

INTRODUCING PIQUADRO



PIQUADRO



Piquadro ... born in Bologna, only14 years ago!



New Head Office built in 2006



PIQUADRO: UNIQUE POSITIONING

Innovative **Italian** leather brand.
Business-friendly accessories.
Designed to make busy life ...
stressless!

Piquadro = **P²** with the P standing for
both Palmieri and pelletterie (leather
goods in Italian)



Marco Palmieri, Piquadro Founder and CEO



THE BRAND DNA

Piquadro was founded on the principle that your most valuable tech accessories need the finest hand crafted leather bags to transport them safely and in style.

Since 1998, this unique blend of technology, prime Tuscany leather hide and clever organization has made Piquadro stand out from the crowd within the leather goods industry





PIQUADRO CORE VALUES:

1. INNOVATIVE DESIGN





PIQUADRO CORE VALUES:

2. ITALIAN STYLING





PIQUADRO CORE VALUES:

3. BUSINESS FRIENDLY ORGANIZATION





PIQUADRO CORE VALUES:

4. VIBRANT COLOR PALETTE





PIQUADRO CORE CONSUMERS:

- Young professionals
men (80%) and women (20%)
- Medium-upper social classes
- Well educated
- Design forward mindset
- ‘Citizens of the world’
- Always ‘on the go’:
commuters, frequent flyers
- Tech savvy
- Rational: value for money





PRODUCT STRATEGY

MIX OF ON-GOING & SEASONAL COLLECTIONS

Complementary and extensive product offering, including professional bags, travel items, women's bags, small leather goods and other accessories.

On-Going Collections (70% of turnover): long life-cycle (4/5 years and more).

Seasonal Collections (30% of turnover): short life-cycle more fashionable and produced based solely on the orders received.





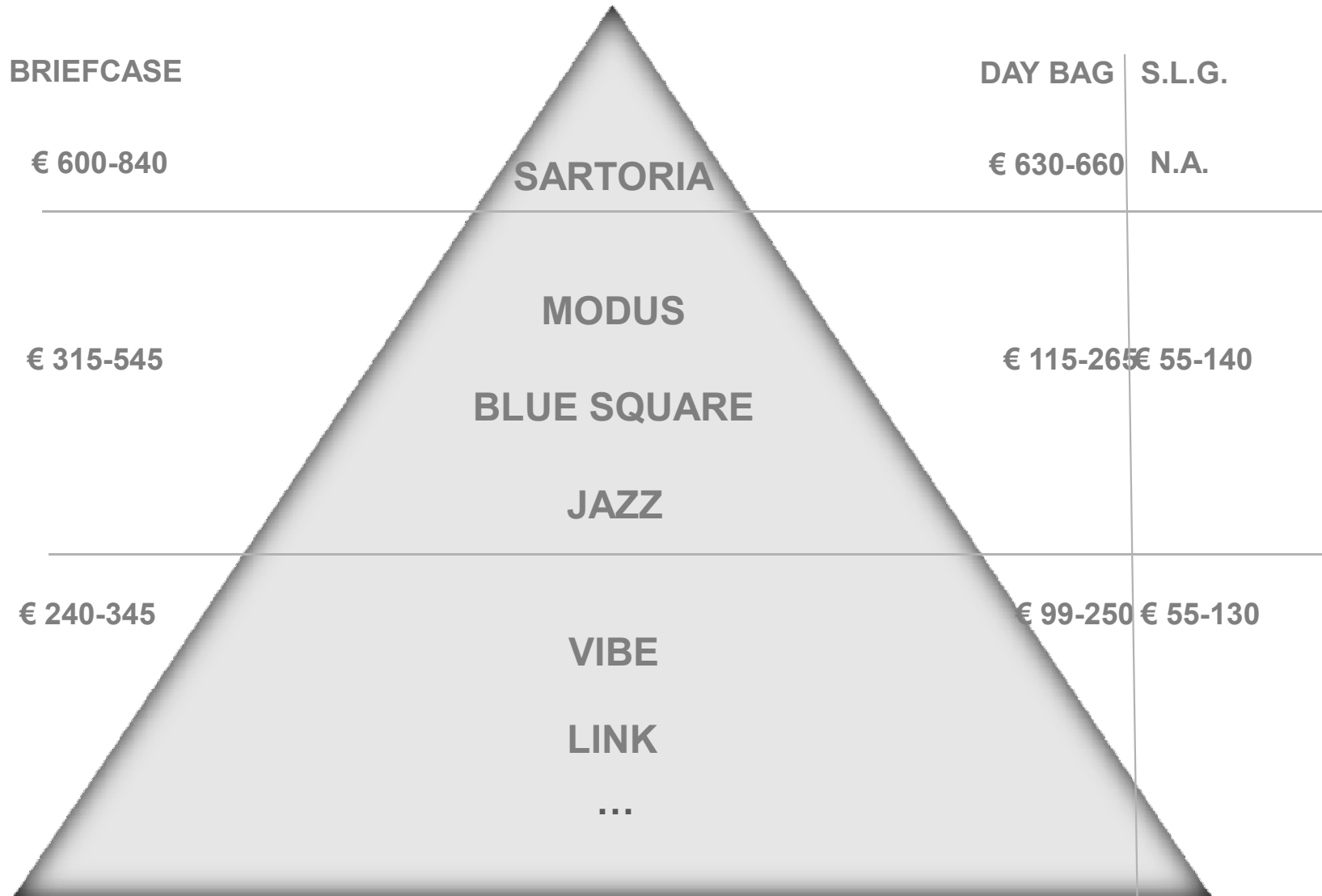
A WELL BALANCED ASSORTMENT

COMPANY SALES BY PRODUCT CATEGORY (IN VALUE)

Business bags	24%	
Day bags	14%	
Small leather goods	19%	
Women's bags	22%	
Luggage	12%	
Other accessories	10%	



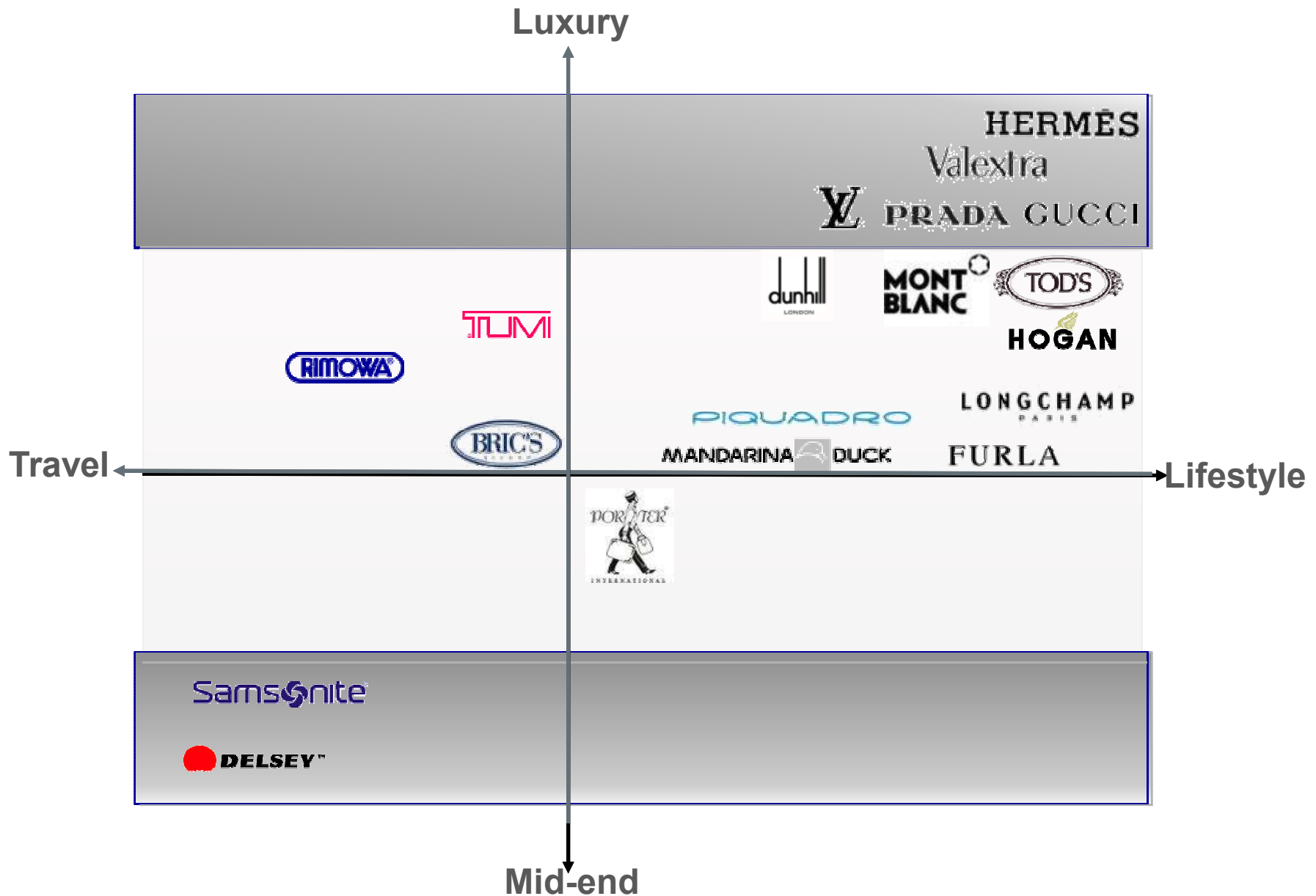
PRODUCT ARCHITECTURE/PRICING



Above prices are Europe Suggested Retail Prices

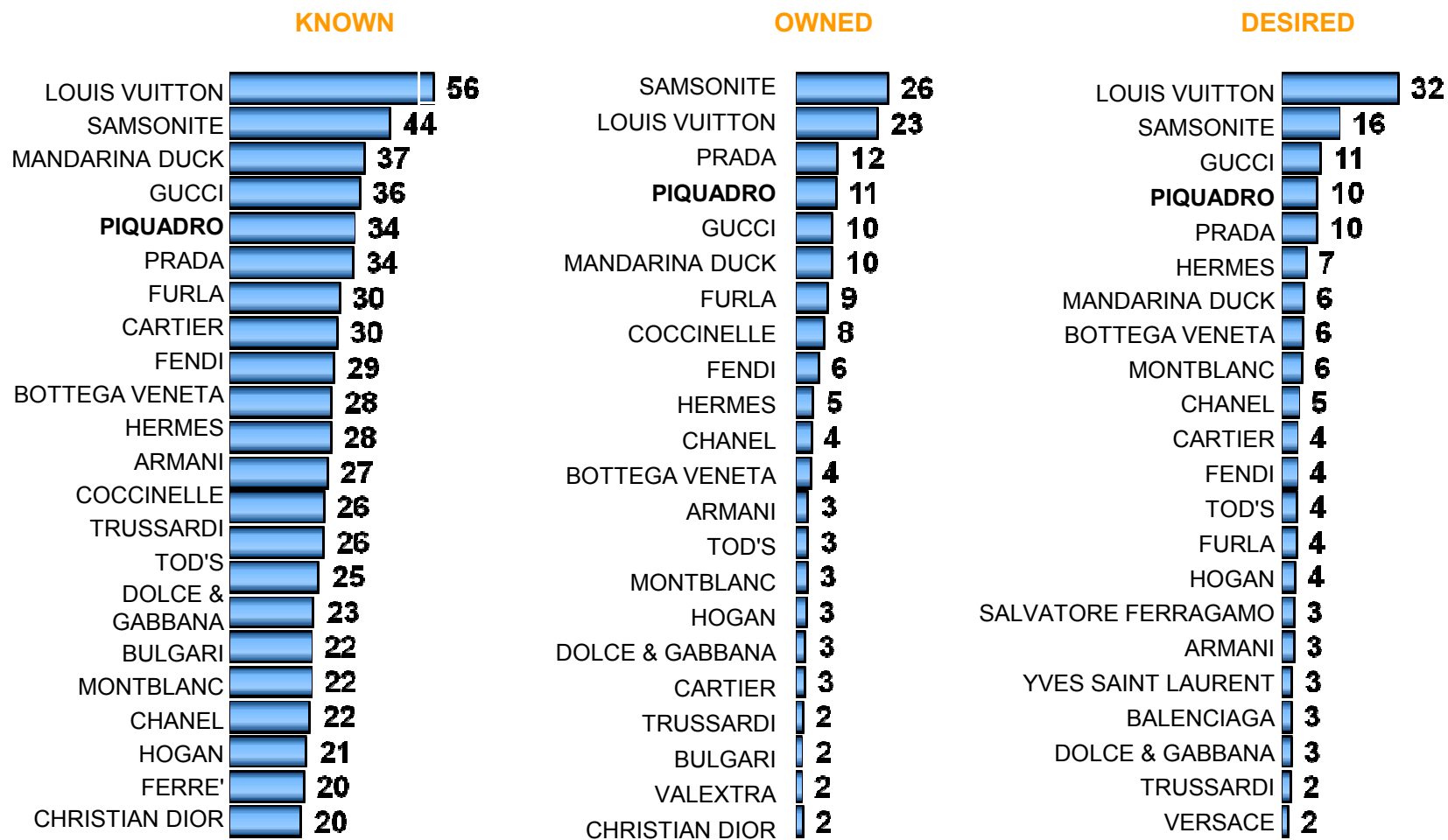


PIQUADRO: A PREMIUM ACCESSORIES BRAND





PIQUADRO AWARENESS AND DESIRABILITY*



* Source : GFK-Eurisko Research - The Italian Elites 2012



RESEARCH & DEVELOPMENT

ITALIAN DESIGN

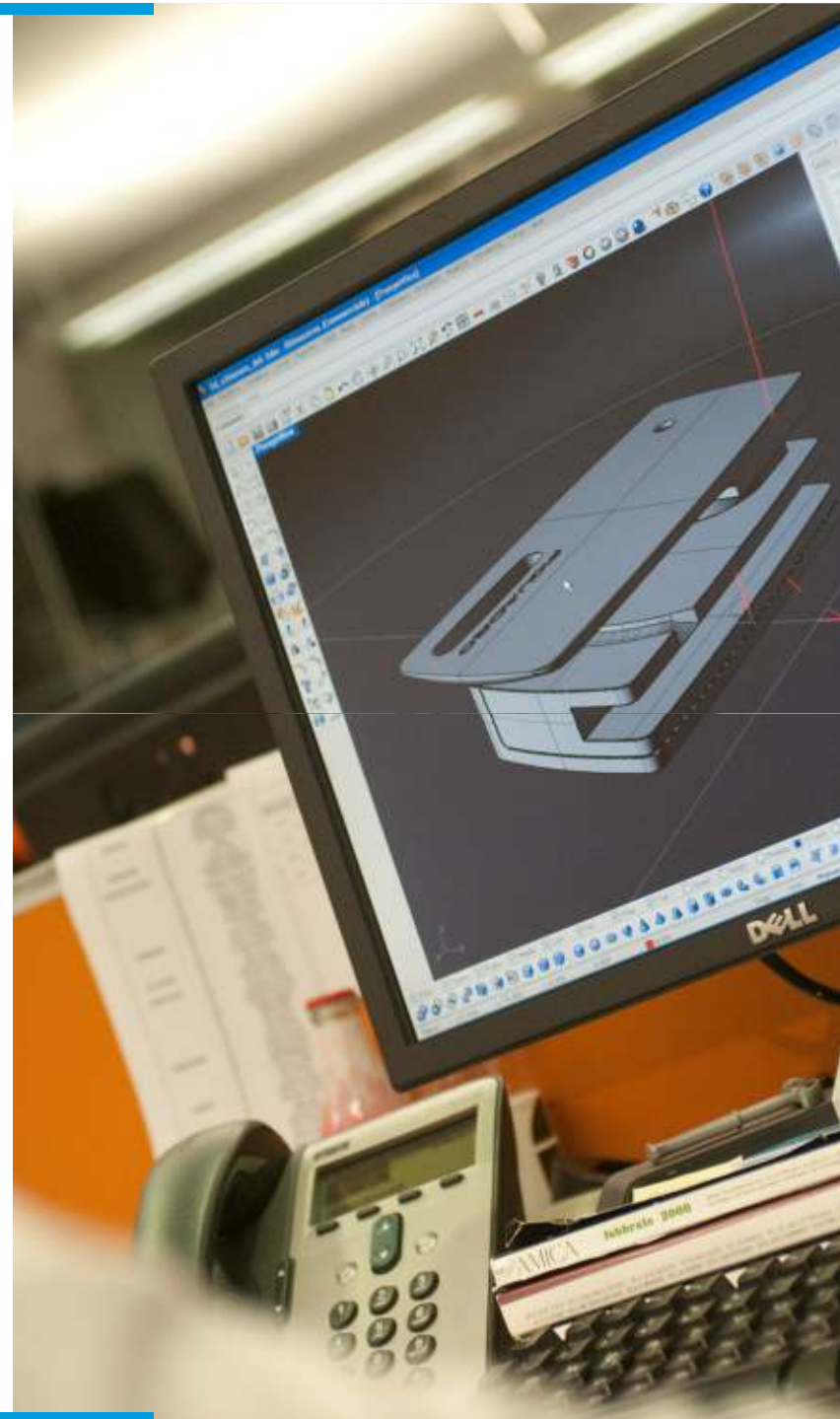
All Piquadro products are the fruit of a careful design phase. Even the tiniest detail is studied and designed so that the end result will be a design product with a well-defined identity.

An in-house team of Italian designers, who know and interpret the company values, develop solutions that are always new in a constant process of research into materials and trends.

42 people work in the Piquadro R&D. 13 are based in the Italian HQ.

5 are designers (two different designer teams: one focused on **industrial design**, the other on **fashion design**).

29 people work in the sample room making samples and prototypes for the entire production of the Group.





QUINTESSENTIAL QUALITY

The quality of **the** selected **hide**, together with the design, is a distinctive element of each Piquadro product.

Piquadro has proudly built a long lasting relationship with the best Italian tanneries over the past 14 years, all being located within a short distance from the Bologna headquarter.

Quality checks are made in an avant-garde, in-house 'LAB' localized at the Piquadro Head Office.





INTERNATIONAL MULTI-CHANNEL DISTRIBUTION

Presence in approx. 50 countries with strategic mix of DOS and Wholesale channel.

Growing mono-brand network, counting today 92 Stores (48 DOS, and 44 franchised) worldwide.

Approx. more than one third of the net sales comes from single-brand stores (DOS and franchised).

HONG KONG, Queen's Road





RETAIL DISTRIBUTION

DOS

Milano, Via Della Spiga
Milano, Linate Airport
Milano, Malpensa Airport T1
Milano, Malpensa Airport TN
Milano, via Dante 9
Milano, C.so Buenos Aires
Roma, Galleria Colonna
Roma, Sh Mall Cinecittà
Roma Sh. Mall Porta di Roma
Roma Sh. Mall Euroma 2
Roma, Fiumicino Airport T1
Roma, Fiumicino Airport T3
Roma, via Frattina
Venice, via Mercerie ⁽¹⁾
Bologna, P.zza Maggiore
Bologna, Marconi Airport
Verona, P.zza delle Erbe
Rimini, Sh. Mall "Le Befane"
Assago (Mi) Sh. M. Milanofiori
Pescara, Via Trento 10
Rozzano (MI), CC Fiordaliso
Barberino (Fi), outlet
Fidenza (Pr), Outlet Village
Vicolungo (No), outlet
Valdichiana (Ar), outlet
Noventa (Ve), outlet
Marcianise (Ce), outlet
Agira (En), outlet
Mantova, outlet
Castel Romano, outlet ⁽¹⁾

Paris, Rue Saint-Honorè
Barcelona, Spain Paseo de Gracia 11
Barcelona, Spain outlet La Roca
Barcelona, Spain ECI Plaza Cataluna
Mendrisio (CH), Fox Town Sh. Mall
Hong Kong, I Square
Hong Kong, Sogo Causeway Bay
Hong Kong, Elements
Hong Kong, Times Square
Hong Kong, Queen's Road
Macau, The Venetian Macau-Hotel
Taiwan, Taipei, Eslite Dun Nan
Taiwan, Taipei Eslite Xin Yi
Taiwan, Taipei, Sogo Dun Hua
Taiwan, Kaohsiung City Dream Mall
Taiwan, Sogo Taipei Zhongxiao
Taiwan, Taipei Eslite Xin Ban Store
Shangai, Golden Eagle
Shangai, Sogo Dept. St
Suzhou, Sogo Dept store
Chongqing, Times Square ⁽¹⁾
Beijing, China World Mall ⁽²⁾

⁽¹⁾ Next opening April 2013; ⁽²⁾ next opening May 2013



PIQUADRO

TECH INSIDE

ENGINEERED FOR BUSINESS

VIBE, rig di computer e sicurezza sulle tasche per notebook e tablet, pelle italiana leggera e impermeabile, trovato nelle tue mani, nel tuo posto tutto il resto.



www.piquadro.com



RETAIL DISTRIBUTION

FRANCHISING

Roma, Viale Europa 1
Roma, Via Salaria 110
Roma, Viale Marconi 6
Verona, Sh. Mall "La Grande Mela"
Palermo, Viale Strasburgo 108
Padova, Via Dante 19
Genova, Via XX Settembre 113/R
Forlì, C.so della Repubblica, 179
Cosenza, Via Isonzo, 21 - 21/a- 23
Messina, via dei Mille
Cagliari, Via Alghero
Bergamo, Via Sant'Alessandro 4/A
Trieste, Via Mazzini 40
Ravenna, Via Cavour 95
Bari, via Sparano 23
Lecce, Via Trinchese 69
Brescia, Sh. Mall "Freccia Rossa"

Torino, Sh. Mall "Le Gru" Grugliasco
Modena, Sh. Mall "Grande Emilia"
Busnago (MI), Sh. Mall "Il Globo"
Peschiera (MI) Sh. Mall Galleria Borromeo
Limbrate (MI), Sh. Mall "Carrefour"
Orio al Serio (BG), Sh. Mall "Orio Center"
Stezzano (BG), Sh. Mall "le due Torri"
Valmontone (RM), Outlet
Erbusco (BS) Sh. Mall "Le Porte Franche"

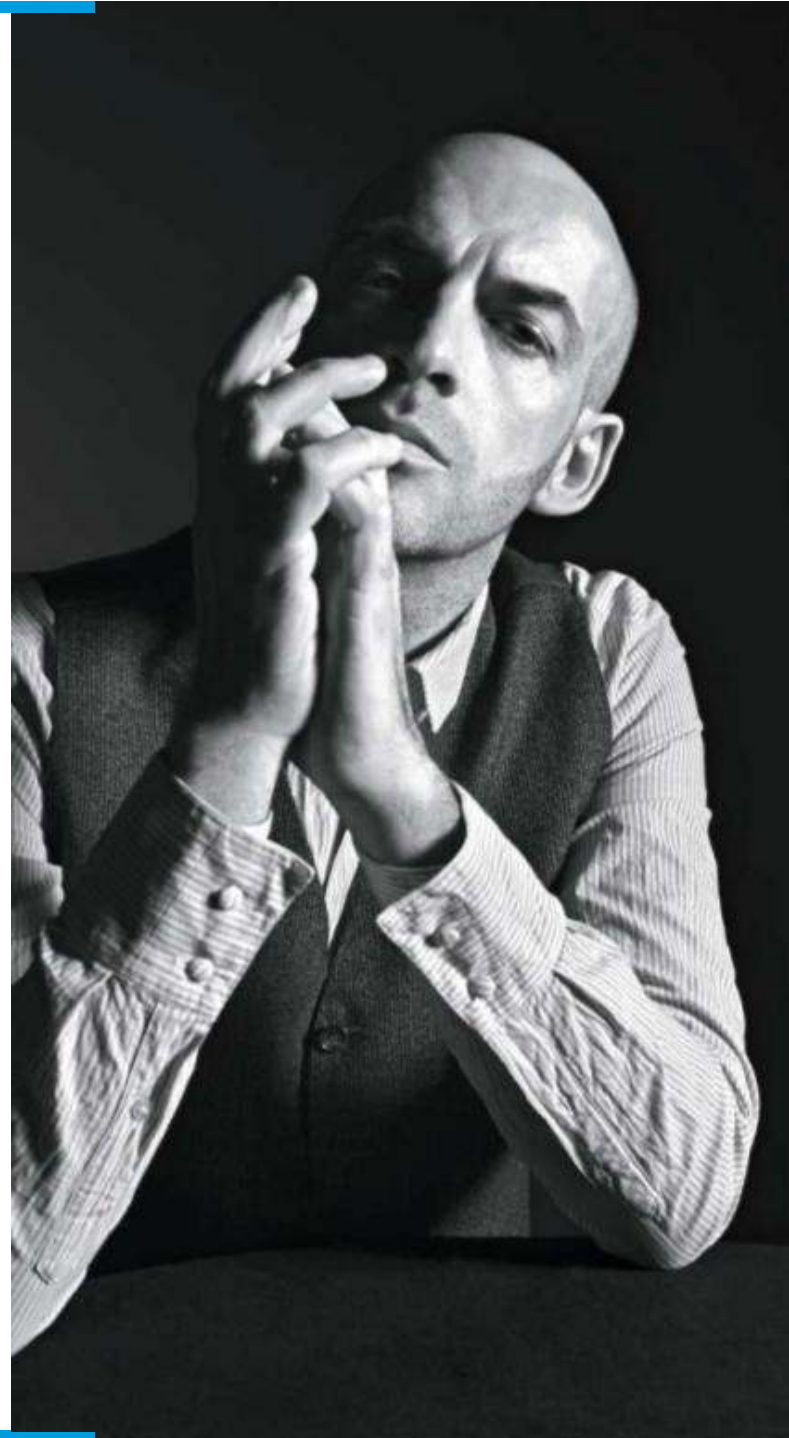
Madrid, Airport Barajas
Mosca, Russia MEGA Shp Mall
Mosca, Russia Sokolniki Shp Mall
Mosca, Russia Sh. Mall European
Mosca, Russia Sh. Mall Atrium
Mosca, Russia Sh. Mall Metropolis
Mosca, Russia Petrovski Passage
Mosca, Russia Sh. Mall Mega Belaja
Mosca, Russia Shop. Mall "Kapitoly"
Mosca, Russia Shop. Mall "Las Vegas"
Mosca, Russia Shop. Mall "Afimall"
Belgrado, Serbia Delta City
Belgrado, Serbia USCE Center
Belgrado, Serbia Fashion park Outlet
Sarajevo, Bosnia Sh. Mall BBI Center
Kiev, Ukraina Shop. Mall "Ukraina"
Odessa Ukraina Shop. Mall "Srednefontanskaya"
Astana, Kazakhstan Keruen Trade Center





NEXT... MARRAS CAPSULE COLLECTION

World famous designer Antonio Marras currently designing Piquadro first capsule collection, A collection of 10 unisex bags presented to the press and to the trade in January 2013, at the Milan Men's Fashion Week, More such collections to come in the seasons ahead.





NEXT... BECOME A GLOBAL RETAILER!

Open Flagship stores in **first tier International cities**: Paris, London, Dubai, Shanghai, Beijing, Tokyo, ...
and major airports

Three major initiatives:

- > Madrid T1 airport (opened 8/12)
- > Paris Saint Honoré (opened feb 13)
- > Beijing China World Mall (due apr 13)





NEXT... NEW STORE DESIGN UNDERWAY

Full revamping of the Piquadro store design with the twofold goal of

- (1) creating a powerful/highly distinctive retail concept, and
- (2) maximizing sales productivity.

Due date: June 2013





THE NEW MILAN SHOWROOM

500 square meters of showroom
and office space,

Opened in Sept 2012,

Conveniently located in the heart of
the **Milan fashion district**:

5 Piazza San Babila

Grand opening during the Jan. 2013

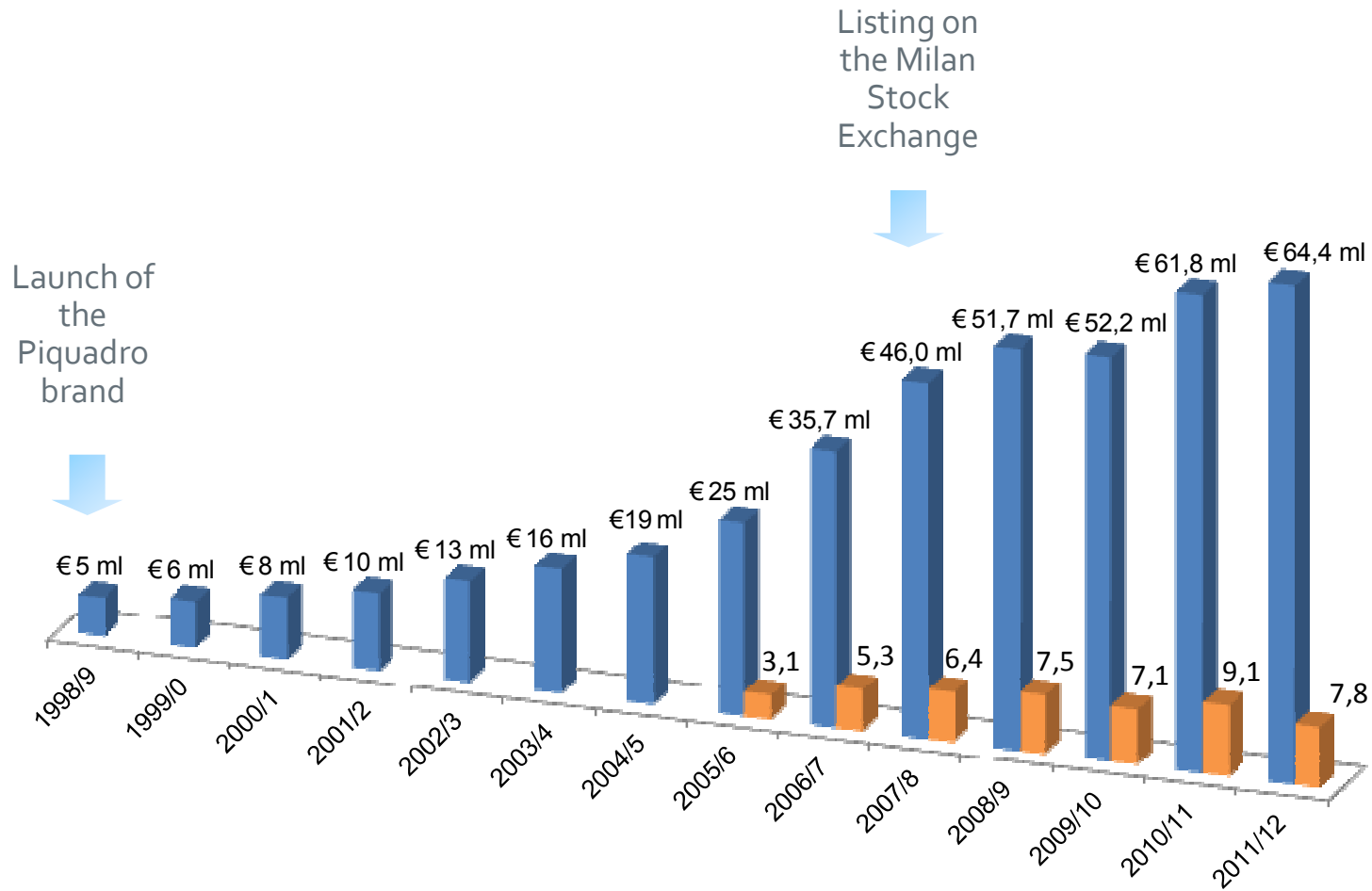
Milan Fashion Week,

Home of the Piquadro International
team.





PIQUADRO STEADY SALES/PROFIT GROWTH SINCE 1998





INCOME STATEMENT

	FY Ending March 31		
(€m)	2010A	2011A	2012A
Net Sales	52.2	61.8	64.4
<i>% growth</i>	+1,0%	+18,4%	+4,3%
Other revenues	0.8	1.4	0.7
Material costs	(8.4)	(9.3)	(10.4)
Service costs	(22.5)	(27.8)	(28.3)
Personnel costs	(8.0)	(9.3)	(11.5)
Other operating expenses	(0.3)	(0.3)	(0.7)
EBITDA	13.8	16.5	14.2
<i>Margin (% of net sales)</i>	26.4%	26.6%	22.0%
Depreciation	(2.0)	(1.9)	(2.4)
EBIT	11.8	14.6	11.8
<i>Margin (% of net sales)</i>	22.6%	23.6%	18.2%
Net interest income(exp.)	(0.4)	(0.6)	(0.1)
EBT	11.4	14.0	11.7
<i>Margin (% of net sales)</i>	21.8%	22.7%	18.1%
Taxes	(4.2)	(4.9)	(3.9)
Net Income(loss) before minorities	7.1	9.1	7.8
<i>Margin (% of net sales)</i>	13.6%	14.7%	12.1%
Minority interests	(0.1)	(0.0)	(0.0)
Net Income(loss)	7.2	9.1	7.8
<i>Margin (% of net sales)</i>	13.9%	14.7%	12.1%





SUMMARY BALANCE SHEET

	FY Ending March 31		
(€m)	2010A	2011A	2012A
Net Working Capital	13.9	16.1	20.3
Net Tangible Assets	11.5	12.1	12.1
Net Intangible Assets	0.6	0.8	1.5
Net Financial Assets	1.6	2.2	2.4
Several Staff, Provisions & Others	(1.4)	(1.6)	(1.4)
Net Capital Employed	26.3	29.6	35.0
Group Shareholders' Equity	20.9	25.9	28.8
Minorities	0.1	0.0	0.0
<i>Shareholders' Equity & Minorities</i>	<i>21.0</i>	<i>25.9</i>	<i>28.8</i>
Net Debt	5.3	3.7	6.2
Net Debt and Shareholders' Equity	26.3	29.6	35.0





INCOME STATEMENT

9M 2012/2013

	9M Ending Decemembr 31	
(€m)	2011A	2012A
Net Sales	46.2	40.5
% growth		(12.3%)
Other revenues	0.5	0.6
Material costs	(5.9)	(6.8)
Service costs	(21.4)	(18.2)
Personnel costs	(8.5)	(9.2)
Other operating expenses	(0.4)	(0.4)
EBITDA	10.5	6.5
Margin (% of net sales)	22.8%	16.1%
Depreciation	(1.7)	(1.9)
EBIT	8.8	4.6
Margin (% of net sales)	19.2%	11.4%
Net interest income(exp.)	0.2	(0.2)
EBT	9.0	4.4
Margin (% of net sales)	19.5%	10.9%
Taxes	(3.0)	(1.5)
Net Income(loss) before minorities	6.0	2.9
Margin (% of net sales)	12.9%	7.0%
Minority interests	0	0
Net Income(loss)	6.0	2.9
Margin (% of net sales)	12.9%	7.0%

DOS sales + 7.2%, Wholesale sales -20.0%, volumes down 16.6%, SSSG up 3.2% at constant rate, while up 5.1% at current. Italy down 15.8% affected by WS dynamics, Export down 1% even due to some DOS closure.

Performance affected by leverage due to WS trend, DOS flagship operations, plus additional organization costs and investment.





SUMMARY BALANCE SHEET 9M 2012/2013

(€m)	9M Ending December 31	
	2011A	2012A
Net Working Capital	23.6	24.6
Net Tangible Assets	12.5	12.3
Net Intangible Assets	1.7	4.1
Net Financial Assets	2.3	2.4
Several Staff, Provisions & Others	(1.5)	(1.4)
Net Capital Employed	38.6	42.0
Group Shareholders' Equity	27.0	28.8
Minorities	-	-
<i>Shareholders' Equity & Minorities</i>	-	-
Net Debt	11.6	13.2
Net Debt and Shareholders' Equity	38.6	42.0

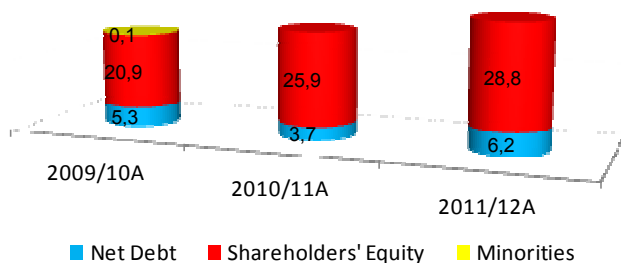
Increased Net Debt due to higher Net Capital Employed and decreased operative performance vs last year. BS impacted by extended Receivables terms of payments mainly due to Italian credit crunch.



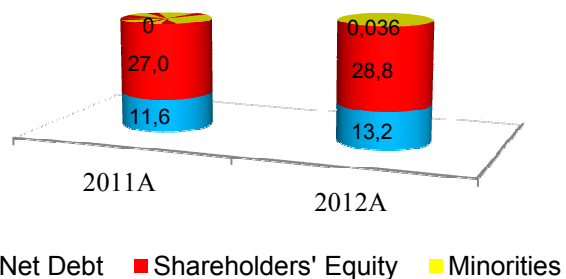


LEAN CAPITAL STRUCTURE

Net Debt/ Equity
(as of March,31)



Net Debt/ Equity
(as of December,31)



NET FINANCIAL DEBT

(€m)	As of March 31			As of December 31	
	2010A	2011A	2012A	2011A	2012A
Short-term Net Debt	3.3	4.7	12.7	11.1	10.9
Long-term Net Debt	11.3	9.7	6.3	6.9	17.8
Cash & Cash Equivalents	(9.3)	(10.7)	(12.8)	(6.4)	(15.5)
Net Debt	5.3	3.7	6.2	11.6	13.2

RATIO – Net Financial Debt

(€m)	As of March 31		
	2010A	2011A	2012A
Net Debt/EBITDA	0.4	0.2	0.4
Net Debt/Net Capitalization (1)	20.3%	12.4%	17.8%

1) Defined as Shareholders' Equity + Net Debt + Minorities





CASH GENERATIVE BUSINESS MODEL

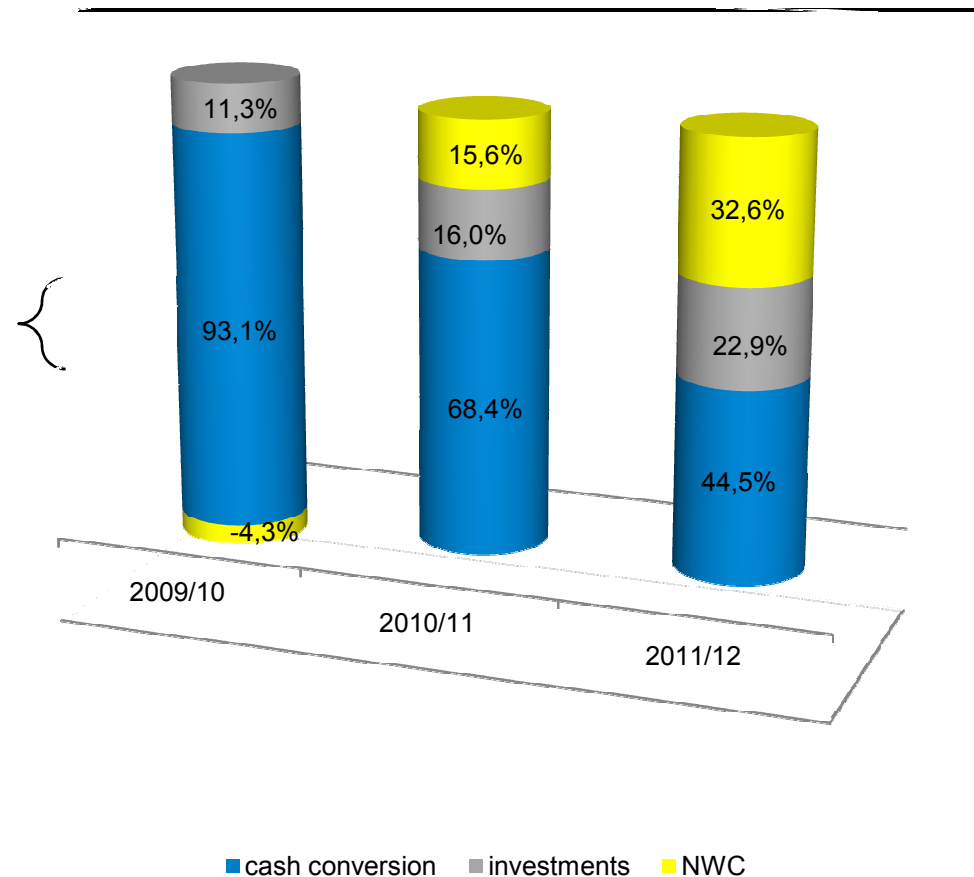
The Company has high conversion of EBITDA into operating cash flow:

- Limited Capex requirement
- Efficient working capital management

March 12 performance affected by increase in NWC above the previous averages mainly due to inventory and receivables and investments.



Cash Conversion⁽¹⁾



(1) Cash conversion is defined as $[EBITDA - Capex (including leasing) - Change in Working Capital]/EBITDA$.
Working Capital is defined as $Inventories + Accounts receivables - Accounts payable$



THE INVESTMENT VALUES

Net Profit generated in the last 3 years*
22.1 mln €

Dividends paid in the last 3 years equal to
12.0 mln €

Investments effected in the last 3 years*
equal to
10.8 mln €

Net Debt increased in the last 3 years* by
3.9 mln €



**Based on rolling 12M ending December 2012, 2011, 2010*



PIQUADRO LISTED ON THE MILAN STOCK EXCHANGE SINCE 2007

