



9M 2017 FILA Group Results



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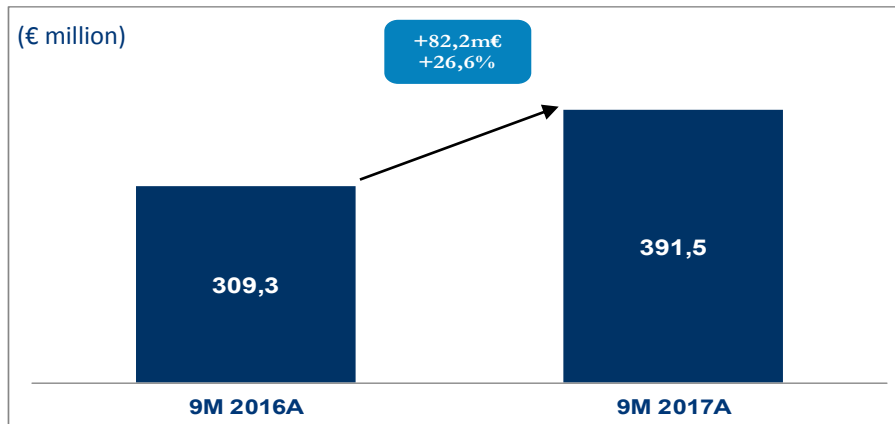
9M 2017 Highlights



FILA: SALES RECOVERY IN NORD AMERICA AND FOCUS ON GROUP INTEGRATION AND MARGIN IMPROVEMENT

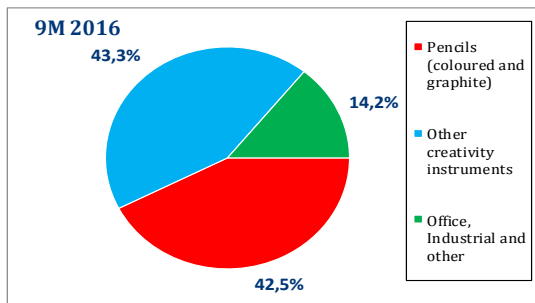
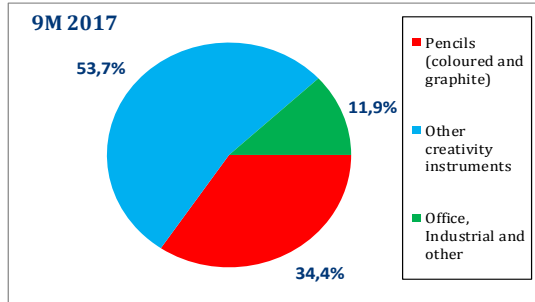
- 9M 2017 Core Business Revenue of Euro 391,5 million, up 26,6% on 9M 2016 (Euro 82,2 million), mainly due to 2016 M&A activity (acquisition of D&R Group, St Cuthberts and Canson) ;
- Organic revenue growth of 3%, net of acquisition and Fx effects. Revenues recovery coming from North America compared first half of the year and double digit increase confirmed in Asia, in particular India, and Centre & South America, in particular Mexico;
- Adjusted EBITDA of Euro 68,0 million, +23,2% on Euro 55,2 million in 9M 2016, of which +2,0% organic growth;
- Adjusted Net Profit at Euro 27,5 million (Euro 27,3 million in 9M 2016);
- Net Debt of Euro -276,5 million at September 30, 2017, in line with business seasonality impacts on net working capital that is slightly and temporarily worse than expected due to the strong revenues recovery in North America made in the last quarter.
- Flat European market in the first nine months 2017 with growth coming from the most recently established commercial companies

9M 2017 Core Business Sales

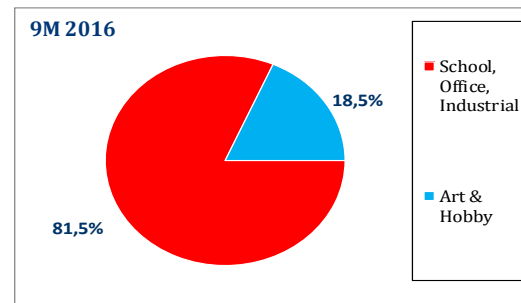
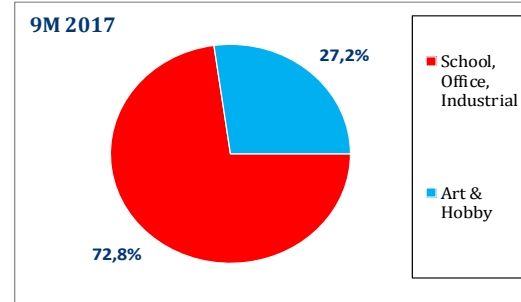


- Core Business Sales +26,6% (+82,2mln €). Organic growth, +9,2mln € (+3,0%), net of M&A and FX effect, of which:
 - By Geographic Area: mainly Asia +5,9mln € (+16,4%), Centre-South America +4,9mln € (+12,6%), +0,2 Other Countries (+30,9%), partially offset by North America -1,2mln € (-1,2%) and Europe -0,6mln € (-0,5%)
 - By Product line: Other Creativity Instruments +6,2mln € (+4,7%), Pencils +2,9mln € (+2,2%) Office and Industrial Products of +0,1mln € (+0,2%)
 - M&A effect 74,2mln € (mainly for 66,8mln € Canson Group, 4,6mln € D&R Group and 3,0mln € St Cuthberts)

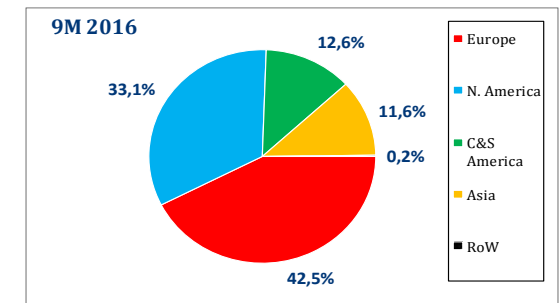
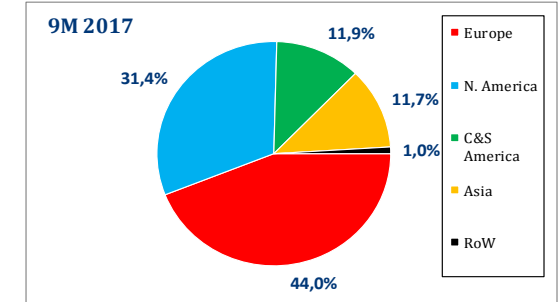
SALES BY PRODUCT LINE



SALES BY MARKETING DIVISION



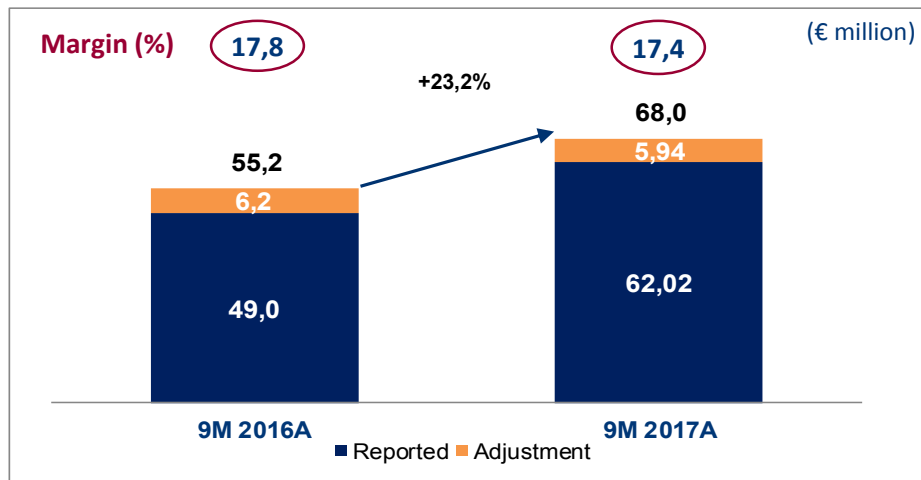
SALES BY GEOGRAPHICAL AREA



9M 2017 EBITDA

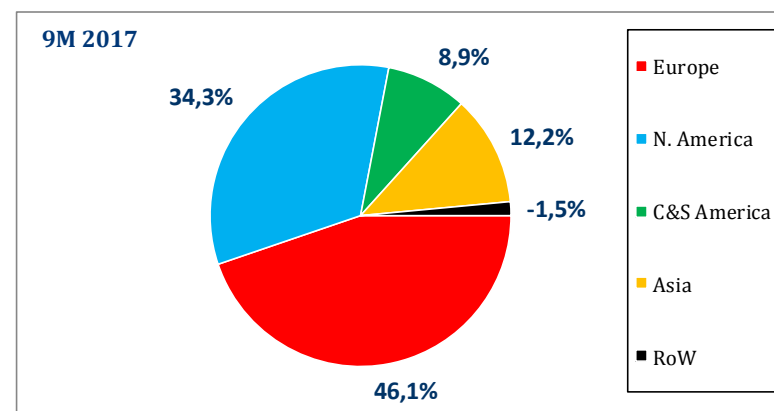
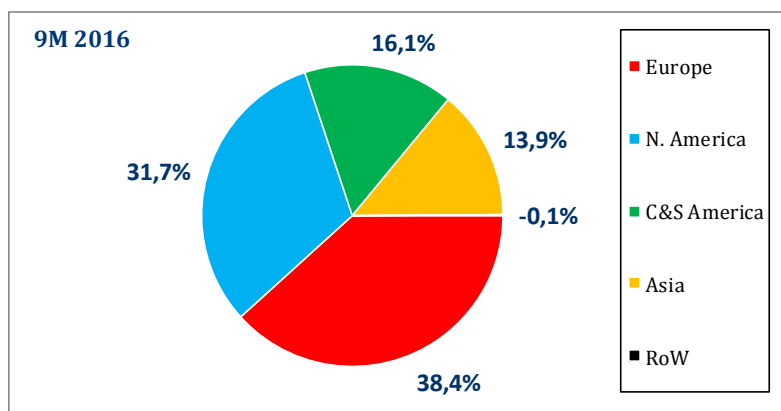


ADJUSTED EBITDA



- Adjusted EBITDA + 12,8mln € (+23,2%), Organic Growth +1,1mln € (+2,0%), net of M&A and FX effect
- 5,94mln € of extraordinary costs in 9M 2017A, mainly related to reorganization and stock option costs
- 6,2mln € of extraordinary costs in 9M 2016A, mainly related to M&A activities.
- M&A effect of 11,2 mln € (mainly for 10,1mln € Canson Group, 0,5mln € D&R Group and 0,8mln € St Cuthberts)

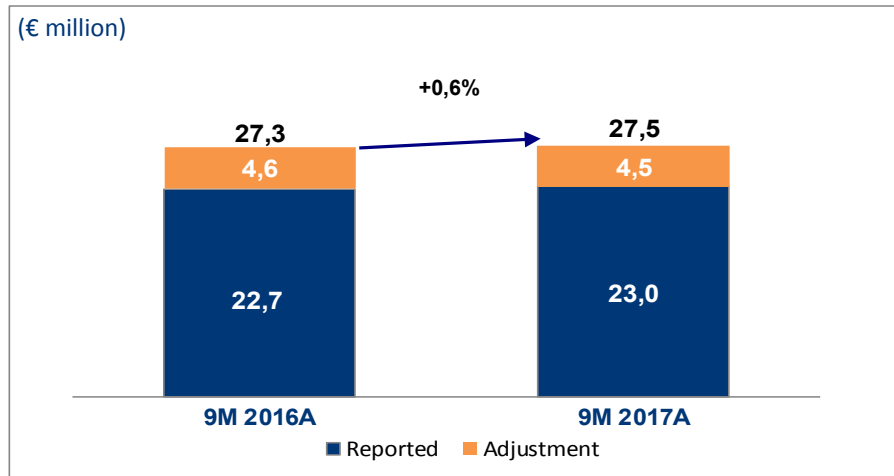
ADJUSTED EBITDA BREAKDOWN BY GEOGRAPHICAL AREA



9M 2017 Net Income and Net Financial Position

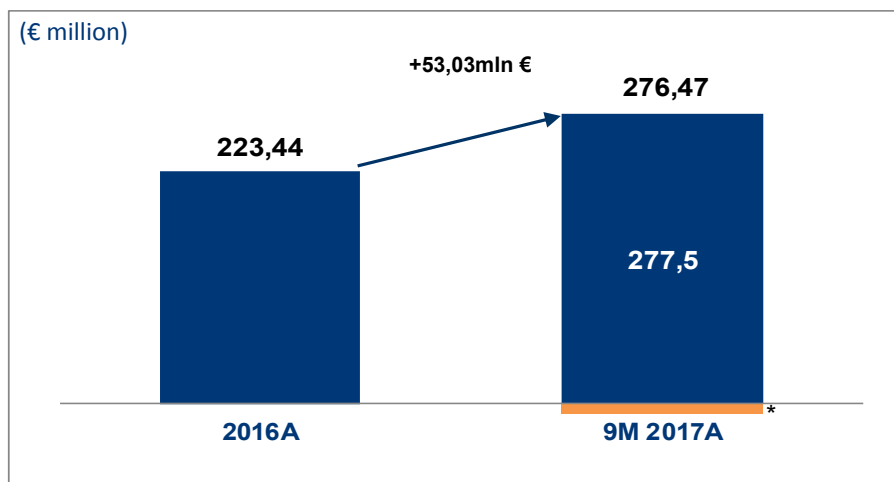


ADJUSTED NET INCOME



- The normalization of the Group Result in 9M 2017A refers mainly to reorganization and stock options costs, net of taxes effects and partially offset by adjustments of 1mln € for financial proceeds coming from the disposal of 30% participation in FILA Nordic (Sweden)
- The normalization of the Group Result in 9M 2016 refers to extraordinary operating costs, net of taxes effects

ADJUSTED NET FINANCIAL POSITION



Net debt increase of 53,03mln € mainly due to:

- Operating CF -25,9 mln Euro, mainly due to business seasonability and sales increase
- Capex for 15,3mln €
- Dividend paid to shareholders for 3,8mln €
- Interest paid for 6,6mln €
- Cash in for disposal of 30% participation in FILA Nordic (Sweden) for 1mln €*
- Negative FX effect of 2,3mln €



Appendix



9M 2017 Income Statement



(€ million)

	9M 2016A	% on Sales	9M 2017A	% on Sales
PROFIT & LOSS				
Core Business Sales	309,3		391,5	
Other revenues	7,0		16,5	
Total revenues	316,3		408,1	-
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(131,9)	(42,6%)	(161,0)	(41,1%)
Costs for Services and Use of Third-Party Assets	(73,0)	(23,6%)	(87,2)	(22,3%)
Personnel Costs	(54,8)	(17,7%)	(80,5)	(20,6%)
Other Operating Costs	(7,6)	(2,5%)	(17,3)	(4,4%)
Total operating costs	(267,3)	(86,4%)	(346,1)	(88,4%)
EBITDA	49,0	15,8%	62,0	15,8%
Depreciation and Amortization	(10,0)	(3,2%)	(13,3)	(3,4%)
Write-Downs	(0,2)	(0,1%)	(0,9)	(0,2%)
EBIT	38,8	12,5%	47,9	12,2%
Financial income/expenses	(3,7)	(1,2%)	(11,3)	(2,9%)
Income/expenses from associates at equity method	-	0,0%	-	0,0%
PBT	35,1	11,3%	36,5	9,3%
Taxes	(11,3)	(3,7%)	(12,4)	(3,2%)
Net profit (loss) of continuing operating activities	23,8	7,7%	24,1	6,2%
Net profit (loss) of discontinued operating activities	-	0,0%	-	0,0%
Total net profit (loss) of the period	23,8	7,7%	24,1	6,2%
Total net profit (loss) attributable to non controlling interests	1,0	0,3%	1,2	0,3%
Fila Group's total net profit (loss) of the period	22,7	7,4%	23,0	5,9%

(€ million)

	9M 2016A	% on Sales	9M 2017A	% on Sales
P&L ADJUSTMENTS				
REPORTED EBITDA	49,0	15,8%	62,02	15,8%
Total Adjustments	6,2		5,94	
ADJUSTED EBITDA	55,2	17,8%	68,0	17,4%
FILA GROUP REPORTED NET PROFIT	22,7	7,4%	23,0	5,9%
Total Adjustments	4,6		4,5	
FILA GROUP ADJUSTED NET PROFIT	27,3	8,8%	27,5	7,0%

9M 2017 Balance Sheet



(€ million)

	2016A	9M 2017A
BALANCE SHEET		
Intangible assets	218,4	209,2
Tangible Assets	81,3	83,9
Financial Fixed Assets	3,7	4,2
Fixed Assets	303,4	297,3
Other Non Current Assets/Liabilities	20,7	16,1
Inventory	177,4	185,1
Trade Receivables and Other receivables	113,6	173,0
Trade Payables and Other Payables	(90,4)	(89,3)
Trade Working Capital	200,5	268,7
Other Current Assets and Liabilities	0,2	(1,6)
Net Working Capital	200,7	267,2
Provisions & Funds	(62,4)	(54,7)
Current and not Current Assets/Liabilities Intended for Disposal	-	-
NET CAPITAL EMPLOYED	462,4	525,9
Shareholders equity	(239,0)	(249,4)
Net Financial Position	(223,4)	(276,5)
TOTAL NET SOURCES	(462,4)	(525,9)

9M 2017 Cash Flow Statement



(€ million)

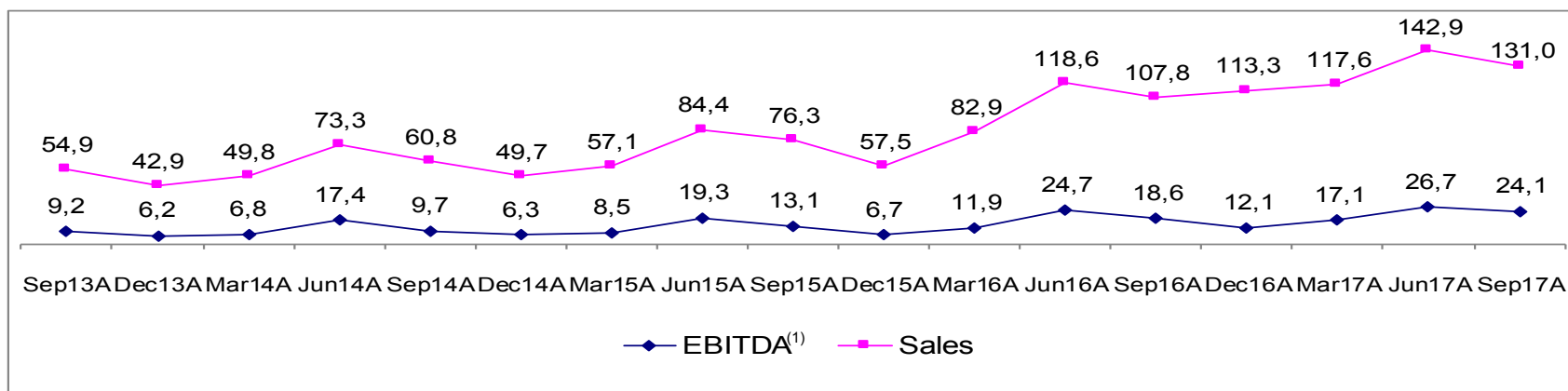
	9M 2016A	9M 2017A
CASH FLOW		
EBIT	38,8	47,9
Adjustments for non monetary costs	11,8	18,6
Adjustments for taxes	(8,0)	(10,9)
Cash-flow from operating activities before changes in NWC	42,5	55,6
<i>Changes in inventories</i>	<i>(15,6)</i>	<i>(15,9)</i>
<i>Changes in trade receivables & others</i>	<i>(46,4)</i>	<i>(64,8)</i>
<i>Changes in trade payables & others</i>	<i>7,2</i>	<i>1,8</i>
<i>Changes in other current assets/liabilities</i>	<i>(2,0)</i>	<i>(2,5)</i>
Changes in net working capital	(56,8)	(81,4)
Operating cash-flow	(14,3)	(25,9)
Investments in tangible and intangible assets	(7,3)	(15,3)
Other changes	(0,0)	(0,7)
Free Cash Flow	(21,6)	(41,8)
Capital increase/reimbursement/dividends	(4,3)	(3,8)
Net interests	(3,8)	(6,6)
Participation acquisition and disposal	(23,7)	0,8
Effect of FX rate movements	3,1	(2,3)
Net financial position due to consolidation area changes	(86,8)	0,7
Changes in Net Financial Position	(137,1)	(53,0)

Quarterly CB Sales, EBITDA, TWC and NFP



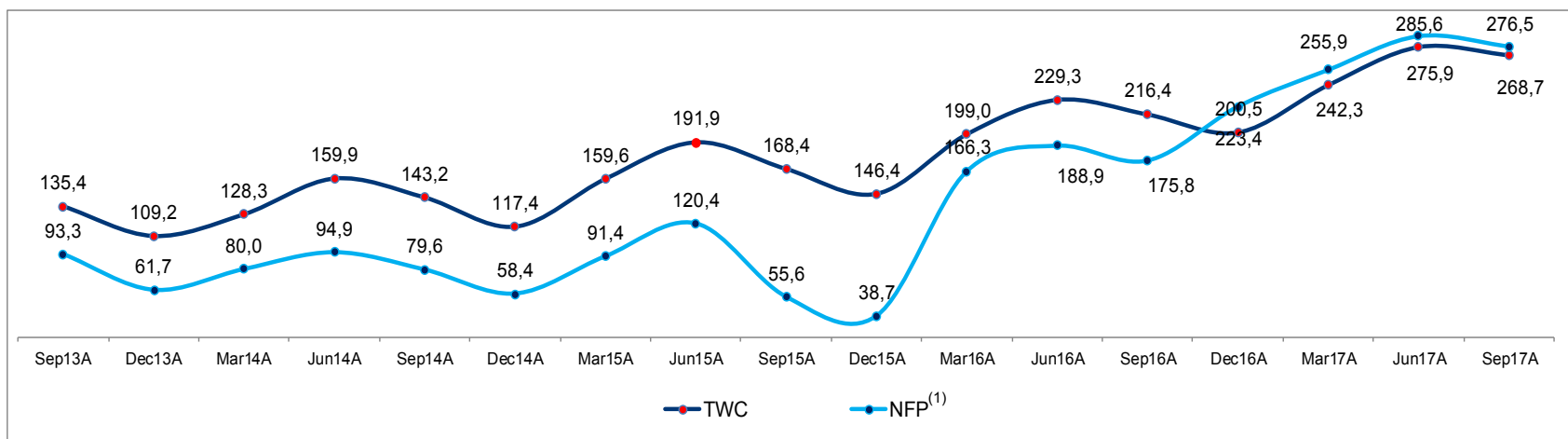
QUARTERLY CORE BUSINESS SALES AND ADJUSTED EBITDA

(€ million)



(€ million)

QUARTERLY TWC AND NFP

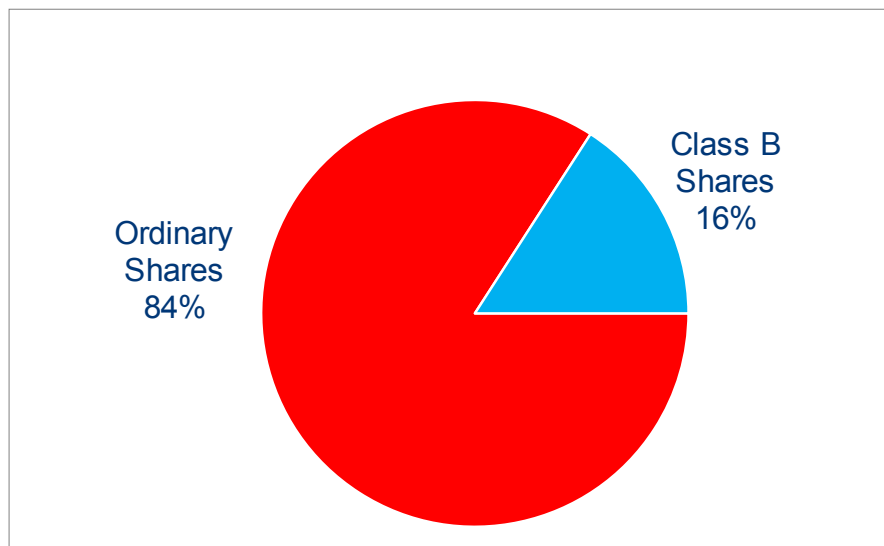


(1) Affected by extraordinary items

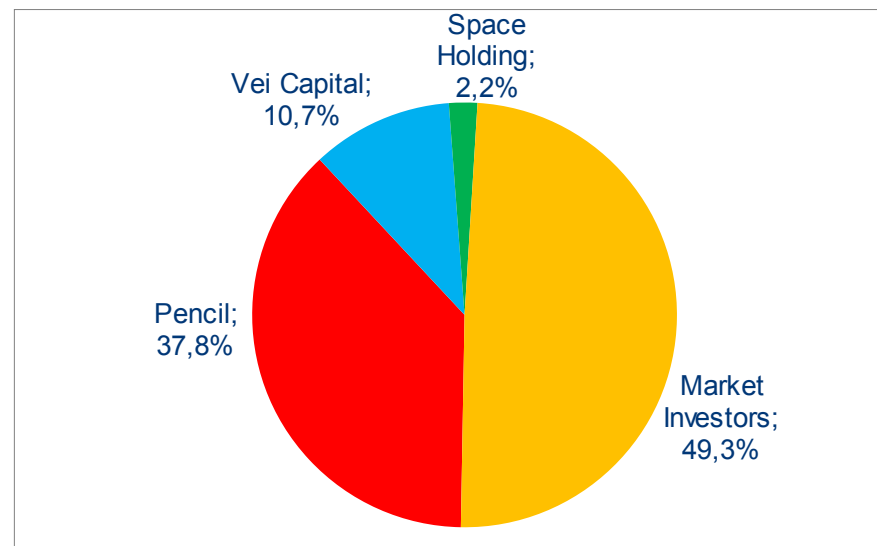
FILA Shareholders



Total shares *



Ordinary shares only



Total shares 41.332.477, of which : Ordinary shares 34.765.969, Class B shares 6.566.508 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998).

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