



**Piquadro S.p.A.**  
**The Board of Directors approves**  
**the consolidated interim report as at 30 June 2013**

**Consolidated revenues amounted to Euro 12.3 million (Euro 11.3 million for the same period of the previous year).**

**Silla di Gaggio Montano (Bologna), August 7, 2013** – 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, 2013.

For the first quarter at June 30, 2013, the Piquadro Group reported revenues of Euro 12.3 million with an 8.5% increase compared to the Euro 11.3 million reported the same period of the previous year.

This increase was determined by the growth of both DOS and Wholesale distribution channels, not only abroad but also in the domestic market.

**The revenues** reported by the **DOS** channel showed an increase of about 15.3% compared to the same period of the 2012/2013 financial year. Assuming that the perimeter remained unchanged and then deducted the sales recorded by the shops which were not yet opened as at 1 April 2012, the performance of sales revenues reported by the DOS channel was equal to about 4.6%. The Same Store Sales Growth (SSSG) (assuming an equal number of days of opening and constant rates of exchange) reported a positive change equal to 5.2% in the three months under consideration. Despite the persisting financial and economic crisis, the SSSG registered in the Italian stores has been positive during the quarter, too, and equal to about 3.2% (assuming an equal number of days of opening).

**The revenues** of the Wholesale channel, which as at 30 June 2013 represented 65.6% of the Group's total turnover, showed a 5.2% increase, also by reason of the opening of 4 additional franchise shops, of which 1 in Italy, 1 in Spain, 1 in Romania and 1 in Switzerland.

The **Italian market**, which accounted for a 70.9% of the Group's turnover, showed a 9.5% increase compared to the same period of the 2012/2013 financial year. The **European market** recorded increasing revenues **up by 15.1%** compared to the same period of the year 2012/2013. The **Extra European market** showed a decrease compared to the same period of the 2012/2013 financial year mainly due to the closure of 7 DOSs happened during the last fiscal year.

As at 30 June 2013, **EBITDA** of the Piquadro Group was Euro 1.76 million (with a ratio of 14.3% to net sale revenue), down about 1.2% compared to Euro 1.78 million reported the same period of financial year 2012/2013 (15.7% of net sales revenues).

For the first quarter at June 30, 2013, **EBIT** of the Piquadro Group was Euro 1.2 million (9.8% of net sales revenues), **down about 8.7%** compared to June 30, 2012 (11.7% of net sales revenues). As of June 30, 2013, **Net Financial Position** posted a negative value of Euro 11.05 million with an



increase of about Euro 2.6 million compared to March 31, 2013 and Euro 3.02 million compared to June 30 2012 mainly due to inventories growth dynamics.

As at 30 June 2013 the Group net profit was equal to Euro 0.7 million, down about 20.2% compared to 30 June 2012 (net profit equal to Euro 0.9 million).

*«The first quarter results are an important outcome showing the efficiency of the commercial and repositioning strategy we have been pursuing, allowing us to trust in a further future improvement of the turnover dynamics», commented **Marco Palmieri**, Piquadro's **President and CEO**. «The Company will keep on committing to its project of global brand development through marketing and retail investments. Soon the boutiques openings of Turin, Beijing and other important cities will follow the recent openings of Paris, Venice, Florence and Forte dei Marmi, in a context of a significant DOS development plan».*

### **Outlook**

The development of the Piquadro Group in the 2013/2014 financial year will be affected by the evolution of the economic situation in the countries where the Group mostly operates and, obviously, within this context, the trend in the Italian economy shall be considered while assuming expected potential growth. The positive trend in the turnover that was recorded in the first quarter of the current financial year demonstrates that the investments made in support of the business and repositioning strategy are producing the results expected by the Management. The positive trend of the DOSs, which shows positive rates also in Italy within a market context that is certainly difficult, attests to the effectiveness of the development strategy of the retail activities through the opening of single-brand stores. The Group is increasingly focused on the global development of the brand and is consistently pursuing a strategy to increase the visibility and awareness of the Piquadro brand internationally. For these reasons, the opening of single-brand stores in Paris, Venice, Florence, Forte dei Marmi, which have all already taken place, and in Turin and Beijing in next months, represents an important step forward in the brand development and internationalisation strategy.

Therefore, the forecasts for the 2013/2014 financial year will depend particularly on the development of the economic situation in Italy, which is still the main relevant market of Piquadro, with specific regard to the Wholesale channel, as well as on the ability to gain positions in foreign markets in the fastest possible time, by increasing the number of points of sales, and to develop the brand in any new markets in which the Group has already started to operate. In this context, the Management will be engaged in constantly monitoring operating costs, in order to maintain gross profit margins higher than the averages in the sector, which can allow greater commitments both in Research and Development and marketing, the latter above all at international level, in order to further increase visibility of the brand and its knowledge at world level.

The Board of Directors, with the prior favourable opinion of the Remuneration and Nomination Committee, has eventually resolved, with reference to the remuneration of the newly appointed directors entrusted with special offices, to confirm the compensations resolved by the Board of Directors of August 7, 2012.

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

### **About Piquadro**

*Piquadro is an Italian brand of professional and travel leather goods characterized by innovative design and technological content. 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, 2013, consolidated revenues amounted to € 56.3 million and consolidated net profit was approx € 3.3 million.*

*Piquadro sells its products in over 50 countries worldwide, through a distribution network that includes 96 single-brand boutiques (56 in Italy and 40 abroad di cui 52 DOS-directly operated stores and 44 franchised).*

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

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**Consolidated statement of financial position as at June 30, 2013 and March 31, 2013**

<i>(in thousands of Euro)</i>	<b>June 30, 2013</b>	<b>March 31, 2013</b>
<b>NON-CURRENT ASSETS</b>		
Intangible assets	4,724	3,951
Tangible fixed assets	12,691	12,684
Other receivables	889	877
Deferred tax assets	1,381	1,424
<b>TOTAL NON-CURRENT ASSETS</b>	<b>19,685</b>	<b>18,936</b>
<b>CURRENT ASSETS</b>		
Inventories	16,522	14,227
Trade receivables	19,688	21,517
Other current assets	1,479	870
Tax receivables	778	1,447
Derivative assets	41	-
Cash and cash equivalents	19,619	20,476
<b>TOTAL CURRENT ASSETS</b>	<b>58,127</b>	<b>58,537</b>
<b>TOTAL ASSETS</b>	<b>77,812</b>	<b>77,473</b>



## Consolidated statement of financial position as at June 30, 2013 and March 31, 2013

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<i>(in thousands of Euro)</i>	<b>June 30, 2013</b>	<b>March 31, 2013</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	1,000	1,000
Share premium reserve	1,000	1,000
Other reserves	648	712
Retained earnings	26,575	23,278
Group profit for the year	717	3,263
<b>Total Group shareholders' equity</b>	<b>29,940</b>	<b>29,253</b>
Minority interest capital and reserves	20	40
Net profit( loss) pertaining to minority interests	(8)	(20)
<b>Total minority interest share</b>	<b>12</b>	<b>20</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>29,952</b>	<b>29,273</b>
 <b>NON-CURRENT LIABILITIES</b>		
Financial payables	16,214	17,420
Payables to other lenders for leasing contracts	3,047	3,180
Provisions for employee benefits	247	252
Provisions for risks and charges	1,084	1,069
Deferred tax liabilities	174	196
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>20,766</b>	<b>22,117</b>
 <b>CURRENT LIABILITIES</b>		
Financial payables	10,844	7,796
Payables to other lenders for leasing contracts	562	562
Liabilities for derivative financial instruments	-	-
Trade payables	13,500	15,030
Other current liabilities	2,188	2,695
Tax payables	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>27,094</b>	<b>26,083</b>
<b>TOTAL LIABILITIES</b>	<b>47,860</b>	<b>48,200</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>77,812</b>	<b>77,473</b>



## Consolidated income statement for the period ended June 30, 2013 and June 30, 2012

<i>(in thousands of Euro)</i>	June 30, 2013	June 30, 2012 Restated <sup>1)</sup>
<b>REVENUE</b>		
Revenues from sales	12,293	11,331
Other income	207	113
<b>OPERATING COSTS</b>		
Change in inventories	(2,475)	(1,741)
Purchases	3,297	3,052
Service costs and rents, leases and similar costs	6,519	5,345
Personnel costs	3,278	2,912
Amortization, depreciation and write-downs	608	510
Other operating costs	65	43
<b>TOTAL OPERATING COSTS (B)</b>	<b>11,292</b>	<b>10,121</b>
<b>OPERATING PROFIT (A-B)</b>	<b>1,208</b>	<b>1,323</b>
<b>FINANCIAL INCOME AND CHARGES</b>		
Financial income	250	424
Financial charges	(306)	(379)
<b>TOTAL FINANCIAL INCOME AND CHARGES</b>	<b>(56)</b>	<b>45</b>
<b>PROFIT BEFORE TAXES</b>	<b>1,152</b>	<b>1,368</b>
Income Taxes	(443)	(480)
<b>NET PROFIT</b>	<b>709</b>	<b>888</b>
attributable to:		
SHAREHOLDERS OF THE PARENT COMPANY	717	888
MINORITY INTERESTS	(8)	-
EARNINGS PER SHARE (basic) in Euro	0.014	0.018
EARNINGS PER SHARE (diluted) in Euro	0.013	0.017

<sup>1)</sup> Starting from the Interim Financial Report as at 30 June 2013, the Piquadro Group applied, on a mandatory and retrospective basis, the revised version of IAS 19 – Employee benefits, in relation to the financial statements of the financial years that commenced from 1 April 2013; therefore, the 2012/2013 comparative data were re-determined consistently. The effects of the retrospective application of said changes entailed the failure to recognize an actuarial loss, reported for an amount of Euro 6 thousand in the income statement of the first quarter 2013/2014, with an increase in the net profit for the abovementioned period, including the related tax effect of Euro 2 thousand.