



Piquadro S.p.A.
The Board of Directors approves
the consolidated interim report as of 30 June 2014

- Consolidated revenue of € 13.18 million (+ 7.2% compared to the same period of the previous year);
- EBITDA of € 1,82 million (+ 3.2% compared to the same period of the previous year);
- EBIT of € 1.23 million (+ 1.7% compared to the same period of the previous year);
- Consolidated Net Profit of € 0.73 million (+ 2.8% compared to the same period of the previous year).

Silla di Gaggio Montano (Bologna), August 7, 2014 – Today the Board of Directors of Piquadro S.p.A, which designs, manufactures and distributes innovative-design, high tech leather goods, approved its Consolidated Interim Report as of June 30, 2014.

For the first quarter at June 30, 2014, the Piquadro Group reported revenues of € 13.18 million with a 7.2% increase compared to the € 12.30 million reported in the same period of the previous year.

This increase was determined by the growth of both DOS and Wholesale distribution channels.

The revenues reported by the **DOS** channel showed an **increase** of about **8.2%** compared to the same period of the 2013/2014 financial year. Such increase was mainly due to the opening of 16 new shops after June 30, 2013, only partially affected by the closing of 6 shops during the first quarter ended June 30, 2014. The DOS channel also includes **e-commerce revenues** which have grown by **50.9%** compared to the first quarter of the previous year.

The revenues of the **Wholesale** channel, which represent 64.2% of the Group's total turnover as of 30 June 2014, showed a **6.7% increase**, also by reason of the opening of 4 additional franchised shops (2 in Italy, 1 in Ireland and 1 in the Philippines).

Under a geographical point of view, the **Italian market**, which accounted for a 74.1% of the Group's turnover, showed a 12.0% increase and counted on the opening of 5 new DOSs and 2 franchised stores. The **European market** recorded a turnover of € 2.48 million, **down by 3.2%** compared to the same period of the year 2013/2014 due to the drop in the Russian and Ukrainian orders. The **Extra European market** (where Piquadro sells in 9 countries) showed a 7,2% decrease compared to the same period of the 2013/2014 financial year and were affected by the closure of 6 DOSs (3 in Hong Kong and 3 in China) due to their performances below the management's expectations.

EBITDA of the Piquadro Group as of 30 June 2014 was € 1.82 million (with a ratio of 13.8% to net sale revenue), **up about 3.2%** compared to € 1.76 million reported in the same period of financial year 2013/2014 (14.3% of net sales revenues). **EBIT** of the Piquadro Group for the first quarter at June 30, 2014, was € 1.23 million (9.3% of net sales revenues), **up about 1.7%** compared to June 30, 2013 (€ 1.2 million and 9.8% of net sales revenues).

Net Financial Position as of June 30, 2014, posted a negative value of € 12.02 million with an increase of about € 1.81 million compared to March 31, 2014, mainly due to inventories growth dynamics and the seasonal decrease in trade payables.

The Group's **Net Profit** as of 30 June 2014 was equal to € 0.73 million, **up about 2.8%** compared to 30 June 2013 (Net Profit equal to € 0.71 million).



«The results of the first quarter are fully satisfactory», said **Marco Palmieri**, Piquadro's **President and CEO**. «Revenues are back to stable growing rates despite the drop in Russian and Ukrainian orders and the negative effect that the decreasing consumptions by tourists from those countries have had on several stores. Almost all areas and countries where our positioning strategy is focusing have registered a double-digit growth except for Russia and the Asian retail, which we are rationalizing. The profitability indexes are also growing and we are reasonably confident about the rest of the year».

Outlook

The development of the Piquadro Group in the 2014/2015 financial year will be affected by the evolution of the economic situation in the countries where the Group mostly operates and by the Group's ability to pursue its internationalization strategy. The sales' growth recorded in the first quarter of the current financial year demonstrates that the investments made to support the internationalization and glamour repositioning strategy are producing the expected results. The Management foresees a positive trend for the rest of financial year 2014/15 and growing rates similar to those experienced in the first quarter despite the sharp drop in consumptions by a particularly relevant clientele, the Russians and the Ukrainians. In terms of profitability the Management expects the operating margin to grow more than the revenues thanks to the reorganization of less profitable business areas as well as to the dynamics of the operative leverage resultant from the wholesale growth.

The manager responsible for preparing the Piquadro S.p.A.'s, financial reports, Roberto Trotta, declares – pursuant to paragraph 2 of Article 154-bis of Italy's Legislative Decree 58/1998 – that the accounting information contained in this press release, corresponds to the documented results, books, and accounting records.

The interim consolidated financial report as of 30 June, 2014 approved today by the Piquadro Board of Directors has been made available to the public at the Company's Registered Office, on the website www.piquadro.com and on the authorized storage website www.1info.it.

The minutes of the Shareholders' Ordinary Meeting dated July 23, 2014 is available to the public at the Company's Registered Office. The same document is also available on the Company's website www.piquadro.com and on the authorized storage website www.1info.it.

About Piquadro

*Piquadro is an Italian brand of professional and travel leather goods characterized by innovative design and technological content. In all Piquadro products the three distinctive values inspiring the brand - **design, functionality and technological innovation** – are combined with the flavour of Italian handicraft working, the quality of first-class hides and attention to detail.*

The company originated from an idea of Marco Palmieri, the current Chairman and Chief Executive Officer. Piquadro is headquartered in Silla di Gaggio Montano, near Bologna, where it carries out all design, project, planning, acquisition, quality control, logistics, marketing, communications and distribution activities.

In the fiscal year ended March 31, 2014, consolidated revenues amounted to € 64.05 million and consolidated net profit was approximately € 3.51 million.

Piquadro sells its products in over 50 countries worldwide, through a distribution network that includes 103 single-brand boutiques (59 in Italy and 44 abroad di cui 57 DOS-directly operated stores and 46 franchised).

Piquadro has been listed on the Italian Stock Exchange since October 2007.

Piquadro SpA

Investor relationship - Roberto Trotta

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Consolidated statement of financial position as at June 30, 2014 and March 31, 2014

<i>(in thousands of Euro)</i>	30 June 2014	31 March 2014
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	5,018	5,020
Property, plant and equipment	12,998	13,059
Receivables from others	822	849
Deferred tax assets	1,464	1,571
TOTAL NON-CURRENT ASSETS	20,302	20,499
CURRENT ASSETS		
Inventories	16,539	15,836
Trade receivables	20,388	21,095
Others current assets	1,976	1,457
Tax receivables	270	256
Receivables for derivative financial instruments	47	23
Cash and cash equivalents	7,851	10,985
TOTAL CURRENT ASSETS	47,071	49,652
TOTAL ASSETS	67,373	70,151



Consolidated statement of financial position as at June 30, 2014 and March 31, 2014

<i>(in thousands of Euro)</i>	30 June 2014	31 March 2014
LIABILITIES		
EQUITY		
Share Capital	1,000	1,000
Share premium reserve	1,000	1,000
Other reserves	659	567
Retained earnings	29,093	25,567
Group profit for the period	741	3,526
Total equity attributable to the Group	32,493	31,660
Capital and Reserves attributable to minority interests	4	20
Profit/(loss) attributable to minority interests	(12)	(16)
Total share attributable to minority interests	(8)	4
EQUITY	32,485	31,664
NON-CURRENT LIABILITIES		
Borrowings	9,007	10,317
Payables to other lenders for lease agreements	2,457	2,604
Provision for employee benefits	260	254
Provision for risk and chargers	990	973
Deferred tax liabilities	104	91
TOTAL NON-CURRENT LIABILITIES	12,818	14,239
CURRENT LIABILITIES		
Borrowings	7,828	7,697
Payables to other lenders for lease agreements	580	576
Payables for derivative financial instruments	15	89
Trade Payables	10,334	12,887
Other current liabilities	2,916	2,999
Current income tax liabilities	397	-
TOTAL CURRENT LIABILITIES	22,070	24,248
TOTAL LIABILITIES	34,888	38,487
TOTAL EQUITY AND LIABILITIES	67,373	70,151

**Consolidated income statement for the period ended June 30, 2014 and June 30, 2013**

<i>(in thousands of Euro)</i>	30 June 2014	30 June 2013
Revenues from sales	13,182	12,293
Other income	170	207
OPERATING COSTS		
Change in inventories	(653)	(2,475)
Costs for purchases	2,079	3,297
Costs for services and leases and rental	6,496	6,519
Personnel costs	3,537	3,278
Amortisation, depreciation and write-downs	589	608
Other operating costs	75	65
TOTAL OPERATING COSTS	12,123	11,292
OPERATING PROFIT	1,229	1,208
FINANCIAL INCOME AND CHARGES		
Financial income	163	250
Financial charges	(224)	(306)
TOTAL FINANCIAL INCOME AND CHARGES	(61)	(56)
PRE-TAX RESULT	1,168	1,152
INCOME TAX EXPENSES	(439)	(443)
PROFIT FOR THE PERIOD	729	709
Attributable to:		
EQUITY HOLDERS OF THE COMPANY	741	717
MINORITY INTERESTS	(12)	(8)
EARNING PER SHARE		
(Basic) EARNING PER SHARE	0.015	0.014
(Diluted) EARNING PER SHARE	0.014	0.013