

## MOLESKINE SPA PRELIMINARY NET REVENUES FOR THE FULL YEAR 2015

### DOUBLE DIGIT, BROAD BASED TOP LINE GROWTH IN LINE WITH PLANS

### FULL YEAR EBITDA EXPECTATIONS CONFIRMED

Continued strong revenues growth through the fourth quarter led to full year net revenues of €128,1 million, up 30% at current exchange rates vs. 2014 (+18% at constant exchange rates) with broad based growth across all geographies, channels and product categories

Strong growth in longstanding core channels: Wholesale grew +17% at current exchange rates (+6% at constant exchange rates) and B2B at +57% at current exchange rates (+41% at constant exchange rates) driven by increasing effectiveness of distribution models and sustained consumer demand

Continued strong growth of direct to consumer channels now accounting for 15% of total net revenues (vs 12% in 2014)

Confirmation of full year EBITDA guidance thanks to an efficient business model delivering superior margins

Solid springboard towards 2016 targets underpinned by positive current trading

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The Board of Directors also acknowledged the resignation of Alessandro Strati and the appointment of Alessandro Poletto as Chief Financial Officer, effective 15<sup>th</sup> February 2016

Milan, February 4<sup>th</sup> 2016 – The Board of Directors of Moleskine S.p.A. (“Moleskine” or with its controlled companies the “Group” or the “Company”) has today reviewed preliminary consolidated net revenues results for full year 2015.

**Arrigo Berni, Chief Executive Officer of Moleskine, commented:**

*“As part of our three year plan, last year we implemented a number of strategic initiatives in order to strengthen our operations and distribution models. Those decisions have paid off, as all our distribution channels performed in line with plans. This also reflected continued consumer traction, as testified by a strong holiday season, a further demonstration of the strength and resilience of our business.*

*Looking ahead, I am truly excited about the potential of the business in 2016 and beyond as we continue to grow a global, truly aspirational brand and execute a clear, proven growth strategy”.*

## Net Revenues by channel<sup>1</sup>

Moleskine sells its products (i) directly and indirectly through a network of 76 distributors (“Wholesale”) which serve bookstores, department stores, specialty stores, stationery stores and museums (“Retailers”); (ii) through a mixed model, direct and indirect, to business customers (“B2B”), (iii) through website sales (“e-Commerce”) and (iv) through a growing network of Directly Operated Stores (“Retail” or “DOS”).

(Thousands Euro)	FY15	FY14	% Growth at Current FX	% Growth at Constant FX(*)
Wholesale	79.430	68.159	+16,5%	+6,3%
B2B	28.909	18.421	+56,9%	+41,3%
Ecommerce	5.830	4.142	+40,7%	+29,4%
Retail	13.968	7.950	+75,7%	+59,2%
<b>Net Revenues</b>	<b>128.137</b>	<b>98.672</b>	<b>+29,9%</b>	<b>+18,0%</b>

(\*) Source: Internal Management Accounts

During full year 2015 net revenue growth was recorded across all channels in line with the Company’s strategic plan.

Net Revenues in the **Wholesale** channel reached €79,4m, +16,5% at current exchange rates vs. 2014 (+6,3% at constant exchange rates vs. 2014). Progress in each geographic area reflects the different stages of implementation of greater direct control over distribution. In particular:

- EMEA (+4% at constant exchange rates vs. full year 2014) showed healthy growth led by core markets following the distribution changes made in 2014, partially offset by unfavourable market dynamics in Russia due to the difficult economic situation
- Americas (+14% at constant exchange rates vs. full year 2014) sustained growth follows a sharp focus on key accounts thanks to direct management of the sales & marketing process now in place for two years.
- APAC (-11% at constant exchange rates vs. full year 2014) performance reflects different distributors’ sales calendarization versus 2014, also impacted by the Japanese partner start-up in the second half of 2014. Healthy progress at the consumer level was confirmed by continued retailers’ sales growth in core markets.

Net revenues in the **B2B** channel rose to €28,9m, +56,9% at current exchange rates vs. 2014 (+41,3% at constant exchange rates) reaping the benefits of a more effective and well-structured distribution strategy executed by a focused sales force.

Good results from the direct channel, continued development of the distributors network to strengthen global reach and an exceptional flow of large projects especially from APAC led to strong results across all areas: EMEA (+22% at constant exchange rates vs. 2014), Americas (+28% at constant exchange rates vs. full year 2014) and APAC (+106% at constant exchange rates vs. 2014).

Net revenues in the **e-Commerce** channel reached €5,8m, +40,7% at current exchange rates vs. 2014 (+29,4% at constant exchange rates) reflecting a strong performance in EMEA (+54% at

<sup>1</sup> Net Sales by channel are reported on an adjusted basis excluding Net Sales from displays, income/loss from exchange rate and other Net Sales. Also Net revenues are reported at constant exchange rates; see tables for growth rates on actual exchange rates

constant exchange rates vs. full year 2014) and APAC (+45% at constant exchange rates vs. full year 2014) where operational improvements implemented in mid 2014 delivered a positive growth of traffic and conversion rates. Stable performance in the Americas (+1% at constant exchange rates vs. 2014, following -1% at the end of the third quarter) reflects initial positive results in the fourth quarter of the year following operational changes implemented mid 2015. Leverage of the online community, enhanced content strategy and a differentiated offering are all expected to sustain continued growth in the channel.

The **Retail** channel continued to grow across all geographies, reaching net revenues of €14,0 million at +75,7% at current exchange rates vs. 2014 (+59,2% at constant exchange rates vs. full year 2014) driven by further network expansion reaching 58 DOS (vs. 41 at the end of 2014) and high single digit like-for-like growth for stores open for more than 24 months. Performance is in line with the Company's plans for a continued focus on network expansion and improved store productivity to generate a positive margin contribution in 2016.

The contribution of Retail and e-commerce to FY15 Net Revenues increased to 15% (vs. 12% in FY14).

## Net Revenues by geographical area<sup>2</sup>

The Company is a truly global business with presence in approximately 114 countries and in 2015 all geographies continued to contribute strongly to Moleskine's revenue growth.

<i>(Thousands Euro)</i>	<b>FY15</b>	<b>FY14</b>	<b>% Growth at Current FX</b>	<b>% Growth at Constant FX<sup>(*)</sup></b>
EMEA	55.400	49.172	+12,7%	+12,3%
AMERICAS	49.677	35.440	+40,2%	+18,1%
APAC	23.060	14.060	+64,0%	+37,8%
<b>Net Revenues</b>	<b>128.137</b>	<b>98.672</b>	<b>+29,9%</b>	<b>+18,0%</b>

*(\*) Source: Internal Management Accounts*

Net revenues in **EMEA** increased by +12,7% at current exchange rates vs. 2014 (+12,3% at constant exchange rates) driven by all distribution channels.

Net revenues in **Americas** continued to deliver solid double digit growth, increasing by +40,2% at current exchange vs. 2014 (+18,1% at constant exchange rates) mirroring growth across off-line channels, with e-Commerce showing good progress towards a resumed growth pattern.

Net revenues in **APAC** were up 64% at current exchange rates vs. 2014 (+37,8% at constant exchange rates) mainly driven by superior performance in B2B, strengthened by an exceptional flow of large projects and continued retail expansion.

<sup>2</sup> Net Sales by geographical area are reported on an adjusted basis excluding Net Sales from displays, income/loss from exchange rate and other Net Sales. At constant exchange rates; see tables for growth rates on actual exchange rates

## Net Revenues by product category

Multi-channel expansion across all of our geographies, together with further brand visibility and unique competitive positioning has driven healthy growth from both categories in our product portfolio with paper collection revenues and WTR collection revenues increasing respectively by 18% and 16% at constant exchange rates versus the previous year.

<i>(Thousands Euro)</i>	<b>FY15</b>	<b>FY14</b>	<b>% Growth at Current FX</b>	<b>% Growth at Constant FX<sup>(*)</sup></b>
<b>Paper Collection</b>	117.663	90.408	+30,1%	18,2%
<b>WTR Collection</b>	10.474	8.264	+26,7%	16,2%
<b>Net Revenues</b>	<b>128.137</b>	<b>98.672</b>	<b>+29,9%</b>	<b>+18,0%</b>

*(\*) Source: Internal Management Accounts*

During 2015, the Group continued to launch new collections coherent with the brand's distinctive positioning.

The **Paper** Collection was marked by the launch of several Limited Editions targeting both younger and nostalgic consumers: Alice in Wonderland, Batman, Coca-Cola, The Blue Note and Star Wars VII, leveraging the positive buzz from the new movie. A few limited editions focused on the Asian market were also launched, building on the strong Asian pop culture, such as Line Friends, Doreamon and Shanghai Tang.

The **Moleskine +** portfolio, which includes all tools and services which facilitate the bridging of the analog and digital domains, was enriched with the continued refresh of the Evernote Collection via the launch of more colors and formats, the launch of the Moleskine Timepage App, the next generation calendar app for iOS, and the launch of Livescribe 3 Smartpen Moleskine Edition.

The focus of **WTR** in 2015 was to increase the depth of the bags collections by launching new models. The Classic collection was relaunched with improved functionality and in the myCloud collection, the brand new Digital Device Bags were launched to respond to the growing need for carrying around the most common digital devices.

In December, the Company also opened a Moleskine branded café in Geneva Airport in partnership with Caviar House Airport Premium ("CHAP"), a subsidiary of Caviar House & Prunier, with initial positive results. The retail format aims to offer a unique proposition which injects Moleskine brand values and products into a contemporary café experience.

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The Board of Directors also acknowledged the resignation of the Chief Financial Officer Alessandro Strati and the appointment, effective 15th February 2015, of Alessandro Poletto as Chief Financial Officer and Director responsible for preparing the financial statements.

Mr Poletto brings extensive operational and financial experience with global publicly listed companies such as Marazzi Group and S.M.I. Società Metallurgica Italiana.

Alessandro Strati will leave the Company to take up new professional opportunities after successfully completing a number of important projects including the listing of the Moleskine S.p.A. shares on the STAR segment of the Mercato Telematico Azionario in Milan.

His resignation will take effect on 12<sup>th</sup> February 2016 in order to ensure continuity of operations.

The Board of Directors of Moleskine S.p.A. expressed its sincere thanks to Alessandro Strati for his valuable professional contribution.

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### *Unaudited data*

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### **Statement by the manager responsible for the preparation of the Company's financial documents**

The manager responsible for the preparation of the Company's financial documents, Mr. Alessandro Strati, hereby declares, in accordance with paragraph 2 article 154 bis of the "Testo Unico della Finanza", that the accounting information contained in this press release corresponds to the accounting results, registers and records.

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### **Forward-looking statements**

This press release may contain "forward-looking statements", which includes all statements that do not relate solely to historical or current facts and which are therefore inherently uncertain. All forward-looking statements rely on a number of assumptions, expectations, projections and provisional data concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the control of the Group. There are a variety of factors that may cause actual results and performance to be materially different from the explicit or implicit contents of any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance. Moleskine undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. The information and opinions contained in this press release are provided as at the date hereof and are subject to change without notice. Moreover, reference to past performance of the Company or the Group shall not be taken as an indication of future performance.

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### **Alternative Performance Indicators**

This press release contains certain non-IFRS alternative financial indicators which the Company's management uses as supplemental indicators to monitor the economic, financial and operating performance of the Group.

Such indicators are not recognized as measures of financial performance or liquidity under IFRS, do not have any standardized meanings prescribed by IFRS and therefore may not be comparable to the calculation of similar measures used by other companies, and should not be viewed as alternatives to measures of financial performance calculated in accordance with IFRS. Therefore, investors should not place undue reliance on such data and information.

In addition, this press release includes certain "Adjusted" financial and operating indicators and other measures, which have been adjusted to reflect extraordinary events, non-recurring transactions and activities which are not directly related to the Group's ordinary business. Such

“Adjusted” information has been included to allow a better comparison of financial information across the periods; however, it should be noted that such information are not recognized as measures of financial performance or liquidity under IFRS and/or do not constitute an indication of the historical performance of the Company or the Group. Therefore, investors should not place undue reliance on such data and information.

Please visit our website: <http://corporate.moleskine.com/it/home>

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The Moleskine brand was established in the mid-1990s by a small Milan-based publisher (Modo&Modo) who brought back to life the legendary and iconic notebook used by great artists and thinkers over the past two centuries, restarted production in 1995 and registered the Moleskine trademark in 1997.

From the very outset Modo&Modo conceived and marketed the Moleskine notebook in a disruptive way - not simply as a notebook, but as an enabler of personal creativity, thereby establishing the basis for creating an aspirational brand and a new market segment. A brand with a unique history that was highly evocative of cultural values, Moleskine was in a position to meet the needs of the emerging “creative class” and therefore brand awareness grew quickly.

Today, the name Moleskine encompasses a family of nomadic objects: notebooks, diaries, journals, bags, writing instruments and reading accessories, dedicated to the mobile identity. Indispensable companions to the creative professions and the imagination of our times, they are intimately tied to the digital world.

On October 4, 2006, Modo&Modo was taken over by private equity investors and in 2007 the company name was changed to Moleskine. The management team led by current CEO, Arrigo Berni implemented a growth strategy focused on enlarging and enhancing distribution footprint, broadening product and services offering and growing brand visibility and awareness.

Moleskine is a creative company enjoying continued growth. It has more than 250 employees and a vast network of partners and consultants. The headquarter is located in Milan. Moleskine listed on the Milan Stock Exchange in April 2013.