



Q1 2019 FILA Group Results



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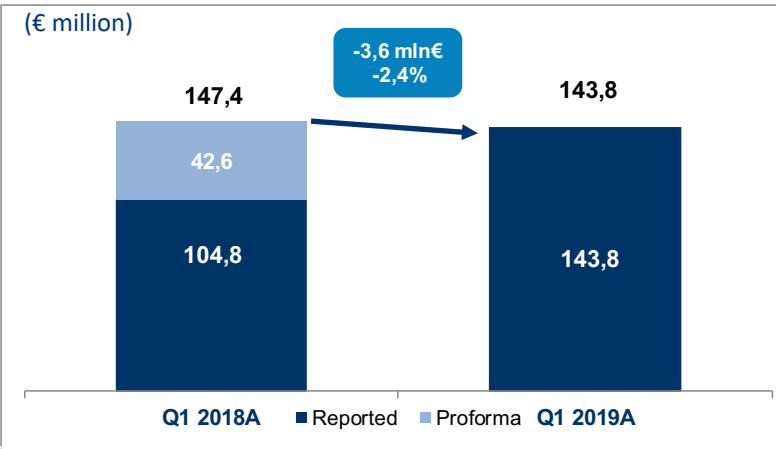
Q1 2019 Highlights



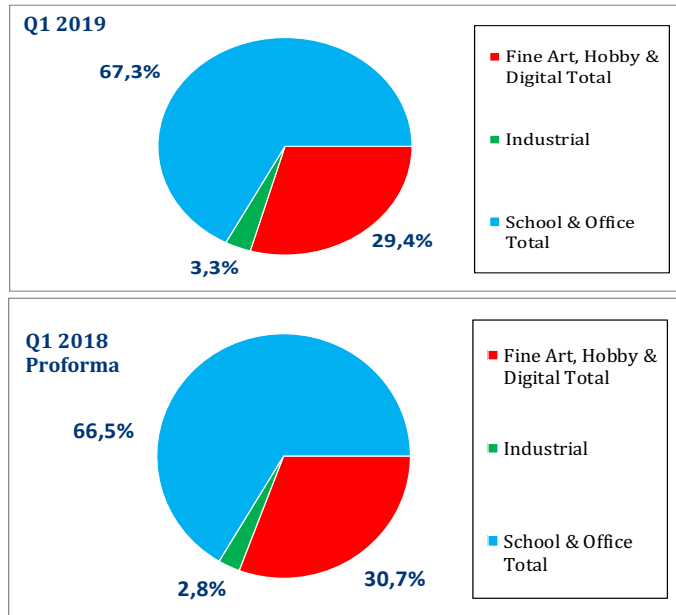
FILA Q1 2019: ASIAN GROWTH CONTINUES - PARTICULARLY IN INDIA AND CHINA SEASONALITY OF NORTH AMERICAN AND EUROPEAN REVENUE MORE CONCENTRATED IN SECOND QUARTER

- Core Business Revenue of 143,8mln € +37,2% compared to Q1 2018 Results and -2,4% (-4,6% Net of FX) compared to Q1 2018 Proforma Results of which 43,9mln € related to Pacon Group Core Business Sales;
- Sales growth in Asia, particularly in India (+27,6%) compared to the previous year, offset by the negative growth in North America, due to a different seasonality of the school campaign, increasingly concentrated in the second and third quarters of the year and due to SAP implementation that took place starting from February 1st, and by the negative growth in Europe which, despite an order growth, was affected by the settlement of the central warehouse of Annonay in the first two months of the year, delay to date almost completely absorbed;
- Adjusted EBITDA of 18,4mln € 13,7% compared to Q1 2018 Results and -18,2% (-20,7% Net of FX) compared to Q1 2018 Proforma Results (including 6,1mln € related to Pacon Group EBITDA). Adjustments are related to 2,9 mln € of extraordinary income (IFRS 16 first time adoption) partially offset by 2,8mln € of extraordinary costs, mainly related to the reorganization costs;
- Adjusted Net Profit of 3,6 million € -25,8% compared to Q1 2018 Results and -50% compared to Q1 2018 Proforma Results, principally due to higher D&A and financial charges related to the new loan granted for the Pacon acquisition;
- Net Financial Position at -578,3mln € at 31 March 2019 (including IFRS16 negative effect of -81,6 mln €) compared with -452,8mln € at 31 December 2018. This change is mainly linked to the impact of business seasonality.

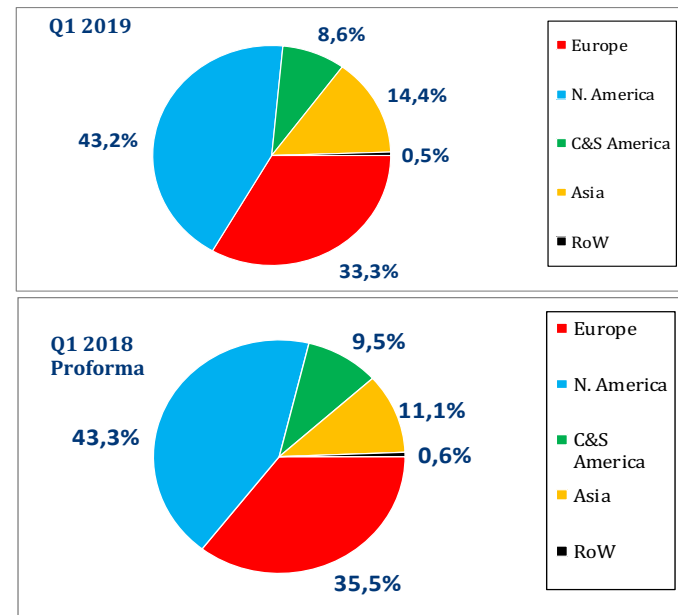
Q1 2019 Core Business Sales



SALES BY PRODUCT LINE



SALES BY GEOGRAPHICAL AREA

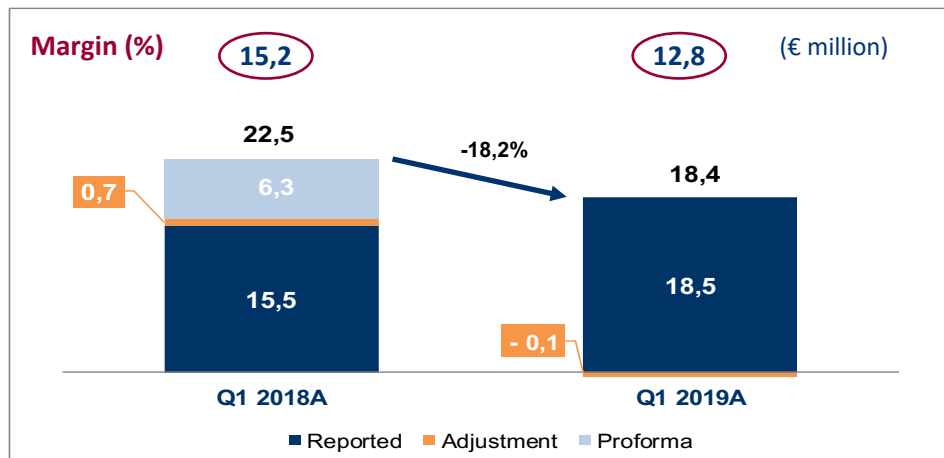


- Core Business Revenue of 143,8mln € +37,2% compared to Q1 2018 Results
- Core Business Sales compared to Q1 2018 proforma value: -3,6mln € (-2,4%) and -6,8mln € (-4,6%), net of FX, of which:
 - By Geographic Area: North America -6,2mln € (-9,7%), Europe -4,3mln € (-8,3%), Centre & South America -0,6mln € (-4,6%), and Other Countries -0,2mln € (-17,2%) partially offset by Asia +4,5mln € (+27,6%);
 - By Product line: Fine Art, Hobby & Digital -4,3mln € (-9,4%), School & Office -2,9mln € (-3,0%) partially offset by Industrial +0,4mln € (+9,6%);
- 42,6mln € for Pacan Group Core Business Sales of Q1 2018 (proforma adjustment)

Q1 2019 EBITDA

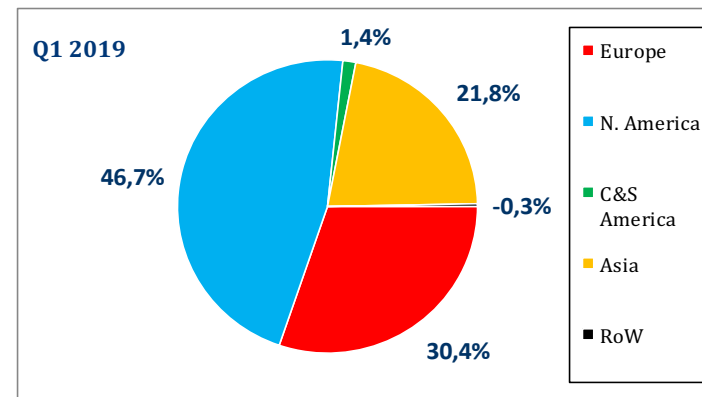
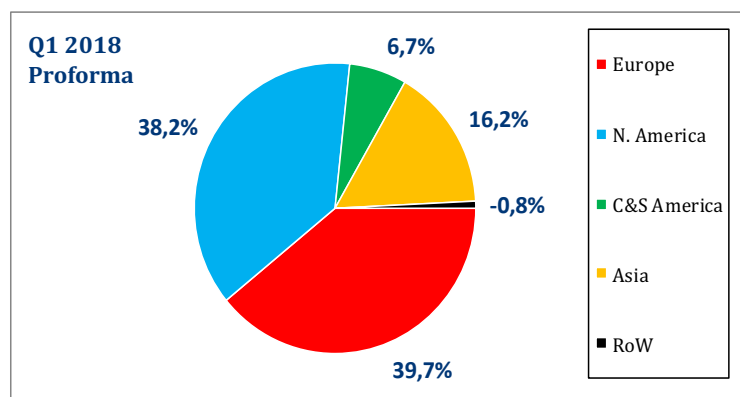


ADJUSTED EBITDA



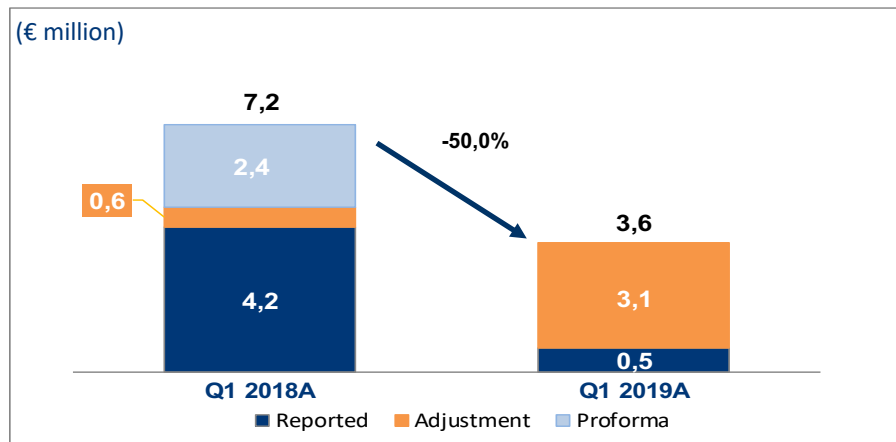
- Adjusted EBITDA of 18,4mln € 13,7% compared to Q1 2018 Results
- Adjusted EBITDA compared to Q1 2018 proforma value: -4,1mln € (-18,2%) and -4,7mln € (-20,7%), net of FX
- 2,9 mln € of extraordinary income in Q1 2019, related to IFRS 16 first time adoption partially offset by 2,8mln € of extraordinary costs in Q1 2019, mainly related to the reorganization costs;
- 0,7mln € of extraordinary costs in Q1 2018A, mainly related to reorganization and stock option costs;
- 6,3mln € for Pacon Group EBITDA of Q1 2018 (proforma adjustment).

ADJUSTED EBITDA BREAKDOWN BY GEOGRAPHICAL AREA



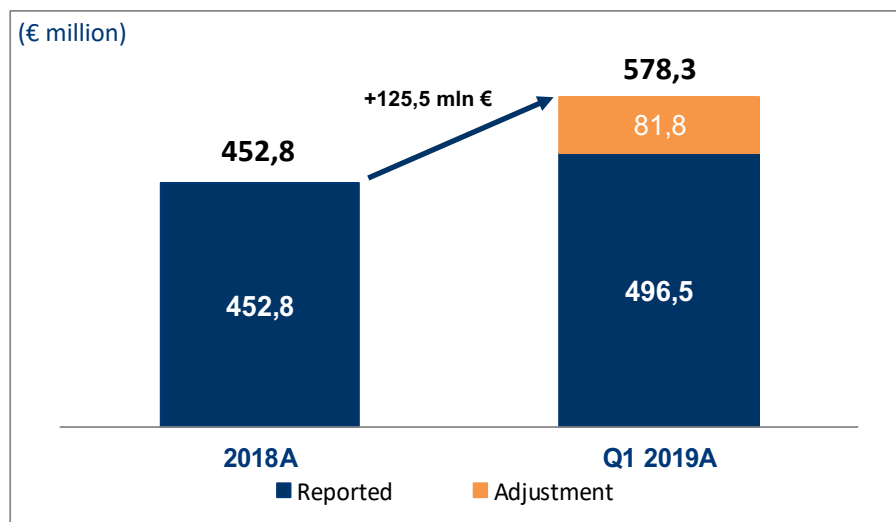
Q1 2019 Net Income and Net Financial Position

ADJUSTED NET INCOME



- **Adjusted Net Profit of Euro 3,6 million € -25,8% compared to Q1 2018 Results and -50% compared to Q1 2018 proforma value**
- The adjustment of the Group Result in Q1 2019 refers to extraordinary operating costs for reorganization, IFRS 16 first time adoption, net of tax effect
- The adjustment of the Group Result in Q1 2018 refers to extraordinary operating costs, net of taxes effects
- **2,4 mln € for Pacon Group Adjusted net income of Q1 2018 (proforma adjustment)**

ADJUSTED NET FINANCIAL POSITION



Net debt increase of 125,5mln € mainly due to:

- Extraordinary effect for -81,8 mln € refers to IFRS 16 adoption
- Operating CF negative for 25,9 mln €
- Capex for 3,7 mln €
- Net financial expenses for 6,1mln €
- Negative Mark to Market hedging of 4,5 mln €
- Negative FX effect of 4,1mln €
- Other Changes positive for 0,6 mln €



Appendix



Q1 2019 Income Statement



(€ million)

	Q1 2018A	% on Sales	Q1 2019A	% on Sales
PROFIT & LOSS				
Core Business Sales	104,8		143,8	
Other revenues	2,0		1,7	
Total revenues	106,8		145,5	-
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(36,9)	(35,2%)	(60,3)	(41,9%)
Costs for Services and Use of Third-Party Assets	(26,9)	(25,7%)	(29,9)	(20,8%)
Personnel Costs	(25,3)	(24,2%)	(34,9)	(24,2%)
Other Operating Costs	(2,2)	(2,1%)	(2,0)	(1,4%)
Total operating costs	(91,3)	(87,1%)	(127,1)	(88,4%)
EBITDA	15,5	14,8%	18,5	12,9%
Depreciation and Amortization	(4,5)	(4,3%)	(9,8)	(6,8%)
Write-Downs	(0,4)	(0,3%)	(0,5)	(0,3%)
EBIT	10,7	10,2%	8,3	5,8%
Financial income/expenses	(3,6)	(3,5%)	(5,9)	(4,1%)
Income/expenses from associates at equity method	0,0	0,0%	0,0	0,0%
PBT	7,1	6,8%	2,4	1,7%
Taxes	(2,5)	(2,4%)	(1,3)	(0,9%)
Total net profit (loss) of the period	4,6	4,3%	1,1	0,8%
Total net profit (loss) attributable to non controlling interests	0,3	0,3%	0,7	0,5%
Fila Group's total net profit (loss) of the period	4,2	4,1%	0,5	0,3%

(€ million)

	Q1 2018A	% on Sales	Q1 2019A	% on Sales
P&L ADJUSTMENTS				
REPORTED CORE BUSINESS SALES	104,8		143,8	
Total Adjustments			-	
ADJUSTED CORE BUSINESS SALES	104,8		143,8	
REPORTED EBITDA	15,5	14,8%	18,5	12,9%
Total Adjustments	0,7		(0,1)	
ADJUSTED EBITDA	16,2	15,5%	18,4	12,8%
FILA GROUP REPORTED NET PROFIT	4,2	4,1%	0,5	0,3%
Total Adjustments	0,6		3,1	
FILA GROUP ADJUSTED NET PROFIT	4,8	4,6%	3,6	2,5%

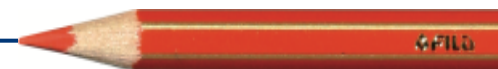
Q1 2019 Balance Sheet



(€ million)

	2018A	Q1 2019A
BALANCE SHEET		
Intangible assets	445,9	450,8
Tangible Assets	104,5	185,3
Financial Fixed Assets	3,6	4,1
Fixed Assets	554,0	640,2
Other Non Current Assets/Liabilities	20,5	21,2
Trade Working Capital	308,5	353,7
Other Current Assets and Liabilities	2,1	1,5
Net Working Capital	310,6	355,2
Provisions & Funds	(93,5)	(94,7)
NET CAPITAL EMPLOYED	791,6	921,8
Shareholders equity	(338,8)	(343,6)
Net Financial Position	(452,8)	(578,3)
TOTAL NET SOURCES	(791,6)	(921,8)

Q1 2019 Cash Flow Statement

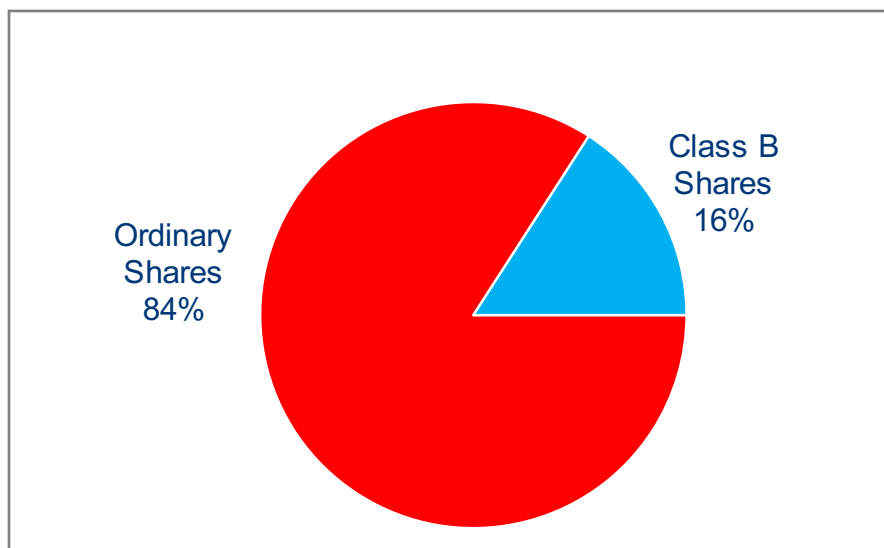


<i>(€ million)</i>	<u>Q1 2018A</u>	<u>Q1 2019A</u>
CASH FLOW		
EBIT	10,7	8,3
Adjustments for non monetary costs	6,7	7,1
Adjustments for taxes	(2,2)	(1,3)
Cash-flow from operating activities before changes in NWC	15,1	14,1
<i>Changes in inventories</i>	<i>(23,9)</i>	<i>(24,9)</i>
<i>Changes in trade receivables & others</i>	<i>(14,7)</i>	<i>(18,7)</i>
<i>Changes in trade payables & others</i>	<i>0,9</i>	<i>4,3</i>
<i>Changes in other current assets/liabilities</i>	<i>(0,9)</i>	<i>(0,6)</i>
Changes in net working capital	(38,5)	(40,0)
Operating cash-flow	(23,4)	(25,9)
Investments in tangible and intangible assets	(3,5)	(3,7)
Other changes	(0,0)	0,6
Free Cash Flow	(27,0)	(29,0)
Net financial expenses	(2,4)	(6,1)
Adjustment mark to market hedging	-	(4,5)
Adoption IFRS 16	-	(81,8)
Effect of FX rate movements	(0,9)	(4,1)
Changes in Net Financial Position	(30,3)	(125,5)

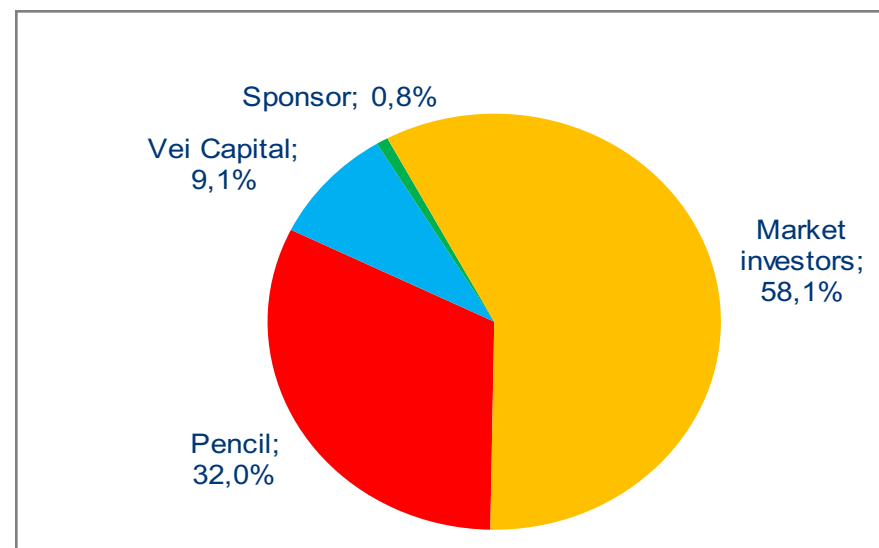
FILA Shareholders



Total shares *



Ordinary shares only



Total shares 50.870.740 of which : Ordinary shares 42.788.884 Class B shares 8.801.856 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998).

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Investor Relations F.I.L.A.

Stefano De Rosa CFO/IR Officer – Francesca Cocco IR

ir@fila.it

(+39) 02 38105206