



BRUNELLO CUCINELLI



2012

First Half Results

August 28th, 2012

First Half Results Highlights

Meaningful Top Line Growth & profitability increase*, confirming company's expectations

- ✓ Net Revenues up 16,1% to €135.2mln
International Markets showing important results, accounting 73% of Group's net revenues, compared with 68% in 1H 2011
- ✓ EBITDA (w/o IPO costs) growth at +23.5%, to €22.7mln
Net Income (w/o IPO costs) up +35.1% to €11.9mln
- ✓ Net Debt at €14.2mln, compared with €58.4mln as of 06/30/2011

* Not including IPO costs, amounting to €6.2m

15 Monobrand Stores net openings**, targeting the most important cities world-wide and the most exclusive resort locations

- ✓ 9 DOS and 6 Franchised Stores opened in the past 12 months**, of which 8 openings in 2012, including Amsterdam & Chicago (June), Porto Banus and Baku (May), Hong Kong, Shanghai and Firenze (April), Madrid (March)
- ✓ 2 new openings in July (Taichung) and August (Lugano).
10 monobrand stores already secured for the remaining part of 2012 and 7 conversion expected in 4Q from Greater China Franchising Network, following the start of Joint Venture with our Chinese franchisee

** As of 30th June 2012 vs 30th June 2011



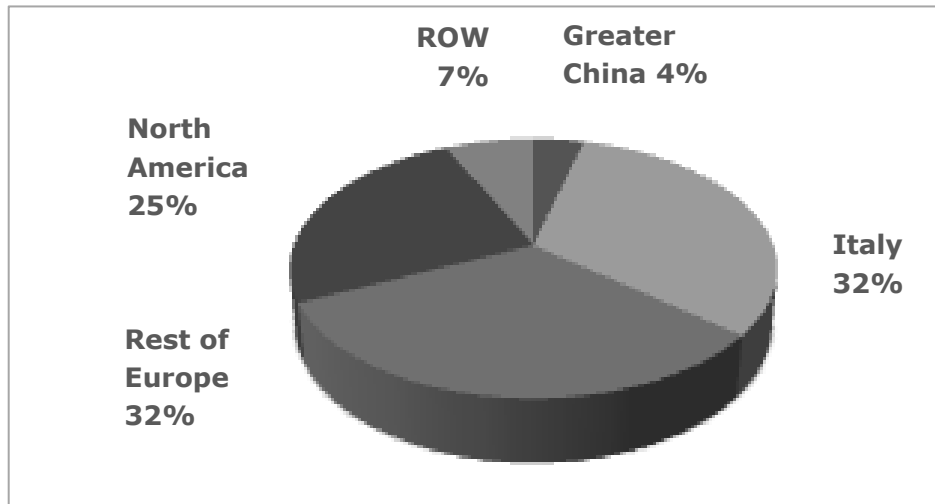
Revenues by Region

€ mln

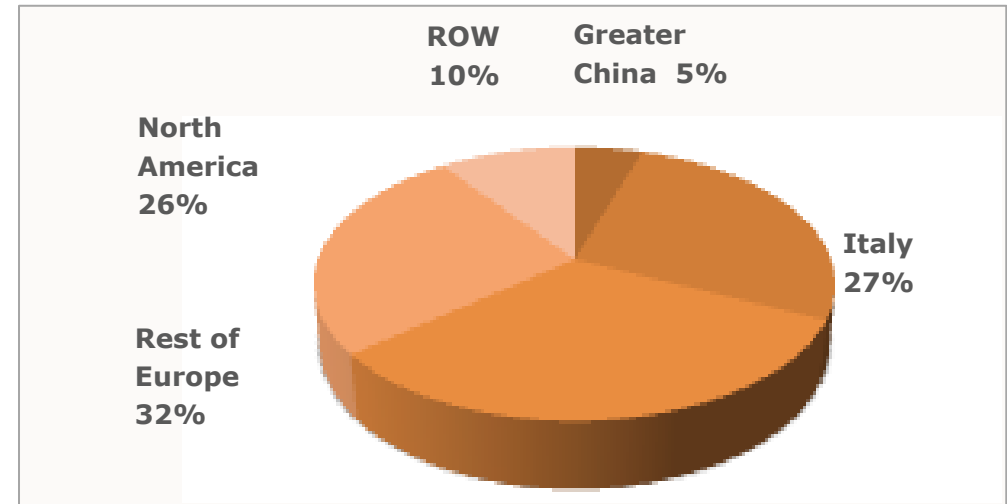
	1H 11	1H 12
Net Revenues	116.5	135.2

	Current exchange rates	Constant exchange rates
1H 12 YoY Perf.	+16.1%	+15.1%

Revenues Breakdown 1H 11



Revenues Breakdown 1H 12



Revenues by Region

€ mln

	1H 11	1H 12	YoY % Chg
Italy	37.6	36.6	(2.8%)
Rest of Europe	37.6	44.0	+17.3%
North America	28.7	35.4	+23.3%
Greater China	4.1	6.2	+51.6%
ROW	8.5	12.9	+52.9%

Italy

Positive Monobrand stores' performance matching wholesale revenue's slight decrease, the latest affected by exclusivity approach of our strategy

Rest of Europe

Russia and Eastern European countries leading the growth in Rest of Europe, and positive performance reported in other major European countries

North America

Meaningful growth in 1H 12, leveraging on performance of existing D.O.S. network and robust growth reported by Multibrand stores' channel. Quarterly results impacted by delivery cycle

Greater China

Positive improvement, driven by store network development, including 5 new openings in Monobrand stores' channel

Rest of World

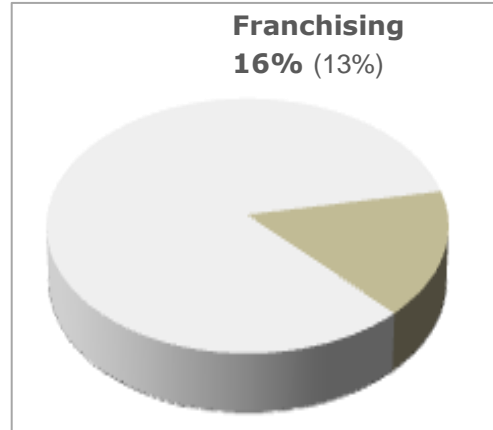
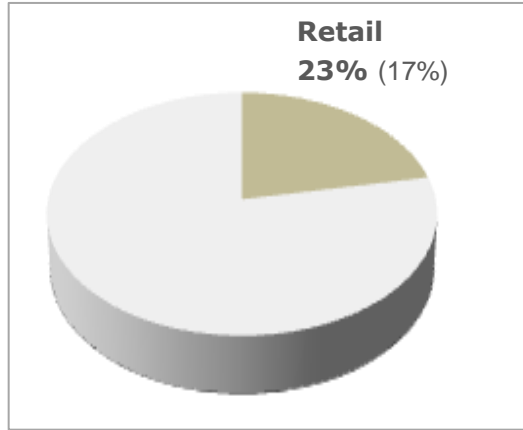
Growth performance driven by Monobrand and Multibrand results; meaningful growth achieved in Asian Markets



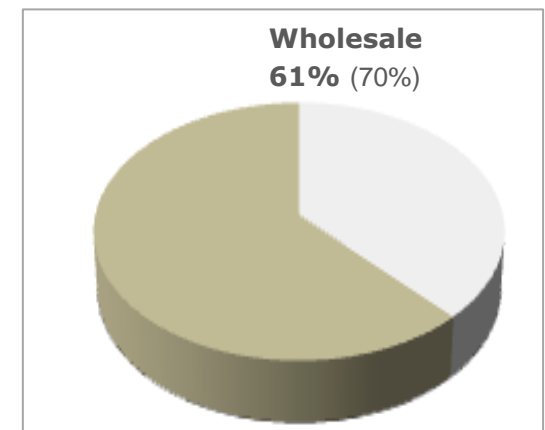
Revenues by Distribution Channel

€ mln

Monobrand



Multibrand



Note: () as of 1H 2011

	1H 11	1H 12	% Chg
Retail	20.4	30.4	+49.4%
Franchising	14.9	21.8	+46.7%
Wholesale Multibrand	81.2	83.0	+2.2%



Monobrand Channel – Retail & Franchising

Monobrand Channel



Directly Operated Stores Network

- ✓ Remarkable performance posted both by new openings & double digit LFL* growth (+12.9%). Network reaching 30 DOS vs. 21 as of 30 June 2011
- ✓ 9 DOS net openings since the end of June 2011, of which 7 in 2012 (including 2 conversion from franchised stores), mainly in 2Q 12
Key new openings in 2012 located in the world's most important cities (Madrid, Firenze, Chicago, Amsterdam), as well as most exclusive resorts (Porto Banus)

Franchised Network

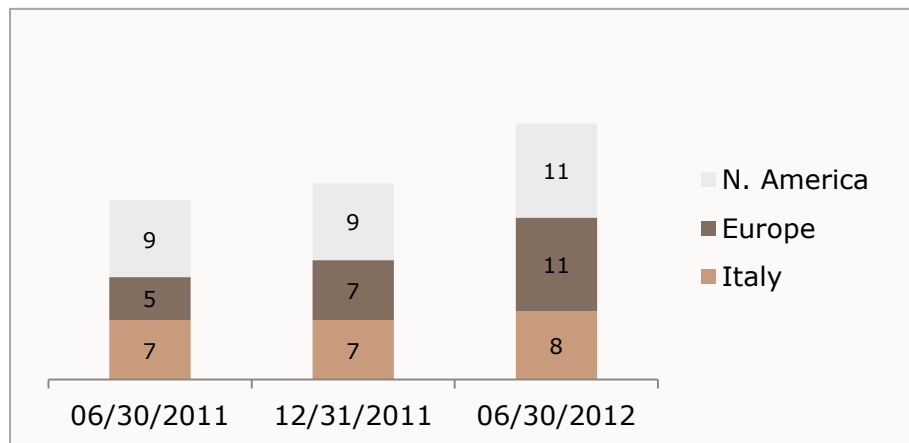
- ✓ Franchised network as of 30 June 2012 accounting 40 stores, including 8 new openings in the last 12 months, and two conversion from franchised into Retail (Porto Cervo and Hamburg).
- ✓ Store openings' planning in line with expectations, targeting Greater China (to be converted into Retail Stores in the second part of the year, following the start of Joint Venture with our franchisee), Russia and Eastern European Countries

*Like-for-Like rate is calculated as the worldwide average of sales growth, at constant exchange rates, reported by DOS opened as of January 1st, 2011

Stores Network

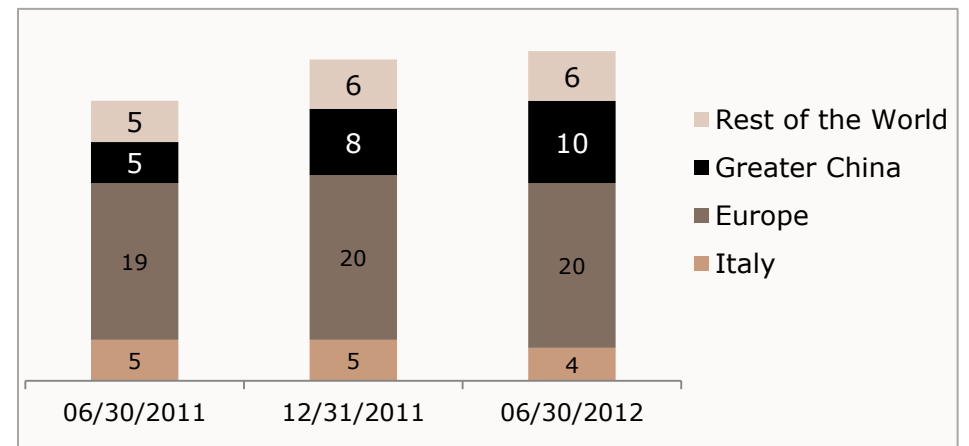
DOS		Franchised		Tot. Network Monobrand	
DOS as of 06/30/11	21	Franchised as of 06/30/11	34	Network as of 06/30/11	55
Openings	7	Openings	8	Openings	15
Conversion	2	Conversion	-2		
DOS as of 06/30/12	30	Franchised as of 06/30/12	40	Network as of 06/30/12	70

DOS Network Evolution*



* Including 3 Outlet Stores & 1 e-commerce store

Franchised Network Evolution



Multibrand Channel

Multibrand Channel



- ✓ Revenues growth driven by results reported in North America and Asia
- ✓ Increasing presence in most important Luxury Department Stores worldwide



Income Statement

€ mln

	1H 2011	1H 2012	% Chg
Net Revenues	116.5	135.2	16.1%
Other operating income	0.4	1.5	n.s.
Revenues	116.8	136.7	17.0%
First Margin	61.0	74.7	22.4%
%	52.2%	54.6%	+240 b.p.
SG&A	-42.6	-58.3	
(of which IPO Costs)		-6.2	
EBITDA	18.4	16.4	-10.5%
%	15.7%	12.0%	-370 b.p.
EBIT	16.0	13.5	-15.7%
%	13.7%	9.8%	-390 b.p.
Income before taxation	14.8	12.6	-15.2%
Net Income	8.8	7.6	-13.4%
%	7.5%	5.6%	-190 b.p.



	1H 2011	1H 2012	% Chg
<i>Without IPO Costs</i>			
EBITDA (w/o IPO costs)	18.4	22.7	23.5%
%	15.7%	16.6%	+ 90 bps
EBIT (w/o IPO costs)	16.0	19.7	23.4%
%	13.7%	14.4%	+ 70 bps
Net Income (w/o IPO costs)	8.8	11.9	35.1%
%	7.5%	8.7%	+ 120 bps

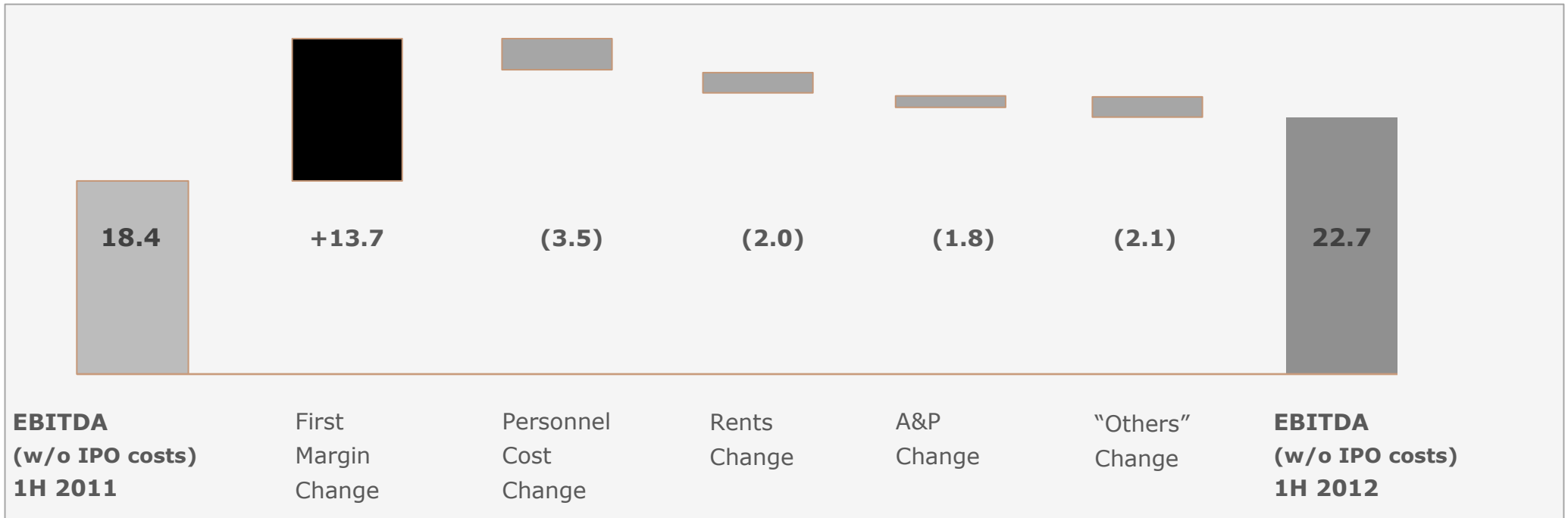
Other Operating Income includes 1 mln euro resulting from the disposal of one store's rent contract
 First Margin includes raw material consumptions, third party manufacturing and R&D costs.

Group's quarterly results are impacted by seasonal effects, typical of our industry, and therefore cannot be projected as full year trend.

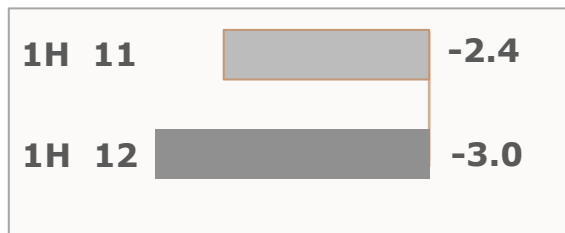
Analysis of Key Income Statement results

€ mln

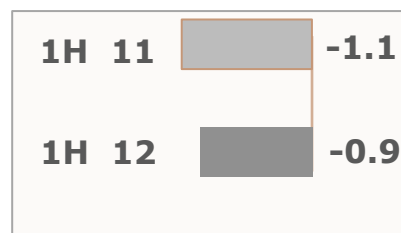
EBITDA (w/o IPO costs) Analysis



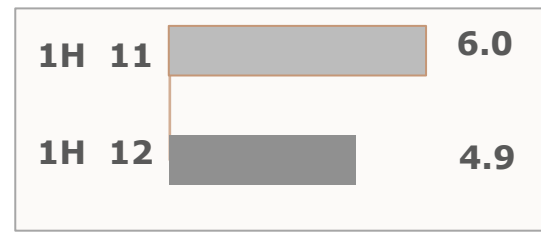
Depreciation & Amortization



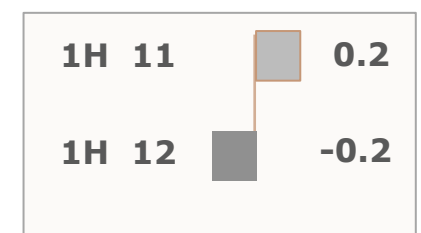
Financial Expenses



Tax charges



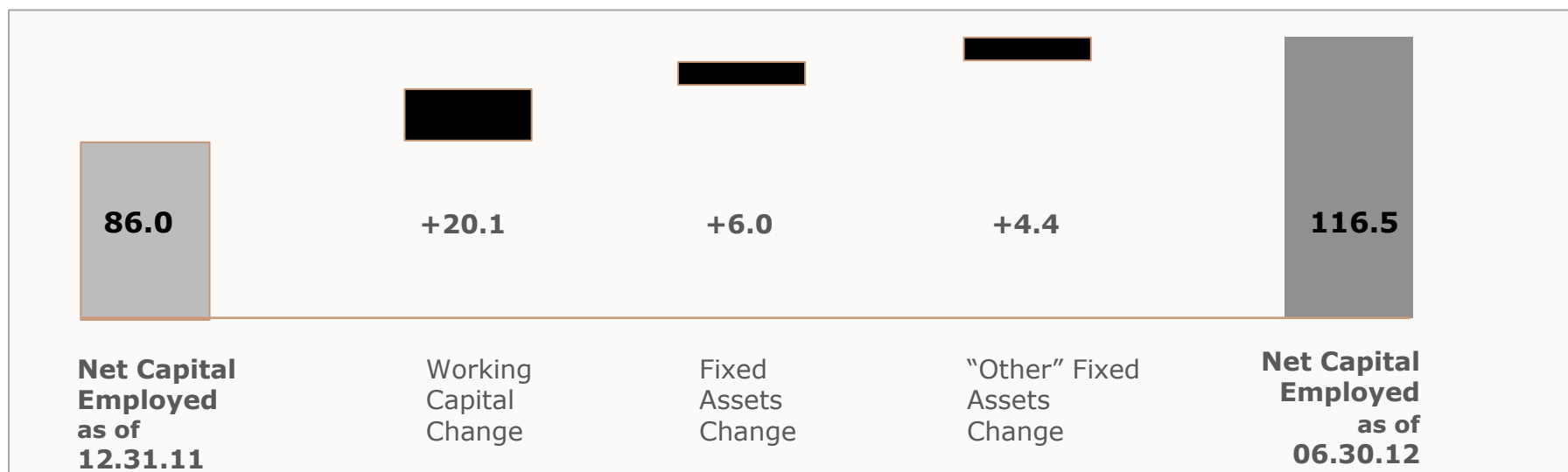
Minorities Interest



Balance Sheet

€ mln

	12.31.2011	06.30.2012	delta	06.30.2011
Working Capital	46.2	66.3	20.1	49.6
Intangible Fixed Assets	11.8	13.1	1.3	12.6
Property, equipment and machinery	28.6	32.2	3.7	24.7
Financial Fixed Assets	1.8	2.7	1.0	1.6
Other Fixed Assets	-2.4	2.0	4.4	-0.5
Net Capital Employed	86.0	116.5	30.5	87.9
<i>financed by</i>				
Net Financial Position	48.0	14.2	-33.8	58.4
Total Shareholders' Equity	38.0	102.3	64.3	29.5

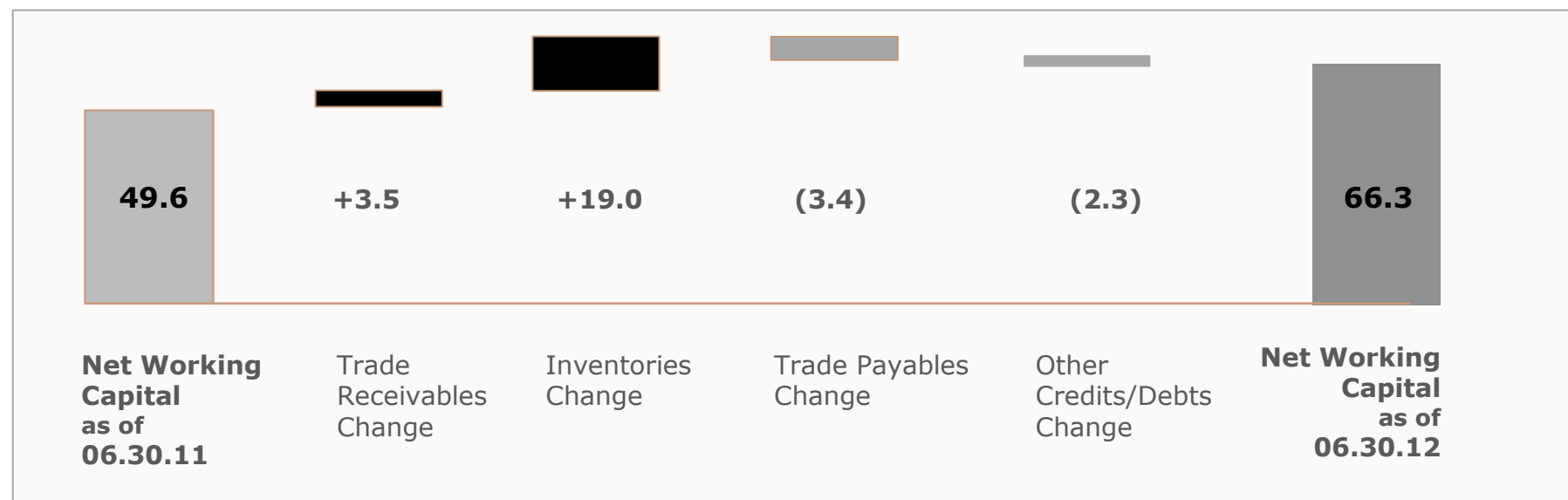


(1) Group's quarterly results are impacted by seasonal effects, typical of our industry, and therefore cannot be projected as full year trend

Net Working Capital

€ mln

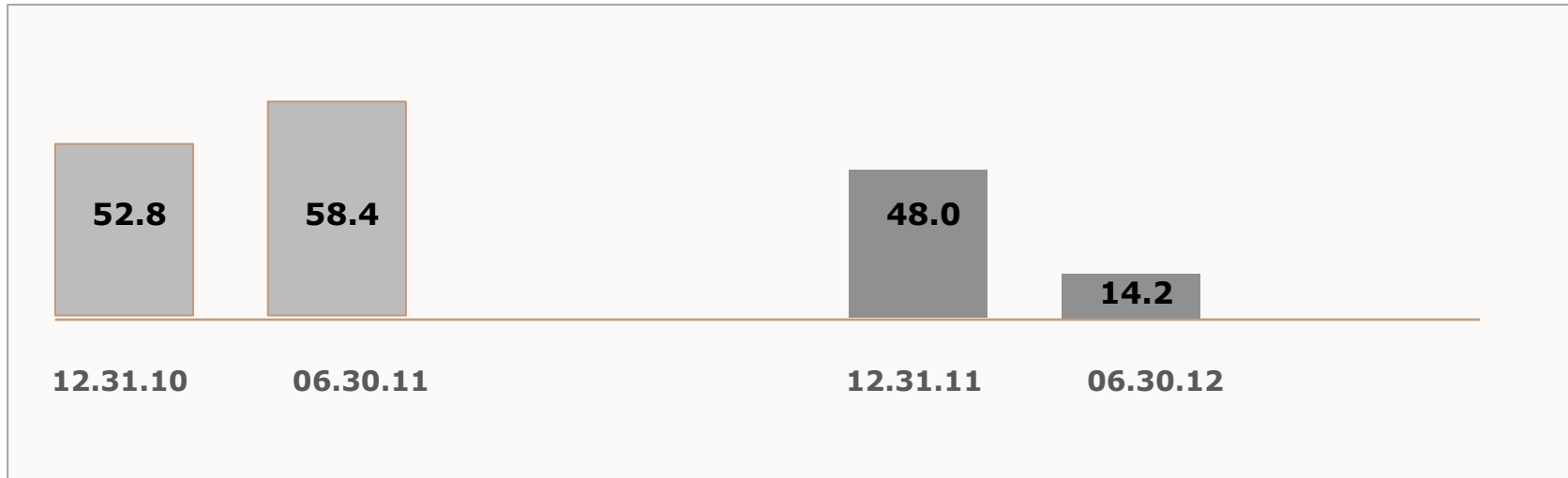
	06.30.2011	06.30.2012	delta	12.31.2011
Net Working Capital	49.6	66.3	16.8	46.2
Trade Receivables	57.8	61.3	3.5	48.8
Inventories	58.0	77.0	19.0	64.7
Trade Payables	-52.6	-56.0	-3.4	-56.1
Other Credits/(Debts)	-13.7	-16.0	-2.3	-11.2



Net Financial Position

€ mln

Net Financial Position



Net Debt and Cash Flows

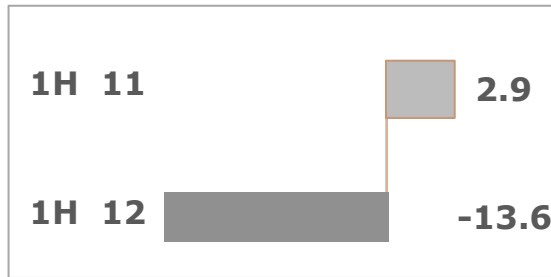
- ✓ Working capital cash absorption due to business seasonality and different channel mix
- ✓ Investments dedicated to the retail network development
- ✓ Positive impact from IPO proceeds

Cash Flow and Investments

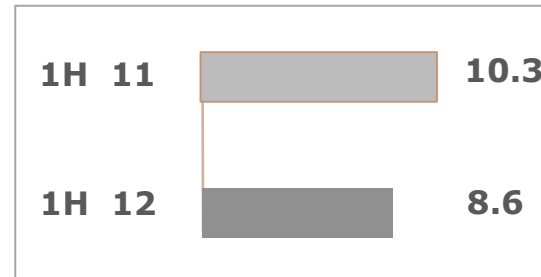
€ mln

Cash Flow Analysis

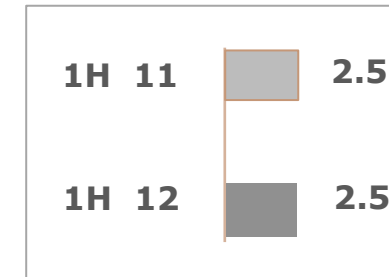
Operating Cash Flow



Investing Cash Flow

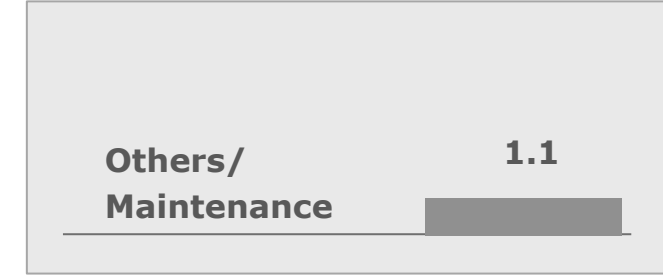
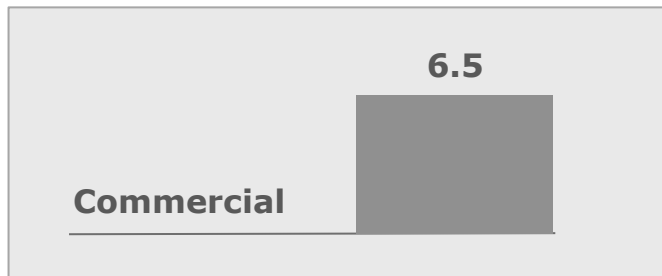


Dividends paid



Net Financial Position at the end of the period has been positively affected by Net IPO proceeds (52mln euro)

1H 12 Capex Breakdown – Main Drivers





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Annex

Detailed Income Statement

€ mln

	1H 2011	1H 2012
Net Revenues	116.5	135.2
Other operating income	0.4	1.5
Revenues	116.8	136.7
Consumption Costs	(17.6)	(20.8)
<i>Raw Material Cost</i>	28.1	32.6
<i>Inventories Change</i>	(10.5)	(11.8)
Outsourced Manufacturing	(38.3)	(41.3)
First Margin	61.0	74.7
Services Costs (excl. Out. Manuf.)	(25.0)	(36.6)
Personnel costs	(17.0)	(20.5)
Other operating costs	(0.6)	(0.9)
Increase in tangible assets	0.2	0.1
Bad Debt and other provisions	(0.3)	(0.4)
EBITDA	18.4	16.4
D&A	(2.4)	(3.0)
EBIT	16.0	13.5
Financial expenses	(2.2)	(2.1)
Financial income	1.1	1.2
EBT	14.8	12.6
Income taxes	(6.0)	(5.0)
Net Income	8.8	7.6
Minority Interest	0.2	(0.2)
Group Net Profit	8.6	7.9
EBITDA (w/o IPO costs)	18.4	22.7
EBIT (w/o IPO costs)	16.0	19.7
Net Income (w/o IPO costs)	8.8	11.9

Detailed Balance Sheet

€ mln

	2011A	1H 2012	1H 2011
Trade receivables	48.8	61.3	57.8
Inventories	64.7	77.0	58.0
Trade payables (-)	(56.1)	(56.0)	(52.6)
Other current assets/(liabilities)	(11.2)	(16.0)	(13.7)
Net Working Capital	46.2	66.3	49.6
Intangible assets	11.8	13.1	12.6
Tangible assets	28.6	32.2	24.7
Financial assets	1.8	2.7	1.6
Total Assets	42.2	48.1	38.9
Other assets/(liabilities)	(2.4)	2.0	(0.5)
Net Invested Capital	86.0	116.5	87.9
Cash & Cash equivalents (-)	(8.7)	(33.5)	(5.3)
Short term Debt	39.1	33.5	42.6
Long term Debt	17.6	14.2	21.1
Net Financial Position	48.0	14.2	58.4
Shareholders Capital	12.0	13.6	12.0
Share-premium Reserve	0.0	57.0	0.0
Reserves	4.0	22.2	7.8
Group Net Profit	20.3	7.9	8.6
Group Equity	36.3	100.7	28.4
Minority shareholders	1.7	1.6	1.1
Total Equity	38.0	102.3	29.5
Total Funds	86.0	116.5	87.9



Detailed Cash Flow Statement

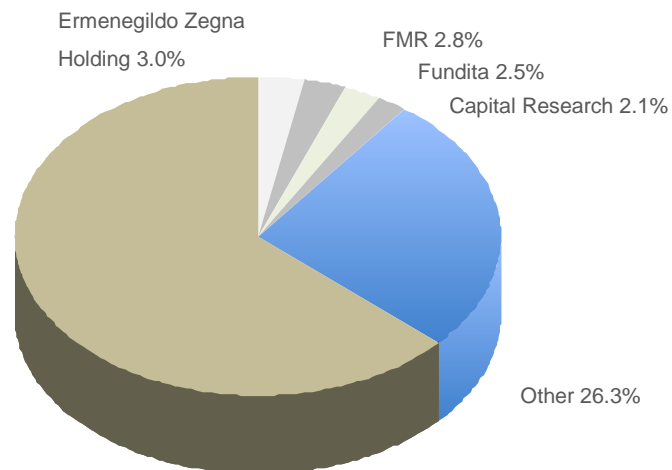
€ mln

	1H 2011	1H 2012
Net Income	8.8	7.6
D&A	2.4	3.0
Ch. In NWC and other	(8.3)	(24.2)
Cash flow from operations	2.9	(13.6)
Tangible and intangible investments	(8.7)	(8.0)
Other (investments)/divestments	(1.5)	(0.7)
Cash flow from investments	(10.3)	(8.6)
Dividends	(2.5)	(2.5)
Equity Increase	0.0	58.6
Net change in financial debt	8.4	(9.2)
Total Cash Flow	(1.5)	24.8

Investor Relations

Shareholdings

Fedone s.r.l.	63.3%
Ermenegildo Zegna Holding s.p.a.	3.0%
Fundita s.r.l.	2.5%
FMR LLC	2.8%
Capital Research & Mgmt. Company	2.1%
Other	26.3%



Fedone 63.3%

Total n° of shares: 68,000,0000

Board of Directors

Brunello Cucinelli	Chairman and C.E.O
Moreno Ciarapica	Director and C.F.O.
Giovanna Manfredi	Director
Riccardo Stefanelli	Director
Enrico Vitali	Director
Candice Koo	Independent Director
Andrea Pontremoli	Lead Independent Director
Matteo Marzotto	Independent Director
“Father“ Cassian Folsom	Independent Director

Investor Relations

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Figures as absolute values and in percentages are calculated using precise financial data. Some of the differences found in this presentation are due to rounding of the values expressed in millions of Euro.