



SPAFID CONNECT

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PRESS RELEASE

Salvatore Ferragamo S.p.A.

1H 2020 Group Preliminary Consolidated Revenue Figures

- **Salvatore Ferragamo Group Consolidated Revenues¹ down 46.6% in 1H 2020 (-46.9% at constant exchange rates²) vs. 1H 2019**
- **Revenues¹ performance in July solidly increasing in China, Korea and Japan vs. July 2019**

Florence, 28 July 2020 – The Salvatore Ferragamo Group, one of the global leaders in the luxury sector, released the Group's Preliminary Consolidated Revenues¹ for the first semester 2020, which amount to 377 million Euros down 46.6% at current exchange rates and down 46.9% at constant exchange rates² vs. 1H 2019.

Preliminary Consolidated Revenue¹ figures for 1H 2020

As of 30 June 2020 the Salvatore Ferragamo Group reported Total Revenues¹ of 377 million Euros down 46.6% at current exchange rates (-46.9% at constant exchange rates²) vs. the 705 million Euros recorded in 1H 2019. Revenues¹ in 2Q 2020 registered a 60.1% decrease at current exchange rates (-59.4% at constant exchange rates²).

The drop in Revenues¹ has been determined by the rapid diffusion of the pandemic caused by a novel coronavirus, known as Covid-19 and the consequent decisions taken by the National governments regarding prohibitions and lock-downs of the commercial activities and of the international traffic, brought to the closure of the majority of the Group's store network in those countries and to a significant reduction in traffic in the remaining stores, in the period.

Revenues¹ by distribution channel³

As of 30 June 2020, the Group's Retail network counted on a total of 643 points of sales, including 389 Directly Operated Stores (DOS) and 254 Third Party Operated Stores (TPOS) in the Wholesale and Travel Retail channel, as well as the presence in Department Stores and high-level multi-brand Specialty Stores.



In 1H 2020 the Retail distribution channel posted consolidated Revenues¹ down 41.0% (-41.1% at constant exchange rates²), with a decrease of 41.0% at constant exchange rates² and perimeter (like-for-like) vs. 1H 2019, with the primary and secondary channel posting a similar performance. In 2Q 2020 Retail Revenues¹ decreased 51.2% (-50.7% at constant exchange rates²), with a -51.0% like-for-like performance.

The Wholesale channel registered a decrease in Revenues¹ of 56.4% (-56.8% at constant exchange rates²) vs. 1H 2019.

In 2Q 2020 Wholesale Revenues¹ were down 75.7% (-74.4% at constant exchange rates²), mainly penalized by the performance of the Travel Retail channel and of Fragrances.

Revenues¹ by geographical area³

The Asia Pacific area is confirmed as the Group's top market in terms of Revenues¹, decreasing by 39.9% (-39.1% at constant exchange rates²) vs. 1H 2019.

The 2Q 2020 performance in the area (-35.3% at constant exchange rates²) benefitted from the positive performance of the retail channel in China, which recorded a Revenue¹ growth of 11.6% at constant exchange rates².

EMEA posted, in 1H 2020, a decrease in Revenues¹ of 51.7% (-51.2% at constant exchange rates²), with 2Q 2020 (-71.9% at constant exchange rates²) strongly penalized by the stores closures and the lack of tourists' flows in the period.

North America recorded a Revenue¹ decrease of 54.4% (-57.8% at constant exchange rates²) in 1H 2020, with 2Q 2020 down 81,1% (-83,2% at constant exchange rates²) strongly penalized by the stores closures in the period.

The Japanese market registered a 37.4% decrease in Revenues¹ (-39.3% at constant exchange rates²) in 1H 2020, with 2Q 2020 down 56,1% (-58.4% at constant exchange rates²) strongly penalized by the stores closures in the period.

Revenues¹ in the Central and South America in 1H 2020 were down 54.6%, (-50.1% at constant exchange rates²), with 2Q 2020 down 89.2% (-83.1% at constant exchange rates²) strongly penalized by the stores closures in the period.

Revenues¹ by product category³

All product categories, at constant exchange rates², reported a decrease in 1H 2020 vs. the same period of last year. The Fragrances division registered a decrease in Revenues¹ of 66,6% vs. 1H 2019, as a consequence of the lock-down measures in the global markets, that resulted in the



temporary closure of the majority of the distribution doors both in the domestic channel and in the Travel Retail.

Performance in July

The month of July is showing an improvement in the Revenue¹ performance, vs. the previous quarter, in all the geographies. In particular, as at July 25th the Group has registered a solid growth in the directly operated stores in Mainland China, Korea and Japan vs. July 2019.



The Company also informs that the Board of Directors held today under the Chairmanship of Ferruccio Ferragamo approved, pursuant to art. 2505, second paragraph, of the Italian Civil Code, the merger by incorporation of Arts S.r.l. and Aura 1 S.r.l. in the Company. Similar resolutions have been also adopted today by the merged companies.

For further information concerning the merger, please make reference to the merger project prepared pursuant to art. 2501-ter of the Italian Civil Code and, in general, to the documentation made available, within the terms provided for by applicable laws, at the Company's registered office and on its website (www.ferragamo.com), Investor Relation section/Governance/Extraordinary Operations/2020".

Today the Board of Directors also resolved to confer to the Audit Firm KPMG S.p.A., already engaged for the statutory audit of annual and consolidated financial statements of the Company, the assignment of limited review of the Non Financial Statement of Salvatore Ferragamo S.p.A. and its subsidiaries for the 2020 – 2022 years, in compliance with the provisions contained in the Legislative Decree No. 254 dated 30 December 2016.

Notes to the press release

¹ Preliminary/Non-Audited Revenues drafted according to IAS/IFRS International Accounting Principles.

² Revenues at "constant exchange rates" are calculated by applying to the Revenues of the period 2019, not including the "hedging effect", the average exchange rates of the same period 2020.

³ The variations in Revenues are calculated at current exchange rates including the hedging effect, unless differently indicated.

The manager charged to prepare the corporate accounting documents, Alessandro Corsi, pursuant to article 154-bis, paragraph 2, of Legislative Decree no. 58/1998 (Consolidated Financial Law), hereby declares that the information contained in this Press Release faithfully represents the content of documents, financial books and accounting records.

Salvatore Ferragamo

This document may contain forecasts, relating to future events and operating results, which by their very nature are uncertain, in that they depend on future events and developments that cannot be predicted with certainty. Actual results may therefore differ with those forecasted, due to a variety of factors.

Salvatore Ferragamo S.p.A.

Salvatore Ferragamo S.p.A. is the parent Company of the Salvatore Ferragamo Group, one of the world's leaders in the luxury industry and whose origins date back to 1927.

The Group is active in the creation, production and sale of shoes, leather goods, apparel, silk products and other accessories, along with women's and men's fragrances. The Group's product offer also includes eyewear and watches, manufactured by licensees.

The uniqueness and exclusivity of our creations, along with the perfect blend of style, creativity and innovation enriched by the quality and superior craftsmanship of the 'Made in Italy' tradition, have always been the hallmarks of the Group's products.

With approximately 4,000 employees and a network of 643 mono-brand stores as of 30 June 2020, the Ferragamo Group operates in Italy and worldwide through companies that allow it to be a leader in the European, American and Asian markets.

For further information:

Salvatore Ferragamo S.p.A.

Paola Pecciarini
Group Investor Relations

Tel. (+39) 055 3562230
investor.relations@ferragamo.com

Image Building

Giuliana Paoletti, Mara Baldessari, Alfredo Mele
Media Relations

Tel. (+39) 02 89011300
ferragamo@imagebuilding.it

This Press Release is also available on the website <http://group.ferragamo.com>, in the section "Investor Relations/Financial Press Releases".



On the following pages, a more detailed analysis of Revenues¹ of the Salvatore Ferragamo Group as of 30 June 2020.

Revenue¹ by distribution channel as of 30 June 2020

	2020	%weight on tot	2019	%weight on tot	2020 vs 2019 %	Constant Rates 2020 vs 2019 %
Retail	260,614	69.2%	441,686	62.7%	-41.0%	-41.1%
Wholesale	110,882	29.4%	254,376	36.1%	-56.4%	-56.8%
Licences	3,899	1.0%	5,687	0.8%	-31.4%	-31.4%
Rental income	1,131	0.3%	3,121	0.4%	-63.7%	-64.6%
Total	376,526	100.0%	704,870	100.0%	-46.6%	-46.9%

Revenue¹ by geographic area as of 30 June 2020

	2020	%weight on tot	2019	%weight on tot	2020 vs 2019 %	Constant Rates 2020 vs 2019 %
Europe	85,759	22.8%	177,608	25.2%	-51.7%	-51.2%
North America	69,740	18.5%	152,808	21.7%	-54.4%	-57.8%
Japan	36,886	9.8%	58,905	8.4%	-37.4%	-39.3%
Asia Pacific	166,746	44.3%	277,225	39.3%	-39.9%	-39.1%
Latin America	17,395	4.6%	38,324	5.4%	-54.6%	-50.1%
Total	376,526	100.0%	704,870	100.0%	-46.6%	-46.9%



Revenue¹ by product category as of 30 June 2020

	2020	%weight on tot	2019	%weight on tot	2020 vs 2019 %	Constant Rates 2020 vs 2019 %
Shoes	159,490	42.4%	297,288	42.2%	-46.4%	-47.3%
Leather goods & handbaç	158,551	42.1%	280,910	39.9%	-43.6%	-43.1%
RTW	19,091	5.1%	36,222	5.1%	-47.3%	-47.9%
Silk & other access.	20,302	5.4%	39,886	5.7%	-49.1%	-49.2%
Fragrances	14,062	3.7%	41,756	5.9%	-66.3%	-66.6%
Licences	3,899	1.0%	5,687	0.8%	-31.4%	-31.4%
Rental income	1,131	0.3%	3,121	0.4%	-63.7%	-64.6%
Total	376,526	100.0%	704,870	100.0%	-46.6%	-46.9%

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