



Q1 2018 FILA Group Results



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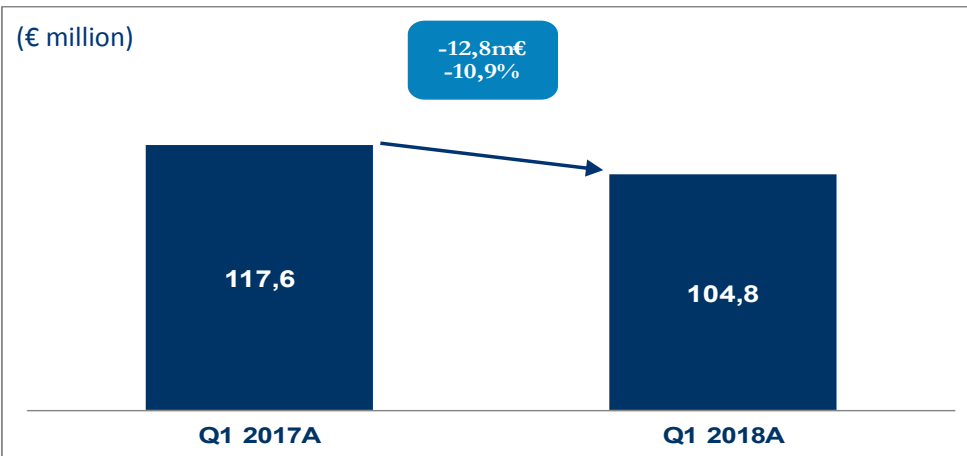
Q1 2018 Highlights



FILA: REVENUE SLOW DOWN MAINLY DUE TO THE NEGATIVE CURRENCY EFFECT, TEMPORARY DEFERRED SEASONAL EFFECT AND IFRS 15 IMPACT ON REVENUES RECOGNITION. SECOND QUARTER WILL BE IN LINE WITH EXPECTATIONS. ART&CRAFT BUSINESS GROWING SINGLE DIGIT AT COSTANT PERIMETER. CONTINUOUS MARGIN IMPROVEMENT DUE TO GROUP EFFICIENCIES AND DALER

- **Q1 2018 Core Business Revenue of Euro 104,8 million, -10,9% on Q1 2017 (Euro 117,6 million), mainly due to:**
 - ✓ **Negative FX effect**
 - ✓ **Temporary deferred seasonal effect**
 - ✓ **IFRS 15 impact on revenues recognition**
- **Organic revenue -3,7%, excluding the negative currency effect of Euro 7,5 million and IFRS 15 effect of around Euro 1 million;**
- **High single digit growth in Centre & South America and Asia, in particular India;**
- **Adjusted EBITDA of Euro 16,2 million, -5,3% on Euro 17,1 million in Q1 2017, of which -3,5% organic (net of FX and IFRS 15 effect) EBITDA margin improvement at 15,5% +100bpS compared to 14,5% in Q1 2017**
- **Adjusted Net Profit, excluding extraordinary costs and tax effects, of Euro 4,8 million (Euro 5,7 million in Q1 2017)**
- **Net Debt of Euro -269,9 million at March 31st, 2018 (Euro -239,6 million in FY2017), mainly due to seasonality. Improvement in change in Net Working Capital vs Q1 2017 despite a conservative approach on inventories in some countries.**

Q1 2018 Core Business Sales

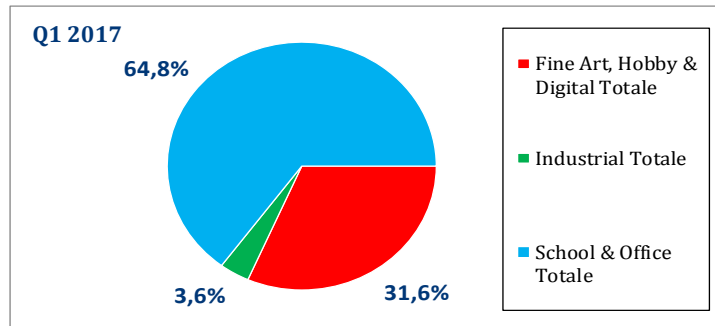
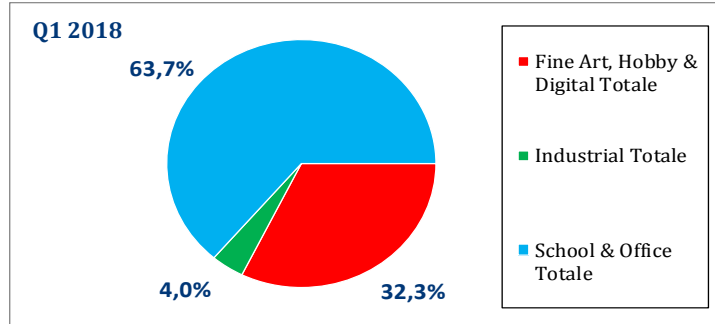


- Core Business Sales -10,9% (-12,8mln €), organic -4,4mln € (-3,7%), net of FX and IFRS 15 effect, of which:

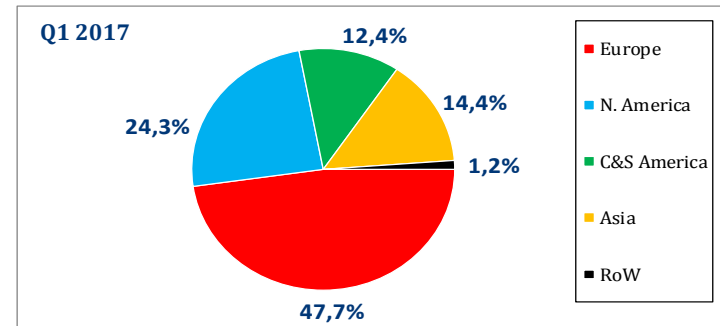
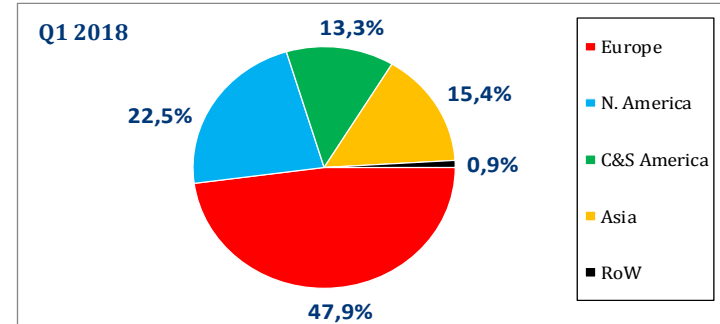
- By Geographic Area: Europe -4,6mln € (-8,2%), North America -1,5mln € (-5,2%), Other Countries -0,3mln € (-22,5%), partially offset by Centre & South America +1,0mln € (+7,2%) and Asia +1,0mln € (+5,8%)

- By Product line: School & Office -3,8mln € (-5,0%), Fine Art, Hobby & Digital -0,7mln € (-1,9%), Industrial +0,1mln € (+3,8%)

SALES BY PRODUCT LINE



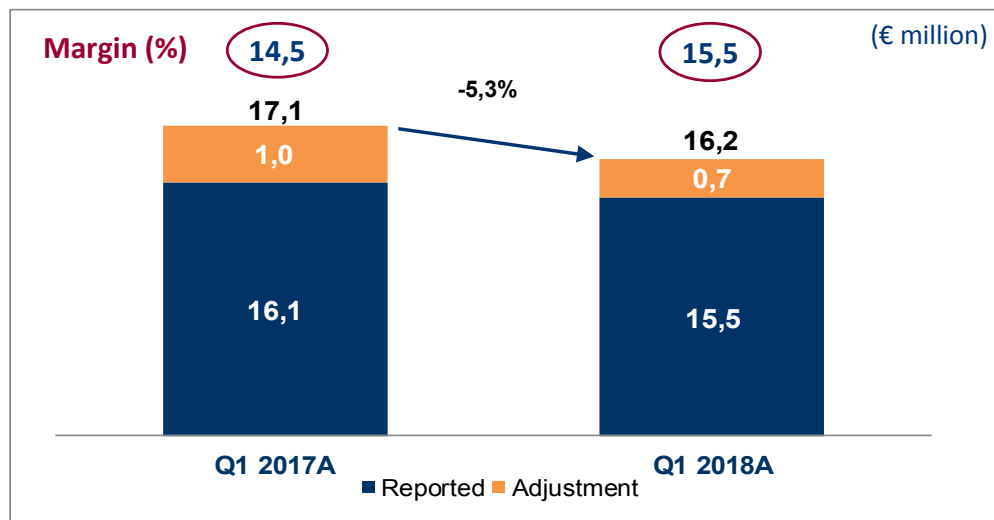
SALES BY GEOGRAPHICAL AREA



Q1 2018 EBITDA

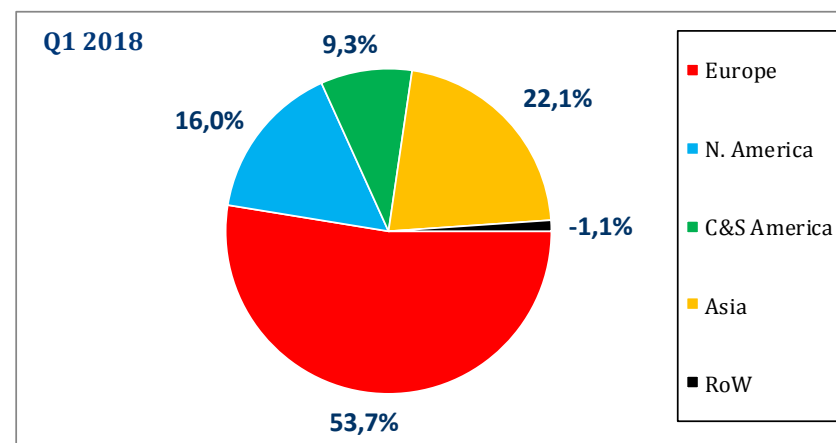
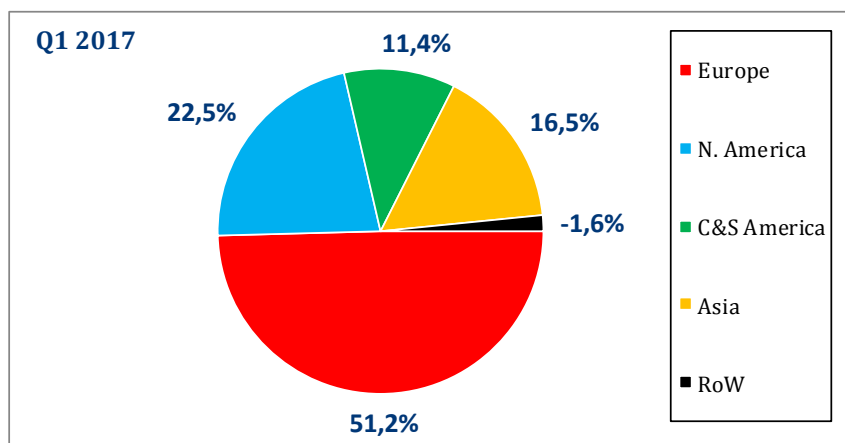


ADJUSTED EBITDA



- Adjusted EBITDA -0,9mln € (-5,3%), Organic -0,6mln € (-3,5%), net of FX and IFRS 15 effect
- 0,7mln € of extraordinary costs in Q1 2018A, mainly related to reorganization and stock option costs
- 1mln € of extraordinary costs in Q1 2017A, mainly related to the reorganization costs

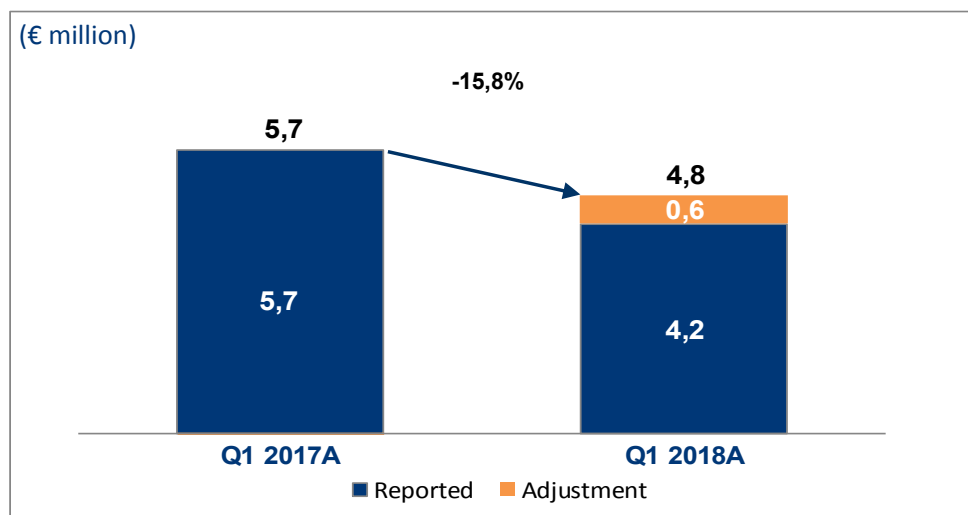
ADJUSTED EBITDA BREAKDOWN BY GEOGRAPHICAL AREA



Q1 2018 Net Income and Net Financial Position

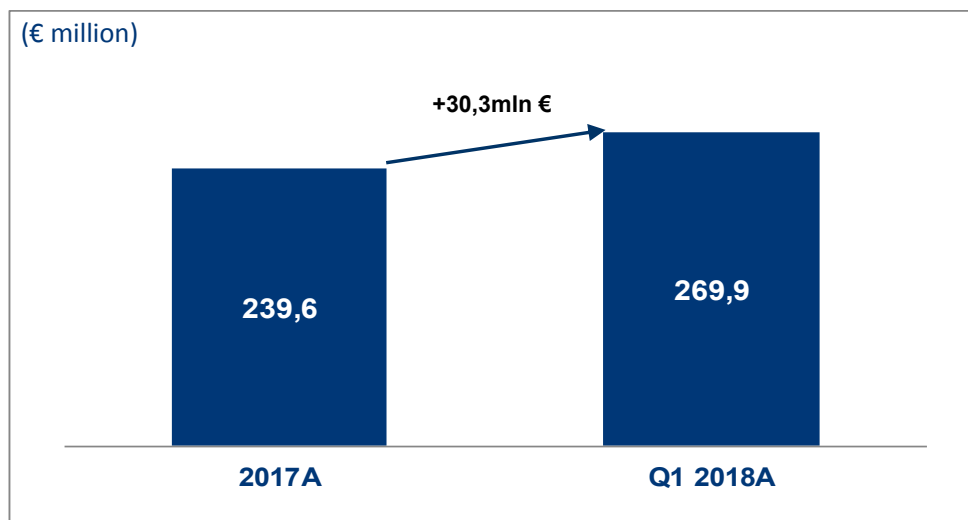


ADJUSTED NET INCOME



- The normalization of the Group Result in Q1 2018 refers to extraordinary operating costs, net of taxes effects
- Normalization neutral at Group Result level in Q1 2017A due to adjustments of 1mln € for financial proceeds coming from the disposal of 30% participation in FILA Nordic (Sweden)

ADJUSTED NET FINANCIAL POSITION



Net debt increase of 30,3mln € mainly due to:

- Operating CF -23,4mln Euro, mainly due to seasonality
- Capex for 3,5mln €
- Interest paid for 2,4mln €
- Negative FX effect of 0,9mln €



Appendix



Q1 2018 Income Statement



<i>(€ million)</i>	<u>Q1 2017A</u>	<u>% on Sales</u>	<u>Q1 2018A</u>	<u>% on Sales</u>
PROFIT & LOSS				
Core Business Sales	117,6		104,8	
Other revenues	5,9		2,0	
Total revenues	123,5		106,8	-
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(48,0)	(40,8%)	(36,9)	(35,2%)
Costs for Services and Use of Third-Party Assets	(27,3)	(23,2%)	(26,9)	(25,7%)
Personnel Costs	(25,8)	(22,0%)	(25,3)	(24,2%)
Other Operating Costs	(6,3)	(5,3%)	(2,2)	(2,1%)
Total operating costs	(107,4)	(91,3%)	(91,3)	(87,1%)
EBITDA	16,1	13,7%	15,5	14,8%
Depreciation and Amortization	(4,5)	(3,8%)	(4,5)	(4,3%)
Write-Downs	(0,1)	(0,1%)	(0,4)	(0,3%)
EBIT	11,5	9,7%	10,7	10,2%
Financial income/expenses	(1,7)	(1,4%)	(3,6)	(3,5%)
Income/expenses from associates at equity method	-	0,0%	0,0	0,0%
PBT	9,8	8,3%	7,1	6,8%
Taxes	(3,6)	(3,0%)	(2,5)	(2,4%)
Net profit (loss) of continuing operating activities	6,2	5,3%	4,6	4,3%
Net profit (loss) of discontinued operating activities	-	0,0%	-	0,0%
Total net profit (loss) of the period	6,2	5,3%	4,6	4,3%
Total net profit (loss) attributable to non controlling interests	0,5	0,4%	0,3	0,3%
Fila Group's total net profit (loss) of the period	5,7	4,9%	4,2	4,1%

<i>(€ million)</i>	<u>Q1 2017A</u>	<u>% on Sales</u>	<u>Q1 2018A</u>	<u>% on Sales</u>
P&L ADJUSTMENTS				
REPORTED EBITDA	16,1	13,7%	15,5	14,8%
Total Adjustments	1,0		0,7	
ADJUSTED EBITDA	17,1	14,5%	16,2	15,5%
FILA GROUP REPORTED NET PROFIT	5,7	4,9%	4,2	4,1%
Total Adjustments	(0,0)		0,6	
FILA GROUP ADJUSTED NET PROFIT	5,7	4,8%	4,8	4,6%

Q1 2018 Balance Sheet



(€ million)

	2017A	Q1 2018A
BALANCE SHEET		
Intangible assets	208,1	205,9
Tangible Assets	88,4	88,2
Financial Fixed Assets	4,7	4,5
Fixed Assets	301,2	298,7
Other Non Current Assets/Liabilities	15,6	15,2
Inventory	178,7	200,4
Trade Receivables and Other receivables	132,8	144,7
Trade Payables and Other Payables	(96,3)	(96,9)
Trade Working Capital	215,2	248,2
Other Current Assets and Liabilities	0,2	0,7
Net Working Capital	215,4	248,9
Provisions & Funds	(53,0)	(51,6)
NET CAPITAL EMPLOYED	479,2	511,2
Shareholders equity	(239,6)	(241,3)
Net Financial Position	(239,6)	(269,9)
TOTAL NET SOURCES	(479,2)	(511,2)

Q1 2018 Cash Flow Statement



(€ million)

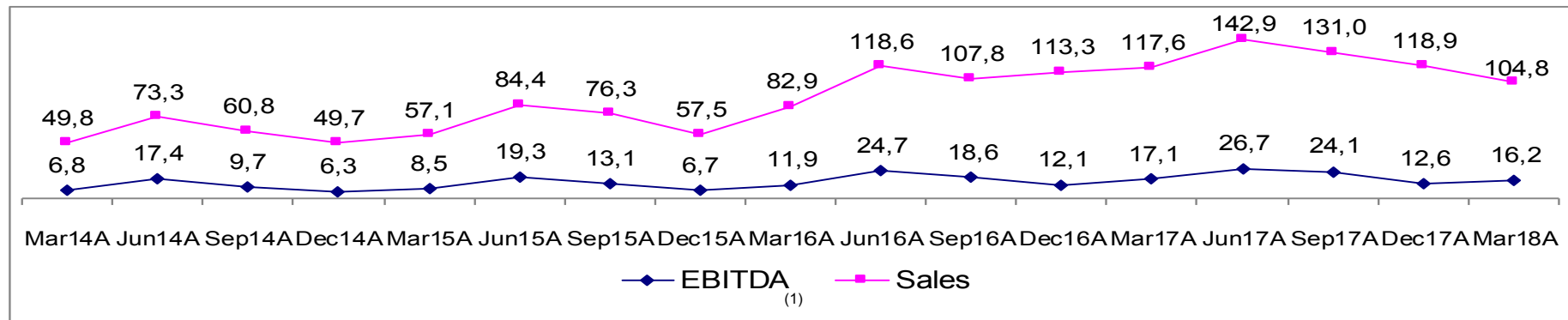
	Q1 2017A	Q1 2018A
CASH FLOW		
EBIT	11,5	10,7
Adjustments for non monetary costs	5,7	6,7
Adjustments for taxes	(1,9)	(2,2)
Cash-flow from operating activities before changes in NWC	15,3	15,1
<i>Changes in inventories</i>	<i>(14,4)</i>	<i>(23,9)</i>
<i>Changes in trade receivables & others</i>	<i>(23,1)</i>	<i>(14,7)</i>
<i>Changes in trade payables & others</i>	<i>(1,2)</i>	<i>0,9</i>
<i>Changes in other current assets/liabilities</i>	<i>(1,3)</i>	<i>(0,9)</i>
Changes in net working capital	(40,0)	(38,5)
Operating cash-flow	(24,7)	(23,4)
Investments in tangible and intangible assets	(3,7)	(3,5)
Other changes	(0,2)	(0,0)
Free Cash Flow	(28,6)	(27,0)
Capital increase/reimbursement/dividends	(0,1)	-
Net interests	(2,3)	(2,4)
Participation acquisition and disposal	1,0	0,0
Effect of FX rate movements	(2,4)	(0,9)
Changes in Net Financial Position	(32,4)	(30,3)

Quarterly CB Sales, EBITDA, TWC and NFP



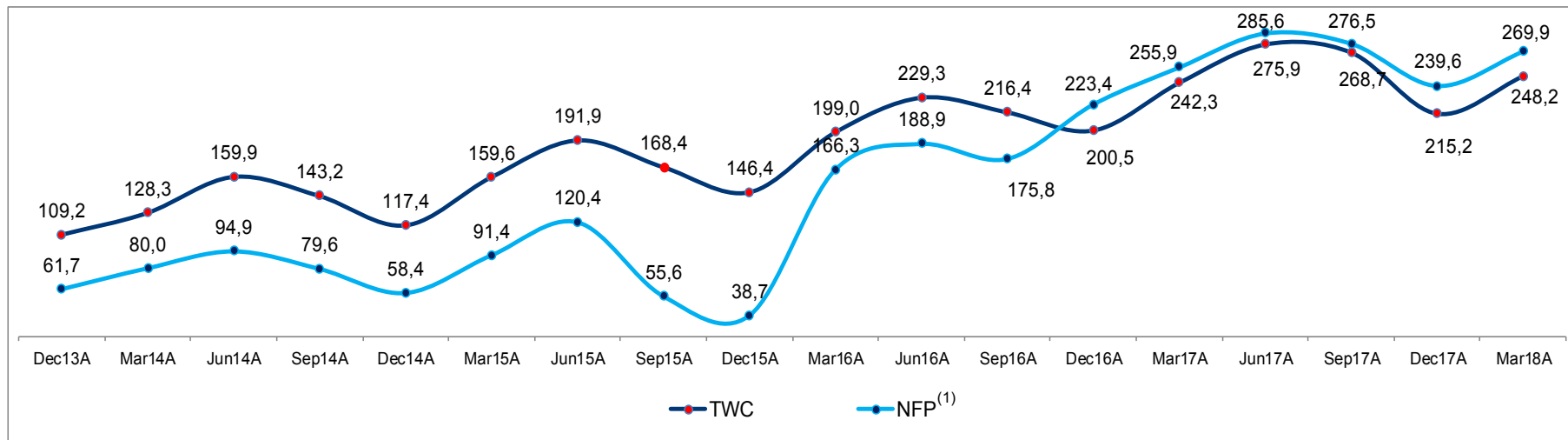
QUARTERLY CORE BUSINESS SALES AND ADJUSTED EBITDA

(€ million)



(€ million)

QUARTERLY TWC AND NFP

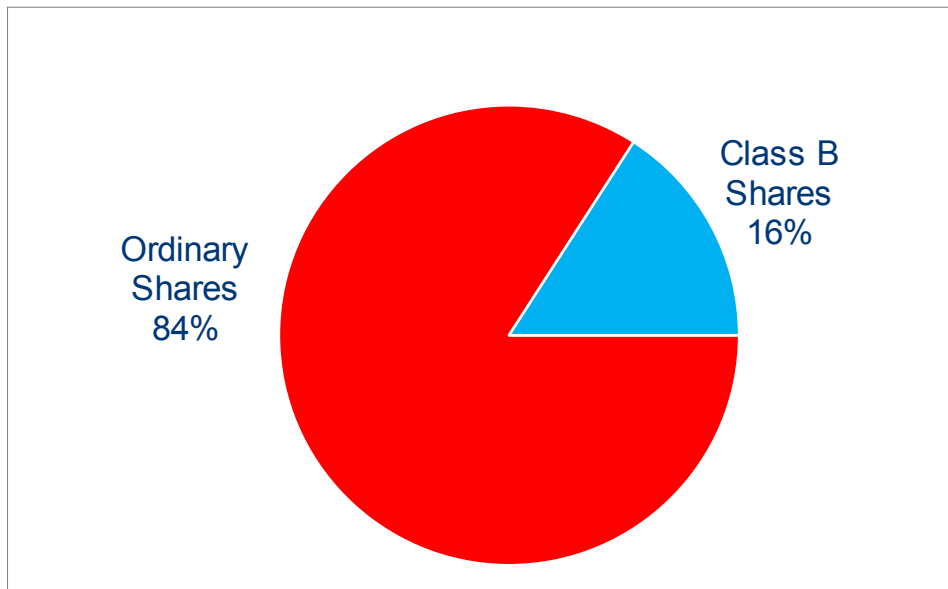


(1) Affected by extraordinary items

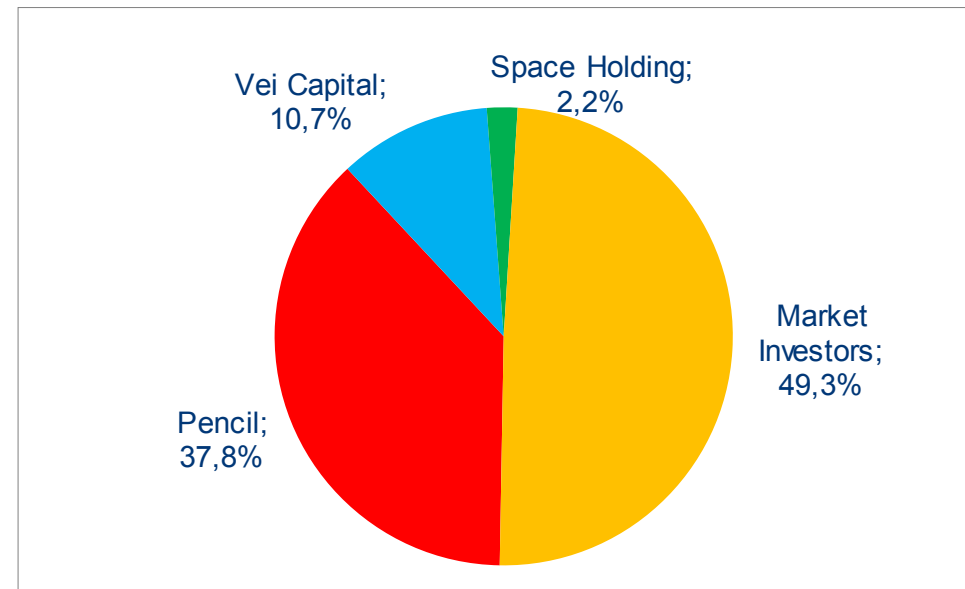
FILA Shareholders



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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