



BRUNELLO CUCINELLI

Press Release Brunello Cucinelli S.p.A.

BRUNELLO CUCINELLI: The Board of Directors has examined the Preliminary Net Revenues of the first half of 2013.

- **preliminary net revenues¹ of €157.6 million (+16.5%);**
- **considerable growth in international markets (+23.1%), driven by USA and Europe;**
- **the Italian market has held up extremely well (-1.2%), favored also by overseas tourists.**

Brunello Cucinelli, the Group's Chairman and CEO, commented:

*“Results in terms of revenues confirm the **robust** international growth accompanying our brand.*

Given our sales' high quality, we expect very interesting results in economic terms.

Considering the excellent atmosphere surrounding the brand, we expect a sound 2013, with a double-digit growth both in terms of revenues and profit.

We notice with greatest pleasure the attention our customers are paying to Italian high craftsmanship, quality, creativity; they also increasingly point out to us how important a careful, selected and exclusive distribution is.

All this considered, we envisage bright years for authentic Italian luxury.”

Solomeo, 18th July 2013 – The Board of Directors of Brunello Cucinelli S.p.A. – an Italian maison operating in the luxury goods sector and listed on the Borsa Italiana Electronic Stock Exchange – today reviewed preliminary consolidated net revenues for the first half of 2013. The Half-year Financial Report, with the complete, final figures for the period will be reviewed and approved by the Board of Directors at the meeting scheduled for 28th August 2013.

The first half of 2013 confirmed the Group's path of sustainable growth and was in line with its growth potential and positioning at the top of the absolute luxury sector, with its extremely high value added offering, exclusivity, style, design and quality, founded on the excellence of the Made in Italy sector.

The Group's preliminary net revenues for the half year amounted to €157.6 million, representing an increase of 16.5% (+17.2% at constant exchange rates) compared to €135.2 million in the first half of the previous year.

¹ The figures for net revenues, which do not include other operating income, are preliminary and have not yet been audited.



BRUNELLO CUCINELLI

Revenues by Geographical Area

The results of sales made in the prestigious boutiques of the leading cities, resorts and Luxury Department Stores are evidence of the charm of high quality Italian products which attract consumers of the very highest level, distinguished by their evolved taste; the Group's performance for the half year, in addition, confirms the considerable contribution made by overseas tourists to the turnover posted for the first six months of 2013.

North American Market – sales rose by 32.3% (€46.9 million compared to €35.4 million in the first half of 2012), representing 29.8% of net revenues (26.2% in the first half of 2012).

Operations for the half year emphasize significant growth in all distribution channels, thanks to the performance achieved in existing channels and the contribution made by new selling spaces; the effect of the timing of the delivery of the Autumn/Winter collection also had a positive effect on the reported results, favoring those of the second quarter compared to last year.

At 30th June 2013 the monobrand network consisted of 14 boutiques, with the opening of stores over the past 12 months concentrated in the second half of the year; new areas are added to the brand's already exclusive presence in leading luxury department stores, with prestigious hard shops in the most sought after and representative spaces of the absolute luxury segment.

European Market – sales rose by 24.6% (€54.8 million compared to the previous €44.0 million), representing 34.8% of net revenues (32.6% for the first half of 2012).

The openings plan and the results in existing spaces were the drivers for the increase in sales, favored by the timing of the delivery of the collections with a positive effect on sales in the last quarter.

Following the new openings that have taken place during the past twelve months, the retail monobrand network reached 18 boutiques at the end of the half year; the wholesale monobrand network reached 19 stores at the same date with boutiques being opened in the emerging countries (including, in June, Istanbul and Almaty).

Greater China – sales grew by 16.8% (€ 7.2 million compared to the previous € 6.2 million), representing 4.6% of net revenues (in line with the first half of 2012).

The “domestic” consumer, who is sustaining the performance of boutiques throughout the country, is showing a gradual and positive approach, with a growing interest in top quality proposals displaying craftsmanship and the Made in Italy taste, not necessarily linked to the extensive communication of the logo.

At the same time flows of Chinese tourists with an international taste are constantly on the increase, continuing to make their contribution to sales in the leading international capitals and resorts.

The conversion of 6 stores (from 1st October 2012) from the wholesale monobrand channel to the retail network has affected reported performance: the second quarter of last year was characterized by deliveries to wholesale monobrand customers (sell-in), while in the second quarter of 2013 the same deliveries will contribute to the sales results of the converted stores in the second half year (sell-out).

A “controlled” approach to the development of the network of monobrand stores continues; at 30th June 2013 the network consisted of 18 stores, of which 12 retail monobrand boutiques in



BRUNELLO CUCINELLI

Mainland China and 6 wholesale monobrand boutiques (3 in Hong Kong, 2 in Taiwan and 1 in Macau).

Rest of the World – sales of €12.4 million, compared to €12.9 million in the first half of 2012 (with the proportion of the total passing from 9.6% in the first half of 2012 to 7.9% in the first six months of 2013), fell by €0.5 million, affected by the timing of certain deliveries straddling the end of the half year, whose revenues materialized in July.

There was a total of 8 monobrand boutiques at 30th June 2013; the new wholesale monobrand stores in Tokyo and Doha were opened in the first six months of this year.

Italian Market – sales of €36.2 million are in line with €36.6 million achieved in the first six months of 2012.

The results on the domestic market has held up extremely well; the monobrand channel continues to display sustainable growth, driven by sales in the main cities and resorts with a considerable flow of overseas tourists.

The network of monobrand boutiques reached a total of 15 stores at 30th June 2013, with openings in the first six months of this year concentrating on the luxury streets of Turin (the end of March) and Naples (the beginning of April).

Revenues by Distribution Channel

Retail monobrand channel - a rise in revenues of 67% (€50.7 million compared to €30.4 million in the first half of 2012), representing 32.2% of the total (22.5% in the first 6 months of 2012).

The new openings, the results of the existing boutiques and the 9 boutique conversions from the wholesale monobrand network determined the considerable growth that was achieved.

Wholesale monobrand channel - revenues amounted to €20.6 million for the half year ended 30th June 2013 (representing 13.1% of the total).

Performance compared to the first 6 months of 2012 was affected by the 9 conversions to the direct channel; excluding the conversions, the results would have shown an increase of 21.7% on the sales, equal to €16.9 million, of the same period of the previous year. The revenues reported for the six months ended 30th June 2012, including the converted boutiques, were actually €21.8 million.

Multibrand channel - an increase in revenues of 3.9% (€86.2 million compared to the previous €83.0 million), representing 54.7% of net revenues (61.4% in the first half of 2012).

The performance of the multibrand channel in the second quarter was favored by the timing of deliveries – regarding the needs and requests of customers themselves – with a positive effect arising on the result for the last 3 months compared to the same period of the previous year.

The monobrand channel

The monobrand channel consisted of 92 boutiques as of 30th June 2013 (70 at the end of June 2012), of which 54 retail monobrand stores (30 at the same date in 2012) and 38 wholesale monobrand stores (40 at the end of the first half of 2012).

The retail monobrand channel benefited from 15 net openings over the past 12 months, as well as 9 conversions of stores from the wholesale monobrand network (including 6 transfers in China,



BRUNELLO CUCINELLI

from 1st October 2012, and the 2 prestigious boutiques in London, in Burlington Gardens and Sloane Street, from 1st January 2013).

In line with the absolute exclusivity of distribution, 6 direct monobrand boutiques were opened in the luxury streets of leading cities in the first 6 months of 2013, of which those in Shanghai (January), Barcelona (February), Turin (March), Naples (April) and Beijing (May) are noted in particular.

The wholesale monobrand network has been characterized over the past 12 months by 7 net openings and 9 transfers to the retail monobrand channel.

There were 5 new openings in the first 6 months of 2013 (Tokyo in March and Hong Kong and Doha in April, followed by Istanbul and Almaty in June), together with the transfer of the 2 boutiques in London to the retail network.

The manager in charge of preparing the corporate accounting documents, Moreno Ciarapica, declares pursuant to and to the effects of article 154-bis, paragraph 2 of Legislative Decree no. 58 of 1998 that the disclosures included in this release correspond to the balances on the books of account and the accounting records and entries.

Brunello Cucinelli S.p.A. is an Italian maison operating in the absolute luxury goods sector which specializes in cashmere and has gradually become one of the most exclusive brands in the international informal luxury prêt-à-porter sector.

Brunello Cucinelli, founded in 1978 by the stylist and entrepreneur of the same name, posted a net turnover of Euro 279.3 million in 2012 (+15.1% compared to the previous year), of which 75.4% was achieved overseas, and a normalized EBITDA of Euro 49.1 million (up by 22.3% compared to the previous year), and has over 800 employees.

The Group operates in more than 50 countries worldwide through a network of more than 80 monobrand stores and boutiques located in the world's leading capitals and cities (Milan, Venice, Paris, London, Madrid, Barcelona, Berlin, New York, Los Angeles, Miami, Chicago, Mexico City, Moscow, Tokyo, Hong Kong, Shanghai and Beijing) and in the most exclusive resorts (such as Capri, St. Tropez, Porto Cervo, Cannes, Cortina, St. Moritz, Sylt, East Hampton and Aspen), and has a significant presence in around 1,000 selected multibrand outlets, including the top luxury department stores.

The success of Brunello Cucinelli S.p.A. is rooted in a "Made in Italy" culture consisting of high-quality, craft-based, contemporary, exclusive products, with business since the company's foundation being conducted in the medieval hamlet of Solomeo, lying on the outskirts of Perugia.

Contact:

Media

Vittoria Mezzanotte
Brunello Cucinelli S.p.A.
Tel. 02/34.93.34.78

Ferdinando de Bellis
Barabino & Partners
Tel. 02/72.02.35.35

Investor Relations

Pietro Arnaboldi
Brunello Cucinelli S.p.A.
Tel. 075/69.70.079

Corporate web-site: www.brunellocucinelli.com