# YOOX GROUP

October 2014 Roadshow Presentation

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# YOOX GROUP

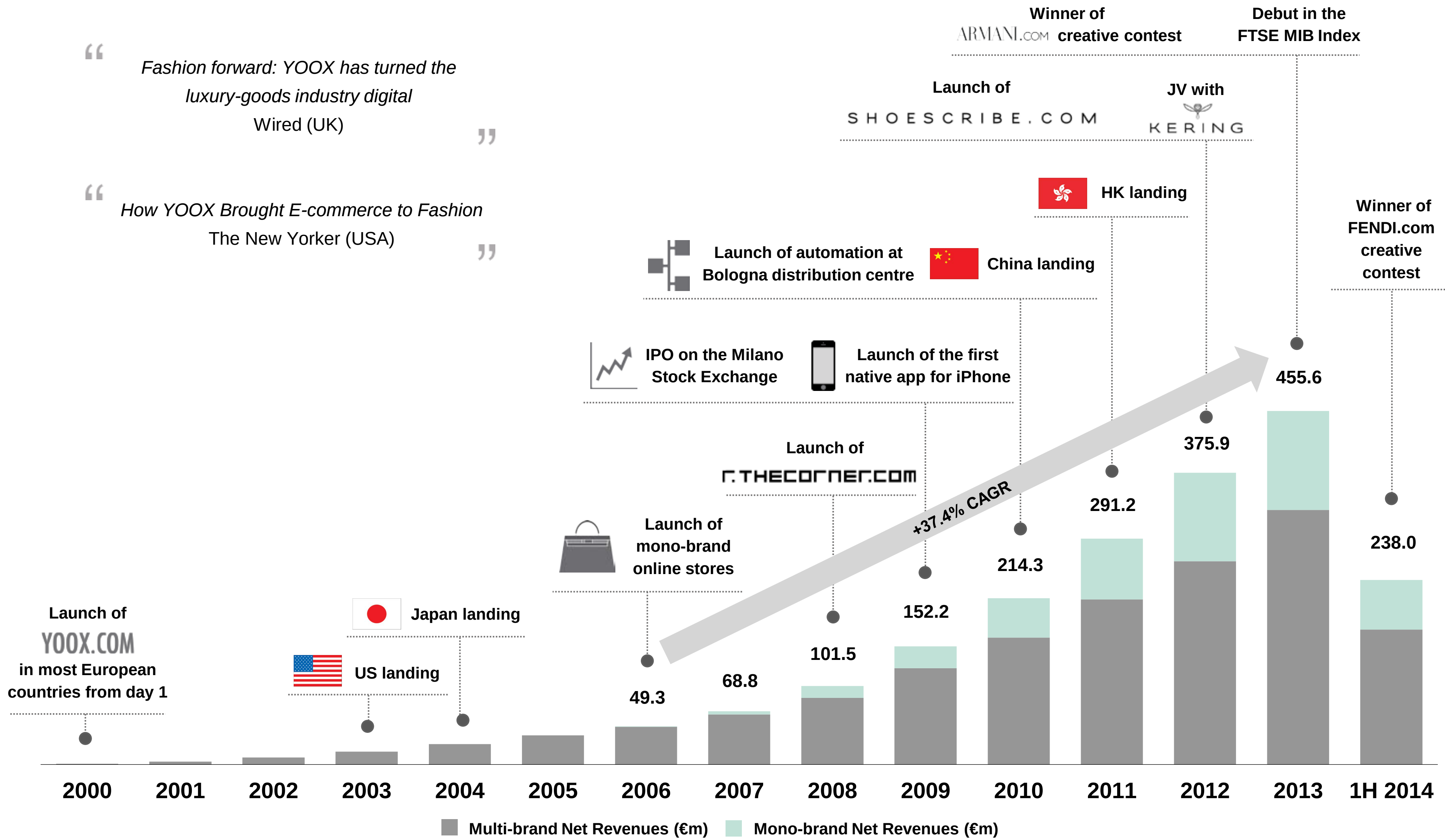
**The Global Internet Retailing Partner**

**for Leading Fashion & Design Brands**

# STRONG TRACK RECORD OF GROWTH FUELLED BY BUSINESS INNOVATION

> *Fashion forward: YOOX has turned the luxury-goods industry digital*
> Wired (UK)

> *How YOOX Brought E-commerce to Fashion*
> The New Yorker (USA)



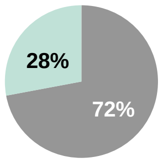

Note: YOOX Group Annual Reports, Italian GAAP 2000-2006, IFRS 2007-1H 2014 results

# YOOX GROUP AT A GLANCE

YOOX GROUP

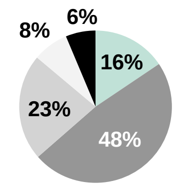
**2013 Highlights**

■ Multi-brand
■ Mono-brand




**2.8m Orders**
**€215 AOV**
**1.1m Active Customers[1]**

**€456m Net Revenues**
**€47m EBITDA Excl. IPC[2]**
**€15m Net Income Excl. IPC[2]**




## MULTI-BRAND

- Proprietary business where the Group operates as an e-tailer under its own brand names

### YOOX.COM

- The world's leading online lifestyle store for fashion, design and art
- Broad offering of end-of-season premium apparel and accessories, exclusive collections, vintage, home & design and artworks

### THECORNER.COM

- The luxury online boutique devoted to creating distinctive style through an eclectic and selective in-season assortment of high fashion and directional designers for men and women
- Dedicated mini-stores

### SHOESCRIBE.COM

- The online destination for women dedicated entirely to in-season high-end shoes
- Exclusive shoe-related services and innovative editorial component

## MONO-BRAND

- Official online flagship stores of leading fashion and luxury brands for whom YOOX is the exclusive partner
- Long-term partnerships

### Online stores "Powered by YOOX Group"

| | | | |
|---|---|---|---|
| ALEXANDER WANG | .com | JIL SANDER | .com |
| ARMANI | .com | MISSONI | .com |
| BRUNELLO CUCINELLI | .com | MONCLER | .com |
| DOLCE & GABBANA | .com | roberto cavalli | .com |
| DSQUARED2 | .com | VALENTINO | .com |
| EMILIO PUCCI | .com | Zegna | .com |

**and many more …**

### JVCo with Kering

| | | | |
|---|---|---|---|
| ALEXANDER McQUEEN | .com | Brioni | .com |
| | | SAINT LAURENT PARIS | .com |
| BALENCIAGA | .com | sergio rossi | .com |
| BOTTEGA VENETA | .com | STELLA McCARTNEY | .com |

*1. Active Customer is defined as a customer who placed at least one order in the 12 preceding months*
*2. EBITDA Excl. IPC and Net Income Excl. IPC refer to EBITDA Excluding Incentive Plan Costs and Net Income Excluding Incentive Plan Costs respectively*
*3. NCR indicates Not Country Related Net Revenues*

# ONE SHARED PLATFORM ACROSS BUSINESS LINES, CHANNELS AND MARKETS

# A GLOBAL REACH WITH LOCAL EXPERTISE

"If you want a global e-commerce operation, there is simply no alternative - Rodrigo Bazan, President of Alexander Wang
Ft.com (UK)"


"YOOX Group, is "obsessed" with making the global e-commerce player a local force
WWD (USA)"

## GLOBAL OPERATIONS…

- **Over 100 countries served, with 99.4% of deliveries on time in 2013**[1]
- **1 order processed every 10 seconds**[2]
- **5 strategically located logistics centres, guaranteeing best-in-class service to all major fashion markets**
  Italy, US, Japan, China, Hong Kong
- **7 Local offices**
  Italy, US, Japan, France, Spain, China, Hong Kong
- **4 Digital production facilities**
  Italy, US, Japan, China
- **7 Customer care centres covering all time zones**

## …WITH MARKET-SPECIFIC CUSTOMER SERVICE OPTIONS

- **11 Languages**
- **8 Currencies**
- **Local payments**
- **Dedicated couriers in selected markets to fulfill specific local needs**
- **Next-day and Saturday delivery selectively available in different markets**
- **Butler service and authenticity RFid seal for China**
- **Delivery by appointment in Japan**
- **5,500 Drop-off points in Spain and France, 11,500 across Europe by 2015**

1. *On time delivery calculations based on shipping partners' data*
2. *Refers to 1H 2014*

# UNIQUE SHOPPING EXPERIENCE COMBINED WITH BEST-IN-CLASS CUSTOMER SERVICE

## INNOVATIVE AND ENTERTAINING SHOPPING EXPERIENCE

**yoox.com ‘Speak & Shop TM’**

**Revolutionary colour search through voice recognition**

**Native & web apps and iPad-optimised sites**

**for the Group’s online stores**


**Interactive videos**

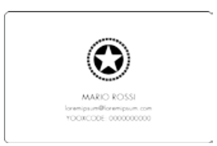
**Reserve directly from the runway**


**Ms. Suzie Scribe**

**Styling advice**

**yoox.com Superstar**

**Loyalty program**




**shoescribe.com shoe organiser**

**Premium stackable shoe box**

## BEST-IN-CLASS CUSTOMER SERVICE

**Proximity to the customer in all key markets**

**Safe payments and easy returns**

**Fast, reliable and 100% traceable deliveries**

**Dedicated customer care, with highly skilled & daily trained professionals**

**Distinctive and customised packaging**

*“Very fast shipping, excellent packaging, communication and overall service - including returning an order and refund. Very pleased”*
Moisis (Thessaloniki, Greece)

*“Easy, fast, the best luxury shopping on the internet. And the customer service is the finest in the industry. They are exceptional in every way”*
Betty (Palm Beach, USA)

*“Everything - from quality of clothes, packaging, quick delivery - is excellent! I will look to use your site for more purchases! Thank you”*
Galina (Cresskill, USA)


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

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# THE MONO-BRAND PROPOSITION: EMPOWERING BRANDS, WHILE SHARING SKILL AND SCALE

**EMPOWERMENT**

Through YOOX Group, Brands keep control over their global channel strategy and gain full ownership of their online flagship store

**QUALITY**

Customisable platform to convey unique brand identities, matching luxury customers’ expectations through a best-in-class service

**INNOVATION POWER**

YOOX acts as the Brands’ Innovation Lab in the fields of user experience and new technologies applied to luxury e-commerce

**SKILL**

14-year experience in global luxury e-commerce available to complement and breed Brands’ internal capabilities

**SCALE**

Brands can access the operational efficiencies arising from YOOX’s scale (shipping rates, handling fees, etc.)

**GLOBAL REACH WITH LOCAL EXPERTISE**

Coverage of over 100 countries worldwide, with highly localised approach in key fashion markets

**EASE AND SPEED TO MARKET**

YOOX Group’s solution allows for a global turnkey set-up minimising channel-specific hurdles

**INCENTIVE ALIGNMENT**

Long-term partnership based on revenue sharing agreement, ensuring full alignment of incentives of both parties

# ONLINE STORES "POWERED BY YOOX GROUP" - HOW IT WORKS

Brands have full control over all key retailing decisions regarding their online flagship store (product assortment, pricing, imagery, marketing and communication, etc.) while YOOX Group is the invisible partner operating the online store leveraging its state-of-the-art technology and high-precision customer logistics tailor-made for fashion

**YOOX's Responsibilities**

- Advisory in designing comprehensive e-tailing strategies
- Online store design in line with usability best practices and set up
- Online store operations:

| | | |
|---|---|---|
| Digital production | Customer care | Managing Brands' web marketing budget (SEM, Affiliate marketing) |
| Handling | Fraud check | Shipping and returns |
| Invoicing & Credit collection | Localisation | Store management |

**YOOX's Additional Services**

- Full web marketing offering
- Content production
- Direct marketing and customer analytics
- Merchandise planning and buying support
- Ideation and development of creative concepts
- Digital PR and Social activities

**Brands' Responsibilities**

- Online store look & feel and imagery guidelines
- Product assortment definition
- Inventory ownership
- Pricing
- Digital communication and web marketing budget
- Store management guidelines

**Terms & Conditions**

- Contract length: 5+ years
- Set-up fee to cover online store initial investment
- Product assortment supplied to YOOX on a consignment basis
- YOOX books 100% of net revenues generated by the online flagship stores under its Mono-brand Net Revenues
- YOOX's compensation based on a revenue sharing model

# YOOX - KERING JOINT VENTURE: KEY HIGHLIGHTS

**STRUCTURE**

- Joint Venture Company incorporated in August 2012: 51% owned by Kering and 49% owned by YOOX Group
- Length of the agreement: 7 years

**BUSINESS SCOPE**

- Management of mono-brand online stores of 7 of Kering's luxury brands: Bottega Veneta, Saint Laurent, Alexander McQueen, Balenciaga, Brioni, Stella McCartney and Sergio Rossi
- Kering may in future decide to involve other brands
- Over 100 countries throughout Europe, North America and Asia Pacific (including China, Hong Kong and Japan)

**ECONOMICS**

- JV consolidated by Kering; YOOX Group recognises its share of the profits of the JV as "Income / (Loss) From Investment In Associates" (equity method)
- YOOX Group receives a fee for the services provided to the JV based on a revenue sharing agreement
- YOOX only books its revenue share under its Mono-brand Net Revenues as opposed to a traditional mono-brand contract, where the full amount invoiced to final customers is booked
- YOOX Group carries no inventory on its balance sheet
- Profitability per amount invoiced to final customer aligned with Mono-brand average
- Put and call options on YOOX's stake in the JV exercisable by YOOX Group and Kering respectively in 4Q 2019

# A LONG-TERM WINNING PARTNERSHIP

YOOX GROUP

**contributes**

- consolidated know-how in digital luxury fashion
- global and state-of-the-art technology and high precision customer logistics tailor-made for fashion

**by managing**

- technology and R&D
- logistics (warehousing, handling and worldwide deliveries)
- localisation services

“ *YOOX is the best player when it comes to e-commerce and logistics platforms in the world of luxury and technology - François-Henri Pinault, Chairman and CEO of Kering*

Business of Fashion ”

**JVCo**

**capitalises on**

leading positions in respective sectors and shared vision on

- creativity and innovation
- the customer as most valuable asset
- best-in-class service
- commitment to excellence

**by managing**

- web design
- digital production
- customer care
- online store management
- web marketing & CRM

KERING

**contributes**

- longstanding heritage in the luxury sector
- a collection of world-leading and widely-recognised luxury brands with their highly desirable products

**Brands are responsible for**

- art direction
- communication (digital PR, guidelines for web marketing & CRM)
- product assortment planning & pricing

**Objective**: to support Kering brands in accelerating their global digital presence and fully realise their potential

# OUR GLOBAL STRATEGIC PARTNERSHIPS IN THE MONO-BRAND BUSINESS LINE

## Online stores "Powered by YOOX Group"

kartell.com

dodo.it

missoni.com

alexanderwang.com

pomellato.com

pringlescotland.com

barbarabui.com

trussardi.com

armani.com

moncler.com

dolcegabbana.com

bikkembergs.com

brunellocucinelli.com

y-3store.com

zegna.com

maisonmartinmargiela.com

albertaferretti.com

napapijri.com

robertocavalli.com

jilsander.com

dsquared2.com

moschino.com

emiliopucci.com

valentino.com

stoneisland.com

diesel.com

emporioarmani.com

marni.com

## JVCo with Kering

brioni.com

ysl.com

balenciaga.com

alexandermcqueen.com

stellamccartney.com

bottegaveneta.com

sergiorossi.com

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# ENABLING THE FUSION OF E-COMMERCE AND LUXURY

TECHNOLOGY IS DRIVING CHANGES IN CONSUMER BEHAVIOR, INCREASINGLY AFFECTING LUXURY CONSUMPTION

THE PACE OF CHANGE IS ACCELERATING

“*YOOX Group linked fashion and Internet - Now, a gentle click will enable you to “touch” fashion*
Modern Weekly (China)”

“*It is hard to think to a company that has played a bigger role in bringing some e-commerce expertise to high-end fashion*
The Daily Telegraph”

YOOX GROUP

**at the convergence of**

**E-COMMERCE**

Technology-driven industry

**LUXURY**

Customers and brand partners demanding superior and personalised experiences

**driving INNOVATION**

**delivering QUALITY**

**TECHNOLOGY and LOGISTICS platforms can be either a CONSTRAINT or an ENABLER…**

**We are working hard to ensure our platform continues to be the ENABLING FACTOR of our LONG-TERM SUCCESS**

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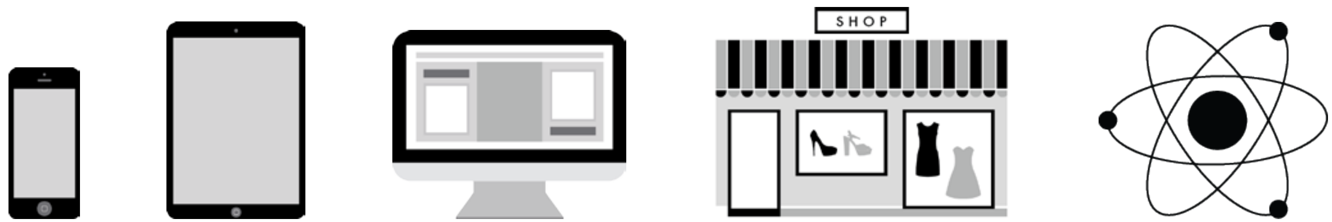
# TECHNOLOGY - A SERVICE ORIENTED ARCHITECTURE (SOA)

**Customer Touchpoints**




**Product Design**

- yoox.com
- thecorner.com shoescribe.com
- online flagship stores
- partner systems and affiliates

**Application Platform Design**

**APIs and Web Services**

**Application Services**

| | | |
|---|---|---|
| Merchandising | CRM, Campaign Management | Warehouse Management and Integration |
| Digital Production | Customer Service | Cart, Payment, Promotion |
| Products | Customers | Orders |

**Business Intelligence** | **Platform Services**

**Infrastructure**

Governance and Innovation

Process control / Delivery methodology

# A PROVEN PROPRIETARY TECHNOLOGY PLATFORM TAILORED TO ONLINE FASHION

| | |
|---|---|
| **Scalable & Reliable** | ▪ Multi-tenant architecture powering a growing number of online stores with minimal or no additional effort<br>▪ Decentralised yet integrated (Service Oriented Architecture)<br>▪ Designed for redundancy leveraging Cloud Technology |
| **Flexible & Customisable** | ▪ Capable of operating multiple models such as multi-brand and mono-brand<br>▪ Able to provide highly differentiated brand experiences with limited marginal effort<br>▪ Able to easily integrate with disparate partner systems and solutions (such as logistics, end-to-end customer care processes, affiliates, etc.) |
| **Multi-Market & Omni-Channel** | ▪ Covering 100+ countries, with solutions fully localised for strategic markets in North America, Europe and Far East<br>▪ Designed to allow quick entry into new geographical markets with proven expertise and technology<br>▪ Omni-channel enabled to provide seamless brand experience across devices and to deliver integration capabilities across channels |
| **Innovation driven** | ▪ Equipped with internal R&D unit scouting for new technology solutions to foster innovation<br>▪ Leveraging product presentation solutions, such as videos, and innovative enhanced experience applications, such as ‘Speak & Shop™’ and yGridr, to increase customer engagement and conversion |
| **Customer-oriented** | ▪ Designed to easily integrate CRM solutions and deliver personalised online shopping experiences to increase retention, customer engagement and drive cross-selling opportunities<br>▪ Leverage big data technologies to gain customer insights to maximise marketing effectiveness and brand loyalty |

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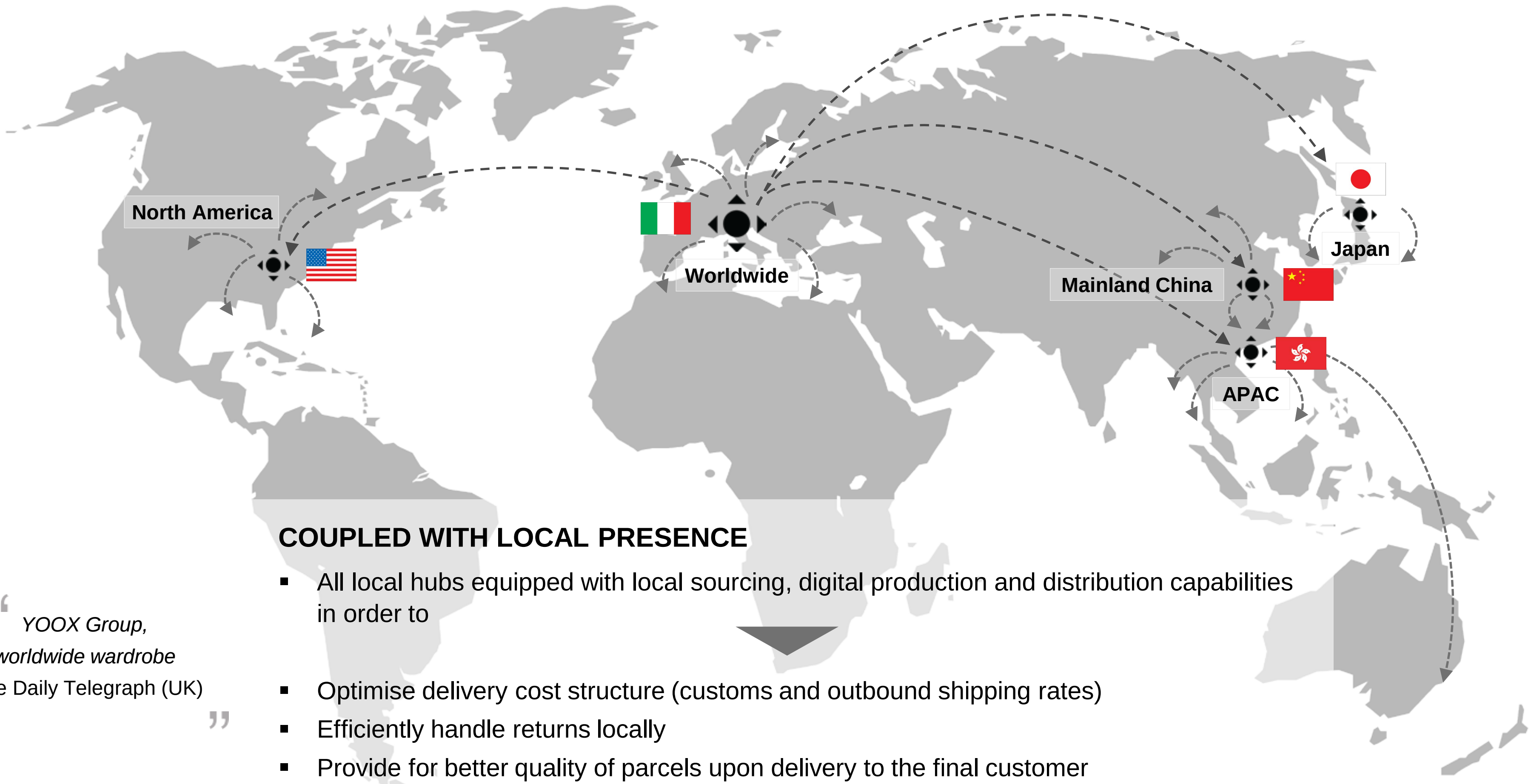
# A GLOBAL VIRTUAL INVENTORY TO MAXIMISE OVERALL SELL-THROUGH AND MARGINS

- Vast majority of assortment “broadcasted” globally from Italy to 14 million monthly unique visitors to maximise efficiency of inventory management
- Worldwide distribution from Italy leveraging local transhipment hubs in key strategic fashion markets



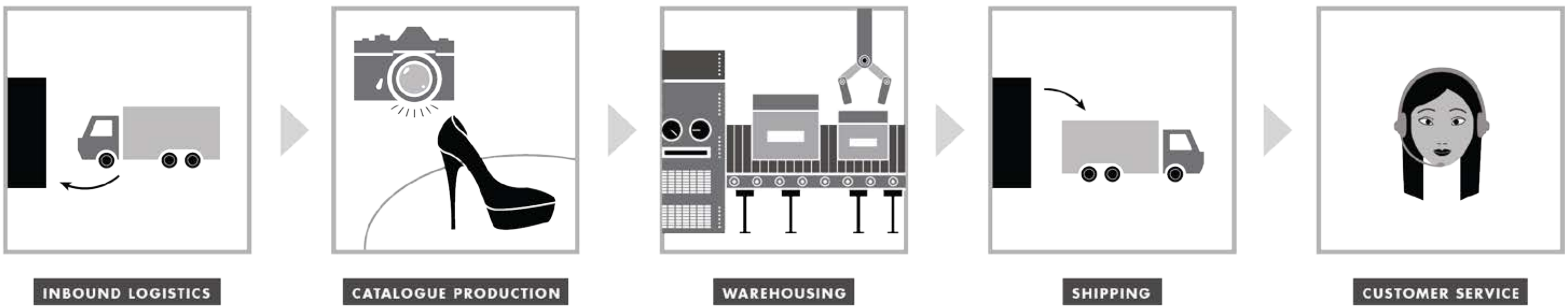

## COUPLED WITH LOCAL PRESENCE

- All local hubs equipped with local sourcing, digital production and distribution capabilities in order to
- Optimise delivery cost structure (customs and outbound shipping rates)
- Efficiently handle returns locally
- Provide for better quality of parcels upon delivery to the final customer

“*YOOX Group, worldwide wardrobe*”
The Daily Telegraph (UK)

Logistics Centres

# OUR LOGISTICS VALUE CHAIN



# A UNIQUE COMBINATION OF INNOVATION AND CRAFTSMANSHIP

## YOOX.COM

- Photo shooting managed through high degree of automation leveraging:
  - Very wide assortment (1 million SKUs in 2013)
  - High volumes
  - Standardised photographic guidelines
- ~ 65% of yoox.com SKUs shot through automation in 2013, rising to 90% by 2016

**New internally-engineered automated equipment currently in testing…**

## THECORNER.COM SHOESCRIBE.COM MONO-BRAND

- Photo shooting mainly handled manually by skilled professionals and with a very high level of customisation owing to:
  - Higher item value
  - Deeper assortment and relatively limited volumes per online store
  - Different specifications for each online store and product category
  - Tailored photographic guidelines defined by our mono-brand partners to fully reflect their brand identities

# A STATE-OF-THE-ART AUTOMATED GLOBAL DISTRIBUTION PLATFORM

## THE AUTOMATION PROJECT

**Why**
- Service the Group's global growth
- Drive operational efficiency
- Provide best-in-class customer service

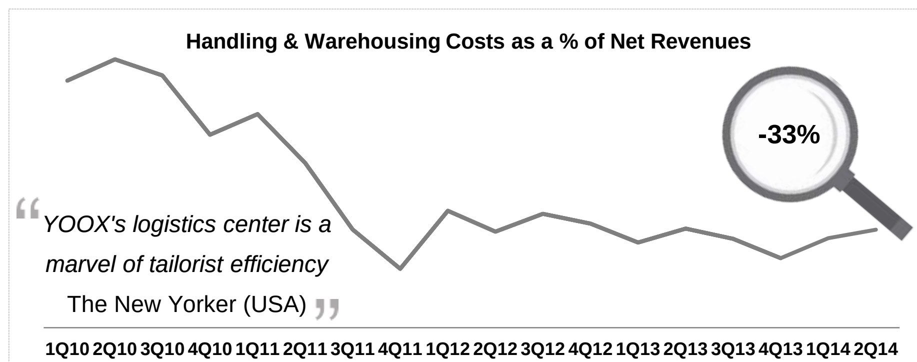
**When**
- Project launched in 4Q 2010, live in 3Q 2011
- Successfully completed in late February 2013

**Where**
- Existing Interporto distribution centre (Bologna, Italy)

**What**
- Set up of automated Order Storage & Retrieval system for folded garments and smaller items
- Sort & Pack solution for picking and packing
- Traditional manual handling for hanging garments and bulky goods

## BENEFITS

- Significantly **increased storage capacity** and **throughput**
- **Reduced handling & warehousing costs** as a percentage of Net Revenues by 33% (down 110 bps in 2Q 14 vs. 3Q 10) thanks to:
  - optimisation of space usage
  - lower labour intensity
- **Improved customer service**
  - higher order accuracy thanks to full deployment of RFid technology
  - record level of on-time deliveries thanks to significant improvements of order fulfillment capabilities (99.4% of deliveries on time in 2013)
- **Avoided major relocation costs associated to a potential move**
- **Accurate and real-time control of stock levels** thanks to full deployment of RFid technology
- **Low environmental impact**
  - All totes made from recycled materials and 100% recyclable



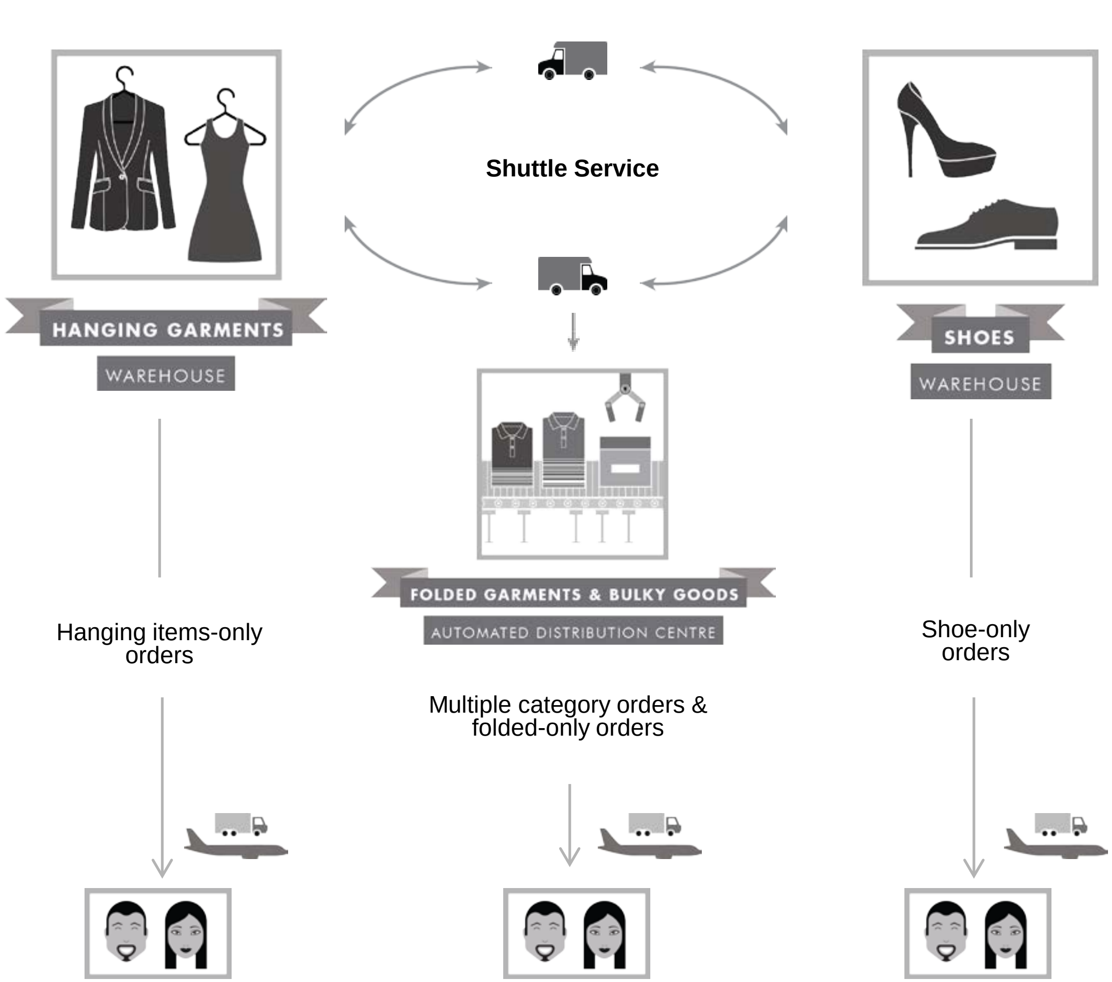
# HOW TO GET THE MOST OUT OF OUR AUTOMATION INVESTMENTS: A MODULAR APPROACH TO LOGISTICS

**HANGING GARMENTS**

WAREHOUSE

- Opened in 2013
- Equipped with independent shipping capabilities
- Semi-automated with RFid technology and automated conveyors
- 24,000 sqm
- Leased

1/3 of orders containing hanging items are hanging item-only orders




**SHOES**

WAREHOUSE

- Opening in 2015
- Equipped with independent shipping capabilities
- Semi-automated with RFid technology and automated conveyors
- ~20,000 sqm
- Leased

2/3 of orders containing shoes are shoe-only orders

**The new modular logistics network will allow us to significantly optimise storage capacity, thus extending the longevity of our automated warehouse through 2019 / 2020 while maximising return on recent investments. This will also provide us with the ultimate flexibility to add incremental capacity as needed**

**Our modular logistics strategy will be:**

## SCALABLE

***Extra warehouse space*** based on business needs can be ***easily*** added and with ***limited investment***, leveraging on our current location at the Interporto logistics pole

## FLEXIBLE

Possibility to ***quickly*** and ***easily*** adjust logistics platform ***based on evolving*** business ***needs*** (change in product category mix, pace of growth, new business developments, etc.)

## SPECIALISED

***Specific know-how*** and ***expertise*** guaranteed by management of multiple warehouses specialised by logistics categories (folded, hanging garments, shoe boxes, etc.) will increasingly translate into ***greater efficiency*** and a reduced time to market

## LONG-TERM

***Longevity*** of our automated logistics and distribution platform extended through 2019 / 2020

## RISK-AVERSE

***Reduced dependence*** on one single warehouse for our storage and order fulfillment capabilities

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## A NEW GENERATION OF LUXURY GOODS SHOPPERS IS EMERGING…

**Internet Aware**

**Engages** with brands **globally** and **from multiple locations**

**Tech-Savvy**

**Embracing tablet** technology **faster**

**Hyper-connected**

Often accesses the Internet from mobile and **demands** a more **sophisticated mobile experience**

**Socially active online** - more likely to engage with brands via social networks

**Younger** than the average shopper

# …CHALLENGING THE TRADITIONAL RETAIL PARADIGM BUILT ON SILOED CHANNELS

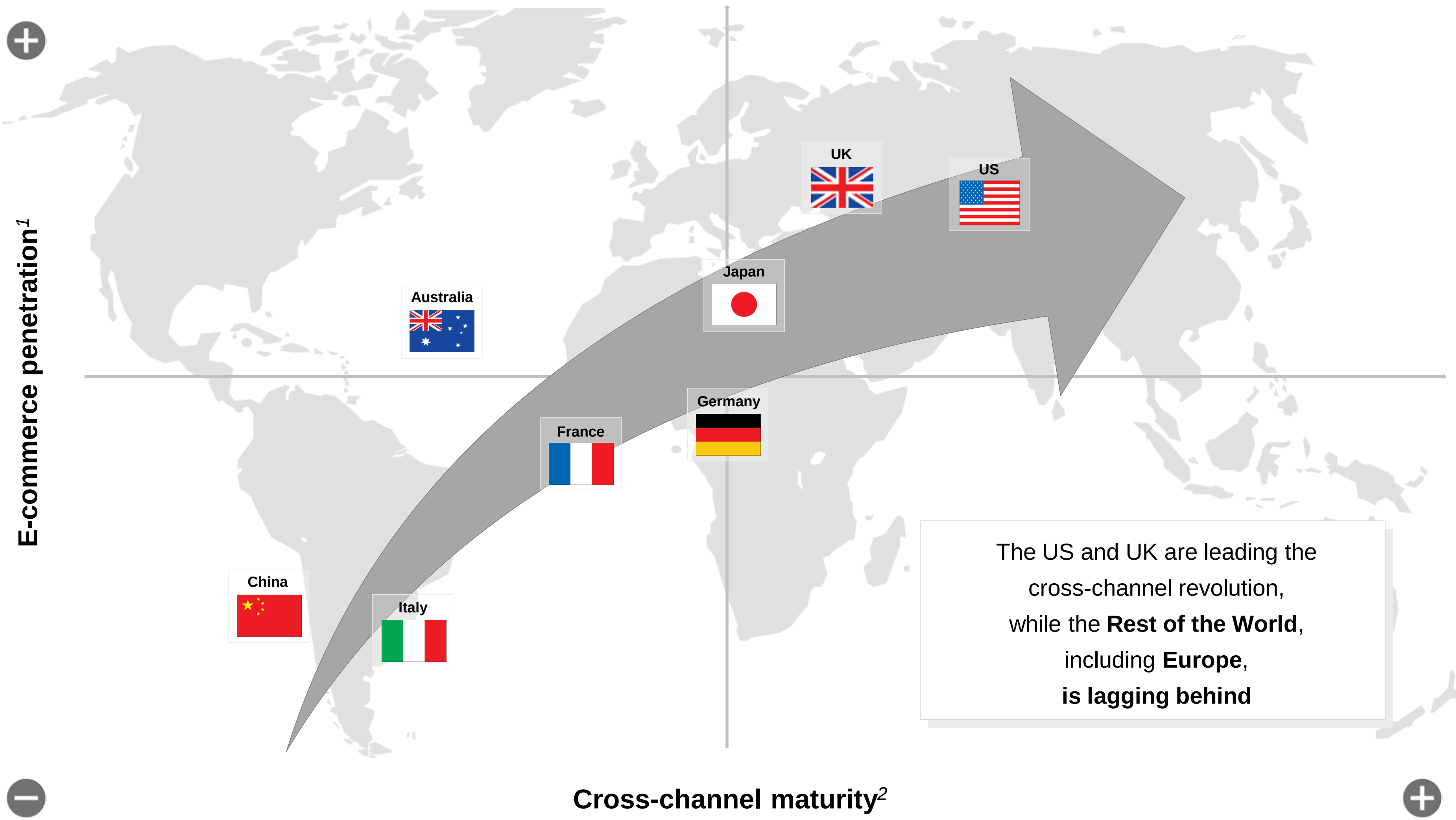
**The luxury goods consumer**

| Uses multiple devices | No longer thinks in terms of channels | Moves between multiple touchpoints during her shopping journey | Often shops from different markets |
|---|---|---|---|


**Expects a consistent, seamless and above all continuous brand experience across every touchpoint**

# THE CROSS-CHANNEL LANDSCAPE ACROSS GEOGRAPHICAL MARKETS

Across geographical markets there is a **strong correlation** between **e-commerce maturity** and **cross-channel development**

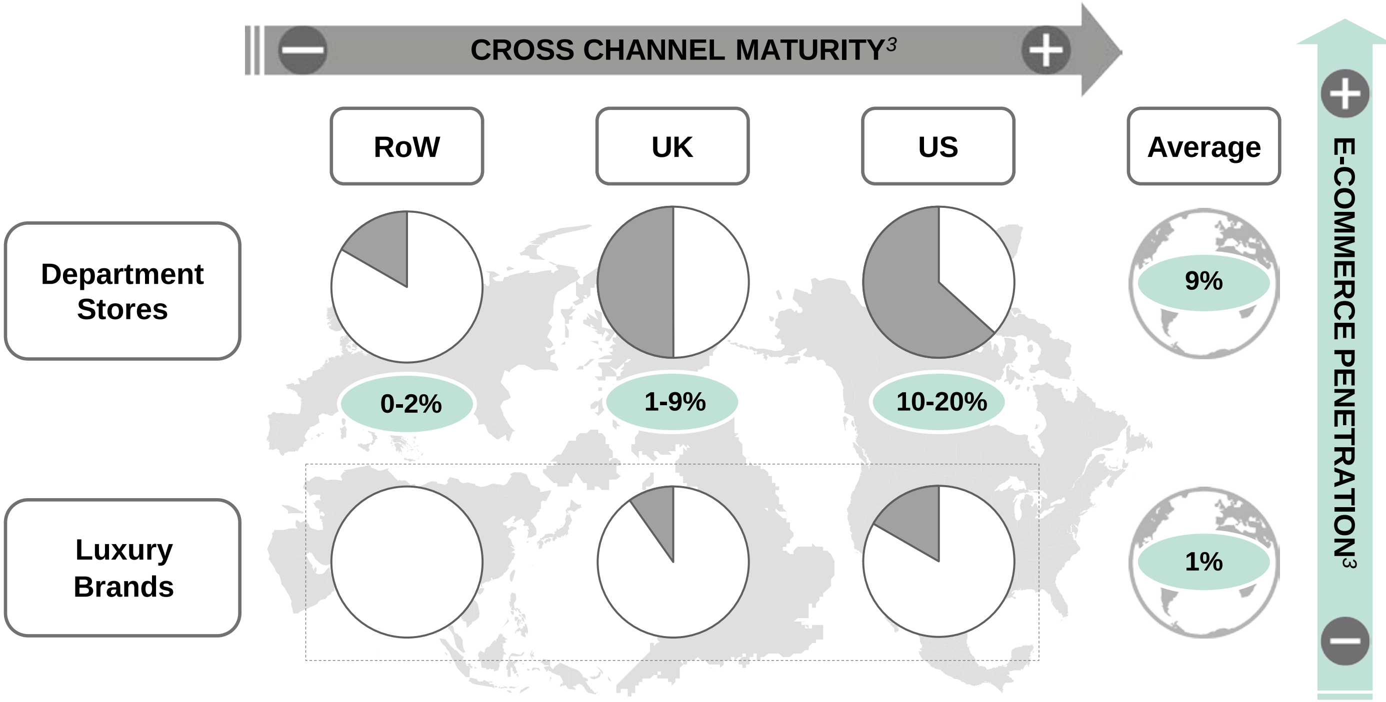



The US and UK are leading the cross-channel revolution, while the **Rest of the World**, including **Europe**, **is lagging behind**

*Note: For sources cited on this slide, please refer to slide 68*

# THE GLOBAL CROSS-CHANNEL LANDSCAPE IN THE LUXURY SPACE

In the high-end fashion and luxury industry, there is a **strong correlation** between **cross-channel maturity** and **e-commerce penetration**




**US upscale department stores** have been developing cross-channel strategies which allow them to be **more effective** in **interacting with their customers**

**Luxury brands**, the late adopters of e-commerce, **are also the furthest behind in cross-channel integration**

**US upscale department stores are leading the game in cross-channel development, thus achieving the highest e-commerce penetration**

**Luxury brands have tremendous mid-term upside potential**

*Note: For sources cited on this slide, please refer to slide 68*

# TRANSLATING CROSS CHANNELLING INTO VALUE FOR LUXURY BRANDS

**Seamlessness is the ability to deliver an enhanced customer value proposition by connecting distribution channels**

- **Consistent experience regardless of channel**
- **Flexible fulfillment and return options**
- **Personalised interactions across channels**
- **Richer and more engaging brand experience**

- **Greater customer loyalty (higher frequency and spending)**
- **Increased customer acquisition capabilities**

**Huge potential to increase sales in the medium to long term both online and offline**

**Protect and magnify brand identity across all customer touchpoints**

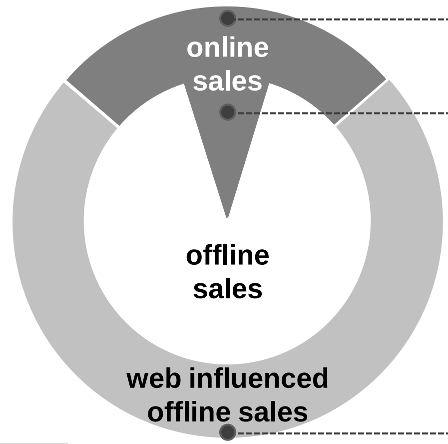
# THE CROSS CHANNEL OPPORTUNITY FOR LUXURY BRANDS…TOO BIG TO BE MISSED

- Cross channelling will be one of the driving forces behind the growth in luxury consumption
- The incremental business is to be weighted more towards the online channel
  - Greater proximity to the customer (websites accessible anytime, anywhere)
  - Greater effectiveness of marketing and CRM campaigns
  - Possibility to leverage online the much larger offline customer base

**2013**


**~ €10bn** global online luxury sales in **2013**, accounting for **4.5%** of total market[4]

**2017**




**€17bn** global online luxury sales in 2017, accounting for c. **6%** of total market[5]

Over **half of total retail sales** will be influenced by online in 2017[6]

**Luxury Brands are embarking globally in cross-channelling to drive growth and reinforce relationships with customers**

**By supporting its partners along the cross-channel revolution,**
**YOOX will directly benefit from the leap in e-commerce penetration and get even more deeply entrenched into their retail model**

“ *YOOX Group, The New Age of Internet Shopping*
Harpersbazaar.co.uk ”

“ *This is my first and only online flagship store, let's make it beautiful - Brunello Cucinelli*
WWD (USA) ”

*Note: For sources cited on this slide, please refer to slide 68*

# OUR VISION OF ENABLING CROSS-CHANNELLING FOR OUR LUXURY BRAND PARTNERS

**Database Integration**
Online & offline customer information integrated in a single database through unique identifier

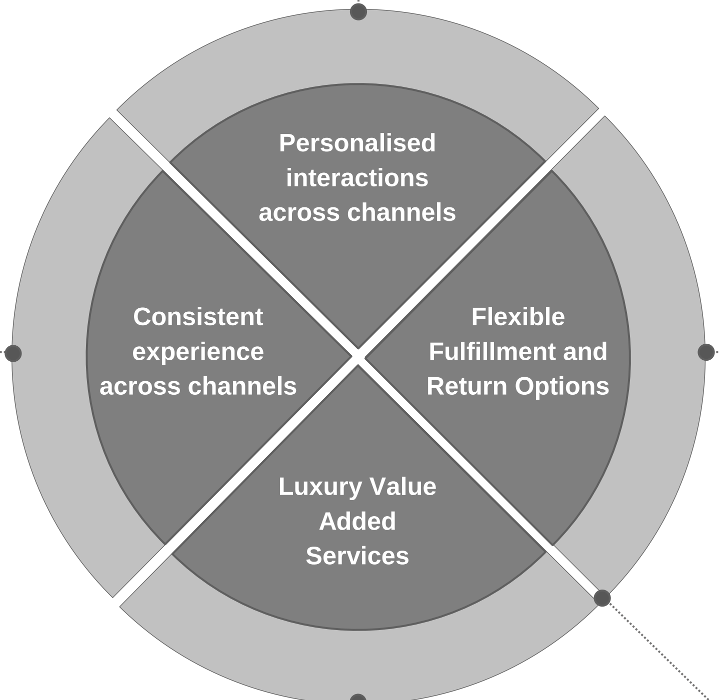
**Cross-Channel Gift Card**
Pre-paid gift cards for both online & offline purchases

**Integrated Loyalty Program**
Earn reward points for both online and in-store purchases

**Multi-Channel Delivery**
Consistent experience across devices (e.g., smartphones, tablets) enhanced by the use of responsive design technology

**Augmented Visual Merchandising**
Bring in-store rich digital content (e.g., detailed product pages, streaming from the catwalk)

**Check In-Store Availability Online**
Check online in-store product availability




**Click & Collect or Reserve**
Buy online and pick up in store or Reserve online and pay in store upon pick-up

**Return In Store**
Buy online and return in store

**Click From Store**
Browse and buy online from in-store kiosks or iPads

**Click & Exchange**
Buy online, return and exchange in store

**Ship From Store & Same-Day Delivery**
Buy most precious pieces online and ship them from the nearest store

**Book a Tailoring Appointment**
Book online an in-store appointment with a tailoring specialist

**Buy On Call**
Buy over the phone with the support of experienced consultants

**Click For Fashion Advice**
Get phone assistance from a consultant while shopping online

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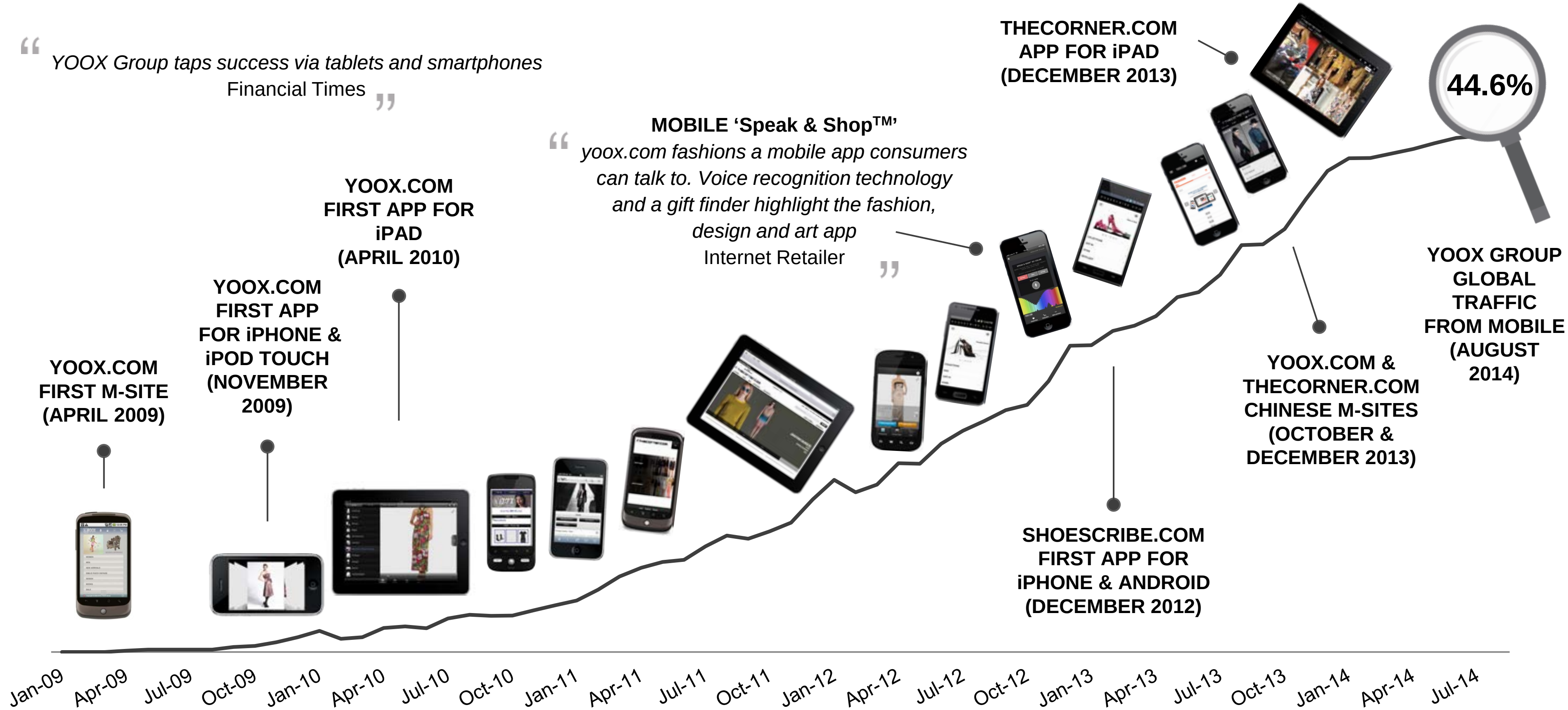
# RIDING THE MOBILE WAVE




- 2006: ANTICIPATING THE MOBILE REVOLUTION VIA THE LAUNCH OF A MOBILE TASKFORCE
- YOOX.COM FIRST-EVER MOBILE SITE & APP FOR iPHONE AND iPOD TOUCH
- YOOX.COM FIRST-EVER APP FOR iPAD LAUNCHED WORLDWIDE ON SAME DAY OF THE iPAD DEBUT IN THE US
- DEVELOPMENT OF M-SITES FOR THE GROUP'S ONLINE STORES & OPTIMISATION FOR TABLET
- DEVELOPMENT OF CUSTOMISED M-CAMPAIGNS

# MOBILE IS FUELLING OUR HOME MARKET GROWTH

**58%** Internet Penetration (vs. 74% Western Europe Average)[7]

**22%** Broadband Penetration (vs. 31% Western Europe Average)[8]

| | 2013 | 2017 |
|---|---|---|
| | **61 million inhabitants[7]** | |
| | **46 million smartphones[9]** | **78 million smartphones[9]** |
| | **7 million tablets[9]** | **23 million tablets[9]** |

**1.3 smartphone per person**

## MOBILE IS BRIDGING THE GAP BETWEEN INTERNET PENETRATION AND E-COMMERCE

YOOX GROUP

**Contribution from mobile to total sales in Italy 27% higher than worldwide**

**AOV from mobile devices in Italy 5% higher than desktop's**

*Note: YOOX Group data relate to August 2014*
*For sources cited on this slide, please refer to slide 68*

## TABLE OF CONTENTS

- The advent of technology is changing the way media is consumed and how media companies reach their audience

- The general trend is falling engagement with print formats - leading to declining circulation of print newspapers and magazines - alongside shift in emphasis to digital versions

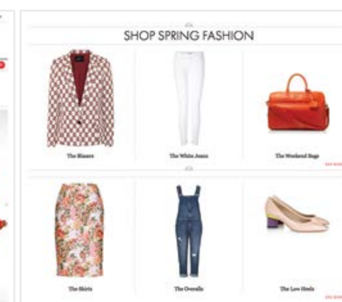
- Faced with the reality of declining sales from print and print advertising revenues, publishers are looking for new income streams and a way to monetise the demand they create by setting trends through rich fashion content

**The line between content and commerce is increasingly intertwining**

- “editorial commerce” is emerging as the answer to fulfill that demand: readers want to access the products at the end of the story

- Nearly all fashion publishers have already embarked on some kind of e-commerce experiment but most of them with solutions which resulted in mere marketing affiliations offering poor and disconnected customer experience



# "PRODUCT BROADCASTING": THE YOOX WAY TO BRIDGE THE GAP BETWEEN TELLING AND SELLING

**YOOX Group can magnify its luxury product assortment onto numerous and varied third-party selling platforms, thanks to its flexible technology, allowing a seamless transition from content fruition to shopping experience**



**…thus enabling fashion magazines to create an immediate and seamless connection between content and commerce**



### by providing…

- Established relationships with leading fashion brands across multi-brand and mono-brand
- Global and state-of-the-art technology and high precision customer logistics tailor-made for fashion
- Consolidated know-how in digital luxury

### by benefiting from…

- Enhanced positioning and greater visibility in the luxury industry
- Access to new and highly-qualified audience
- Access to high-quality content
- Third parties' marketing efforts
- Maximised sell through and margins

# YOOX GROUP PARTNERS WITH HEARST FOR ShopBAZAAR.COM

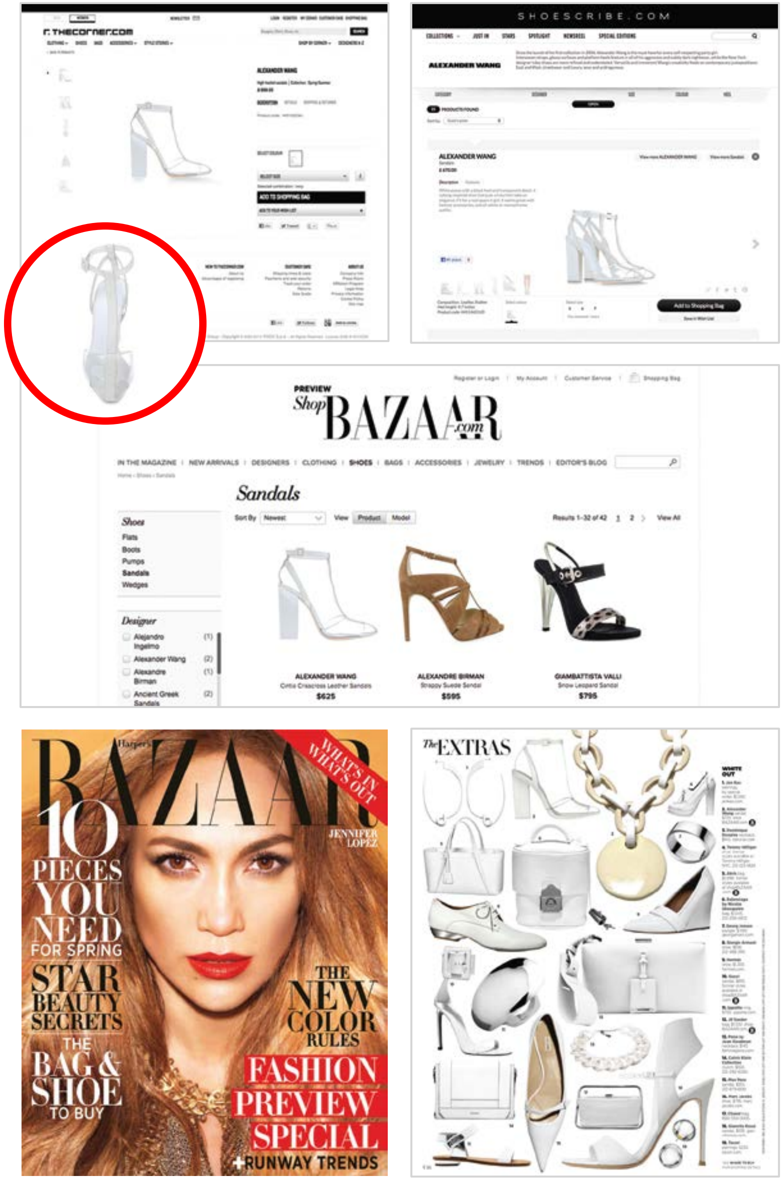
**HEARST magazines**

**One of the world's largest publishers of monthly magazines**

**YOOX GROUP**

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

# CONTENT TO COMMERCE - KEY PARTNERSHIP HIGHLIGHTS




- Long term partnership in the US, launched in September 2013

- YOOX enables the “commerce” component of ShopBAZAAR.com via
  - Provision of its own digital products: thecorner.com (“TC”) and shoescribe.com (“SS”) - the lead retail partners - contributing a significant portion of ShopBAZAAR’s featured assortment
  - Order fulfillment from YOOX’s US distribution centre and returns management

- Transactions occur on ShopBAZAAR’s cart allowing customers to never abandon the online magazine. ShopBAZAAR is in charge of
  - Invoicing, fraud checking, payment collection, refunds, last-mile delivery
  - Marketing and customer care

- Fully shared ownership of customer data for orders fulfilled through the partnership

- Harper’s Bazaar also provides YOOX Group with extensive visibility to its highly-qualified fashion audience in the form of
  - Advertising pages in print magazine
  - Explicit reference to TC and SS on ShopBAZAAR
  - Promoting TC and SS through ShopBAZAAR e-mail campaigns
  - High-quality content

# TABLE OF CONTENTS

# FIRST HALF ENDED 30 JUNE 2014 - RESULTS HIGHLIGHTS

- Group's **net revenues** at €238m, up 15% (+19% at constant FX) compared with €207m in 1H 2013
  - Positive growth from all key geographic markets, despite currency headwinds; Italy among the fastest growing countries
  - Multi-brand up 17% (+21% at constant FX) and further accelerating in 2Q 2014, up 19% (+22% at constant FX)
  - Mono-brand net revenues up 9% (+12% at constant FX) and Mono-brand Gross Merchandise Value[1] up 21% (+24% at constant FX)
- Strong operating leverage from all cost lines drove significant improvement in profitability despite sharp currency depreciation
  - **EBITDA** at €17.9m, up 32% with a margin of 7.5% (vs. 6.5% in 1H 2013)
  - **EBITDA excluding incentive plan costs** at €18.7m, up 14% with a margin of 7.9% in line with 1H 2013
  - **Net income** at €2.6m, up 16% compared with €2.2m in 1H 2013
- Positive **net financial position** at €5.1m (vs. €20.5m at December 2013 and €6.4m at June 2013)

*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*
*In this presentation, second-quarter figures are calculated as the difference between the first-half results and the results for the first-quarter of the same year*
*1. Retail value of sales of all the mono-brand online stores, net of returns and customer discounts. Set-up, design and maintenance fees for the mono-brand online stores are excluded*

# YOOX.COM: A ONE STOP SHOP, NOW ALSO FOR SPORTSWEAR AND SUNGLASSES

Assortment enriched through **selected in-season offer**:
- **new lifestyle categories** to widen customer reach and increase cross-selling opportunities within our customer base, capitalising on our users' insights
- **broader selection** of **existing successful categories**

## SPORTSWEAR AND SUNGLASSES

### Lifestyle sportswear - "Fit for Style"

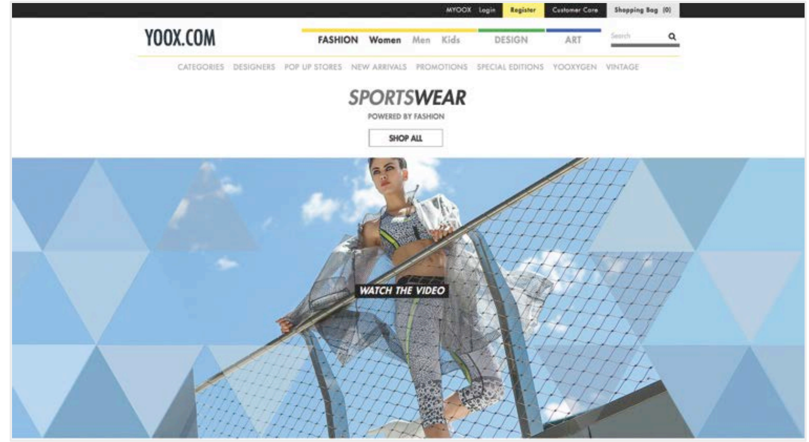
- Fashion and Sportswear becoming increasingly intertwined
- Sportswear[10] sales growth has consistently **outperformed** the apparel[11] category by 26% since 2008, reaching $255bn in 2013 and expected to continue outpacing it by 12% over the next 5 years
- Sportswear[10] enjoys a significantly **higher online penetration** compared with luxury[4] (7% vs. 4.5% in 2013)
- Luxury multi-brand e-tailers have limited offering while specialty e-stores lack the fashion component: YOOX will be **filling the gap** in the European market

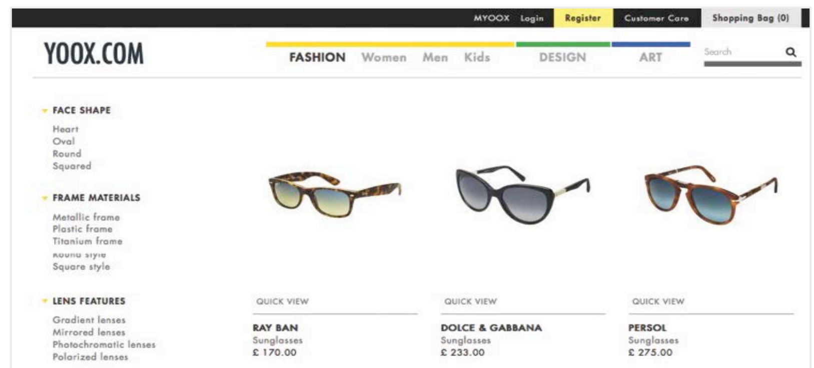
### Sunglasses

- Sunglasses[12] market worth $20bn worldwide in 2013; luxury sunglasses[13] expected to drive the future growth within this sector
- Luxury sunglasses[13] projected to **outpace** the **growth of other accessories**[14] excl. footwear by 19% over the next 5 years
- **Great business opportunity** thanks to very limited online distribution

## POP UP STORES: A WIN-WIN MODEL

- A **successful model** offering Brands huge visibility, a springboard for a quick and global e-commerce business leveraging the huge customer base and yoox.com's powerful platform





*Note: For sources cited on this slide, please refer to slide 68*

## FURTHER CEMENTING THE MONO-BRAND LONG-TERM AND PROFITABLE GROWTH

Continued focus on highest potential partnerships through the dynamic and profit-driven mono-brand portfolio management:

### NEW BUSINESS DEVELOPMENTS

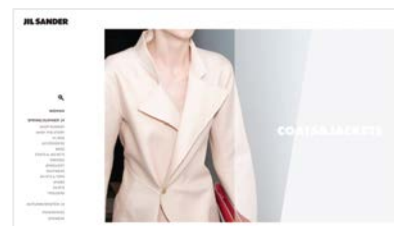
- **Lanvin** - signed **letter of intent** to finalise a global partnership for the set-up and management of the Lanvin online store
- **Alexander Wang** - signed **new agreement** for the **management** of the online flagship store **in the US**, where alexanderwang.com already boasts a significant e-commerce business. Existing mono-brand partnership for Europe and Asia - which has now become global with the launch in the US on 1 July - also extended until 31 December 2017
- **Kartell launched** in Europe and **Sergio Rossi extended** to **China** in 2Q 2014

LANVIN
PARIS




### RENEWALS

- **Renewed partnership** with **Jil Sander** for a further 5 years until 2019
- **3 agreements** to be terminated, in joint decision with the Brands, upon their expiry in 2014: Coccinelle and Vicini (30 September) and Bally (31 August). All together contributing to ~1% of YOOX Group's 2013 Net Revenues




### YOOX'S CREATIVE WEB AGENCY

- **FENDI** (**LVMH Group**) - awarded the **creative concept design** of the new release of fendi.com, after winning a pitch against top international web agencies. FENDI is the first client of YOOX's creative web agency outside of the mono-brand portfolio
- **Marni** - signed **agreement** for the design and development of the **creative concept** of the marni.com new release

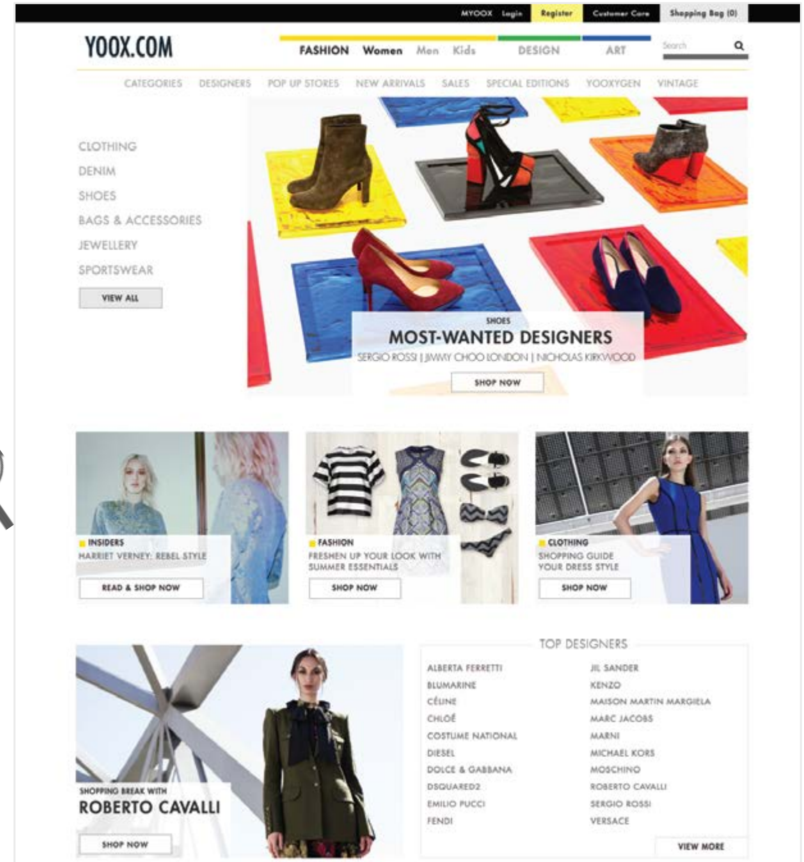
FENDI MARNI

# EMPOWERING PERFORMACE

## "THE NEW YOOX.COM": EMPOWERING PERFORMACE

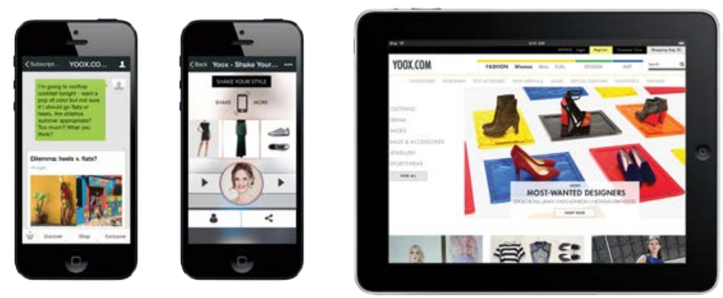
- Brand **new user interface** and **look** conceived to **improve** the **site usability**, and make the **path-to-purchase experience** even **simpler** and **faster**, driving improvements in conversion rate
- Magnified visibility of the Pop Up Stores area and further improved user experience with the introduction of tailored research attributes for new categories
- **MYOOX** area **redesigned** based on customer feedback and further **enriched** with new **personalised content**, **greater social media integration** and a more informative last order & return status, which minimises contacts to customer care

Evidence from first 2 weeks:
✓ Conversion rate **+18%** ✓ Bounce rate **-3%** ✓ Check-out funnel **+11%**




## FURTHER UNLOCKING THE MOBILE POTENTIAL…

- **New mobile sites** released for some of the Group's **mono-brand online stores** and **new iOS & Android native app** for **yoox.com** to launch in October
- **Global partnership** for **social m-commerce** launched with Tencent's **WeChat**, the leading mobile social communication app: on yoox.com's official account, followers can access dedicated shoppable content and promotions, real time chat with YOOX's customer care and style advisors. First launched in July on yoox.com in the US, Italy and China and soon to be rolled-out to other online stores of the Group

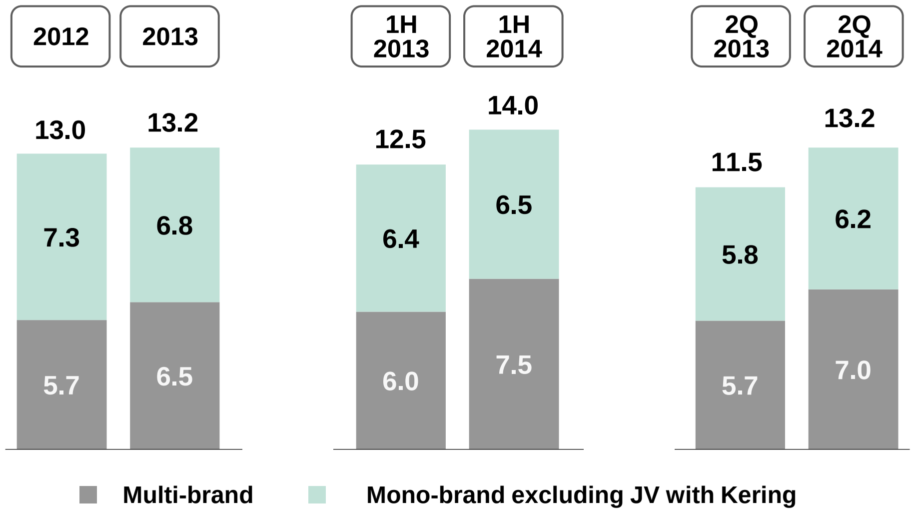



## … WHILE CONTINUING IMPROVING CUSTOMER SERVICE

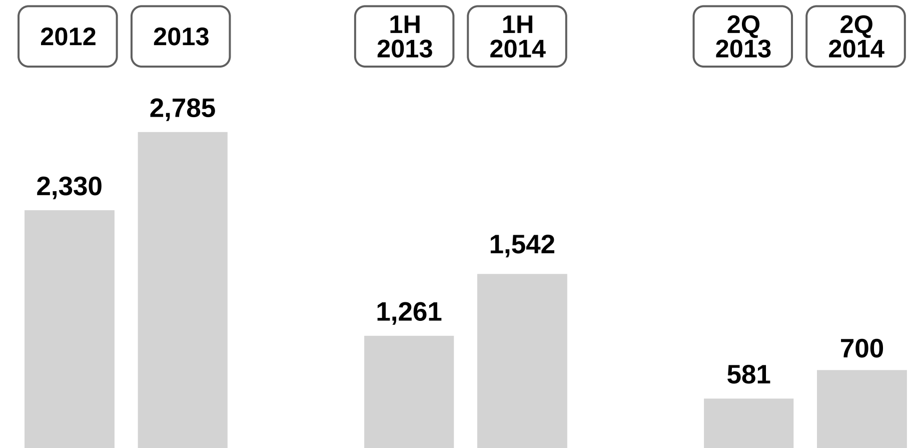
- Network of **thousands of pick-up & drop-off** points introduced for yoox.com in Spain and France, allowing for extended collect and return times including late evenings and week-ends. Soon to be launched in Germany, UK and Benelux
- Group's currencies brought to **8** with the introduction of the **South Korean Won**

# KEY PERFORMANCE INDICATORS[1]

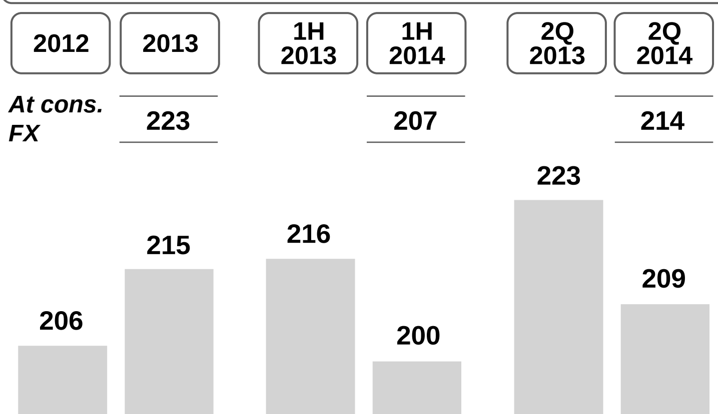
## MONTHLY UNIQUE VISITORS (M)[2]




## # ORDERS ('000) - GROUP

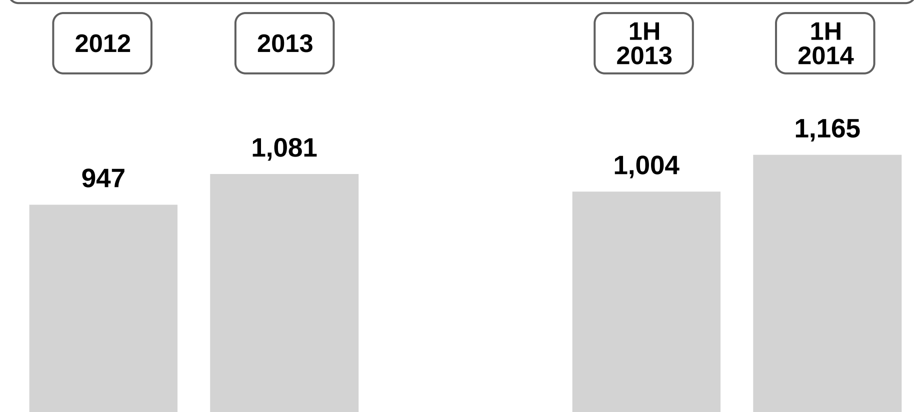



## AVERAGE ORDER VALUE (€) - GROUP




Including the JV with Kering, YOOX Group's AOV was up 2% at constant FX in 2Q14 vs 2Q13

## ACTIVE CUSTOMERS[3] ('000) - GROUP[4]



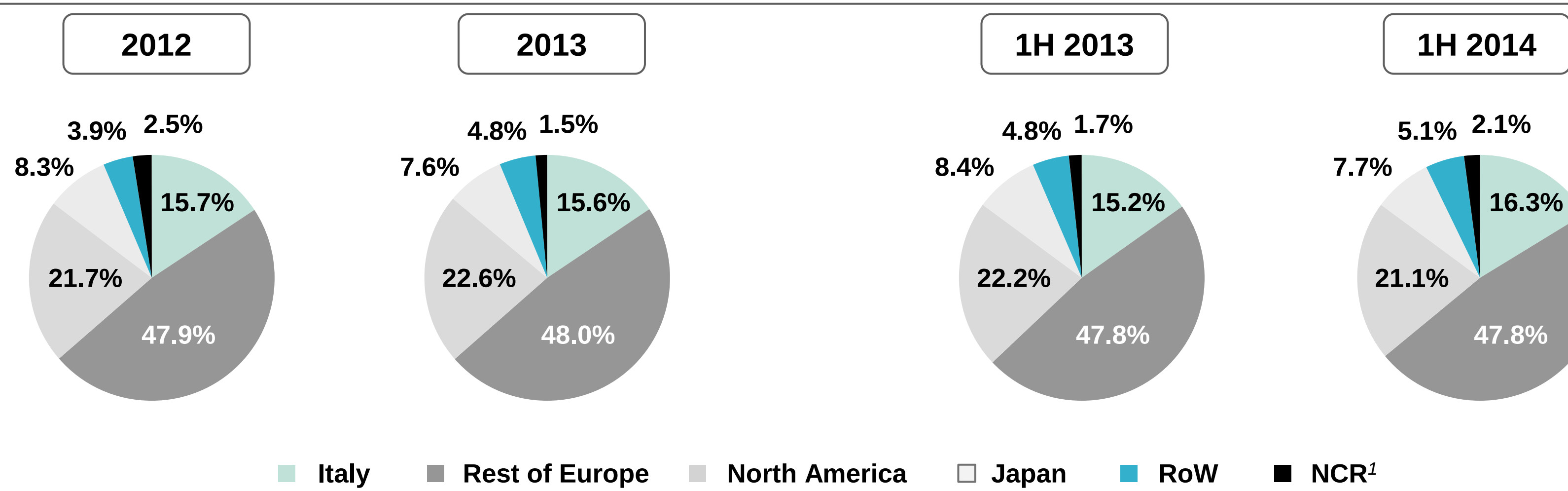

*1. Key performance indicators do not include the Joint Venture with Kering*
*2. Source: SiteCatalyst for yoox.com; Google Analytics for thecorner.com, shoescribe.com and the mono-brand online stores "Powered by YOOX Group"*
*3. Active Customer is defined as a customer who placed at least one order in the 12 preceding months*
*4. Include Active Customers of the mono-brand online stores "Powered by YOOX Group"*

# NET REVENUE REVIEW BY GEOGRAPHY

## NET REVENUE PERFORMANCE BY GEOGRAPHY

| (€m) | 2012 | 2013 | % Growth | % Growth Constant FX | 1H 2013 | 1H 2014 | % Growth | % Growth Constant FX |
|---|---|---|---|---|---|---|---|---|
| Italy | 59.0 | 70.9 | *20.0%* | | 31.5 | 38.7 | *22.9%* | |
| Rest of Europe | 180.2 | 218.7 | *21.4%* | | 99.1 | 113.7 | *14.8%* | *18.3%* |
| North America | 81.5 | 102.8 | *26.1%* | *30.3%* | 46.1 | 50.1 | *8.8%* | *13.5%* |
| Japan | 31.1 | 34.4 | *10.7%* | *40.0%* | 17.4 | 18.4 | *5.8%* | *18.4%* |
| Other Countries | 14.6 | 21.8 | *49.4%* | | 10.0 | 12.1 | *21.4%* | *25.2%* |
| Not country related | 9.5 | 7.0 | *(26.1%)* | | 3.5 | 5.0 | *43.2%* | |
| Total Net Revenues | 375.9 | 455.6 | *21.2%* | ***25.0%*** | 207.4 | 238.0 | *14.7%* | ***18.7%*** |

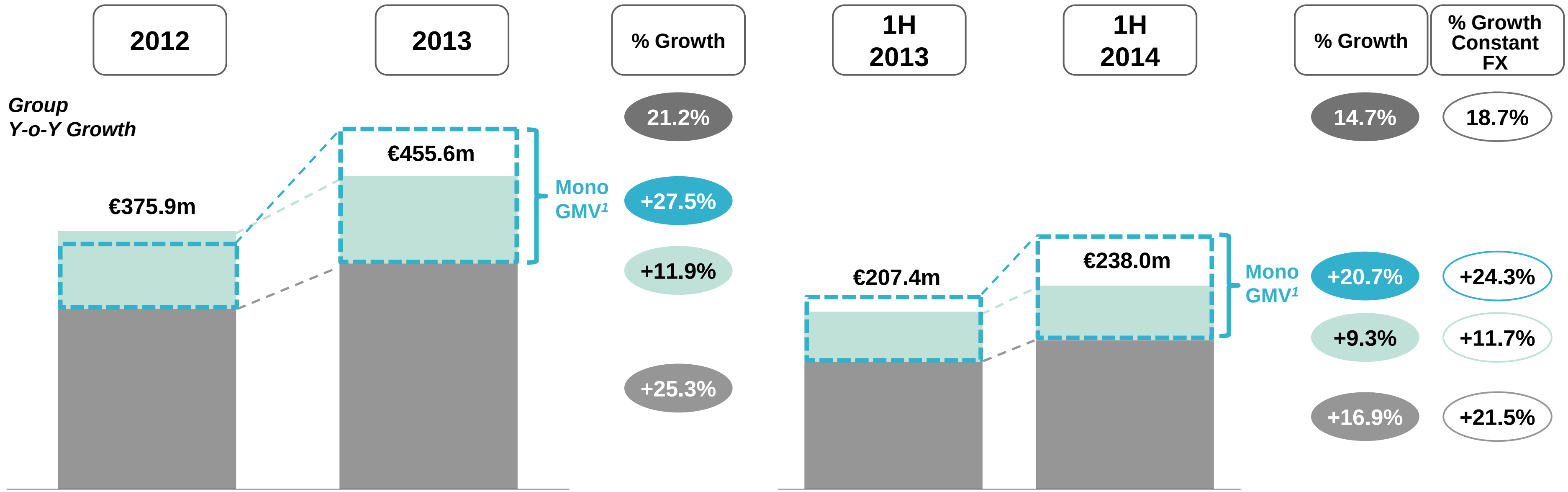
## NET REVENUE BREAKDOWN BY GEOGRAPHY



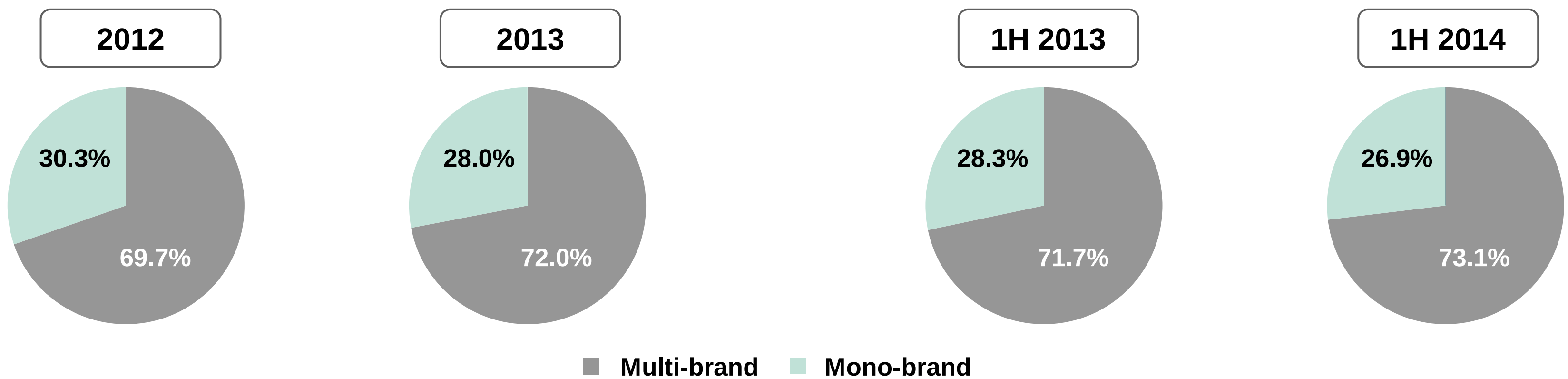

*1. Not Country Related*

# NET REVENUE REVIEW BY BUSINESS LINE

## NET REVENUE PERFORMANCE BY BUSINESS LINE




## NET REVENUE BREAKDOWN BY BUSINESS LINE



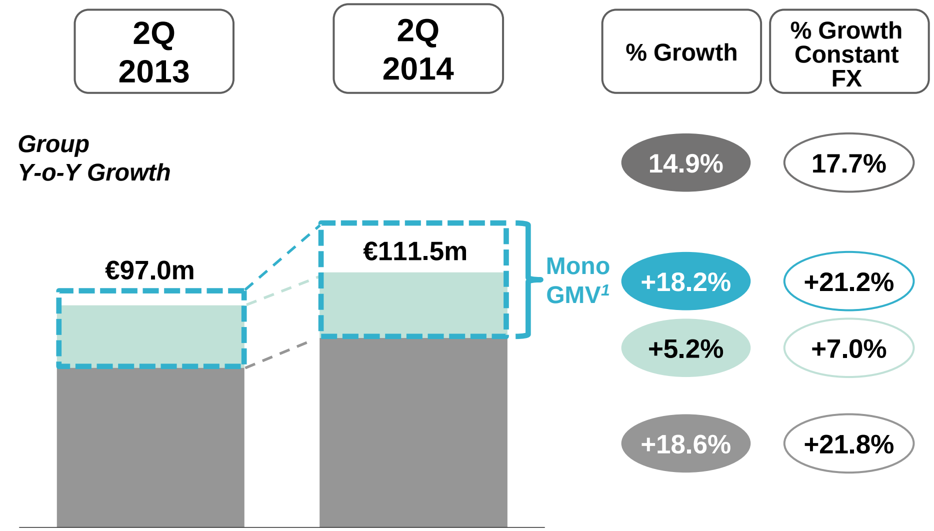

*1. Retail value of sales of all the mono-brand online stores, net of returns and customer discounts. Set-up, design and maintenance fees for the mono-brand online stores are excluded*

# NET REVENUE REVIEW BY GEOGRAPHY AND BUSINESS LINE - SECOND QUARTER 2014

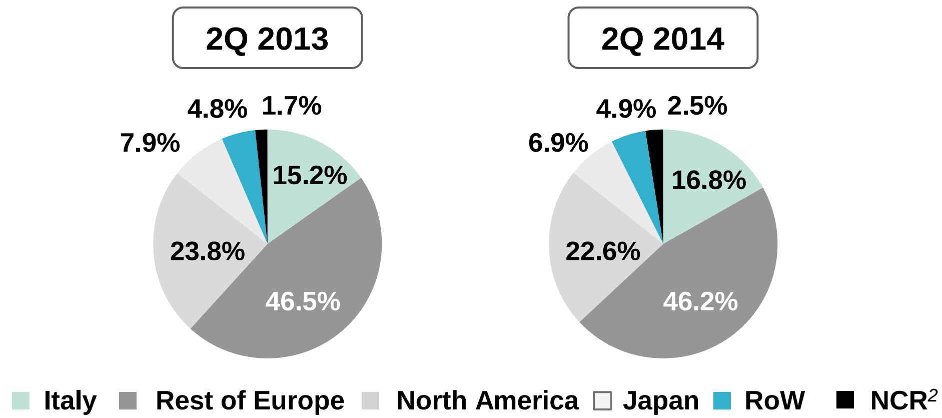
## NET REVENUE PERFORMANCE BY GEOGRAPHY

| (€m) | 2Q 2013 | 2Q 2014 | % Growth | % Growth Constant FX |
|---|---|---|---|---|
| Italy | 14.8 | 18.7 | *26.6%* | |
| Rest of Europe | 45.1 | 51.5 | *14.2%* | *15.9%* |
| North America | 23.1 | 25.2 | *9.1%* | *14.5%* |
| Japan | 7.7 | 7.7 | *0.1%* | *6.9%* |
| Other Countries | 4.7 | 5.5 | *18.5%* | *23.0%* |
| Not country related | 1.7 | 2.8 | *65.6%* | |
| Total Net Revenues | 97.0 | 111.5 | *14.9%* | ***17.7%*** |

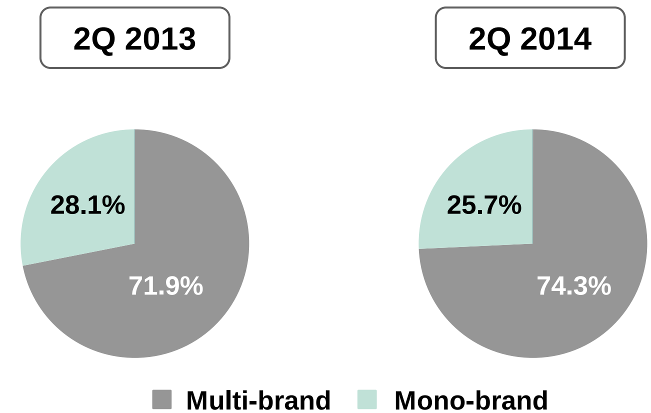
## NET REVENUES PERFORMANCE BY BUSINESS LINE




## NET REVENUE BREAKDOWN BY GEOGRAPHY




## NET REVENUE BREAKDOWN BY BUSINESS LINE




*1. Retail value of sales of all the mono-brand online stores, net of returns and customer discounts. Set-up, design and maintenance fees for the mono-brand online stores are excluded*
*2. Not Country Related*

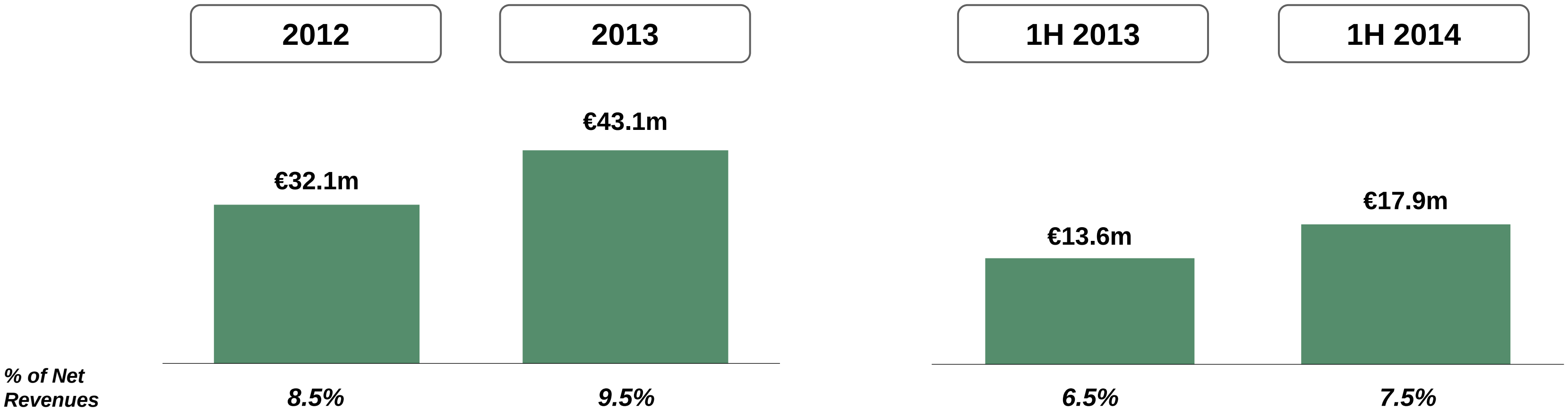
# YOOX GROUP PROFIT & LOSS

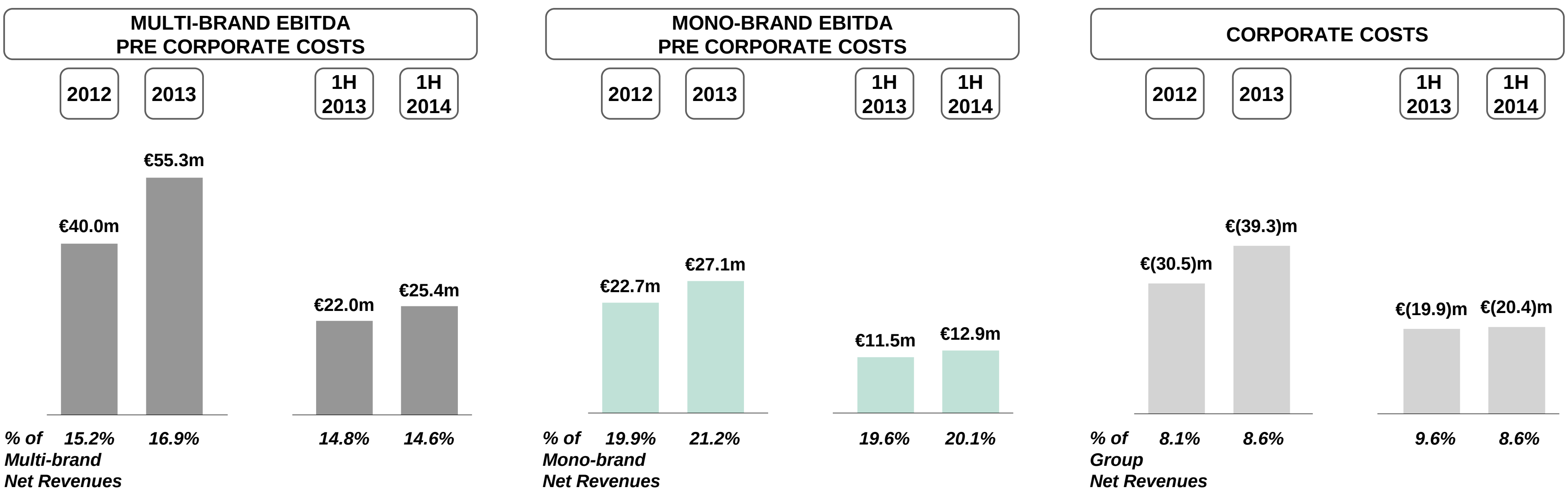
| (€m) | 2012 | 2013 | 1H 2013 | 1H 2014 | 2Q 2013 | 2Q 2014 |
|---|---|---|---|---|---|---|
| Net Revenues | 375.9 | 455.6 | 207.4 | 238.0 | 97.0 | 111.5 |
| *growth* | | *21.2%* | | *14.7%* | | *14.9%* |
| COGS | (238.5) | (284.8) | (130.8) | (151.8) | (57.7) | (67.7) |
| Gross Profit | 137.4 | 170.8 | 76.6 | 86.2 | 39.4 | 43.8 |
| *% of Net Revenues* | *36.6%* | *37.5%* | *36.9%* | *36.2%* | *40.6%* | *39.3%* |
| Fulfillment | (32.7) | (37.9) | (19.6) | (21.9) | (9.6) | (10.8) |
| *% of Net Revenues* | *8.7%* | *8.3%* | *9.5%* | *9.2%* | *9.9%* | *9.7%* |
| Sales & Marketing | (42.1) | (50.5) | (23.6) | (26.1) | (11.9) | (12.5) |
| *% of Net Revenues* | *11.2%* | *11.1%* | *11.4%* | *10.9%* | *12.2%* | *11.2%* |
| EBITDA Pre Corporate Costs | 62.6 | 82.4 | 33.4 | 38.2 | 17.8 | 20.5 |
| *% of Net Revenues* | *16.7%* | *18.1%* | *16.1%* | *16.1%* | *18.4%* | *18.4%* |
| General & Administrative | (29.1) | (36.5) | (18.1) | (18.8) | (9.0) | (9.7) |
| *% of Net Revenues* | *7.7%* | *8.0%* | *8.7%* | *7.9%* | *9.3%* | *8.7%* |
| Other Income / (Expenses) | (1.4) | (2.9) | (1.8) | (1.6) | (1.3) | (1.0) |
| EBITDA | 32.1 | 43.1 | 13.6 | 17.9 | 7.5 | 9.8 |
| *% of Net Revenues* | *8.5%* | *9.5%* | *6.5%* | *7.5%* | *7.8%* | *8.8%* |
| **EBITDA Excluding Incentive Plan Costs** | **36.7** | **46.8** | **16.5** | **18.7** | **8.4** | **9.7** |
| *% of Net Revenues* | *9.8%* | *10.3%* | *7.9%* | *7.9%* | *8.7%* | *8.7%* |
| Depreciation & Amortisation | (13.2) | (19.2) | (8.8) | (11.7) | (4.6) | (5.9) |
| *% of Net Revenues* | *3.5%* | *4.2%* | *4.3%* | *4.9%* | *4.8%* | *5.3%* |
| Operating Profit | 18.9 | 23.9 | 4.7 | 6.2 | 2.9 | 3.9 |
| *% of Net Revenues* | *5.0%* | *5.2%* | *2.3%* | *2.6%* | *3.0%* | *3.5%* |
| Income / (Loss) From Investment In Associates | (0.4) | (0.6) | (0.6) | (0.5) | (0.3) | (0.3) |
| Net Financial Income / (Expenses) | (2.0) | (3.1) | (0.7) | (1.3) | (0.8) | (0.6) |
| Profit Before Tax | 16.6 | 20.2 | 3.5 | 4.4 | 1.8 | 3.0 |
| *% of Net Revenues* | *4.4%* | *4.4%* | *1.7%* | *1.9%* | *1.9%* | *2.6%* |
| Taxes | (6.4) | (7.5) | (1.2) | (1.9) | (0.7) | (1.3) |
| Net Income | 10.2 | 12.6 | 2.2 | 2.6 | 1.1 | 1.6 |
| *% of Net Revenues* | *2.7%* | *2.8%* | *1.1%* | *1.1%* | *1.2%* | *1.5%* |

*Note: Depreciation & Amortisation included in Fulfillment, Sales & Marketing, General & Administrative have been reclassified and grouped under Depreciation & Amortisation*
*EBITDA Excluding Incentive Plan Costs calculated by adding back to EBITDA the costs associated with incentive plans in each period*
*Net Income Excluding Incentive Plan Costs calculated by adding back to Net Income the costs associated with incentive plans in each period, net of their related tax effect*

# EBITDA REVIEW BY BUSINESS LINE

## EBITDA EVOLUTION



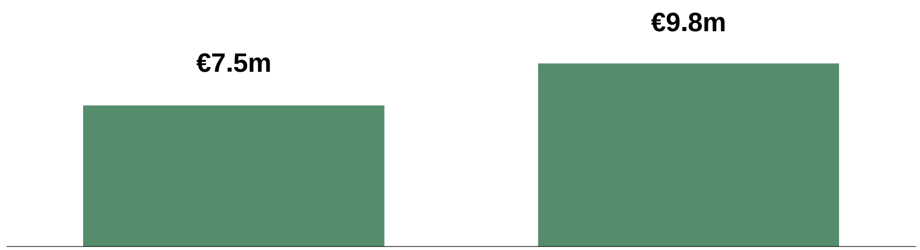




*Note: Multi-brand and Mono-brand EBITDA Pre Corporate Costs include all costs directly associated with the business line, including COGS, Fulfillment, Sales & Marketing (all net of D&A); Corporate Costs include General & Administrative costs (net of D&A) and Other Income / (Expenses)*

# EBITDA REVIEW BY BUSINESS LINE - SECOND QUARTER 2014

## EBITDA EVOLUTION

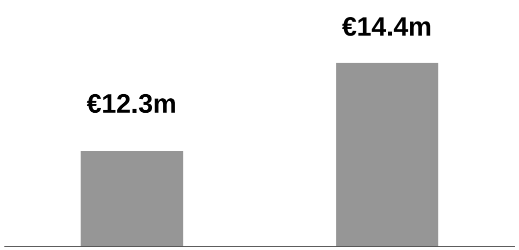
2Q 2013 | 2Q 2014




*% of Net Revenues* **7.8%** **8.8%**

### MULTI-BRAND EBITDA PRE CORPORATE COSTS

2Q 2013 | 2Q 2014




***% of Multi-brand Net Revenues*** ***17.7%*** ***17.5%***

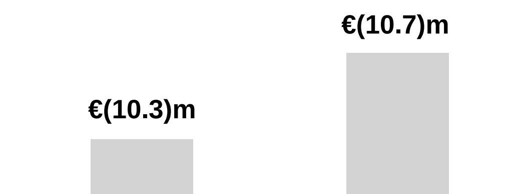
### MONO-BRAND EBITDA PRE CORPORATE COSTS

2Q 2013 | 2Q 2014


***% of Mono-brand Net Revenues*** ***20.3%*** ***21.2%***

### CORPORATE COSTS

2Q 2013 | 2Q 2014

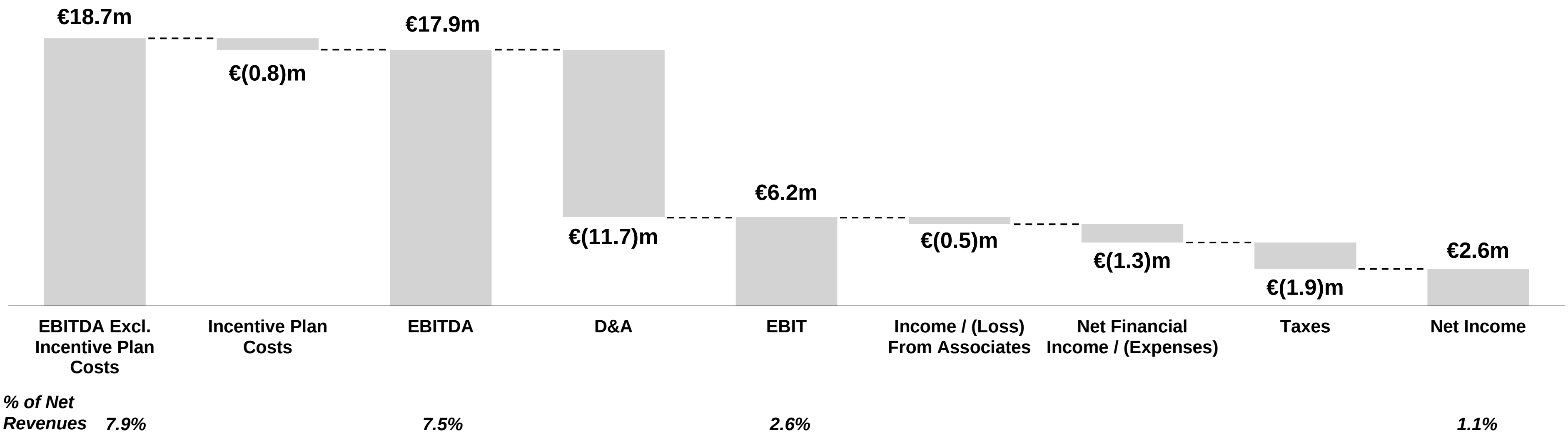



***% of Group Net Revenues*** ***10.6%*** ***9.6%***

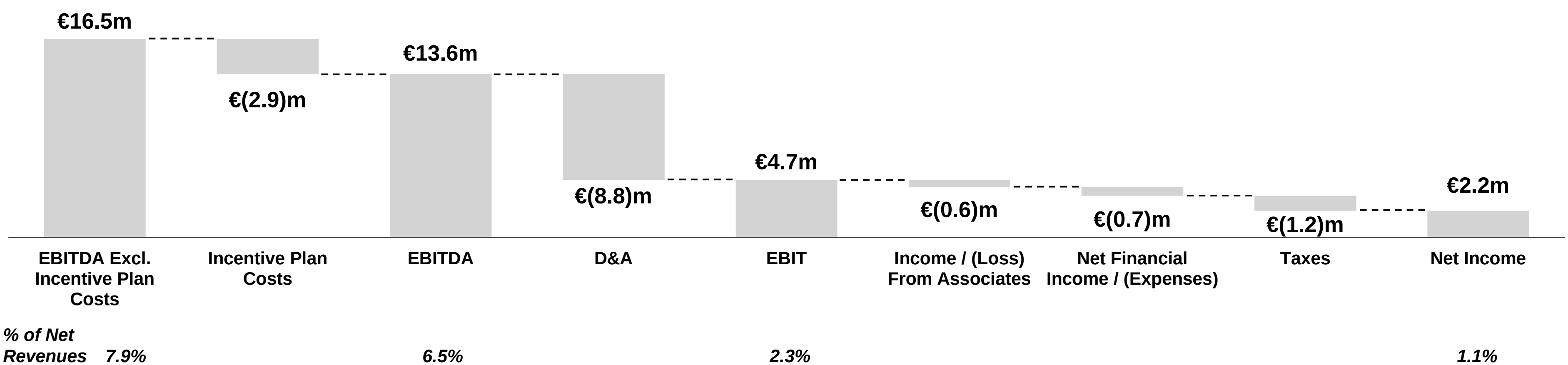
*Note: Multi-brand and Mono-brand EBITDA Pre Corporate Costs include all costs directly associated with the business line, including COGS, Fulfillment, Sales & Marketing (all net of D&A); Corporate Costs include General & Administrative costs (net of D&A) and Other Income / (Expenses)*

# FROM EBITDA TO NET INCOME

## 1H 2014




## 1H 2013



# YOOX GROUP SUMMARY BALANCE SHEET

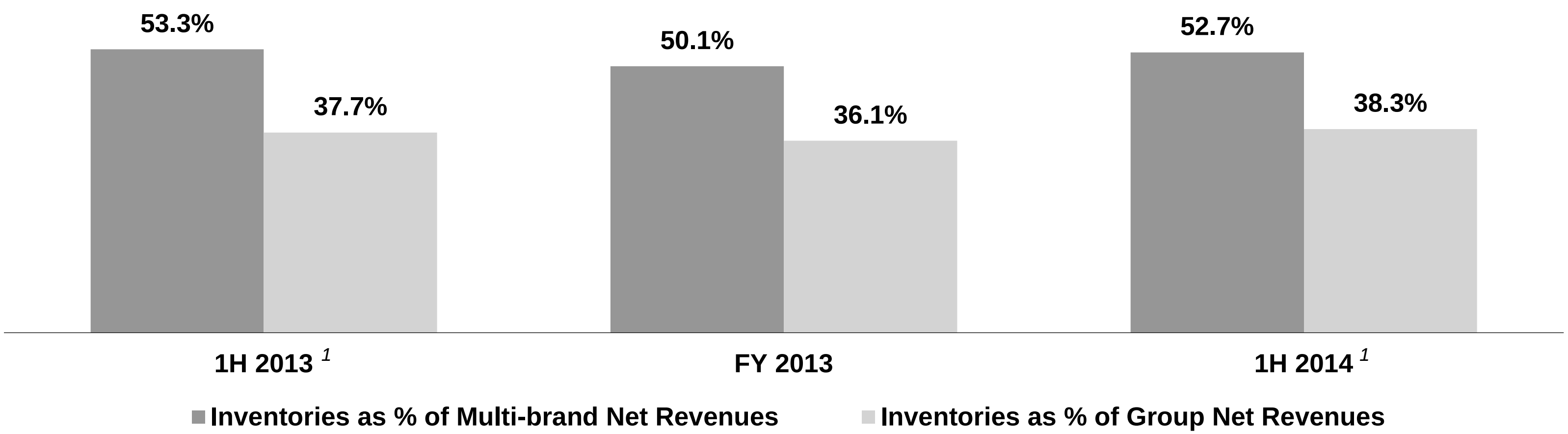
| (€m) | 2012 | 2013 | 1H 2014 |
|---|---|---|---|
| Net Working Capital | 32.1 | 28.3 | 44.9 |
| Non Current Assets | 55.5 | 71.2 | 77.9 |
| Non Current Liabilities (excl. financial liabilities) | (0.3) | (0.4) | (0.2) |
| Total | 87.2 | 99.2 | 122.6 |
| Net Financial Debt / (Net Cash) | (14.6) | (20.5) | (5.1) |
| Shareholders' Equity | 101.8 | 119.7 | 127.7 |
| Total | 87.2 | 99.2 | 122.6 |

# NET WORKING CAPITAL EVOLUTION

## NET WORKING CAPITAL

| (€m) | 2012 | 2013 | | 1H 2013 | 1H 2014 |
|---|---|---|---|---|---|
| Inventories | 138.2 | 164.4 | | 154.6 | 186.3 |
| Trade Receivables | 13.1 | 13.5 | | 15.0 | 8.8 |
| Trade Payables | (96.8) | (120.8) | | (112.2) | (128.6) |
| Other Receivables / (Payables) | (22.5) | (28.8) | | (24.0) | (21.6) |
| Net Working Capital | 32.1 | 28.3 | Lowest ever Net Working Capital / Net Revenue ratio | 33.5 | 44.9 |
| *as % of Net Revenues* | *8.5%* | *6.2%* | | *8.2%* [1] | *9.2%* [1] |

## INVENTORY LEVEL EVOLUTION



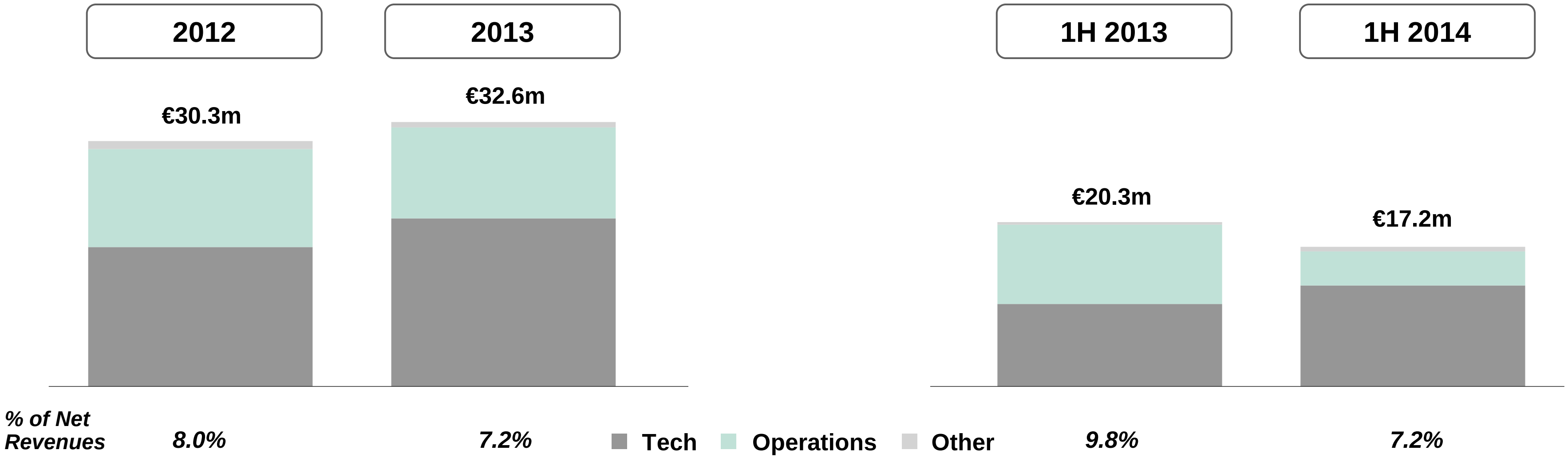

1.Percentages calculated on LTM Net Revenues

# YOOX GROUP CASH FLOW STATEMENT

## CASH FLOW STATEMENT

| (€m) | 2012 | 2013 | 1H 2013 | 1H 2014 |
|---|---|---|---|---|
| Cash and Cash Equivalents at Beginning of Period | 22.7 | 35.8 | 35.8 | 58.3 |
| Cash Flow from Operations | 27.0 | 36.3 | 11.7 | (2.1) |
| Cash Flow from Investment Activities [1] | (19.7) | (37.3) | (22.4) | (20.0) |
| Sub Total | 7.2 | (1.0) | (10.7) | (22.1) |
| Cash Flow from Financing Activities | 5.8 | 23.5 | (2.0) | (2.4) |
| Cash Flow | 13.0 | 22.5 | (12.7) | (24.5) |
| Cash and Cash Equivalents at End of Period | 35.8 | 58.3 | 23.1 | 33.8 |

## CAPITAL EXPENDITURE



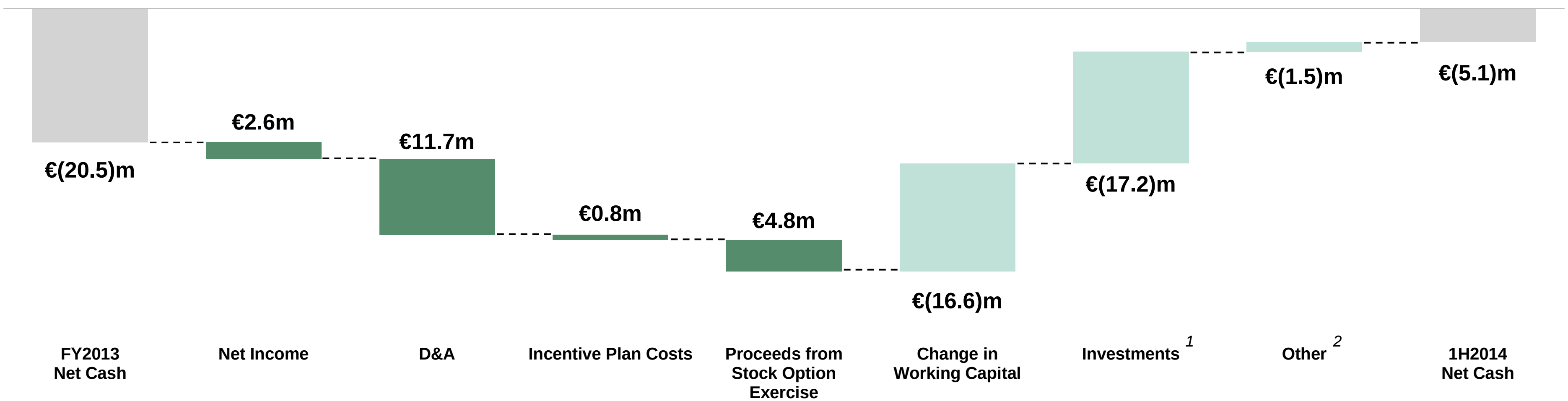

*1. As per IFRS, line of credit fully allocated to finance the new automated logistics platform has been accounted for in Cash Flow from Investment Activities*

# YOOX GROUP NET FINANCIAL POSITION EVOLUTION

## NET FINANCIAL POSITION

| (€m) | 2012 | 2013 | 1H 2014 |
|---|---|---|---|
| Cash and Cash Equivalents | (35.8) | (58.3) | (33.8) |
| Other Current Financial Assets | (6.5) | (9.3) | (8.9) |
| Current Financial Assets | (42.3) | (67.5) | (42.7) |
| Current Financial Liabilities | 12.6 | 13.2 | 10.0 |
| Long Term Financial Liabilities | 15.1 | 33.8 | 27.7 |
| Net Financial Debt / (Net Cash) | (14.6) | (20.5) | (5.1) |

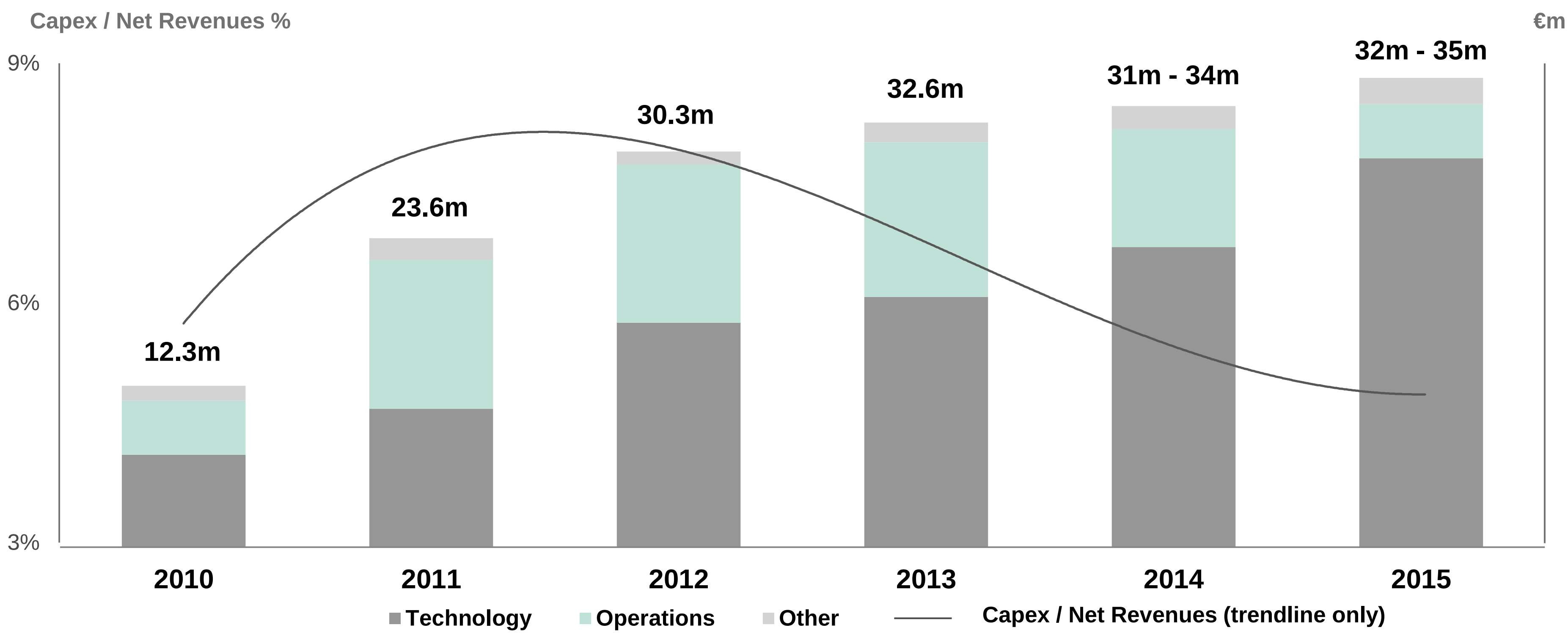
## NET FINANCIAL POSITION EVOLUTION




*1. Please note that repayment of line of credit of €2.0m has been restated from Cash Flow from Investment Activities to Cash Flow from Financing Activities*
*2. Mainly refers to deferred tax assets, exchange rate impact resulting from the consolidation of foreign subsidiaries, fair value of derivative contracts and leasing agreements*

## 2013 - 2015 CAPEX PLAN

- ~ €92-101 million cumulated capital expenditure between 2013 and 2015. Capex growth expected to decelerate in 2013-2015 compared with 2010-2012, resulting in decreasing Capex to Net Revenue ratio
- Technology investments will support business innovation needs while servicing operations and logistics, thus enabling further efficiencies
- The “Lego” approach to logistics will support the Group’s future growth requirements through limited and modular additional investments, while limiting dependence on a single warehouse
- Automation investments in digital production will ensure greater productivity, driving operating leverage




**Technology and logistics platforms can be either a constraint or an enabler…**

**We are working hard to ensure our platform continues to be the enabling factor of our strong long-term growth**

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# SHAREHOLDER STRUCTURE

| SHAREHOLDERS | FULLY DILUTED[1] | | CURRENT | |
|---|---|---|---|---|
| Federico Marchetti | 7,152,653 | *10.9%* | 3,160,449 | *5.3%* |
| Management team and other stock option holders[2] | 2,079,792 | *3.2%* | | |
| *Sub-total* | *9,232,445* | *14.1%* | *3,160,449* | *5.3%* |
| OppenheimerFunds | 6,010,293 | *9.2%* | 6,010,293 | *10.1%* |
| Red Circle Investments | 3,165,547 | *4.8%* | 3,165,547 | *5.3%* |
| Federated | 2,764,439 | *4.2%* | 2,764,439 | *4.6%* |
| Balderton Capital | 2,185,333 | *3.3%* | 2,185,333 | *3.7%* |
| Red Circle Unipersonale | 1,691,297 | *2.6%* | 1,691,297 | *2.8%* |
| Capital Research and Management Company | 1,641,469 | *2.5%* | 1,641,469 | *2.8%* |
| Market[3] | 38,981,701 | *59.4%* | 38,981,701 | *65.4%* |
| **Total** | **65,672,524** | ***100.0%*** | **59,600,528** | ***100.0%*** |

*Updated as of 3 October 2014*
*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*
*2.Excludes Federico Marchetti*
*3.Includes 27,339 proprietary shares*

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# YOOX GROUP PROFIT & LOSS EXCLUDING INCENTIVE PLAN COSTS

| (€m) | 2012 | 2013 | 1H 2013 | 1H 2014 | 2Q 2013 | 2Q 2014 |
|---|---|---|---|---|---|---|
| Net Revenues | 375.9 | 455.6 | 207.4 | 238.0 | 97.0 | 111.5 |
| *growth* | | *21.2%* | | *14.7%* | | *14.9%* |
| COGS | (238.5) | (284.8) | (130.8) | (151.8) | (57.7) | (67.7) |
| Gross Profit | 137.4 | 170.8 | 76.6 | 86.2 | 39.4 | 43.8 |
| *% of Net Revenues* | *36.6%* | *37.5%* | *36.9%* | *36.2%* | *40.6%* | *39.3%* |
| Fulfillment Excl. Incentive Plan Costs | (32.3) | (38.0) | (19.4) | (21.8) | (9.5) | (10.8) |
| *% of Net Revenues* | *8.6%* | *8.3%* | *9.4%* | *9.2%* | *9.8%* | *9.6%* |
| Sales & Marketing Excl. Incentive Plan Costs | (41.2) | (50.1) | (23.2) | (26.0) | (11.7) | (12.7) |
| *% of Net Revenues* | *11.0%* | *11.0%* | *11.2%* | *10.9%* | *12.1%* | *11.4%* |
| EBITDA Pre Corporate Costs Excl. Incentive Plan Costs | 63.9 | 82.7 | 34.0 | 38.3 | 18.1 | 20.4 |
| *% of Net Revenues* | *17.0%* | *18.2%* | *16.4%* | *16.1%* | *18.6%* | *18.3%* |
| General & Administrative Excl. Incentive Plan Costs | (25.8) | (33.1) | (15.7) | (18.1) | (8.3) | (9.7) |
| *% of Net Revenues* | *6.9%* | *7.3%* | *7.6%* | *7.6%* | *8.6%* | *8.7%* |
| Other Income / (Expenses) | (1.4) | (2.9) | (1.8) | (1.6) | (1.3) | (1.0) |
| *% of Net Revenues* | *0.4%* | *0.6%* | *0.9%* | *0.7%* | *1.4%* | *0.9%* |
| **EBITDA Excluding Incentive Plan Costs** | **36.7** | **46.8** | **16.5** | **18.7** | **8.4** | **9.7** |
| *% of Net Revenues* | *9.8%* | *10.3%* | *7.9%* | *7.9%* | *8.7%* | *8.7%* |
| **Net Income Excluding Incentive Plan Costs** | **13.7** | **15.4** | **4.4** | **3.2** | **1.8** | **1.6** |
| *% of Net Revenues* | *3.6%* | *3.4%* | *2.1%* | *1.3%* | *1.9%* | *1.4%* |

# FOCUS ON INCENTIVE PLAN COSTS

| (€m) | 2012 | % of Total | 2013 | % of Total | 1H 2013 | % of Total | 1H 2014 | % of Total | 2Q 2013 | % of Total | 2Q 2014 | % of Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Fulfillment** | (32.696) | | (37.913) | | (19.633) | | (21.943) | | (9.649) | | (10.797) | |
| *of which Incentive Plan Costs* | **(0.361)** | *7.8%* | **0.047** | *(1.3%)* | **(0.235)** | *8.1%* | **(0.097)** | *11.9%* | **(0.121)** | *13.5%* | **(0.043)** | *n.m.* |
| **Sales & Marketing** | (42.108) | | (50.485) | | (23.551) | | (26.052) | | (11.872) | | (12.476) | |
| *of which Incentive Plan Costs* | **(0.932)** | *20.2%* | **(0.342)** | *9.2%* | **(0.308)** | *10.7%* | **(0.004)** | *0.5%* | **(0.130)** | *14.5%* | **0.193** | *n.m.* |
| **General & Administrative** | (29.081) | | (36.479) | | (18.079) | | (18.789) | | (8.981) | | (9.717) | |
| *of which Incentive Plan Costs* | **(3.317)** | *72.0%* | **(3.401)** | *92.0%* | **(2.338)** | *81.2%* | **(0.714)** | *87.6%* | **(0.645)** | *72.0%* | **(0.058)** | *n.m.* |
| **Incentive Plan Costs** | **(4.610)** | ***100.0%*** | **(3.695)** | ***100.0%*** | **(2.881)** | ***100.0%*** | **(0.815)** | ***100.0%*** | **(0.896)** | ***100.0%*** | **0.092** | ***n.m.*** |

| | 2012 | 2013 | 1H 2013 | 1H 2014 | 2Q 2013 | 2Q 2014 |
|---|---|---|---|---|---|---|
| **EBITDA Reported** | **32.085** | **43.061** | **13.572** | **17.877** | **7.532** | **9.786** |
| *% of Net Revenues* | *8.5%* | *9.5%* | *6.5%* | *7.5%* | *7.8%* | *8.8%* |
| **Incentive Plan Costs** | (4.610) | (3.695) | (2.881) | (0.815) | (0.896) | 0.092 |
| **EBITDA Excl. Incentive Plan Costs** | **36.695** | **46.756** | **16.452** | **18.692** | **8.428** | **9.694** |
| *% of Net Revenues* | *9.8%* | *10.3%* | *7.9%* | *7.9%* | *8.7%* | *8.7%* |

# EXCHANGE RATES

| | Period Average | | End of Period | | Period Average | | End of Period | |
|---|---|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 | 1H 2013 | 1H 2014 | 1H 2013 | 1H 2014 |
| **EUR USD** | 1.285 | 1.328 | 1.319 | 1.379 | 1.313 | 1.370 | 1.308 | 1.366 |
| *% appreciation / (depreciation) vs. EUR* | | *(3.3%)* | | *(4.3%)* | | *(4.2%)* | | *(4.2%)* |
| **EUR JPY** | 102.490 | 129.660 | 113.610 | 144.720 | 125.459 | 140.403 | 129.390 | 138.440 |
| *% appreciation / (depreciation) vs. EUR* | | *(21.0%)* | | *(21.5%)* | | *(10.6%)* | | *(6.5%)* |
| **EUR GBP** | 0.811 | 0.849 | 0.816 | 0.834 | 0.851 | 0.821 | 0.857 | 0.802 |
| *% appreciation / (depreciation) vs. EUR* | | *(4.5%)* | | *(2.1%)* | | *3.6%* | | *6.9%* |
| **EUR CNY** | 8.105 | 8.165 | 8.221 | 8.349 | 8.129 | 8.450 | 8.028 | 8.472 |
| *% appreciation / (depreciation) vs. EUR* | | *(0.7%)* | | *(1.5%)* | | *(3.8%)* | | *(5.2%)* |
| **EUR RUB** | 39.926 | 42.337 | 40.330 | 45.325 | 40.754 | 47.992 | 42.845 | 46.378 |
| *% appreciation / (depreciation) vs. EUR* | | *(5.7%)* | | *(11.0%)* | | *(15.1%)* | | *(7.6%)* |
| **EUR HKD** | 9.966 | 10.302 | 10.226 | 10.693 | 10.190 | 10.537 | 10.148 | 10.586 |
| *% appreciation / (depreciation) vs. EUR* | | *(3.3%)* | | *(4.4%)* | | *(3.3%)* | | *(4.1%)* |
| **EUR KRW** | 1,447.690 | 1,453.910 | 1406.230 | 1,450.930 | 1,494.240 | 1,382.040 | 1,450.220 | 1,438.290 |
| *% appreciation / (depreciation) vs. EUR* | | *(0.4%)* | | *(3.1%)* | | *8.1%* | | *0.8%* |

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