

**YOOX GROUP**



**September 2010 Roadshow Presentation**

# DISCLAIMER

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- INTRODUCTION TO YOOX GROUP
- UPDATE ON BUSINESS DEVELOPMENTS
- FINANCIAL ANALYSIS
- APPENDIX

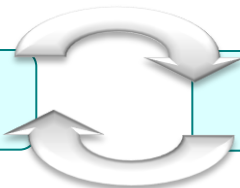


***The Global Internet Retailing Partner for The Leading  
Fashion & Design Brands***



- Preferred partner of high-end fashion and design brands for their online retailing activities
- Global player in the fast growing online fashion market
- Leading position in Italy and strong international presence, with non domestic markets accounting for 76%<sup>1</sup> of Net Revenues and further opportunities ahead
- Two complementary and synergic business lines, allowing full coverage of the online fashion market
- Increased contribution from Mono-Brand business line, accounting for 24% of Net Revenues, generated by 20 Online Stores <sup>1</sup>
- At the forefront of innovation and technology to keep enhancing the shopping experience and engaging the customers
- Strong track record of profitable growth

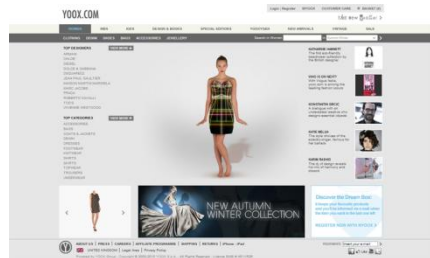
*1. As of June 30, 2010*



**Multi-Brand: building long-standing relationships with Commercial Partners**

**Mono-Brand: leveraging the know-how together with Strategic Partners**

## YOOX.COM



- Broad offering of off-season premium apparel and accessories at attractive prices, exclusive and special collections, vintage, home & design products
- Launched in 2000

## F.THECORNER.COM



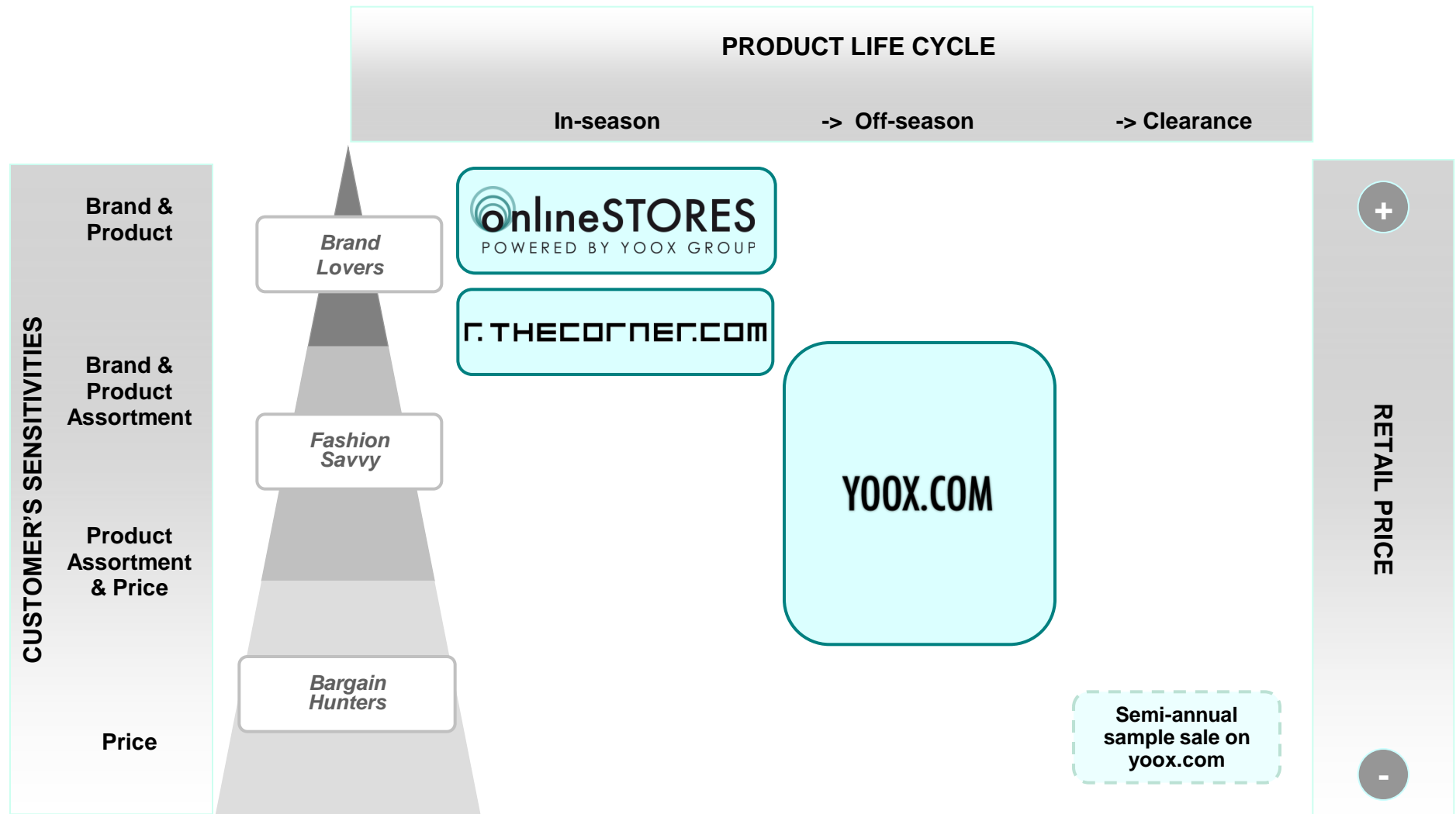
- In-season premium apparel and accessories from selected brands
- “Shop-in-shop” model
- Launched in 2008

## onlineSTORES POWERED BY YOOX GROUP

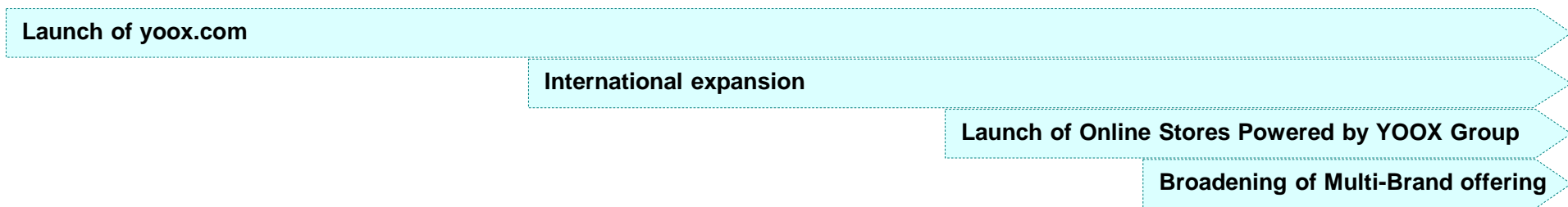
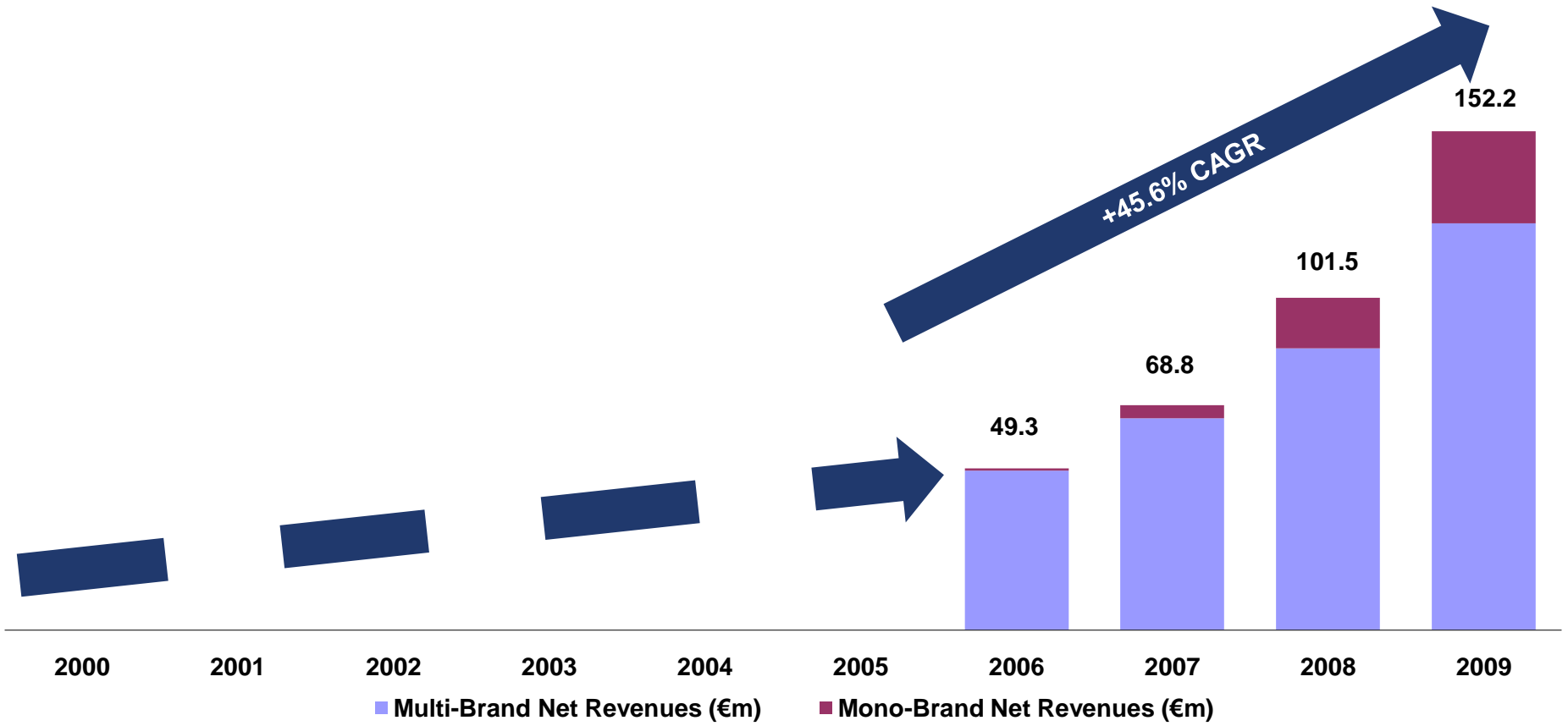
- Exclusive official flagship Online Stores of leading fashion brands
- In-season premium apparel and accessories
- Partnership model: mostly 5-year contracts

2006	<b>MARNI</b> .com	2009	<b>MOSCHINO</b> .com
2007	EMPORIO <b>ARMANI</b> .com		<b>BALLY</b> .com SWITZERLAND
	<b>DIESEL</b> .com		<b>D&amp;G</b> .com
			DSQUARED <sup>2</sup> .com
2008	<b>C.P. COMPANY</b> .com		<b>JILSANDER</b> .com
	<b>STONE ISLAND</b> .com		roberto cavalli .com
	<b>VALENTINO</b> .com		<b>COCCINELLE</b> .com
	<b>MISS SIXTY</b> .com		<i>Gianni Versace</i> .com
	Co <b>STUME NATIONAL</b> .com		<b>NAPAPIJRI</b> .com
	' <b>ENERGIE</b> .com		<b>ALBERTA FERRETTI</b> .com
	<b>EMILIO PUCCI</b> .com		<b>Z E I S HOUSE</b> .com
			Maison Martin Margiela.com
			Ermenegildo Zegna .com

**Opening soon**



# STRONG TRACK RECORD OF GROWTH FUELLED BY BUSINESS INNOVATION



Note: YOOX Group Annual Reports, Italian GAAP 2000-2006, IFRS 2007-2009 results

The information contained in this document is confidential and proprietary to YOOX Group

# OUR FASHION WORLD IS DRIVEN BY NUMBERS

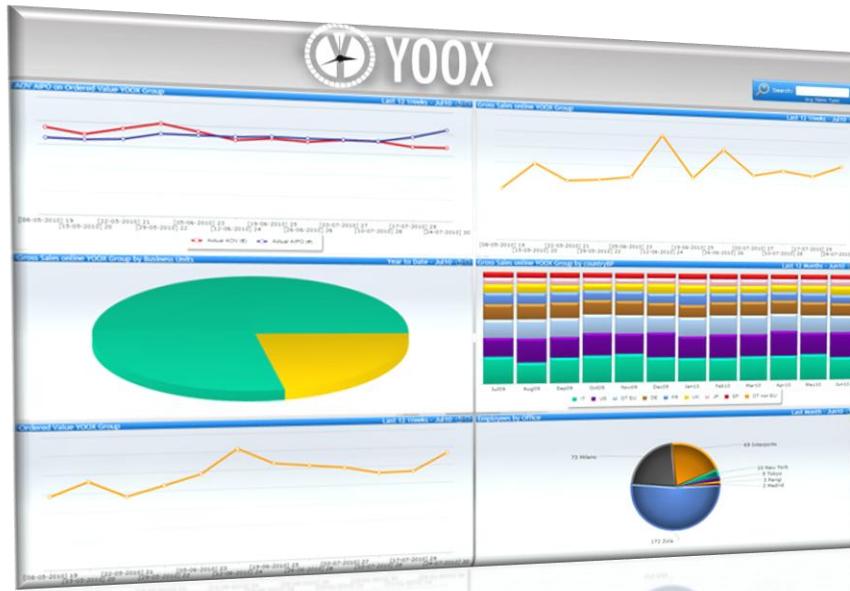


In the first six months of 2010

**8.1 million unique visitors per month**

**717 thousand orders**

**1 order processed every 22 seconds**



**Over 99% of deliveries on time<sup>1</sup>**

**59 million newsletters sent to our registered users<sup>2</sup>**

**40 thousand websites reached by our web marketing campaigns<sup>2</sup>**

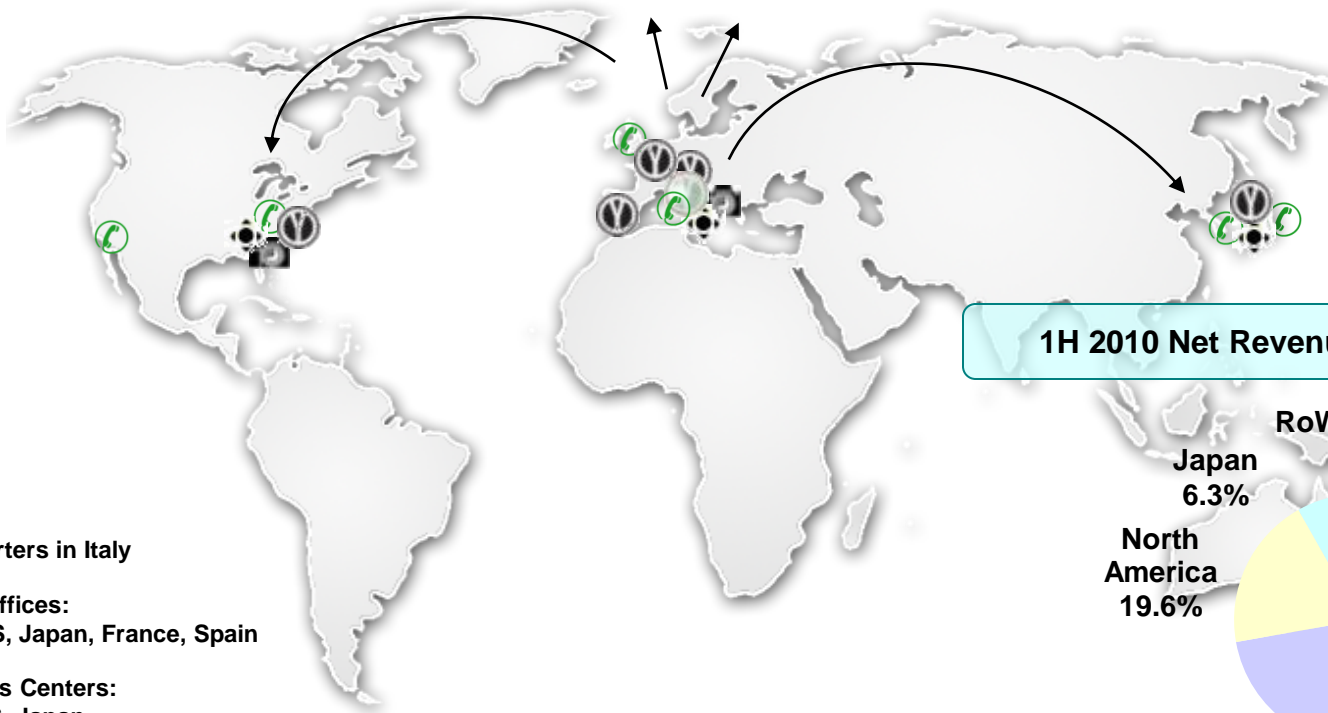
1. Company elaborations based on Shipping Partners data

2. Refer to Multi-Brand business line

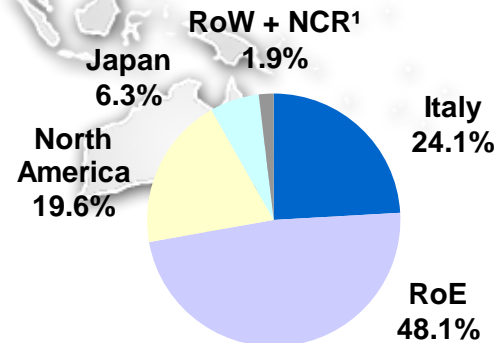


# GLOBAL PLAYER WITH LOCAL EXPERTISE

- Strong local presence and ability to tailor the offering to different geographies
- Global distribution from central warehouse to maximise overall sell-through
- Three logistics centers strategically located, guaranteeing top service to all major fashion markets (US, EU, JP)



1H 2010 Net Revenues by Geography



- Headquarters in Italy
- 5 Local Offices: Italy, US, Japan, France, Spain
- 3 Logistics Centers: Italy, US, Japan
- 2 Digital Production Facilities: Italy, US
- 6 Customer Care Centers
- Operations in 8 languages and 4 currencies

Distribution in 67 countries



1. Not Country Related



## Innovative and Entertaining Shopping Experience

**Interactive Videos**  
**Exclusive Shopping**  
directly from the Catwalk



**Native Applications**  
iPod Touch, iPhone and iPad  
**yoox.com**



**Web Applications**  
**yoox.com Mobile**    **emporioarmani.com Mobile**

**yoox.com Superstar**  
**Loyalty Program**



## Best in Class Customer Service

**Proximity to the Customer in All Key Geographies**

**Safe Payment and Easy Returns**

**Fast and Reliable Delivery**

**Dedicated Customer Care**

**Distinctive Packaging**



**Thanks to a balanced mix of creativity, technical competencies and constant focus on the customer**



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# ON TRACK TO REACH TARGETS



## KEY TARGETS FOR 2010

Further Multi-Brand international expansion  
in Europe, US and Japan

Maintain 2009 pace in Mono-Brand new openings

Prepare the Group's China landing in 2011

Invest in technology to enhance brand experience  
and CRM

## ACHIEVEMENTS

Strong international growth  
with acceleration coming from the US

Launched 4 Online Stores, renewed [emporioarmani.com](http://emporioarmani.com)  
with addition of Armani Jeans  
and new openings in 2H 2010

On track to enter the market by 1H 2011

Launched [yoox.com](http://yoox.com) 9.0 based on improved navigation features,  
CRM & product presentation, [yoox.com](http://yoox.com) for iPad,  
[yoox.com](http://yoox.com) for Japanese mobile platform & Facebook application



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### Key Performance Indicators

- 8.1m monthly unique visitors (vs. 6.0m in 1H 2009)
- 717 thousand orders (vs. 536 thousand in 1H 2009)
- Average Order Value of €174 (vs. €164 in 1H 2009)
- 532 thousand active customers (vs. 399 thousand in 1H 2009)

### Key Financials

- Net Revenues at €96.6m, +41.4% (vs. €68.3m in 1H 2009)
- EBITDA Excluding Incentive Plan Costs at €8.2m, +83.0% (vs. €4.5m in 1H 2009)
  - EBITDA margin Excluding Incentive Plan Costs up at 8.4% (vs. 6.5% in 1H 2009)
- EBITDA at €6.8m, +63.3% (vs. €4.2m in 1H 2009)
  - EBITDA margin up at 7.1% (vs. 6.1% in 1H 2009)
- Net Income at €3.3m, +113.8% (vs. €1.6m in 1H 2009)
- Net cash of €25.1m (vs. €34.0m of Net Cash at Dec. 2009)

# YOOX GROUP PROFIT & LOSS



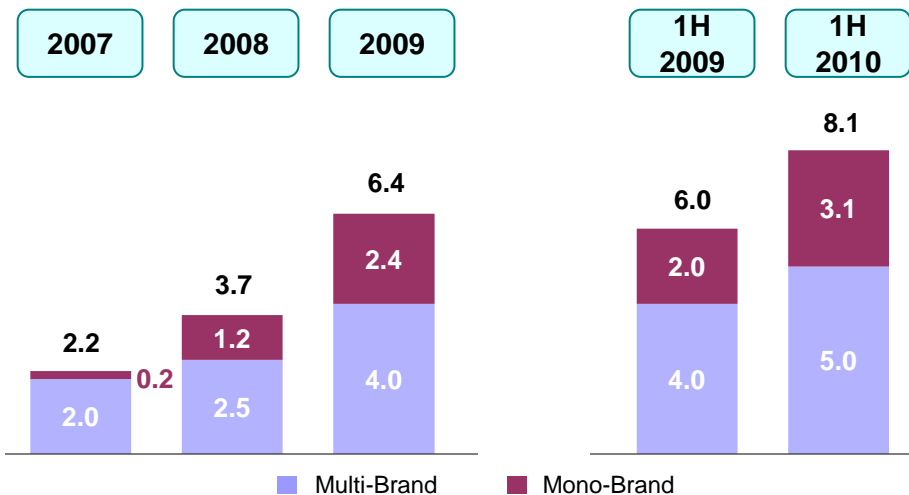
	2007	2008	2009	1H 2009	1H 2010
(€m)					
Net Revenues	68.8	101.5	152.2	68.3	96.6
<i>growth</i>	39.4%	47.5%	50.0%		41.4%
COGS	(42.6)	(61.6)	(91.9)	(42.6)	(59.4)
Gross Profit	26.2	39.9	60.3	25.7	37.1
<i>% of Net Revenues</i>	38.0%	39.3%	39.6%	37.6%	38.4%
Fulfillment	(7.9)	(11.6)	(15.5)	(7.4)	(10.0)
<i>% of Net Revenues</i>	11.4%	11.4%	10.2%	10.8%	10.4%
Sales & Marketing	(7.6)	(10.7)	(16.7)	(7.8)	(11.4)
<i>% of Net Revenues</i>	11.0%	10.6%	11.0%	11.5%	11.8%
EBITDA Pre Corporate Costs	10.7	17.5	28.1	10.4	15.7
<i>% of Net Revenues</i>	15.6%	17.3%	18.4%	15.3%	16.3%
General & Administrative	(7.2)	(9.9)	(12.1)	(5.6)	(8.6)
<i>% of Net Revenues</i>	10.5%	9.7%	8.0%	8.2%	8.9%
Other Income/ (Expenses)	(0.6)	(0.9)	(1.0)	(0.6)	(0.2)
<i>% of Net Revenues</i>	0.9%	0.9%	0.6%	0.9%	0.2%
EBITDA	2.9	6.8	15.0	4.2	6.8
<i>% of Net Revenues</i>	4.2%	6.7%	9.9%	6.1%	7.1%
Depreciation & Amortisation	(1.2)	(1.8)	(2.2)	(0.9)	(1.5)
Non Recurring Items	(1.2)	(0.2)	(4.0)	-	-
Operating Profit	0.5	4.8	8.8	3.3	5.3
<i>% of Net Revenues</i>	0.7%	4.7%	5.8%	4.8%	5.5%
Net Financial Income / (Expenses)	(0.9)	(1.2)	(1.5)	(0.7)	0.3
Taxes	(0.2)	(1.2)	(3.3)	(1.0)	(2.3)
Net Income	(0.6)	2.4	4.1	1.6	3.3
<i>% of Net Revenues</i>	(0.9)%	2.4%	2.7%	2.3%	3.5%
EBITDA Excluding Incentive Plan Costs	3.9	8.1	16.6	4.5	8.2
<i>% of Net Revenues</i>	5.7%	7.9%	10.9%	6.5%	8.4%

Note: 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  
 Depreciation & Amortisation included in Fulfillment, Sales & Marketing, General & Administrative have been reclassified and grouped under Depreciation & Amortisation  
 EBITDA Excluding Incentive Plan Costs calculated adding back to EBITDA the costs associated with stock option plans in each period

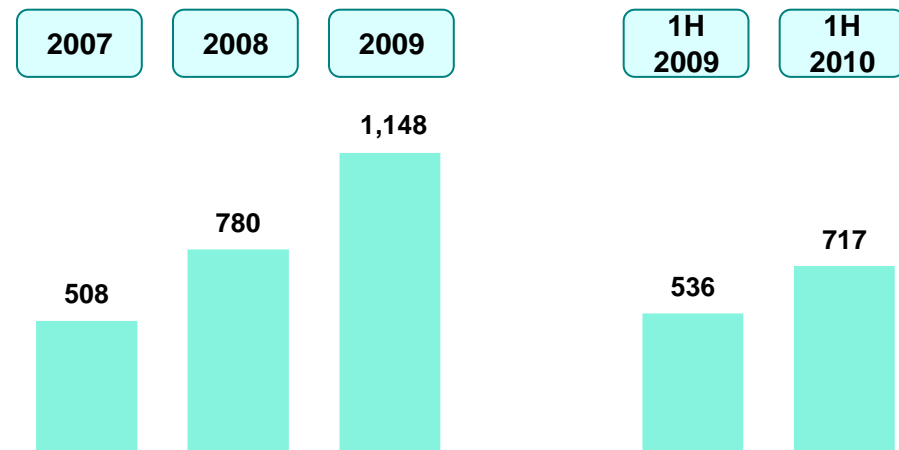


# KEY PERFORMANCE INDICATORS

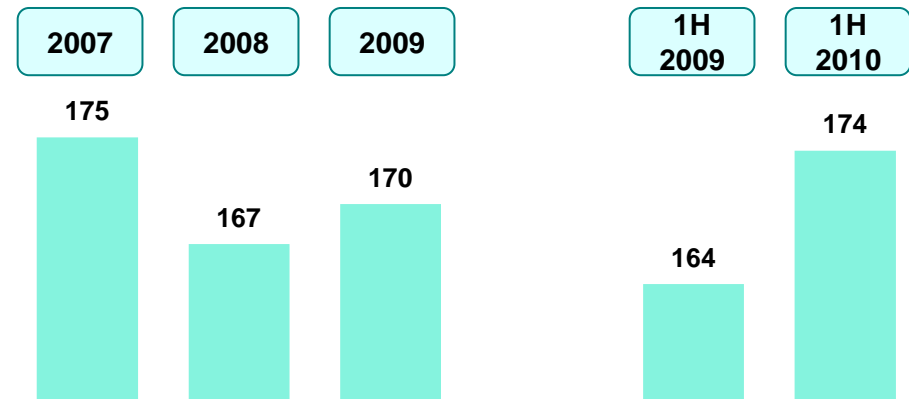
### Monthly Unique Visitors (m)<sup>1</sup>



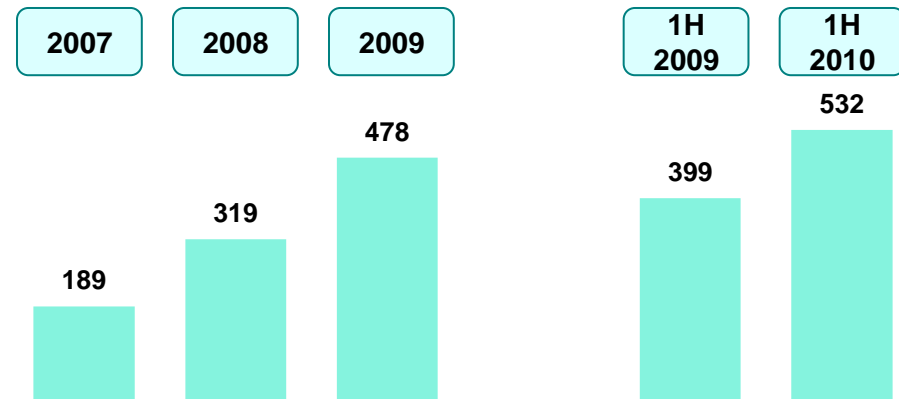
### # Orders ('000) - Group



### Average Order Value (€) - Group



### Active Customers<sup>2</sup> ('000) – Group<sup>3</sup>



1. Source: HBX 1/1/07-19/03/09 and SiteCatalyst since 19/03/09 for yoox.com; Google Analytics for other stores

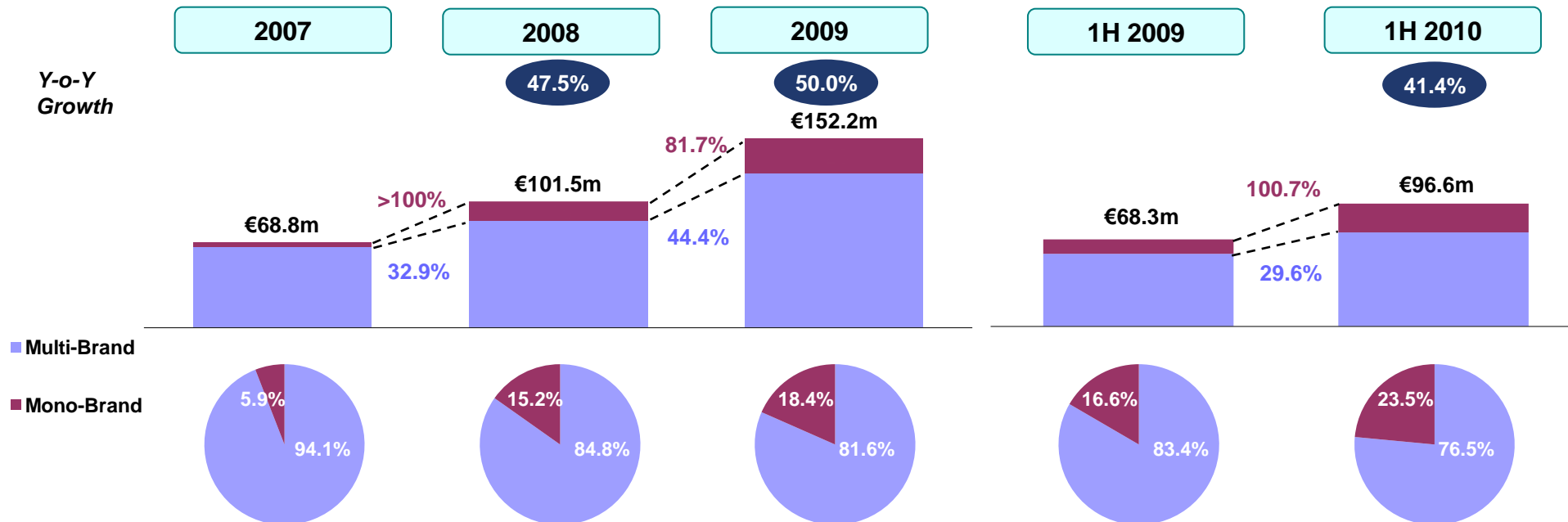
2. Active Customer is defined as a customer who placed at least one order in the 12 preceding months

3. Include Active Customers of Online Stores

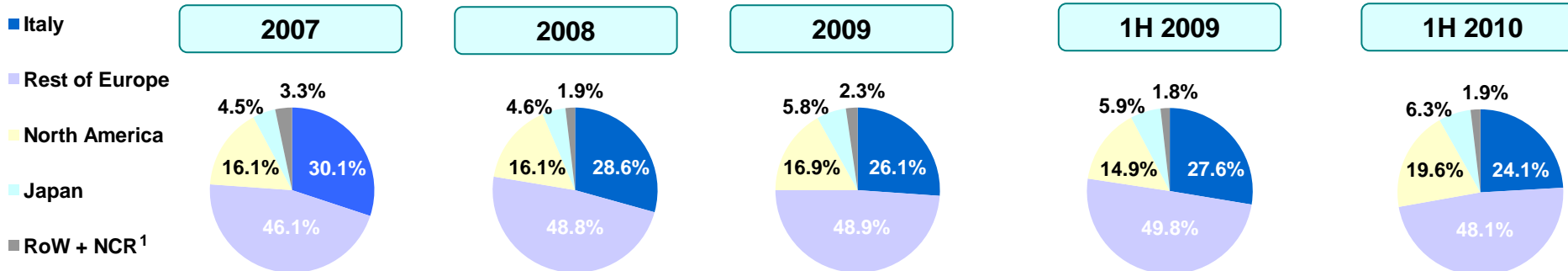
# NET REVENUES BREAKDOWN BY BUSINESS LINE AND GEOGRAPHY



## Net Revenues by Business Line

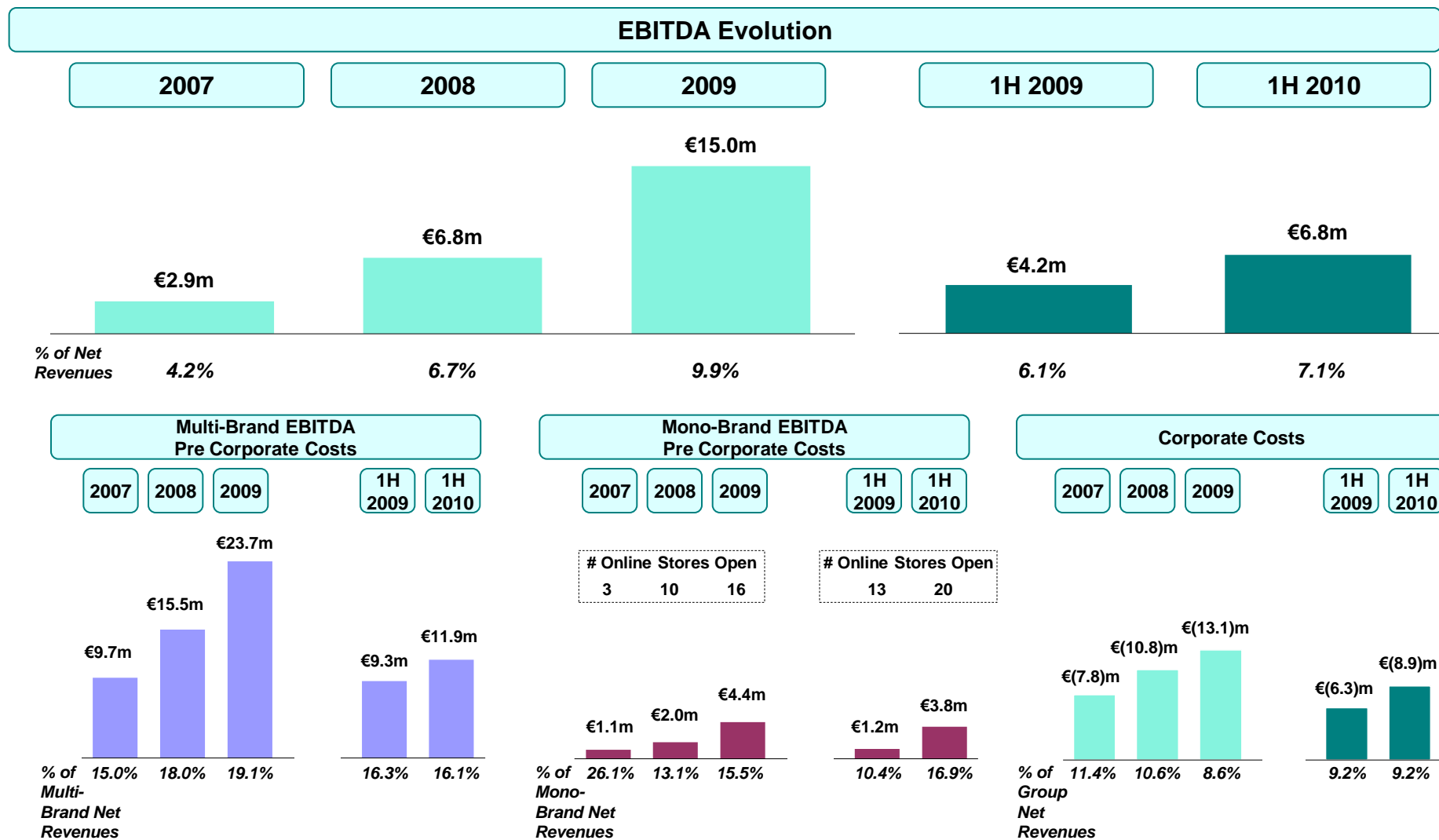


## Net Revenues by Geography



1. Not Country Related

# EBITDA ANALYSIS BY BUSINESS LINE



Note: Multi-Brand and Mono-Brand EBITDA Pre Corporate Costs include all costs directly associated with the business line, including COGS, Fulfillment, Sales & Marketing (all net of D&A); Corporate Costs include General & Administrative costs (net of D&A) and Other Income/ Expenses

# YOOX GROUP SUMMARY BALANCE SHEET



	2007	2008	2009	1H 2009	1H 2010
<b>(€m)</b>					
Net Working Capital	14.9	22.6	9.8	18.5	20.9
Non Current Assets	6.0	8.4	10.9	9.4	14.0
Non Current Liabilities (excl. financial liabilities)	(0.7)	(0.7)	(0.6)	(0.7)	(0.6)
<b>Total</b>	<b>20.3</b>	<b>30.3</b>	<b>20.1</b>	<b>27.2</b>	<b>34.3</b>
Net Financial Debt / (Net Cash)	7.8	13.9	(34.0)	3.5	(25.1)
Shareholders' Equity	12.5	16.4	54.1	23.6	59.4
<b>Total</b>	<b>20.3</b>	<b>30.3</b>	<b>20.1</b>	<b>27.2</b>	<b>34.3</b>

# NET WORKING CAPITAL EVOLUTION



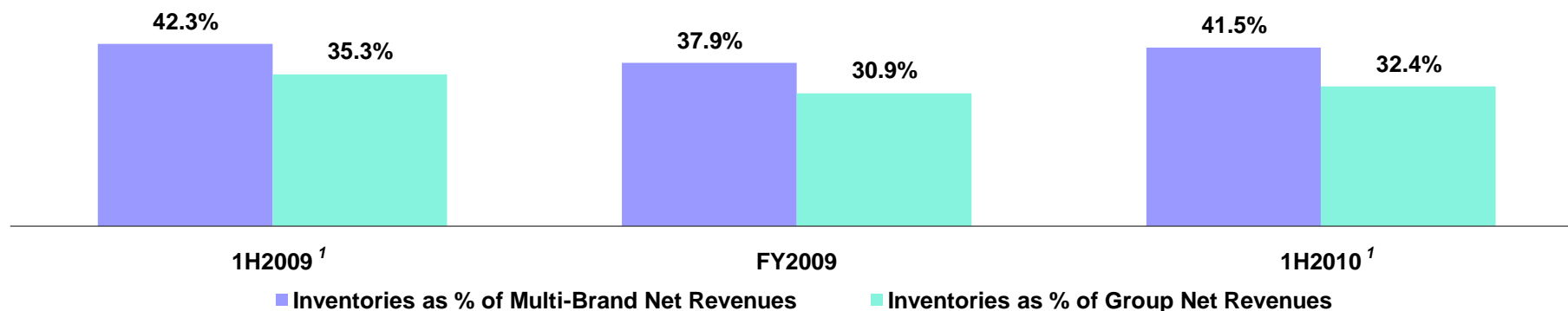
## Net Working Capital

(€m)	2007	2008	2009	1H 2009	1H 2010
Inventories	28.1	38.7	47.1	43.5	58.5
Trade Receivables	1.9	3.9	6.7	2.8	5.7
Trade Payables	(13.5)	(17.3)	(27.3)	(22.8)	(34.5)
Other Receivables / (Payables)	(1.5)	(2.7)	(16.8)	(5.0)	(8.8)
<b>Net Working Capital</b>	<b>14.9</b>	<b>22.6</b>	<b>9.8</b>	<b>18.5</b>	<b>20.9</b>
<i>as % of Net Revenues</i>	<i>21.7%</i>	<i>22.3%</i>	<i>6.4%</i>	<i>15.0%<sup>1</sup></i>	<i>11.6%<sup>1</sup></i>

▪ Increase in Trade Payables compared to FY2009 mainly related to extension of payment terms with suppliers and to anticipation of buying campaign for 2010/11 Fall Winter

▪ Decrease in Other Receivables/ (Payables) compared to FY2009 mainly due to payments of tax liabilities of €3.6m related to stock option exercise by people for which YOOX has acted as withholding agent and to FY2009 corporate tax of €3.3m

## Inventory Level Evolution



1. Percentages calculated on LTM Net Revenues

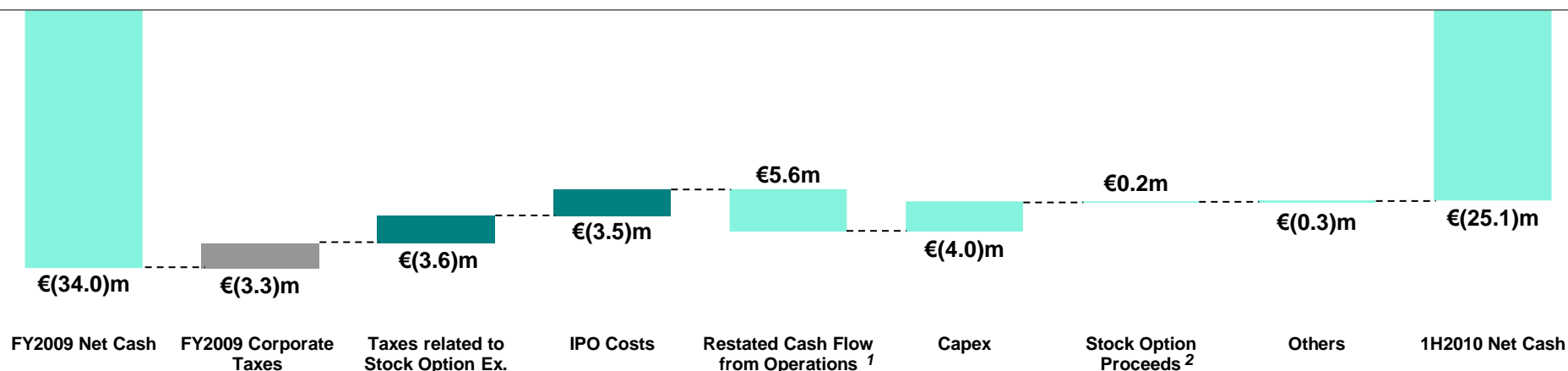
# NET FINANCIAL POSITION EVOLUTION



## Net Financial Position

(€m)	2007	2008	2009	1H 2009	1H 2010
Cash and Cash Equivalents	(5.2)	(9.0)	(35.0)	(12.6)	(12.0)
Other Current Financial Assets	(0.0)	(0.1)	(0.0)	(0.2)	(14.6)
Current Financial Assets	(5.2)	(9.0)	(35.0)	(12.8)	(26.6)
Short Term Financial Debt	12.8	4.1	0.3	0.2	0.5
Other Current Financial Liabilities	0.0	0.1	0.0	0.0	0.1
Current Financial Liabilities	12.8	4.2	0.3	0.2	0.6
Long Term Financial Liabilities	0.1	18.7	0.7	16.1	0.9
Net Financial Debt / (Net Cash)	7.8	13.9	(34.0)	3.5	(25.1)

## Net Financial Position Evolution



1. Excludes FY2009 Corporate Taxes, Taxes related to Stock Option Exercise and IPO Costs

2. Stock options exercised and cashed in during 2Q 2010

# YOOX GROUP CASH FLOW STATEMENT



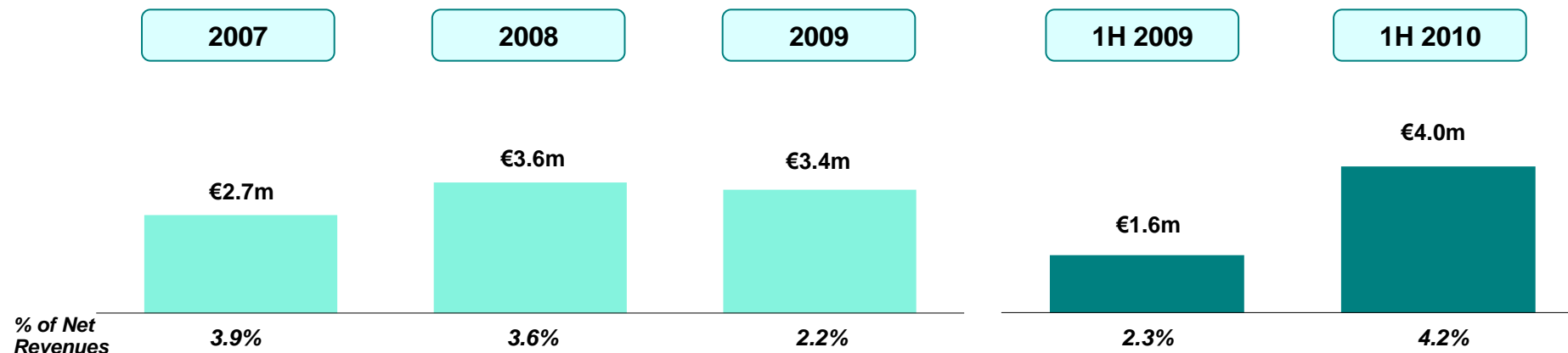
## Cash Flow Statement

	2007	2008	2009	1H 2009	1H 2010
(€m)					
Cash and Cash Equivalents at Beginning of Period	1.8	5.2	9.0	9.0	35.0
Cash Flow from Operations	(3.9)	(1.8)	18.4	5.5	(4.8)
Cash Flow from Investment Activities	(2.6)	(4.2)	(2.1)	(0.6)	(3.7)
Sub Total	(6.6)	(6.1)	16.4	4.9	(8.5)
Cash Flow from Financing Activities	9.9	9.8	9.7	(1.3)	(14.6)
Cash Flow	3.4	3.8	26.0	3.6	(23.1)
Cash and Cash Equivalents at End of Period	5.2	9.0	35.0	12.6	12.0

- Include payments of: €3.5m related to IPO costs, tax liabilities of €3.6m related to stock option exercise by people for which YOOX has acted as withholding agent and €3.3m related to FY2009 corporate tax liabilities

- Investments in low-risk, short term repurchase agreements

## Capex





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# SHAREHOLDER STRUCTURE



Shareholder	Fully Diluted <sup>1</sup>		Current	
Management team and other stock option holders <sup>2</sup>	7,359,248	11.6%		
Federico Marchetti	7,090,501	11.1%	2,411,853	4.7%
<i>Sub-total</i>	<i>14,449,749</i>	<i>22.7%</i>	<i>2,411,853</i>	<i>4.7%</i>
Balderton Capital	5,870,280	9.2%	5,870,280	11.4%
Red Circle	3,178,291	5.0%	3,178,291	6.2%
Federated	2,575,979	4.0%	2,575,979	5.0%
Essegi Srl	2,476,656	3.9%	2,476,656	4.8%
JP Morgan Asset Management	2,467,490	3.9%	2,467,490	4.8%
Invesco	1,041,956	1.6%	1,041,956	2.0%
Market <sup>3</sup>	31,551,251	49.6%	31,551,251	61.2%
<b>Total</b>	<b>63,611,652</b>	<b>100.0%</b>	<b>51,573,756</b>	<b>100.0%</b>

Updated as of September 15, 2010

1. The fully diluted column shows the effect on the Company's shareholder structure calculated assuming that all the stock options granted under the Company's stock option plans are exercised. It does not include 124,436 ordinary shares granted under the 2009-2014 Incentive Plan

2. Exclude Federico Marchetti

3. Includes 62,000 proprietary shares

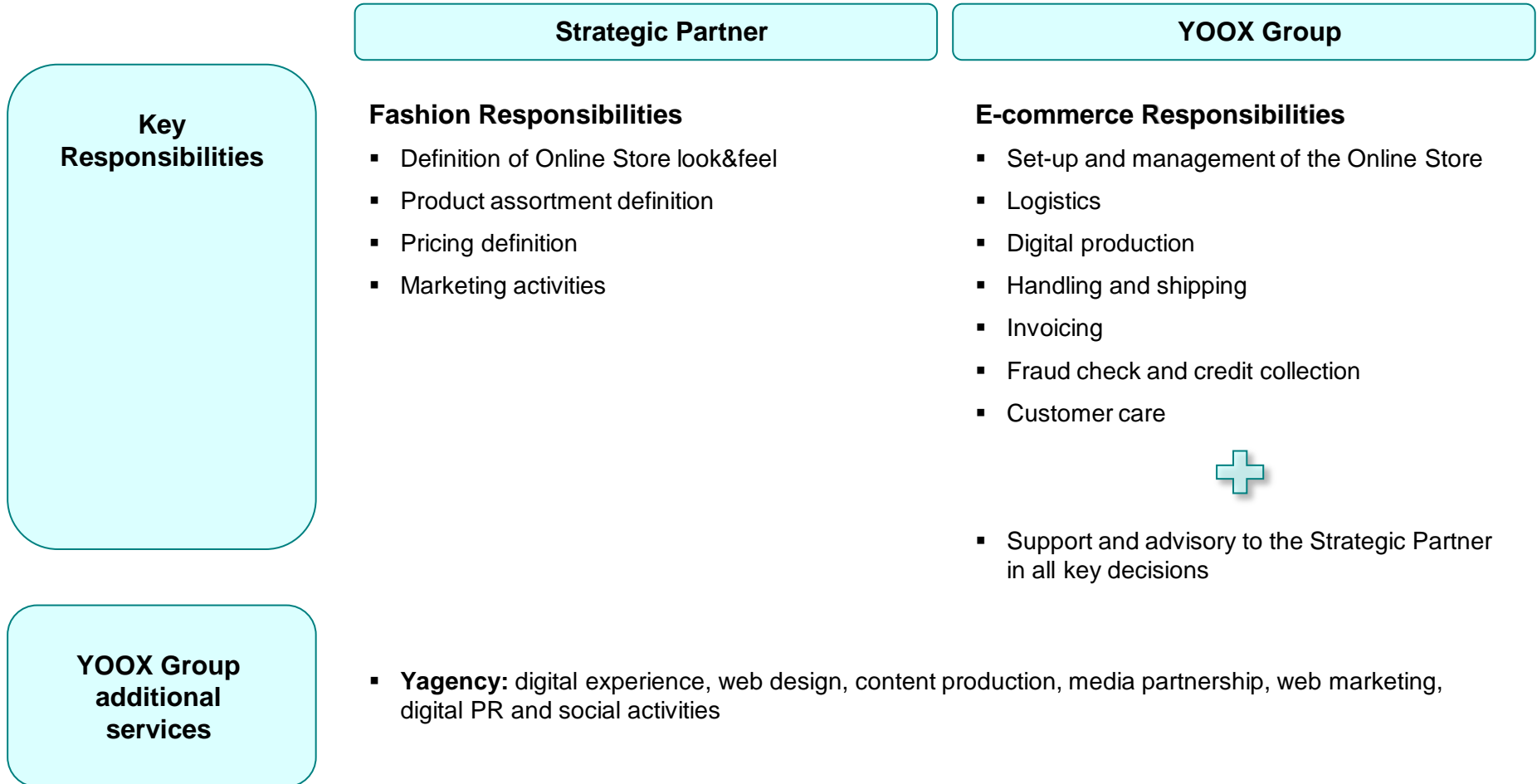
# FOCUS ON INCENTIVE PLAN COSTS



	2007	% of Total	2008	% of Total	2009	% of Total	1H09	% of Total	1H10	% of Total
(€m)										
<b>Fulfillment</b>	(7.855)		(11.616)		(15.514)		(7.404)		(10.003)	
<i>of which Incentive Plan Costs</i>	<b>(0.107)</b>	10.4%	<b>(0.132)</b>	10.1%	<b>(0.394)</b>	23.9%	<b>(0.027)</b>	9.8%	<b>(0.031)</b>	2.3%
<b>Sales &amp; Marketing</b>	(7.557)		(10.715)		(16.747)		(7.830)		(11.409)	
<i>of which Incentive Plan Costs</i>	<b>(0.233)</b>	22.6%	<b>(0.348)</b>	26.7%	<b>(0.347)</b>	21.0%	<b>(0.077)</b>	28.2%	<b>(0.344)</b>	26.1%
<b>General &amp; Administrative</b>	(7.199)		(9.887)		(12.105)		(5.628)		(8.623)	
<i>of which Incentive Plan Costs</i>	<b>(0.692)</b>	67.1%	<b>(0.822)</b>	63.2%	<b>(0.910)</b>	55.1%	<b>(0.168)</b>	62.0%	<b>(0.944)</b>	71.6%
<b>Incentive Plan Costs</b>	<b>(1.032)</b>	100.0%	<b>(1.302)</b>	100.0%	<b>(1.651)</b>	100.0%	<b>(0.272)</b>	100.0%	<b>(1.319)</b>	100.0%



<b>EBITDA Reported</b>	<b>2.916</b>		<b>6.762</b>		<b>14.996</b>		<b>4.184</b>		<b>6.834</b>	
<i>% of Net Revenues</i>	4.2%		6.7%		9.9%		6.1%		7.1%	
<b>Incentive Plan Costs</b>	(1.032)		(1.302)		(1.651)		(0.272)		(1.319)	
<b>EBITDA Excl. Incentive Plan Costs</b>	<b>3.948</b>		<b>8.063</b>		<b>16.647</b>		<b>4.456</b>		<b>8.153</b>	
<i>% of Net Revenues</i>	5.7%		7.9%		10.9%		6.5%		8.4%	





*Investor Relations*

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# YOOX GROUP

[www.yooxgroup.com](http://www.yooxgroup.com)

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