

A close-up photograph of a dark grey herringbone fabric, likely a suit jacket or trousers. A single dark button is visible on the fabric. The lighting is soft, highlighting the texture of the weave.

PT

pantaloni torino

COVER 50 S.p.A.

Company Presentation

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Milano – November 29, 2016

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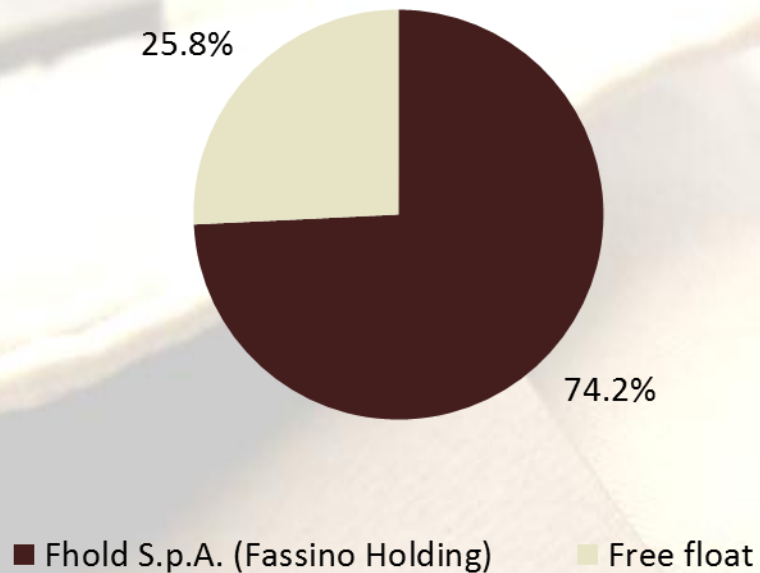
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PT – Shareholders and management

SHAREHOLDERS



MANAGEMENT

Pierangelo Fassino
Chairman

Edoardo Fassino
CEO

Francesco Di Fazio
CFO and Investor Relator

PT – History



Starting of the «high-end» **PT project** is started



PT01 and PT05 brands **expand abroad**



New showroom in **Milan**



New showroom in **Munich**



Birth of PT Corp. & New showroom in **New York**

1968

2008

2012

2014

May 2015

Sept 2016



2005

2009

2013

Jan 2015

Sept 2015

Pierangelo Fassino sets up Cover Manifattura

PT05 (Denim) is launched

PT01 Woman Pants and **PT Bermuda** are launched

New showroom in **Tokyo**

Initial Public Offering

Hiring of new **North America VP**



PT – Product range

- ▶ **COVER 50 S.p.A.** designs, manufactures and markets **high-end** sartorial trousers. Company's brands are PT01 (classic dress trousers), PT05 (five-pocket jeans), PT01 Woman Pants (classic and denim dedicated to women) and PT Bermuda (shorts):



*Breaking convention.
A small revolution.*

~ 71% on 2015 revenues^(*)

Average Sell-Out price:
180€ - 280€



*Reinventing tradition,
wearing history every day.*

~ 16% on 2015 revenues^(*)

Average Sell-Out price:
160€ - 240€



*Dedicated to women,
everyday sophisticated.*

~ 10% on 2015 revenues^(*)

Average Sell-Out price:
180€ - 280€



*Summer is all year
long here.*

~ 3% on 2015 revenues^(*)

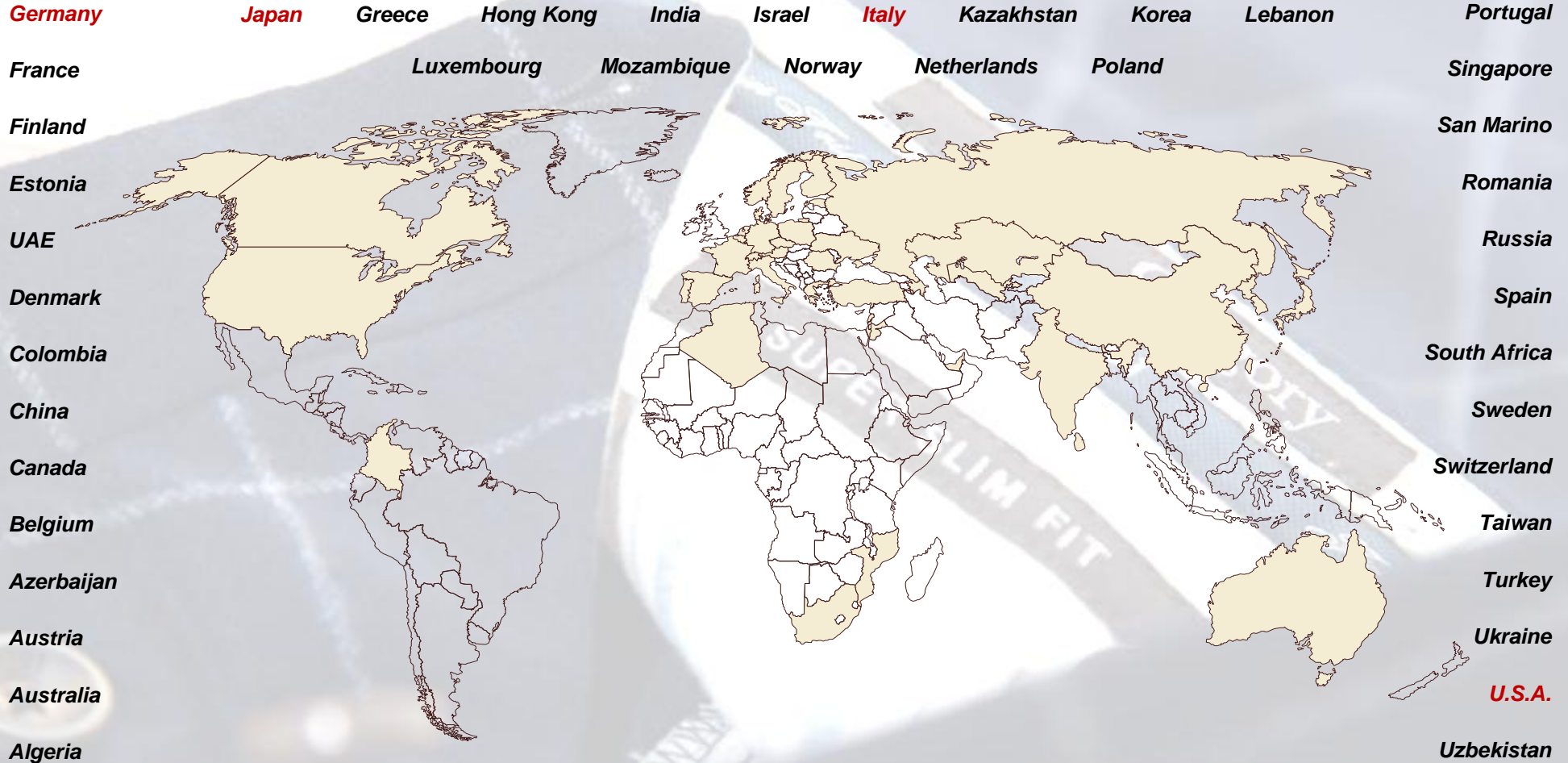
Average Sell-Out price:
130€ - 180€

2015 volumes

More than 300.000 trousers manufactured and distributed worldwide

^(*) 2015 Management data

PT – International footprint



Distribution channels

16 Agents – 1 Distributors - Around 1,000 clients worldwide

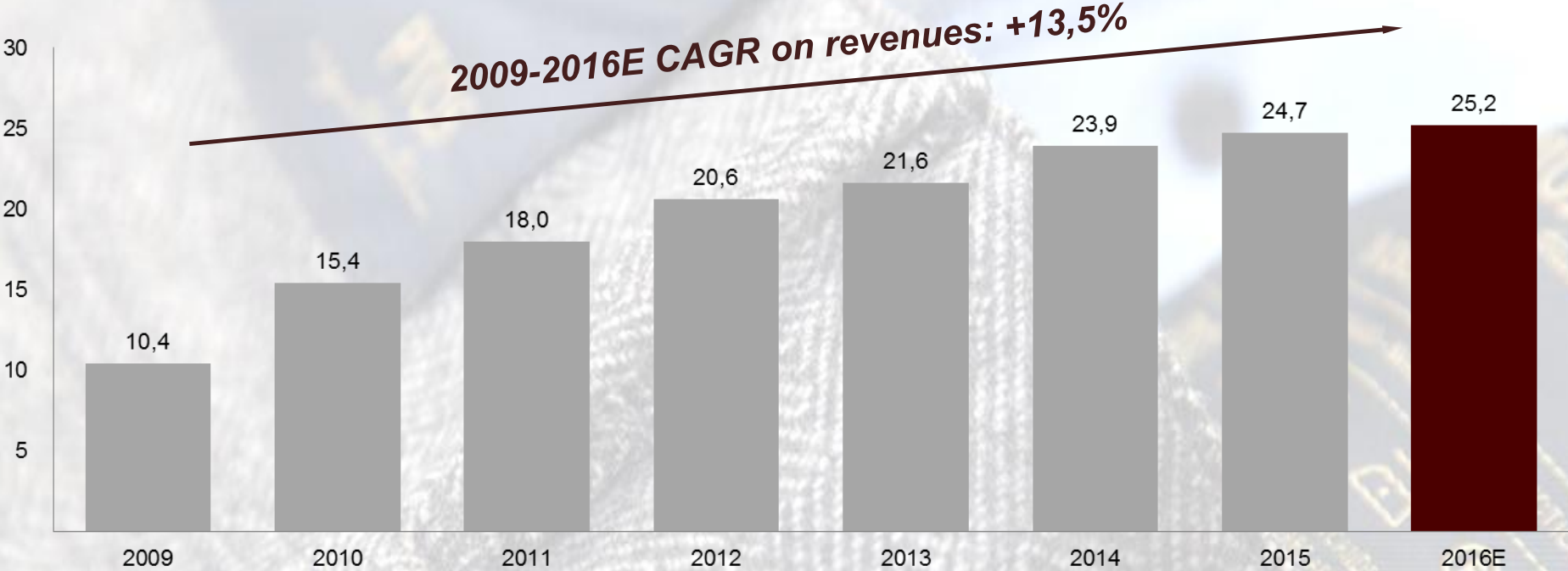
Cover's showrooms are in Italy - Japan – Germany – U.S.A.

PT – Revenues growth



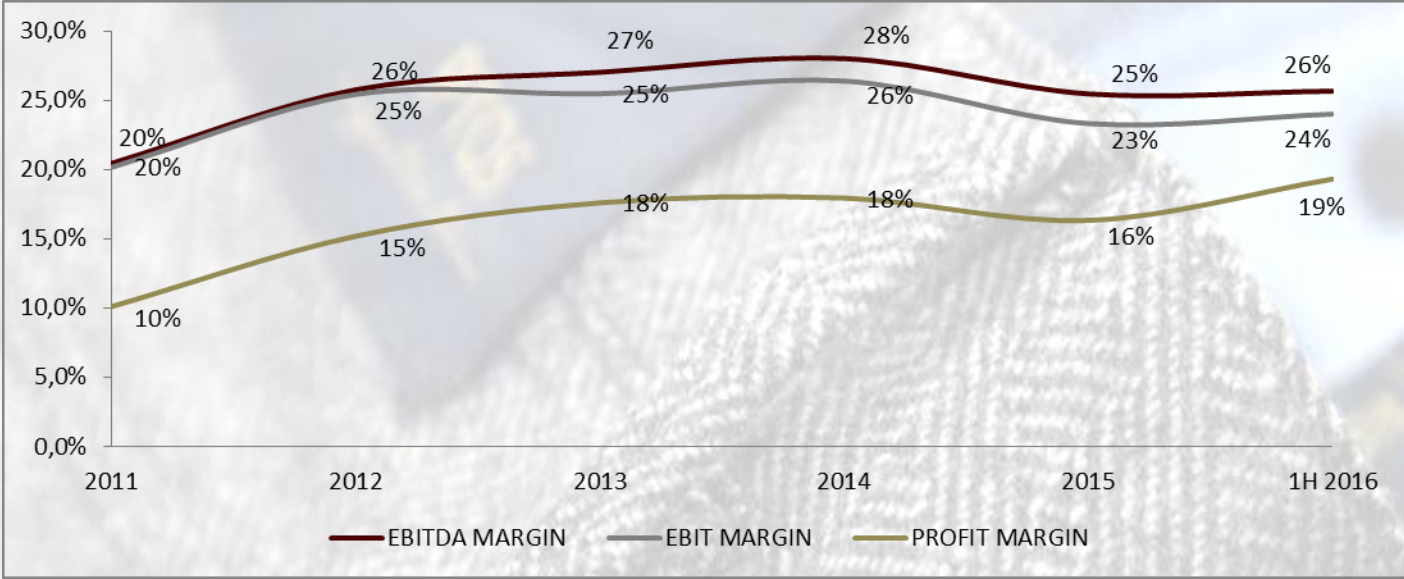
2009-2016E Revenues trend

Data in Euro millions



PT – Profitability trend

Evolution of profit margins



EBITDA 2015
~ 25%

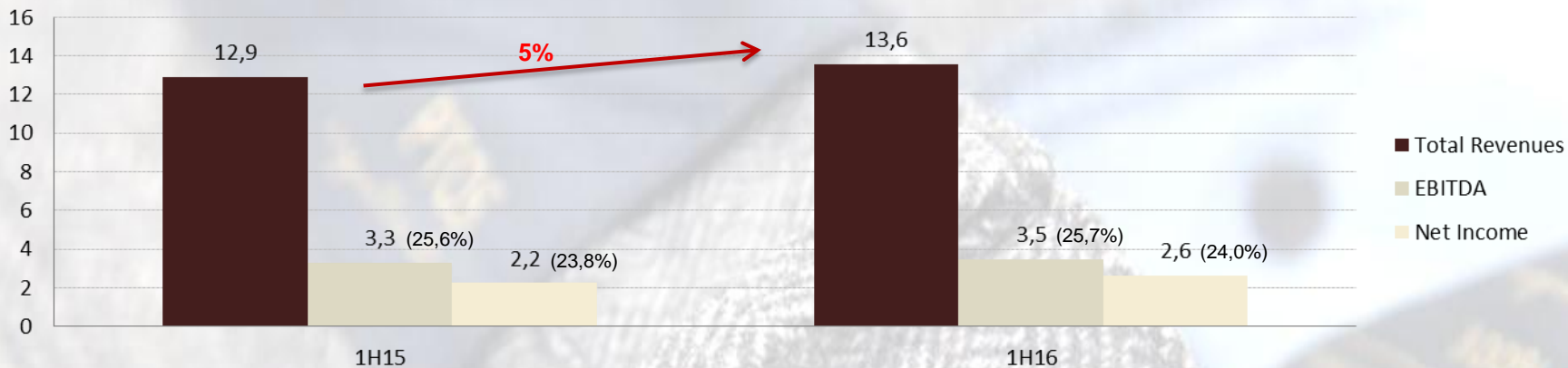
EBIT 2015
~ 23%

Net Income 2015
~ 16%

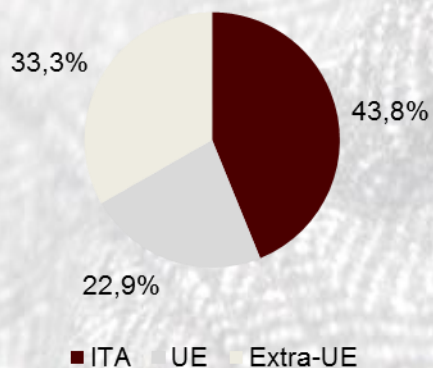
PT – 1H16 Key financials

Revenues, EBITDA and Net Income (1H16 vs 1H15)

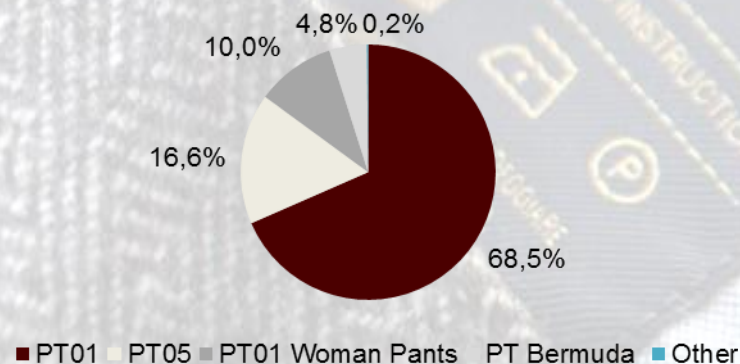
Data in Euro millions



1H16 Revenues breakdown by geography



1H16 Revenues breakdown by product



PT – 1H16 Key financials

Data in Euro millions

Income Statement	1H15		1H16	
Total Revenues	12,9	100,0%	13,6	100,0%
Cost of goods sold	(2,9)	(22,8%)	(2,9)	(21,4%)
Other direct costs	(3,8)	(29,3%)	(4,0)	(29,4%)
Contribution margin	6,2	47,9%	6,7	49,3%
Indirect costs	(2,9)	(22,3%)	(3,2)	(23,6%)
EBITDA	3,3	25,6%	3,5	25,7%
D&A	(0,2)	(1,8%)	(0,2)	(1,7%)
EBIT	3,1	23,8%	3,3	24,0%
Net Income	2,2	17,4%	2,6	19,3%

Balance Sheet	1H 2015	1H 2016
Fixed assets	1,6	2,3
Net working Capital	6,2	7,8
LT assets and liab.	(0,6)	(0,8)
Net Capital Employed	7,2	9,3
Equity	19,2	21,4
PFN/(Cash)	(12,0)	(12,1)
Tot. Sources	7,2	9,3

Cash Flow	1H 2015	1H 2016
Cash Flow from operating activities	3,3	3,4
Net income	2,2	2,6
Non-cash items	0,2	0,3
Delta in NWC	0,8	0,6
Cash flow from investing activities	(1,0)	(0,3)
Cash flow from financing activities	5,0	(2,2)
Proceeds from IPO	7,4	-
Cash repayments for borrowings	(0,0)	(0,0)
Cash from financial activities	0,1	-
Dividends	(2,5)	(2,2)
Net cash flow	7,2	0,9

Cash at 31/12/14	4,7
Cash at 30/06/15	11,9
Cash at 31/12/15	11,2
Cash at 30/06/16	12,1

PT – IIIQ '16 & pre-Closing '16 Key financials

Data in Euro millions

Income Statement	IIIQ 2015		IIIQ 2016			
Total Revenues	22,1	100,0%	22,6	100,0%	→	+2,3%
Cost of goods sold	(5,4)	(24,3%)	(5,6)	(24,9%)		
Other direct costs	(5,9)	(26,9%)	(6,1)	(26,9%)		
Contribution margin	10,8	48,8%	10,9	48,2%		
Personnel costs	(2,2)	(9,9%)	(2,4)	(10,5%)	→	+8,4%
Marketing and Adv.	(0,7)	(2,9%)	(0,7)	(3,3%)	→	+13,0%
Design costs	(0,2)	(1,1%)	(0,2)	(1,2%)		
Showroom costs	(0,3)	(1,2%)	(0,3)	(1,3%)		
other operating costs	(0,7)	(3,3%)	(0,8)	(3,4%)		
Indirect costs	(4,1)	(18,4%)	(4,4)	(19,3%)		
EBITDA	6,7	30,4%	6,5	28,9%	→	-3,5%

- ▶ The decrease of EBITDA at IIIQ '16 is mainly related to indirect costs growth (+9,0%; personnel and marketing costs);
- ▶ 2016 expected revenues equal to Euro 25,2 mln (about +2% vs full year 2015).

PT – The path from IPO up to now and in the future

WHAT WE HAVE DONE

WHAT WE HAVE TO DO

Revenue Growth



Revenues 1H 2016 vs 1H 2015: **+3,8%**



Revenues 1H 2016 vs 1H 2015: **+20,3%**



Revenues 1H 2016 vs 1H 2015: **+1,6%**

North American Market



- Establishment of PT Pantaloni Torino Corp. based in New York

- Opening of the 4th PT showroom based in New York
- Hiring of Mr. E. Paschetto (ex Slowear – Incotex) as new North America VP with the aim of develop North American market
- About € 1,0 mln invested in USA market since IPO

H.Q.

- Reinforcement of corporate communication & advertising team (+3 people)

- Target countries:

- Further development:

- New markets:

- Focus:

PTO5
cinquantesche torino

PTO1
WOMAN PANTS

- Brand awareness actions:

- Corporate communication
- Advertising
- Visual merchandising

- Further enhancement of human resources

PT – Contacts

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► For further information, please contact:

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A close-up photograph of a dark grey, herringbone-patterned fabric, likely a suit jacket or trousers. A single, dark, round button is visible on the fabric. The lighting is soft, highlighting the texture of the material.

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