



Piquadro discloses the consolidated revenues for the first semester of financial year 2014/2015

- Consolidated revenue of the semester up 8.2%;
- Consolidated revenue of the second quarter up 9.0%;

Silla di Gaggio Montano (Bologna), October 21, 2014 –Piquadro S.p.A, which designs, manufactures and distributes innovative-design, high tech leather goods, disclosed its consolidated second quarter and half year revenues for the financial year 2014/2015.

For the first half year ending September 30, 2014, the Piquadro Group reported **revenues** of € 32.3 million **with a 8.2% increase** compared to the € 29.9 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 **6.2%** compared to the same period of the 2013/2014 financial year. Such increase was mainly due to the opening of twelve new shops after September 30, 2013, only partially affected by the closing of seven shops during the first six months ended September 30, 2013, focused in the Far East area. The **DOS** channel also includes **e-commerce** revenues which have grown by **34.4%** compared to the semester of the previous year, among which the export sales grew up by 43.6% and now represents the 38,5% of the ecommerce revenues.

The Same Store Sales Growth (SSSG) data, calculated as average global growth rates of profits registered in the existing DOS on April 1, 2014, was positive and equal to 1.5% growth in the semester at current exchange rates (assuming an equal number of days open and constant exchange rates, it was equal to a 1.8% growth rate).

The revenues of the **Wholesale** channel, which represent 66.3% of the Group's total turnover as of 30 September 2014, showed a 9.2% increase, also by reason of the opening of seven additional franchised shops (two in Italy, two in Europe and three in Asia). The Italian **Wholesale** channel showed a 17.0% increase; the sales in the European **Wholesale** channel decreased by 12.4% due to the orders reduction in Russia and Ukraine following the recent events affecting the two countries. The sales in the European **Wholesale** channel, with the exclusion of Russia and Ukraine incidents, increased of 22,0%, driven by Germany (+25%) and Spain (+17,0%). The revenues of the **Wholesale** channel in the Extra European market called the "Rest of the World", showed an increase equal to 7.5% with no substantial values.

Under a geographic point of view, the Group's revenues as of 30 September 2014 show a 14.6% increase in the **domestic market** which still represents, with a 75.2%, an important share of the Group's revenues and can count on the opening of two directly operated stores and two franchised stores. In the **European market** the Group recorded a turnover of € 6.0 million, down by 3.9% compared to the same period of the year 2013/2014 due to orders reduction in Russia and Ukraine (besides that, the revenues in the **European market** registered instead more than 24.0% increase). In the Extra European market, where the Group sells in 19 countries, the revenues showed a 17.1% decrease compared to the same period of the 2013/2014 financial year and were mainly affected by the closure of seven **DOS** (four in Hong Kong and three in China) due to their performances below the *Management's* expectations.



In the second quarter of the financial year (July - September) ending September 30, 2014, the revenues of the Piquadro Group reported a **9.0%** increase compared to the same period of the previous year.

The revenues reported by the *DOS* channel showed an increase of about 4.8% compared to the same period of the 2013/2014 financial year and were mainly affected by the closing of seven shops in Asia (three in China and four in Hong Kong). The *Same Store Sales Growth (SSSG)*, in the second quarter of the financial year 2014/2015, was positive and equal to 3.8% growth at current exchange rates (assuming an equal number of days open and constant exchange rates, it was equal to a 3.8% growth rate).

The **revenues** of the **Wholesale** channel, in the second quarter of the financial year, showed an increase of **11.2%**. The Italian **Wholesale** channel showed a 19.8% increase; the sales in the European **Wholesale** channel decreased by 11.6% due to the orders reduction in Russia and Ukraine (besides that, the revenues in the European **Wholesale** channel increased of 16.1%). The revenues of the **Wholesale** channel in the Extra European market called the "Rest of the World", showed an increase equal to 0.9%.

Under a geographical point of view, the Group's revenues, in the second quarter of the financial year (July – September) ending September 30, 2014, showed a **16.5% increase** in the **domestic market**. In the **European market** the Group recorded a turnover of € 3.6 million, down by 3.7% compared to the same period of the year 2013/2014 due to orders reduction in Russia and Ukraine (besides that, the revenues in the **European market** increased of about 20%). In the Extra European market the revenues decreased of 24% decrease compared to the same period of the 2013/2014 financial year and were mainly affected by the closure of seven *DOS* (four in Hong Kong and three in China) due to their performances below the *Management's* expectations.

«The great results achieved in Italy have been generated by the repositioning of the brand, the streamline of the sales network and the excellent trend of some products, secondary in the past, on which we have invested and by which we expect further developments » explains **Marco Palmieri, President and CEO of Piquadro**. *«The trend of the export sales has been instead affected by the closure of some not profitable markets and points of sales as well as by Russian and Ukrainian markets crisis. Besides these two factors, the export sales are experiencing a remarkable 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.

Piquadro gives notification that the Consolidated –Six Month Financial Report as of September 30, 2014 will be approved by the Board of Directors and will be communicated no later than November 25, 2014.

The data given in this report are preliminary and were not yet examined by the Board of Directors nor subject to auditing by the Independent Auditors. The same data will be certified by the Independent Auditors according to current legislation.

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 € 63.05 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 106 single-brand boutiques (59 in Italy and 47 abroad out of which 57 DOS-directly operated stores and 49 franchised).

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

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