TWIN-SET

SIMONA BARBIERI

1H 2014 Results

September 2014

Disclaimer

IMPORTANT: You must read the following before continuing. The following applies to the confidential information in the presentation following this disclaimer, and you are therefore advised to read this carefully before reading, accessing or making any other use of the presentation. In accessing the presentation, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

THIS PRESENTATION IS CONFIDENTIAL AND DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, AN OFFER OR INVITATION TO SUBSCRIBE FOR, UNDERWRITE OR OTHERWISE ACQUIRE, ANY SECURITIES OF TWIN SET—SIMONA BARBIERI S.P.A. (THE "ISSUER") OR ANY AFFILIATE OR SUBSIDIARY THERETO (TOGETHER, THE "COMPANY") NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED ON IN CONNECTION WITH, ANY CONTRACT TO PURCHASE OR SUBSCRIBE FOR ANY SECURITIES OF THE ISSUER NOR SHALL IT OR ANY PART OF IT FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER. ANY PERSON CONSIDERING THE PURCHASE OF ANY SECURITIES OF THE ISSUER MUST INFORM HIMSELF INDEPENDENTLY. THIS PRESENTATION IS BEING MADE AVAILABLE TO YOU SOLELY FOR YOUR INFORMATION AND BACKGROUND AND IS SUBJECT TO AMENDMENT. THIS PRESENTATION (OR ANY PART OF IT) MAY NOT BE REPRODUCED OR REDISTRIBUTED, PASSED ON, OR THE CONTENTS OTHERWISE DIVULGED, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON (EXCLUDING THE RELEVANT PERSON'S PROFESSIONAL ADVISERS) OR PUBLISHED IN WHOLE OR IN PART FOR ANY PURPOSE.

The information contained in this presentation has not been independently verified and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the information or opinions contained herein. The information set out herein may be subject to revision and may change materially before closing. None of the Issuer, the Company or any of their affiliates is under any obligation to keep current the information contained in this presentation and any opinions expressed in it are subject to change without notice. None of the Issuer, the Company or any of its affiliates is responsible for providing legal, tax or other advice and you should make your own arrangements in this respect accordingly.

This presentation is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. In particular, this presentation and the information contained herein does not constitute an offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities in the United States and this presentation may not be distributed, except (i) to persons that are qualified institutional buyers as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act"), or (ii) to persons who are outside the United States in accordance with Regulation S under the Securities Act (and, if investors are resident in a member state of the European Economic Area, a qualified investor (within the meaning of Article 2(i)e of the Prospective Directive (Directive 2003/71/EC) and any relevant implementing measure in each member state of the European Economic Area). No securities of the Issuer have been or will be registered under the Securities Act or the securities laws of any state of the United States or any other jurisdiction and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. There will be no public offer of securities in the United States.

This presentation and its contents have not been approved by the UK Financial Services Authority or an authorized person (as defined in the Financial Services and Markets Act 2000 (the "FSMA")) for distribution. This presentation is only being distributed to and is only directed to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any notes or other securities may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). Any investment activity to which this communication may relate is only available to, and any invitation, offer or agreement to engage in such investment activity will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this presentation or any of its contents. The information in this presentation is given in confidence and the recipients of this presentation should not engage in any behavior in relation to qualifying investments or related investments (as defined in the FSMA and the Code of Market Conduct made pursuant to the FSMA), which would or might amount to market abuse for the purposes of the FSMA.

The distribution of this presentation in other jurisdictions may also be restricted by law, and persons into whose possession this presentation comes must inform themselves about, and observe, any such restrictions.

The information in this presentation is confidential. Any distribution of this presentation, or of any information contained in this presentation, to any person other than an original recipient (or to such recipient's advisors) is prohibited. Any reproduction of this presentation in whole or in part, or disclosure of any of its contents, without prior consent of the Issuer, is prohibited. This presentation remains the property of the Issuer and on request must be returned and any copies destroyed.

This presentation is for information and convenient reference only and is not intended to constitute, and should not be construed as, an offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities of the Issuer or its affiliates, nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whomsoever.

Any projection, forecast, estimate or other "forward-looking" statement in this presentation only illustrates hypothetical performance under specified assumptions of events or conditions. Such projections, forecasts, estimates or other "forward-looking" statements are not reliable indicators of future performance. Prospective investors should understand the assumptions and evaluate whether they are appropriate for their purposes. Some events or conditions may not have been considered in such assumptions. Actual events or conditions may differ materially from such assumptions. This presentation may include figures related to past performance or simulated past performance. Past performance is not a reliable indicator of future performance. The Issuer and the Company disclaim any obligation to update their views of such risks and uncertainties or to publicly announce the results of any revision to the forward looking statements made herein except where to do so would be required under applicable law. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

NOT FOR GENERAL PUBLICATION OR DISTRIBUTION IN THE UNITED STATES, CANADA, JAPAN OR AUSTRALIA.

Agenda

1	Highlights	3
2	Business Performance	8
3	Financial Performance	12
4	Outlook	17
5	Q&A	19
6	Appendix	20

Section 1

Highlights

1H 2014 Highlights

Revenue

- Twin Set Revenue reached €98.9m confirming strong growth trajectory (+18.9% in 1H 2014 vs 1H 2013), in line with expectations, through both retail +66.0% and wholesale +8.4%
- Retail growth supported by network development (+17[1] new stores in operation), positive LfL performance (+8.7%) and foreign markets penetration (Benelux, Spain, France)
- Wholesale growth supported mainly by deployment of new product lines and increasing penetration in foreign markets mainly in Europe

Adjusted EBITDA[2]

- Adjusted EBITDA reached €14.1m, 14.2% of Twin Set Revenue vs 20.7% 1H 2013, due to lower Gross Margin, retail expansion dilution[3] and operating costs increase to support on-going strong growth
- Adjusted LTM EBITDA €37.1m, Adjusted EBITDA margin 19.2% of Twin Set Revenue

Capex

- Capex for the period stood at €17.8m of which €13.2m for Retail expansion
- Key Openings in 1H 2014: Paris Avenue Victor Hugo, Paris Rue de Colombier, Lyon, Palma de Mallorca, Valencia, Palermo, Bari relocation, Maasmechelen Outlet

Net debt and Cash Flow

- Net debt position: €72.1m as of June, 30 2014 vs €52.2m as of June 30, 2013
- 1H 2014 Cash Flow €-8.6m

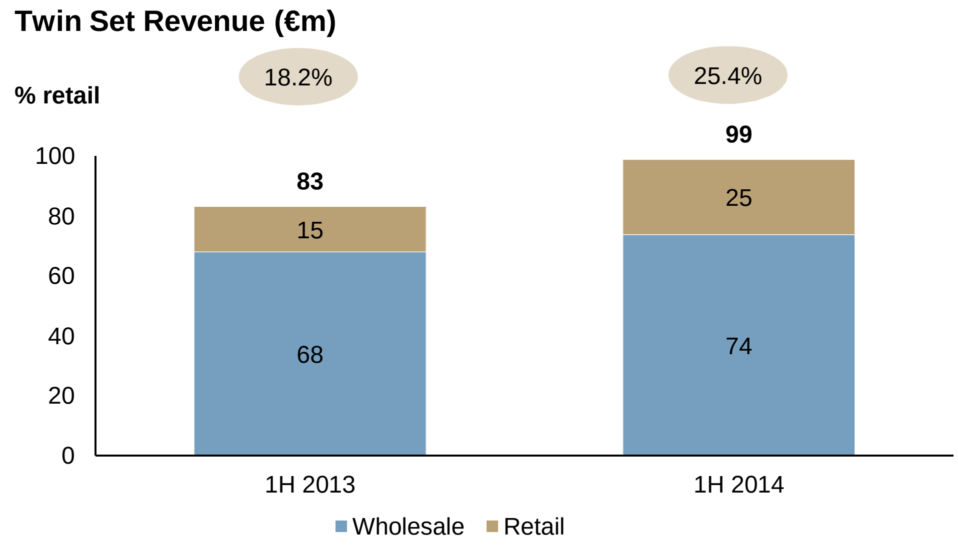
- 1H 2014 Pro Forma post Bond Issuance Net debt position: €119.9m
- 1H 2014 Pro Forma post Bond Issuance Leverage Ratio: 3.2x

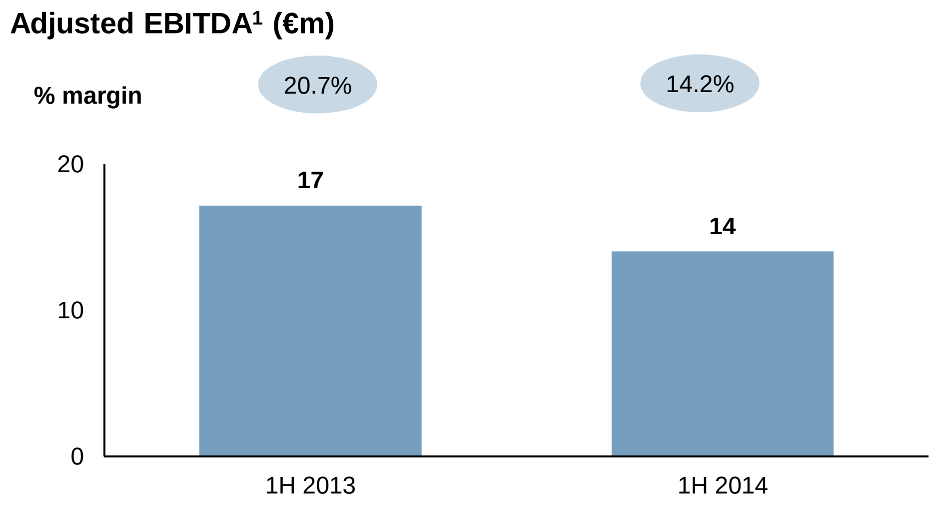
Note:

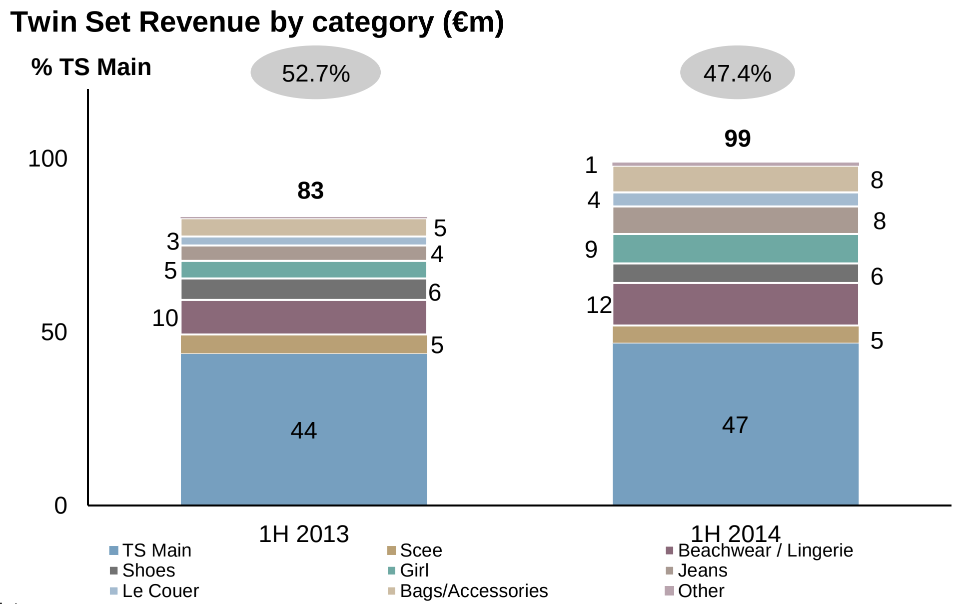
1. The relevant amounts are gross of store closing that occurred in the period (1 Store located in Bari)
2. We calculate Reported EBITDA as profit for the period plus income tax, extraordinary (income)/expenses, impairment of investments, financial (income)/expenses, depreciation and amortization, each as presented in our consolidated financial statements. We calculate Adjusted EBITDA by taking our Reported EBITDA, then adding back certain non-recurring items including, raw materials, non-recurring accruals and other items. We calculate Adjusted EBITDA Margin by dividing our Adjusted EBITDA by Twin Set Revenue for the relevant period.
3. Retail expansion normally characterized by compressed margin in the early periods given operating costs of stores and structure fully incurred while lagging revenue for ramp-up

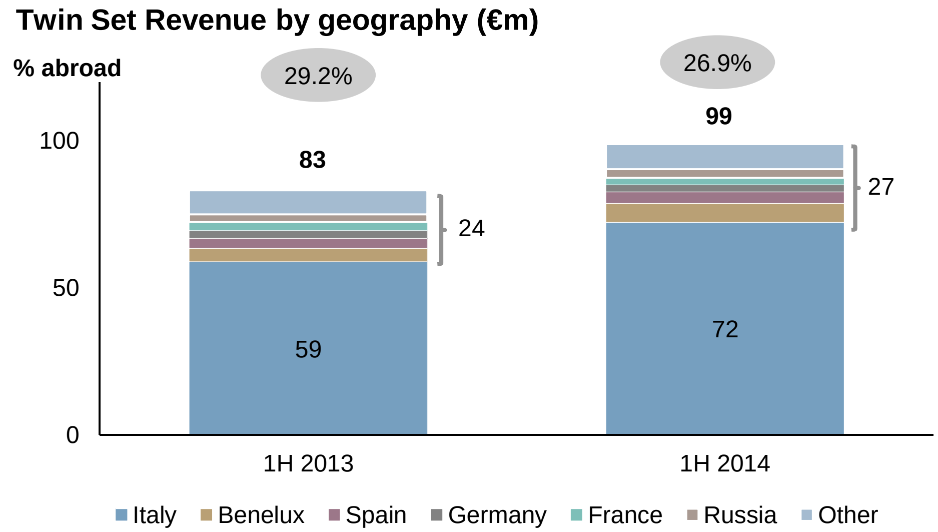
1H 2014 – Results Summary

Business growth in all channels, product lines developing steadily









Note:

1. We calculate Reported EBITDA as profit for the period plus income tax, extraordinary (income)/expenses, impairment of investments, financial (income)/expenses, depreciation and amortization, each as presented in our consolidated financial statements. We calculate Adjusted EBITDA by taking our Reported EBITDA, then adding back certain non-recurring items including, raw materials, non-recurring accruals and other items. We calculate Adjusted EBITDA Margin by dividing our Adjusted EBITDA by Twin Set Revenue for the relevant period.

TWIN-SET
SIMONA BARBIERI

1H 2014 Key Figures

Solid revenue growth in line with historical performance, whilst margins affected by lower Gross Margin and high retail start up costs

(€m)	1H 2013	1H 2014	change	% change
Wholesale	68.0	73.8	5.7	8.4%
Retail	15.1	25.1	10.0	66.0%
Twin Set Revenue	**83.2**	**98.9**	**15.7**	**18.9%**
Adjusted EBITDA	17.2	14.1	-3.1	-18.2%
Margin (%)	*20.7%*	*14.2%*		

Revenue

- Net sales reached €98.9m for the 1H 2014, recording strong growth of 18.9% vs. 1H 2013, fully in line with expectations
  - **wholesale channel** continued its growth trend, reporting a healthy 8.4% growth mainly driven by increased sales in Italy, where revenue increased by €5.2m compare to 1H 2013; this growth was the result of the strong performance achieved by our Beachwear/Lingerie, Girl, Jeans and Bags/Accessories product lines as well as the introduction of Girl Shoes
  - **retail channel** performed very well with a 8.7% LfL growth however experiencing some delays in store openings abroad, primarily due to negotiation and project approval delays; retail channel increased its weight on total revenue from 18% in 1H 2013 to 25% in 1H 2014

Adjusted EBITDA

- Adjusted EBITDA of €14.1m for 1H 2014. The 18.2% decrease compared to 1H 2013 was primarily due to a mix of factors including:
  - slightly lower Gross Margin (product mix and some price pressure given tough market conditions in Italy)
  - strong expansion of our retail distribution network (9 stores[1] opened in the 2H 2013, 8 stores opened[2] in 1H 2014, 10 stores to be opened[3] in 3Q 2014 with associated costs partially already borne in 1H 2014)
  - accelerated spending for marketing activities, to increase brand awareness in foreign geographies, and for samples, to support new categories
  - increasing central personnel cost (Admin and Commercial) to support growth plans, especially the international retail expansion

Note:
1 Stores in ramp-up: Verona, Padova, Roma Cola di Rienzo, Roma Corso, Antwerpen, Bruxelles, Milano Vercelli, Bologna Girl, Roma Porta di Roma
2 The relevant amounts are gross of store closing that occurred in the period (1 Store located in Bari)
3 Knokke, Mosca Europeinsky, Mosca Metropolis, Barcelona, Bilbao, Mosca Atrium, Agira Outlet, La Roca Outlet (Spain) are already opened. Berlin Leipziger Platz, Napoli, Dusseldorf, Frankfurt, Munich are going to be opened in the next months

Focus on retail network

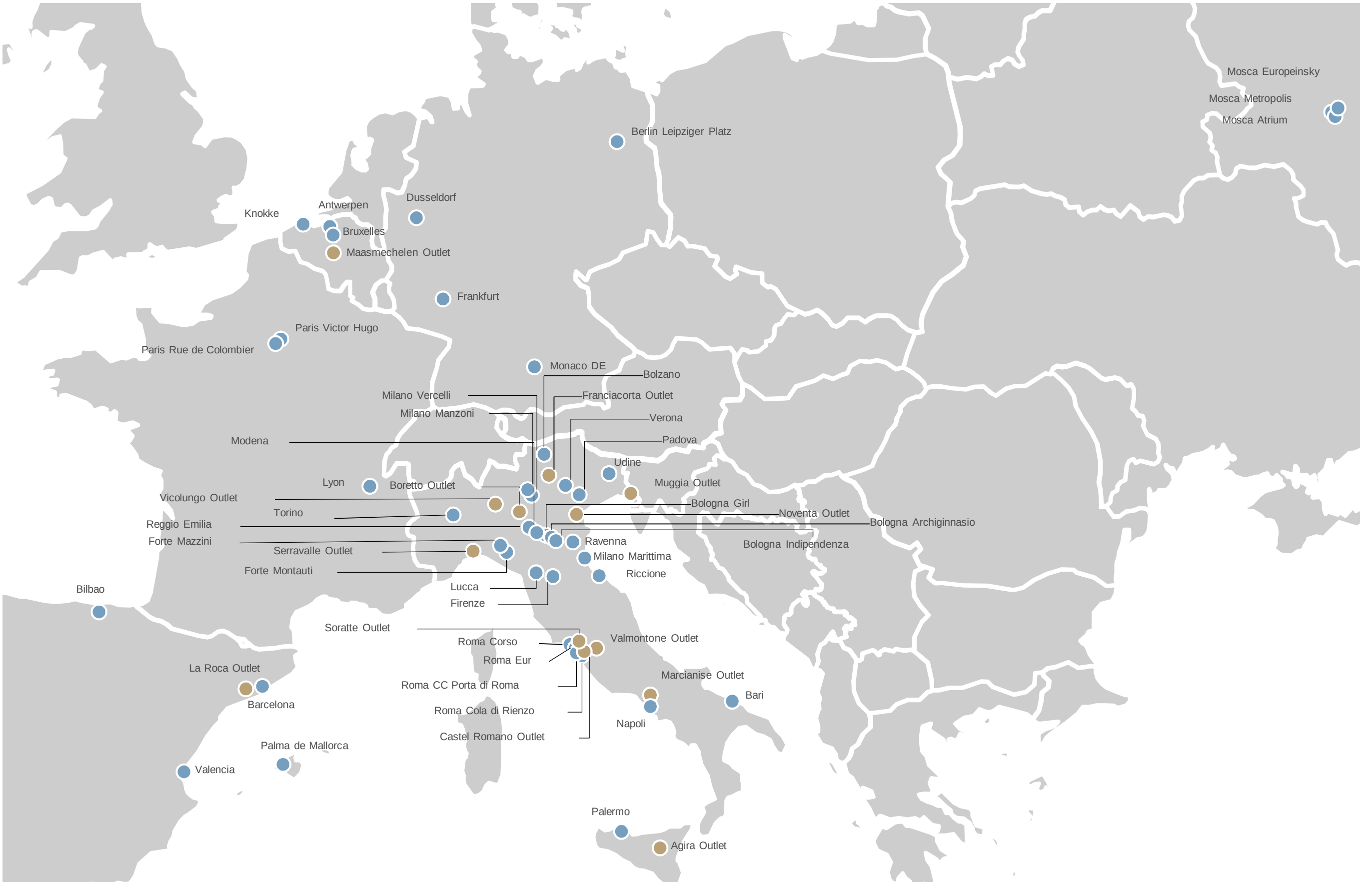
Total Stores	Italy	Abroad	Total
DOS	27	2	**29**
Outlet	10		**10**
Retail Network as of December 31, 2013	**37**	**2**	**39**

Opened 1H 2014	
Italy	**Abroad**
Bari Relocation	Lyon
Palermo	Paris Colombier
	Paris Victor Hugo
	Palma de Mallorca
	Valencia
	Maasmechelen Outlet

Opening 2H 2014[1]	
Italy	**Abroad**
Napoli	Knokke
Agira Outlet	Barcelona
	Bilbao
	Berlin Leipziger
	Dusseldorf
	Frankfurt
	Munich
	Moscow Atrium
	Moscow Europeinsky
	Moscow Metropolis
	La Roca Outlet

Total Stores[2]	Italy	Abroad	Total
DOS	27	17	**43**
Outlet	11	2	**13**
Retail Network as of December 31, 2014 Exp	**38**	**19**	**57**

Geographic Footprint as of December 31, 2014 Expected



DOS Outlet

Note:
1 All stores have been already opened, except Dusseldorf, Frankfurt and Munich
2 The relevant amounts are net of stores closing occurred in the period 1H 2014 (1 store located in Bari) and planned to be closed in the period 2H 2014 (2 stores located in Milano Coin and Firenze Coin)

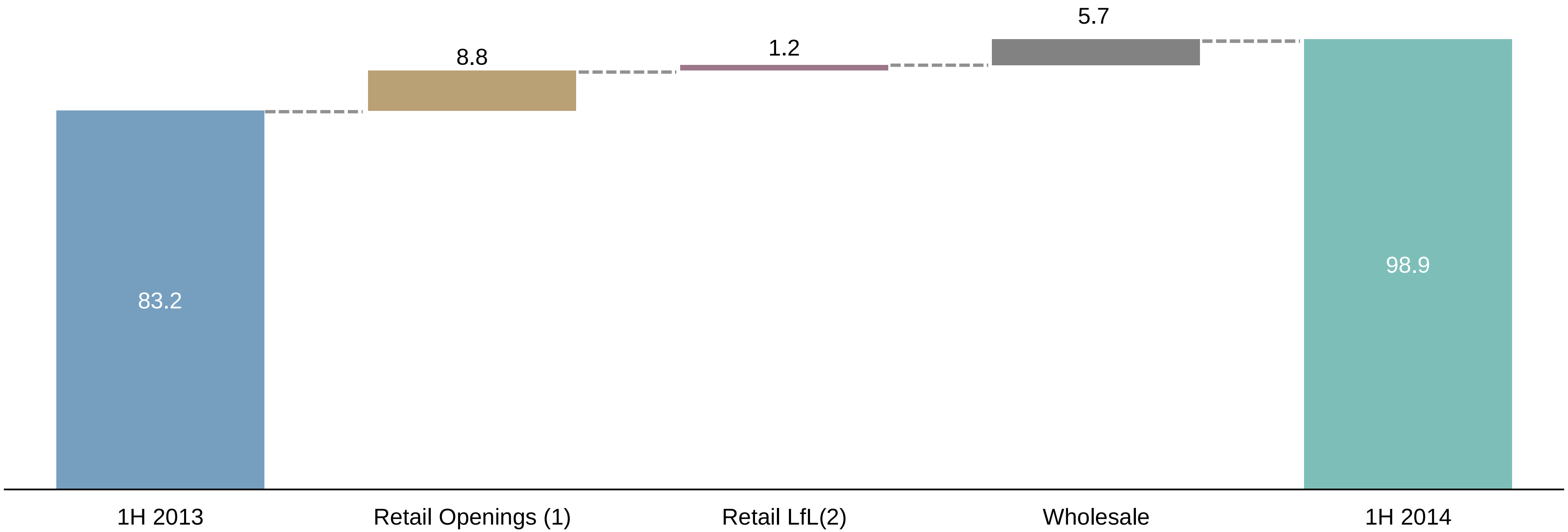
Section 2

Business Performance

Revenue Evolution

Revenue growth supported by ramp-up in new openings, Like-for-Like performance and wholesale performance

Revenue Bridge (€m)



1. Includes all the retail figures excluded from the Like-for-Like analysis
2. Like-for-like retail performance consists of retail sales from Like-for-Like points of sale in any given period compared with the same period in the previous financial period, shown as a percentage change between the two periods. Like-for-like points of sale include all our points of sale that were in operation for more than one month and were open in both periods. Like-for-Like excludes points of sale closed during each period including stores temporarily closed for refurbishment (only the closing period is excluded). Retail sales consist of total retail sales generated in our points of sale net of rebates and discounts.

Adjusted EBITDA Evolution

Opex management impact on the Adjusted EBITDA

Adjusted EBITDA Bridge (€m)

Gross Margin

– Reached 56.5%, 0.8pts lower than 1H 2013, driven by product mix and some price pressure given tough market condition in Italy

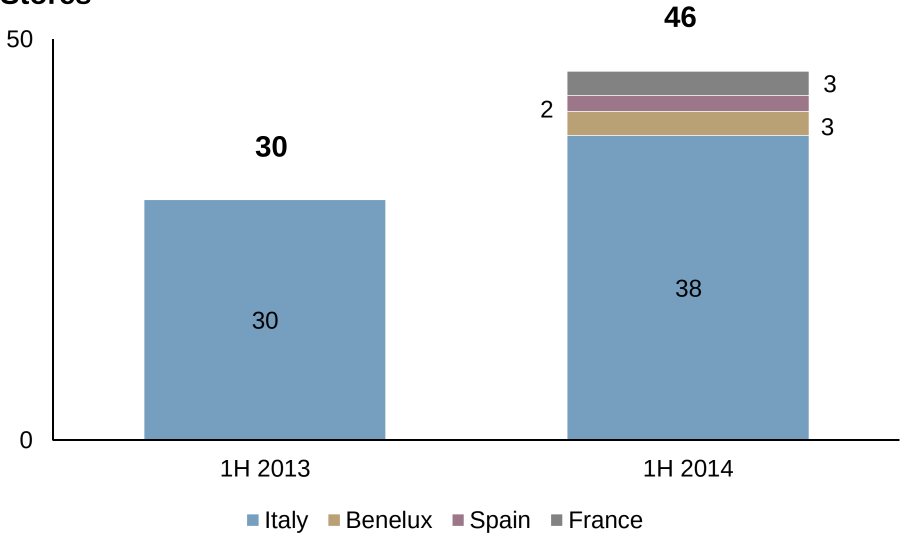
Opex

– Operating expenses growth caused mainly by: the strong expansion of our retail distribution network (higher fixed costs vs mainly variable costs in the wholesale channel); accelerated spending for marketing activities, to increase brand awareness in foreign geographies, and for samples, to support new categories; the increase of central personnel costs (Admin and Commercial) to support growth plans, especially the international retail expansion

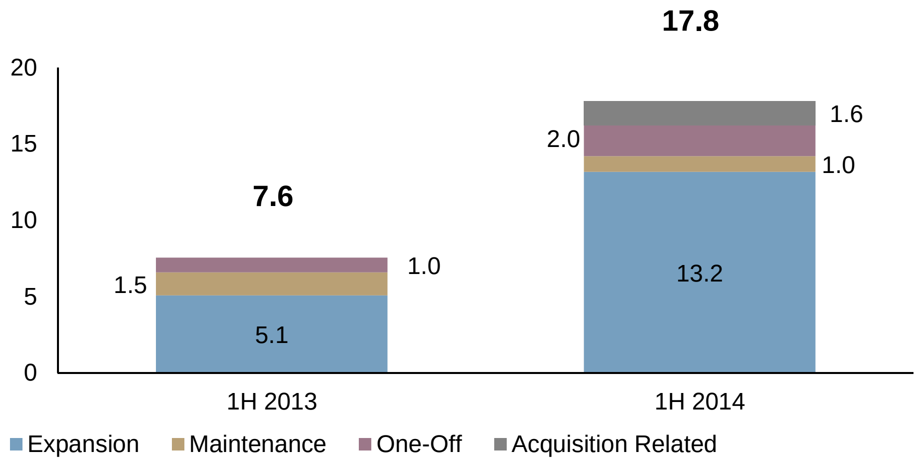
Capex Evolution

Capex for the period stood at €17.8m of which €13.2m for Retail expansion

Stores[1]



Capex (€m)



1H 2014 Capex

- **Expansion Capex** includes key money and expenditures for the restyling of new stores for a total of €13.2m of which Key Money €8.0m mainly for prime locations such as Paris Rue de Colombier, Paris Avenue Victor Hugo, Lyon, Palma de Mallorca opened in 1H 2014, and Munich to be opened in 2H 2014
- **Maintenance** includes renewal/refurbishment of existing stores of €0.2m, low as expected thanks to relatively young retail network, and recurring items for a total spending of €1.0m
- **One-Off** mainly includes project related IT investments (new ERP, PLM, Retail SW management) and set-up of new foreign subsidiaries
- **Acquisition Related** is for Twin Set Shoes with the aim to strengthen the Shoes product category

Note:

1. The relevant amounts are net of store closing that occurred in the period (1 Store located in Bari)

Section 3

Financial Performance

Income Statement

(€m)	1H 2013	1H 2014	change	% change
Wholesale	68.0	73.8	5.7	8.4%
Retail	15.1	25.1	10.0	66.0%
Twin Set Revenue	**83.2**	**98.9**	**15.7**	**18.9%**
Adjusted EBITDA	17.2	14.1	-3.1	-18.2%
Margin (%)	*20.7%*	*14.2%*		
EBIT	9.2	4.3	-4.9	-53.4%
Margin (%)	*11.1%*	*4.3%*		
Net Profit	0.4	-4.1	-4.5	>100%
Margin (%)	*0.5%*	*-4.2%*		

EBIT

– At EBIT level, 1H 2014 D&A increased by € 1.8m due to the increased amortization, mainly related to investment in the retail network expansion

Net Income

– Financial Charges in line with increased Net Financial Indebtedness; Tax Charges €1.5m for the period (vs €3.3m in 1H 2013) mainly due to amortization of goodwill not deductible

Cash Flow Statement

(€m)	1H 2013	1H 2014
Total net cash at the beginning of the period	**12.1**	**13.7**
Cash flow provided by/(used in) operating activities	3.2	6.7
Cash flow (used in) investing activities	-7.6	-17.8
Cash flow provided by/(used in) financing activities	4.9	2.5
Cash Flow from the period	0.5	-8.6
Total net cash at the end of the period	**12.6**	**5.1**

Cash Flow

- Higher investment activities in line with planned strategy mainly for foreign retail network expansion
- Confirming good cash generation from operations
- Cash Flow provided by financing activities mainly refer to drawing under Capex Line net of Term Loan installment repayment

Cash Flow Items

(€m)	1H 2013	1H 2014	change	% change
Adjusted EBITDA	**17.2**	**14.1**	**-3.1**	**-18.2%**
Margin (%)	*20.7%*	*14.2%*		
Change in Operating Working Capital	-11.7	-4.7	7.1	-60.3%
Capex	-7.6	-17.8	-10.3	>100%
Operating Free Cash Flow	**-2.1**	**-8.4**	**-6.3**	**>100%**
% of Revenue	*2.5%*	*-8.5%*		

Change in Working Capital

– Positive effect mainly for timing difference in wholesale receivable collection

Capex

– Higher Capex in line with the retail expansion strategy (8[1] stores opened in 1H 2014 vs 2 stores opened in 1H 2013)

Operating Free Cash Flow

– OFCF impacted mainly by Capital Expenditure

Note:

1. The relevant amounts are gross of store closing that occurred in the period (1 Store located in Bari)

Net Debt and Leverage

(€m)	1H 2013	1H 2014	Transaction	1H 2014 Pro Forma post Bond Issuance
Cash and Cash equivalents	13.7	8.2	28.3	33.4
Banks overdrafts	-1.1	-3.1	0.0	0.0
Total net cash	**12.6**	**5.1**	**28.3**	**33.4**
Banks loans - current portion	7.9	10.1	-8.4	1.7
Banks loans - non-current portion	56.8	67.2	-65.5	1.7
Bank loans	**64.8**	**77.3**	**-73.9**	**3.3**
Notes			150.0	150.0
Net financial indebtness	**52.2**	**72.1**	**47.8**	**119.9**
Leverage ***(Net Debt / Adjusted LTM EBITDA)***	**1.4x**	**1.9x**		**3.2x**
Interest Coverage ***(Adjusted LTM EBITDA / Net Financial Charges)***	**7.4x**	**6.6x**		**3.7x**

1H 2014 Pro Forma post Bond Issuance

- **Liquidity**: ample cash available of €33.4m on balance sheet and €47.0m of available undrawn lines
- **Leverage ratio**: 3.2x
- **Interest Cover Ratio**: 3.7x

Section 4

Outlook

Outlook

2H 2014

- Positive evolution of the SS15 order campaign in line with Company expectations (€81.5m + 9% vs SS14)
- Continue to roll-out the retail network abroad and increase focus on existing stores operations

Full Year 2014

- The Company will continue to focus on retail expansion abroad, on strengthening the existing product lines and to continue to adjust the organization to face the larger business footprint, while increasing attention to costs management in order to ensure a balanced growth

Section 5

Q&A

Section 6

Appendix

Balance Sheet

Assets (€m)	1H 2014	FY 2013
Intangible assets	260.5	255.5
of which goodwill	*200.8*	*204.7*
Property, plant and equipment	10.2	7.3
Other financial assets	0.4	0.1
Total intangible assets, PP&E and other financial assets	**271.1**	**262.9**
Inventories	56.4	53.6
Trade receivables	47.7	44.5
Tax receivables	3.6	4.8
Deferred tax assets	4.5	3.0
Other receivables	2.1	1.9
Cash and cash equivalents	8.2	14.3
Total current assets	**122.6**	**122.0**
Accrued income and prepaid expenses	1.0	0.7
Total assets	**394.7**	**385.6**

Liabilities and Shareholders' equity (€m)	1H 2014	FY 2013
Shareholders' equity		
Share capital	0.5	0.5
Reserves	160.4	160.2
Retained earnings	0.9	-2.1
Profit/(loss) for the period	-3.9	3.4
Total Group Shareholders' equity	**158.0**	**162.0**
Equity attributable to non-controlling interests	0.2	0.0
Total Shareholders' equity	**158.2**	**162.0**
Liabilities		
Provisions for risks and charges	4.1	4.9
Deferred tax liabilities	8.0	8.2
Provisions for employee severance indemnities	0.7	0.5
Shareholder loan	79.9	77.3
Bank loans	79.9	74.9
Client advances	1.0	1.4
Trade payables	52.7	51.3
Tax payables	4.0	0.9
Social security payables	0.8	0.9
Other payables	5.1	3.0
Accrued expenses and deferred income	0.2	0.3
Total liabilities	**236.5**	**223.6**
Total liabilities and shareholders' equity	**394.7**	**385.6**
Memorandum accounts		
Guarantees	5.9	3.4
Other memorandum accounts	19.8	17.5
Total memorandum accounts	**25.7**	**20.9**