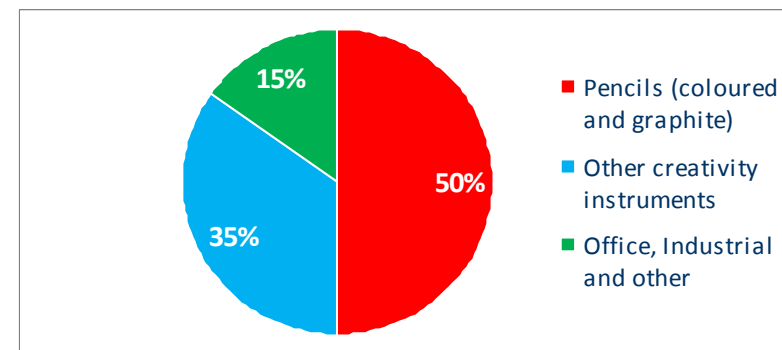


- **Organic Growth + 9,7% (net of FX and M&A effect)**
- Increasing contribution from North America, Center South America and Italy, registering respectively +18% , +10% +and 9% of Organic Growth
- Growth in Pencils +32% and other Creativity Instruments Turnover +11% compared to the 9M2014, increasing their contribution on total Core Business Sales.
- WFPL sales not included. the Sales after the last transaction will be fully included starting from November 2015

## 9M2015 SALES BREAKDOWN BY GEOGRAPHY



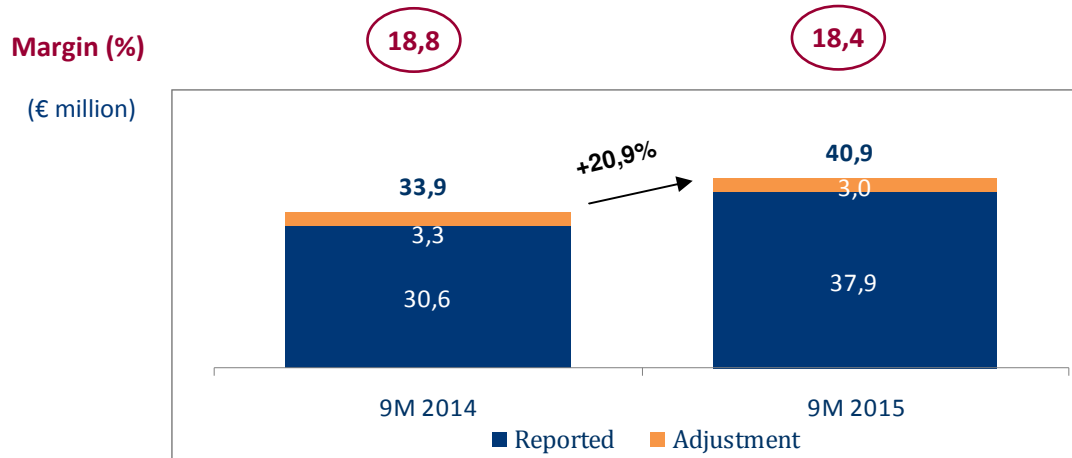
## 9M2015 SALES BREAKDOWN BY PRODUCT LINE



# FILA : 9M 2015 EBITDA – Working on profitability

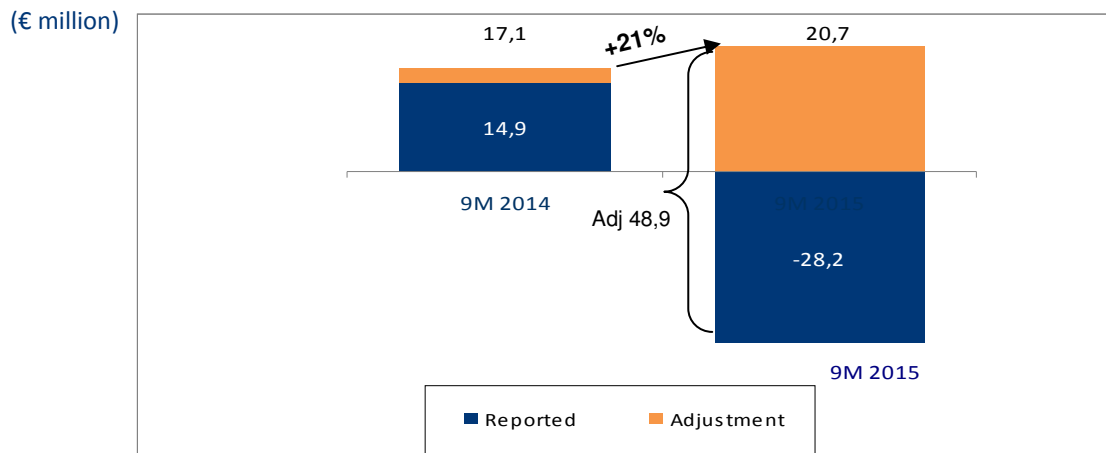


## ADJUSTED EBITDA – 9M 2015



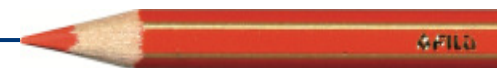
- EBITDA +20,9% more than proportional than Organic Turnover Growth
- 3.0mln Euro of extraordinary costs in 9M2015, mainly related to the Space S.p.A merger and listing expenses.
- 3,3mln Euro extraordinary costs in 9M2014 ,mainly related to consultancy and due diligence for M&A activities

## ADJUSTED NET INCOME – 9M 2015



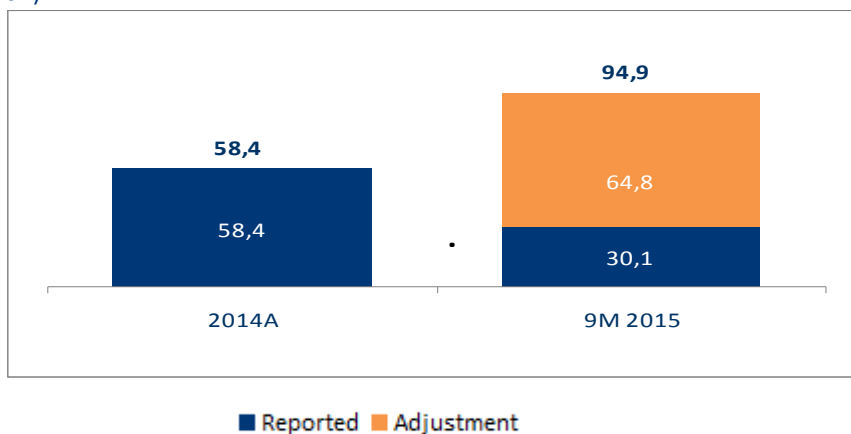
- Adjusted Net profit + 21% in 9M 2015 to 20.7mln Euro
- Normalization made at the financial results management level refers to the non-recurring financial cashless charges related to the accounting of the fair value of Space S.p.A. equity at May 31<sup>st</sup> 2015 (45.8mln Euro) and to the option stipulated by the parent company for the forward purchase of Indian rupees related to the WFPL deal. (0.4mln Euro).
- The normalization of the Group Result in 9M2014 refers to the above normalization, net of tax.

# FILA: Continuous cash generation



## NORMALIZED NET DEBT – 2014 YEAR END and 9M 2015

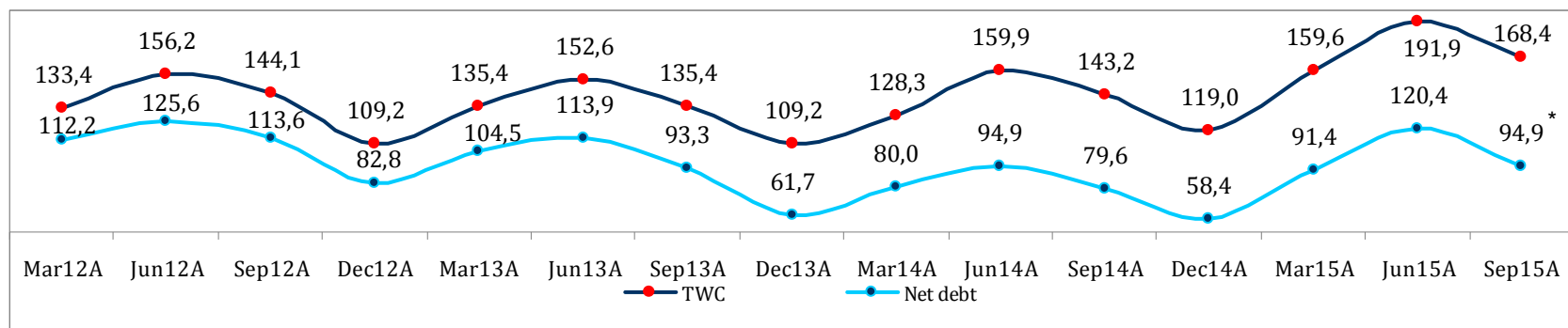
(€ million)



- Space deal positive contribution to 9M2015 Net Debt of 64,8mln Euro
- Operating CF before TWC adjustment equal to 27,3 mln Euro
- Trade working capital cash absorption of 56,1 mln Euro (17 mln € less than June 2015) related to:
  - ✓ *increase in inventories functional to the sustaining of future sales volumes and to a timely fulfillment of customer orders*
  - ✓ *Trade receivable increase related to business seasonality and core business sales increase*
  - ✓ *Space non-recurring Trade Payable payment*
- Capex for 5,7 mln Euro due to new investment in tangible and intangible
- Interest paid for 3 mln Euro

## QUARTERLY TWC AND NET DEBT

(€ million)



\* Net from 64,8 Net Debt Contribution from Space merger



## Appendix



# FILA 9M 2015 Income Statement

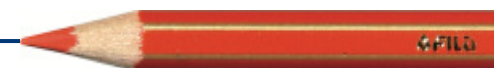


(€ million)	9M 2014	% on Sales	9M 2015	% on Sales
<b>PROFIT &amp; LOSS</b>				
Core Business Sales	183,9		217,8	
Other revenues	2,4		5,5	
<b>Total revenues</b>	<b>186,2</b>		<b>223,3</b>	
Cost for Raw Materials and Supplies	(78,1)	-42,5%	(99,4)	-45,6%
Increase(decrease) inventory	4,9	2,7%	10,4	4,8%
Costs for Services and Use of Third parties Assets	(43,6)	-23,7%	(50,3)	-23,1%
Personnel Costs	(35,2)	-19,2%	(40,3)	-18,5%
Other Operating Costs	(3,5)	-1,9%	(5,8)	-2,7%
<b>Total operating costs</b>	<b>(155,6)</b>	<b>-84,6%</b>	<b>(185,3)</b>	<b>-85,1%</b>
<b>EBITDA</b>	<b>30,6</b>	<b>16,6%</b>	<b>37,9</b>	<b>17,4%</b>
<b>Depreciation and Amortization</b>	<b>(4,1)</b>	<b>-2,2%</b>	<b>(5,1)</b>	<b>-2,3%</b>
<b>Write-Downs</b>	<b>(0,2)</b>	<b>-0,1%</b>	<b>(0,8)</b>	<b>-0,4%</b>
<b>EBIT</b>	<b>26,4</b>	<b>14,3%</b>	<b>32,1</b>	<b>14,7%</b>
Financial income/expenses	(3,1)	-1,7%	(50,7)	-23,3%
Income/expenses from associates at equity method	0,4	0,2%	0,5	0,2%
<b>PBT</b>	<b>23,6</b>	<b>12,9%</b>	<b>(18,2)</b>	<b>-8,4%</b>
Taxes	(8,4)	-4,6%	(10,2)	-4,7%
<b>Net profit (loss) of continuing operating activities</b>	<b>15,2</b>	<b>8,3%</b>	<b>(28,4)</b>	<b>-13,0%</b>
Net profit (loss) of discontinued operating activities	(0,1)	0,0%	0,5	0,2%
<b>Total net profit (loss) of the period</b>	<b>15,1</b>	<b>8,2%</b>	<b>(27,9)</b>	<b>-12,8%</b>
Total net profit (loss) attributable to non controlling interests	0,3	0,2%	0,4	0,2%
<b>Fila Group's total net profit (loss) of the period</b>	<b>14,9</b>	<b>8,1%</b>	<b>(28,2)</b>	<b>-13,0%</b>

(€ million)	9M 2014	% on Sales	9M 2015	% on Sales
<b>P&amp;L ADJUSTMENTS</b>				
<b>REPORTED EBITDA</b>	<b>30,6</b>	<b>16,6%</b>	<b>37,9</b>	<b>17,4%</b>
<b>Total Adjustments</b>	<b>3,3</b>		<b>3,0</b>	
<b>ADJUSTED EBITDA</b>	<b>33,9</b>	<b>18,4%</b>	<b>40,9</b>	<b>18,8%</b>
<b>REPORTED NET PROFIT</b>	<b>14,9</b>	<b>8,1%</b>	<b>(28,2)</b>	<b>(13,0%)</b>
<b>Total Adjustments</b>	<b>2,2</b>		<b>48,9</b>	
<b>ADJUSTED NET PROFIT</b>	<b>17,1</b>	<b>9,3%</b>	<b>20,7</b>	<b>9,5%</b>

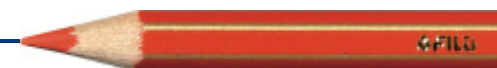


# FILA 9M2015 Balance Sheet



<i>(€ million)</i>	<u>2014A</u>	<u>9M 2015</u>
<b>BALANCE SHEET</b>		
Intangible assets	21,3	20,0
Tangible Assets	25,6	27,3
Financial Fixed Assets	7,5	8,2
<b>Fixed Assets</b>	<b>54,3</b>	<b>55,5</b>
<b>Other Non Current Assets/Liabilities</b>	<b>10,4</b>	<b>11,5</b>
Inventory	92,0	102,5
Trade Receivables and Other receivables	76,1	114,1
Trade payables and Other Payables	(49,1)	(48,2)
<b>Trade Working Capital</b>	<b>119,0</b>	<b>168,4</b>
Other Current Assets and Liabilities	(1,6)	(0,3)
<b>Net Working Capital</b>	<b>117,4</b>	<b>168,0</b>
<b>Provisions &amp; Funds</b>	<b>(11,7)</b>	<b>(11,8)</b>
<b>Current and not Current Assets/Liabilities Intended for Disposal</b>	<b>0,0</b>	<b>0,5</b>
<b>NET CAPITAL EMPLOYED</b>	<b>170,4</b>	<b>223,8</b>
Shareholders equity	(112,0)	(176,9)
Financial Instruments	-	(16,7)
<b>Net Financial Position</b>	<b>(58,4)</b>	<b>(30,1)</b>
<b>TOTAL NET SOURCES</b>	<b>(170,4)</b>	<b>(223,8)</b>

# FILA 9M 2015 Cash Flow Statement



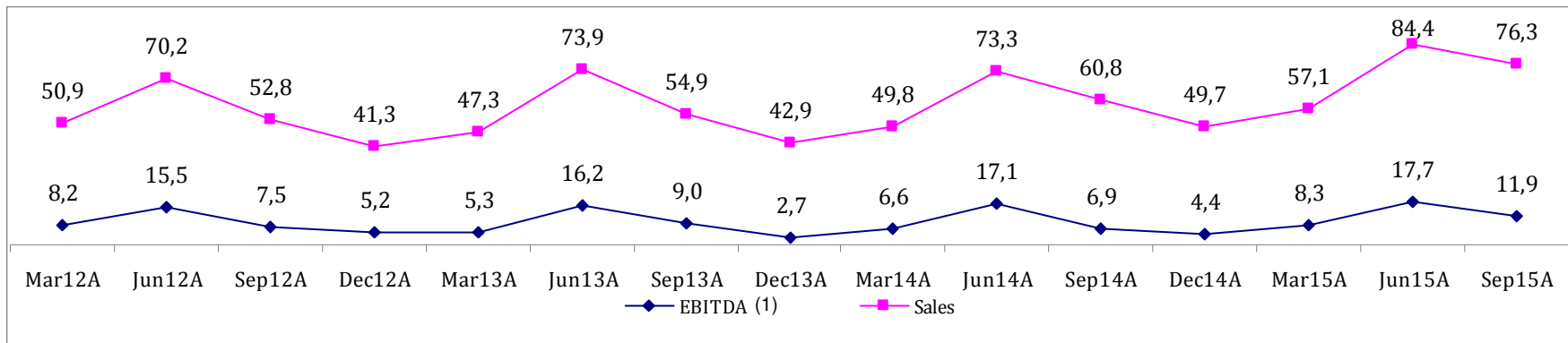
<i>(€ million)</i>	<b>9M 2014</b>	<b>9M 2015</b>
<b>CASH FLOW</b>		
<b>EBIT</b>	<b>26,4</b>	<b>32,1</b>
Adjustments for non monetary costs	4,2	5,9
Adjustments for taxes	(5,2)	(10,6)
<b>Cash-flow from operating activities before changes in NWC</b>	<b>25,4</b>	<b>27,3</b>
<i>Changes in inventories</i>	<i>(5,1)</i>	<i>(10,8)</i>
<i>Changes in trade receivables &amp; others</i>	<i>(29,0)</i>	<i>(40,5)</i>
<i>Changes in trade payables &amp; others</i>	<i>6,3</i>	<i>(4,8)</i>
<b>Changes in Trade Working Capital</b>	<b>(27,8)</b>	<b>(56,1)</b>
<i>Changes in other current assets/liabilities</i>	<i>(2,1)</i>	<i>(0,1)</i>
<b>Changes in net working capital</b>	<b>(29,9)</b>	<b>(56,2)</b>
<b>Operating cash-flow</b>	<b>(4,4)</b>	<b>(28,9)</b>
Investments in tangible and intangible assets	(3,9)	(5,7)
Other investments	0,0	0,3
<b>Cash-flow from investments</b>	<b>(3,9)</b>	<b>(5,4)</b>
Capital increase/reimbursement	0,6	-
Dividends	(1,5)	(0,3)
Net interests	(3,1)	(3,0)
<b>Cash-flow from financing</b>	<b>(4,0)</b>	<b>(3,3)</b>
Other changes	0,5	(0,6)
<b>Total cash-flow</b>	<b>(11,8)</b>	<b>(38,2)</b>
Effect of FX rate movements	(3,3)	1,7
Net financial position of New Companies as at Acquisition Date	(2,8)	64,8
<b>Changes in Net Financial Position</b>	<b>(17,9)</b>	<b>28,3</b>

# FILA quarterly Core Business Sales and EBITDA



## QUARTERLY CORE BUSINESS SALES AND REPORTED EBITDA

(€ million)



(1) Affected by extraordinary items

# Summary Financials – Writefine Products Private Plc



- In 2012, FILA invested in Writefine Products Private Plc (India) for a 18.5% stake
- In October 2015, FILA increases by 32.5% hits stake in WFPL, reaching a 51% of the company
- WFPL will be fully consolidated from the beginning of November 2015
- Indian market growth outpaces the more mature markets and is one of the highest potential markets for FILA
- The operation will enable FILA to utilize its Indian production facilities to support global growth

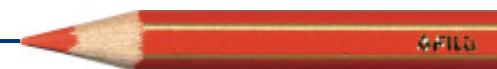
## KEY FINANCIALS

<u>INR/m</u>	<u>2013 A</u>	<u>2014 A</u>	<u>9M 2014</u>	<u>9M 2015</u>
Core Business Sales	1.719	2.300	1.677	2.199
EBITDA	247	374	230	364
EBITDA margin %	14,4%	16,2%	13,7%	16,6%
	<u>Dec 2013</u>	<u>Dec 2014</u>	<u>N.A.</u>	<u>September 2015</u>
Net Financial position	-162	-282		-340
<b>€/m</b>				
Core Business Sales	22,1	28,4	20,4	31
EBITDA	3,2	4,6	2,8	5,1
EBITDA margin %	14,4%	16,2%	13,7%	16,6%
	<u>Dec 2013</u>	<u>Dec 2014</u>	<u>N.A.</u>	<u>September 2015</u>
Net Financial position	(1,9)	(3,7)		(4,6)

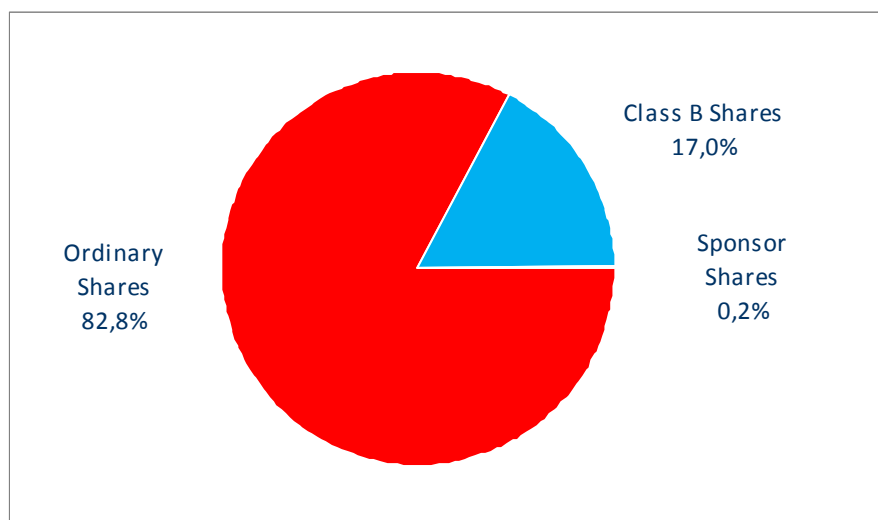
Note: key financials calendarized to December 31<sup>st</sup> of each year to take into account the fiscal year end of FILA. Based on EUR/INR exchange rate (P&L) of 82,30 and 70,84 respectively for 9M 2014 and 9M 2015A and EUR/INR exchange rate (BS) of 76,72 and 73,48 respectively for Dec 2014 and Sept 2015  
Source: company data



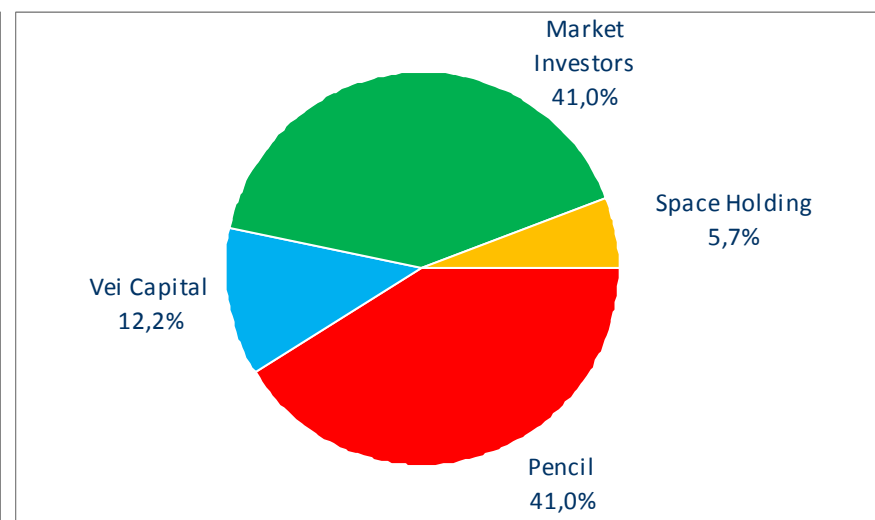
# FILA Shareholders



## Total shares \*



## Ordinary shares only



Total shares 38.661.347, of which : Ordinary shares 32.002.839, Class B shares 6.566.508 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998), Sponsor Shares (Class C) 92.000

Last update November 2nd 2015

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