9M15 FINANCIAL RESULTS

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December, 2015

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9M15 Highlights

Strong sales growth across all brands and categories, sustained by positive LfL (notwithstanding a very strong 9M14 performance) and network expansion slightly ahead of plan (+5.4% avg sqm).

+8.2%
Increase in Net Sales

Further market share increase to 6.9% as of September 2015 (+50bps vs. Dec 2014 and +20 bps vs. Jun 2015)

+28
Full format DOS

+149 other stores
mainly Kids in franchising

€118.2m EBITDA, €16.4m higher than 9M14 (+16.1%), with EBITDA margin increasing to 12.5% of sales (+90 bps) driven by higher sales at stable GM%, operating leverage, accretive contribution of franchise sales and cost control

+16.1%
EBITDA Growth

€64.3m EBT, €60.5m higher than 9M14, benefitting also from the improved capital structure as a result of the IPO

Source: Sita Ricerca for market share

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Key Income Statement Items
Positive performance continues in 9M15

Key Metrics*	9M15		9M14		
	€ mln	***% of Net Sales***	**€ mln**	***% of Net Sales***	***Growth***
Net Sales	948.7		876.8		*8.2%*
EBITDA	118.2	*12.5%*	101.8	*11.6%*	*16.1%*
EBIT	75.9	*8.0%*	58.8	*6.7%*	*29.0%*
PBT	64.3	*6.8%*	3.7	*0.4%*	*n.a.*

- 9M15 Net Sales increased by 8.2% driven by an expanded selling area and positive LfL performance, notwithstanding the strong LfL growth recorded in 9M 2014; both brands and all the main product categories displayed positive growth rates
- EBITDA increased by 16.1% despite higher marketing costs (+€3m) mainly related to the introduction of TV advertising in 3Q:
  - EBITDA margin increased by approx. 90bps to 12.5%
- PBT increased by €60.5m thanks to operating leverage and lower financial expenses (-€43.5m), mainly as a result of the debt refinancing in March

* Excluding extraordinary costs mainly related to the IPO and the refinancing

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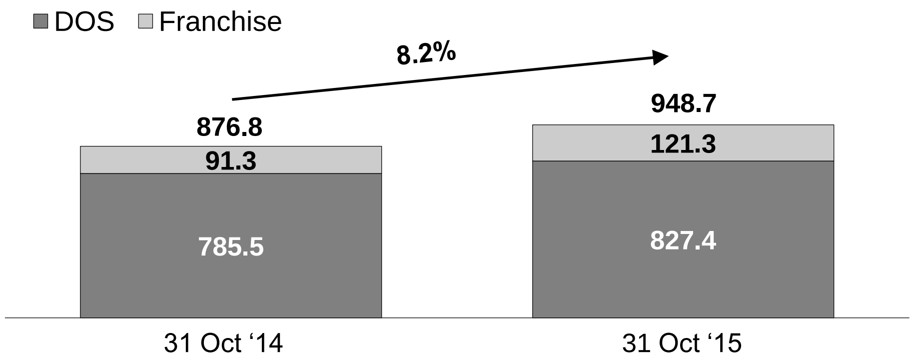
Sales and EBITDA Performance in 9M15

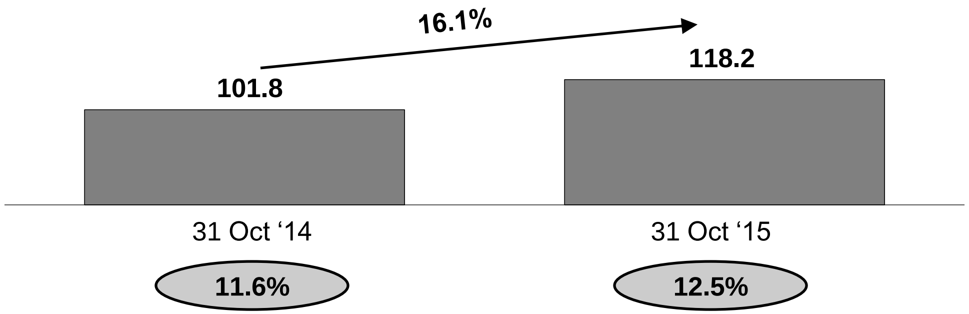
Aggregate Performance

Net Sales (€mln)

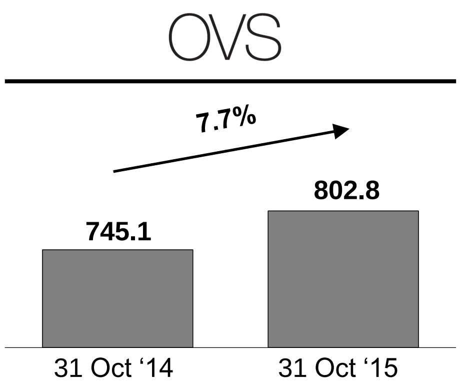


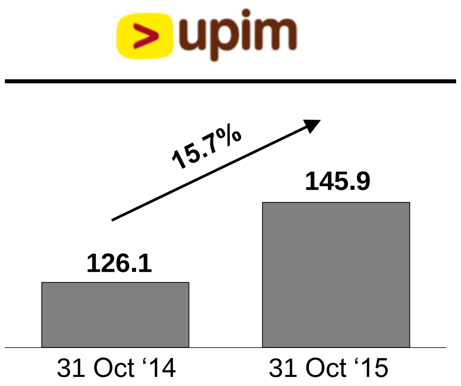
EBITDA (€mln)

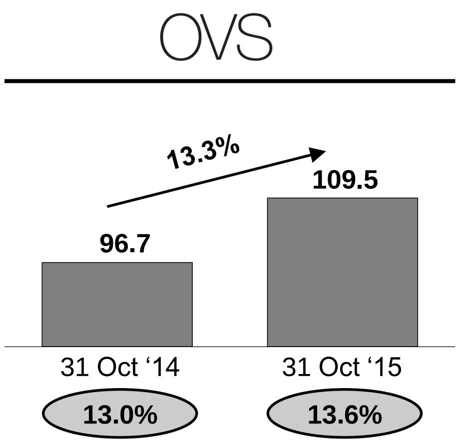
- Improved operating leverage and savings in energy and rents
- Accretive impact of higher franchise sales
- Increase in EBITDA and margin for both brands

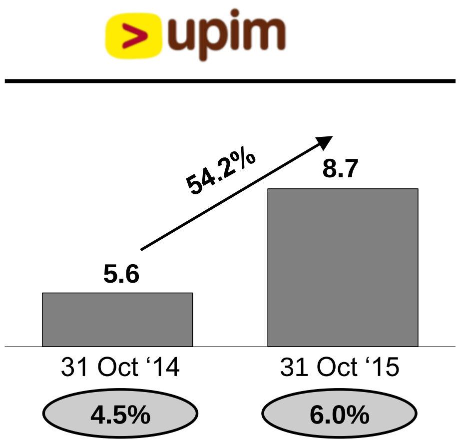


Performance By Brand(*)









Margin %

(*) Excluding "Other": €5.6m net sales and €(0.5)m EBITDA in 9M14; nil in 9M15

Consolidated Net Working Capital

€ mln	31 October '15	31 October '14	Change
Accounts Receivable	103.1	80.3	22.8
Inventory	311.0	318.3	(7.3)
Accounts Payable	(390.8)	(391.0)	0.2
Net Working Capital	23.3	7.6	15.7

- The current working capital structure improved vs. October last year and is coherent with the seasonal trends of the business:
  - Accounts receivables grew in connection with the growth of the franchise network (with new openings also requiring an initial investment in merchandise by the franchisees) and substantially stable DSO
  - Inventory decreased notwithstanding the store expansion and the strengthening of USD (c. €10m upward impact on inventory valuation)
  - Accounts payables were substantially stable with slight decline in DPO, mirroring inventory reduction.

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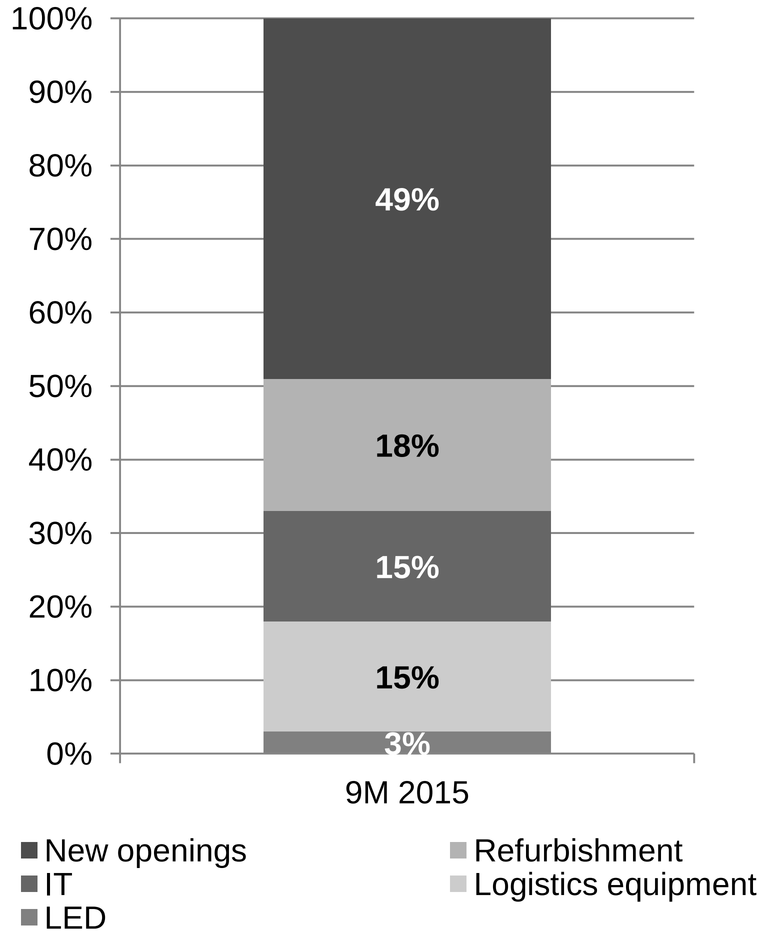
Capex

- Capex (€50.8m in 9M15) include:
  - ✓ new openings (c. 49% of total capex)
  - ✓ refurbishment and maintenance of the existing network (c. 18%)
  - ✓ IT and special projects (c.15%), mainly related to operational projects
  - ✓ automated logistics equipment (c. 15%), mainly related to a planned project dedicated to support the replenishment activities (increasing speed, efficiency and capacity); the project will be completed in 2016 with further €4m capex
  - ✓ Capex for the LED project (c. 3%) entirely managed through vendor financing

9M 2015 Capex Split (%)



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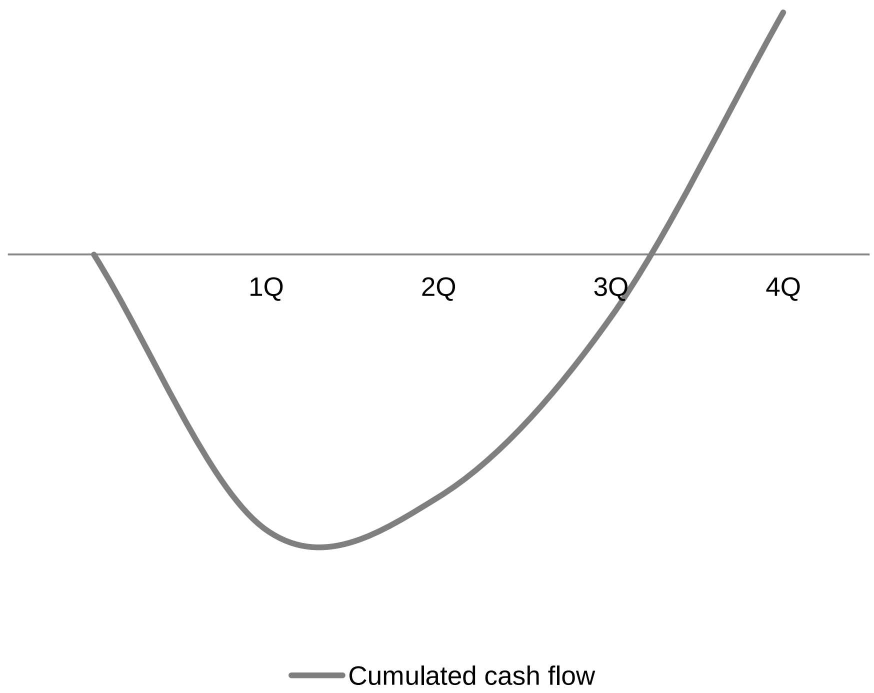
Consolidated Cash Flow Statement

€ mln	9M15
EBITDA	**118.2**
Change in Net Working Capital	(37.1)
Change in other assets (liabilities)	8.6
Capex	(50.8)
Operating Cash Flow	**38.8**
Financial Expenses	(17.3)
TFR (Employees' leaving indemnity)	(2.0)
Taxes	(17.9)
IPO costs (excl. bank commissions)	(3.4)
IPO proceeds (net of bank fees)	349.0
Other	(6.1)
Net Cash Flow (before MtM derivatives and amortized costs)	**341.2**
Change in MtM derivatives and amortized cost	(21.3)
Cumulated Net Cash Flow	**319.9**

Cumulated Net Cash Flow



- Cash generation in line with the usual seasonality of the business, i.e. with cash flow break even achieved at the end of 3Q (excluding the impact of IPO, MtM derivative valuation and amortised cost accounting treatment)
- This result has been achieved notwithstanding i) higher receivables related to franchising new openings (franchising seasonality has a strong impact in this time of the year) and ii) "one-off" capex related to logistics

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Net Debt and Leverage

€ mln	31 October '15	31 January '15
Net Debt	304.5	624.4
EBITDA LTM	173.5	157.1
Leverage on EBITDA	1.8x	4.0x

- During 2015 EBITDA leverage declined by 2.2x vs. 31 January 2015 mainly due to the proceeds from the IPO.
- Residual net debt post IPO has been entirely refinanced at more favorable interest rates:
  - The average interest rate in 9M15 was 3.50% vs. 5.47% in 9M14
  - 9M15 cost still does not reflect in full the benefit of the refinancing (only c.8 months experienced lower rates). The average interest rate in 3Q15 was 3.05%.

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Outlook

- Revenues, EBITDA and EBIT continue growing in line with management expectations
- Positive results achieved in pilot projects regarding new product categories, in particular fitness and teenager segment, now to be extended to a broader portion of the network
- Further operational improvements expected in FY16 (i.e. further roll-out of post-distribution and implementation of planning by item/store/week starting from the A/W season 2016)
- Network expansion is progressing and well on track
  - An additional 20 stores have opened since 31-Oct-2015, of which 7 were full format DOS
  - Strong visibility on FY16 opening pipeline, with many contracts already identified
- Continued focus also on international expansion in selected markets, both via full format as well as via kids stores
- Purchases in USD for 2016 hedged at 1.14 vs. Euro

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Consolidated Balance Sheet Statement

€ mln	31 October '15	31 January '15	Change
Receivables	103.1	73.0	30.0
Inventory	311.0	287.6	23.4
Payables	(390.8)	(374.4)	(16.4)
Net Operating Working Capital	**23.3**	**(13.8)**	**37.1**
Other Short-term Non-financial Receivables (Payables)	(60.6)	(69.5)	8.9
Net Working Capital	**(37.3)**	**(83.3)**	**46.0**
Net Assets	1,352.4	1,343.9	8.5
Net Deferred Taxes	(159.6)	(168.5)	8.9
Other Short-term Non-financial Receivables (Payables)	(5.5)	(5.9)	0.5
Severance Indemnity Provision and Other Provisions	(49.6)	(53.8)	4.3
Net Invested Capital	**1,100.5**	**1,032.4**	**68.2**
Equity	796.0	408.0	388.0
Net Debt	304.5	624.4	(319.9)
Total Source of Funding	**1,100.5**	**1,032.4**	**68.2**