

PPR

Acquisition of Brioni

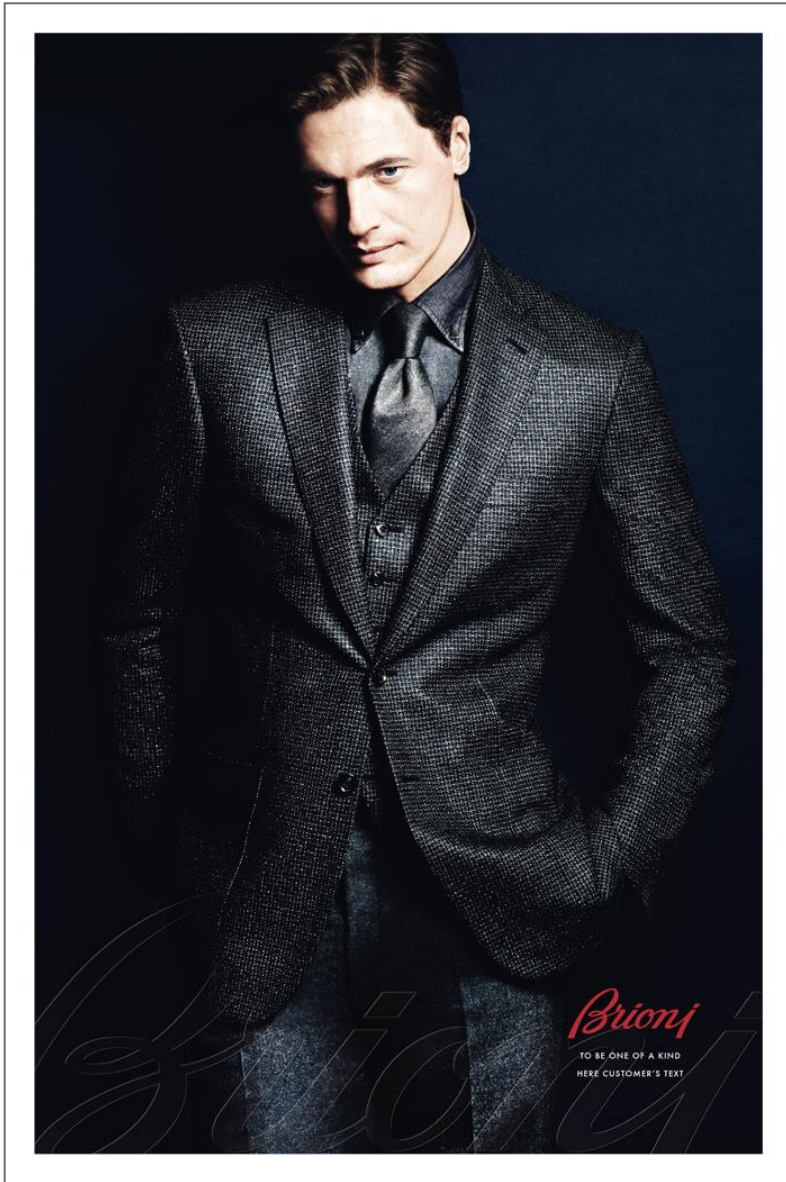
Tuesday, November 8, 2011



Key elements
of the transaction

Key elements of the transaction

- Acquisition of 100% of capital
- A prestigious, profitable house active in a growing market: men's
- Highly complementary with PPR's portfolio of brands
- Significant growth levers within PPR's Luxury division



The reference
in menswear

An Italian success story in post-war Rome

1950-1960

The success of a unique style

1950



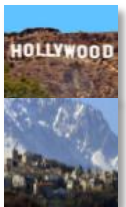
Founded in Rome
Via Barberini

1951/1952



First men's fashion shows. The brand emerges as a unique style

1950'



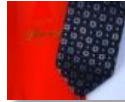
Success in Hollywood

Inauguration of the production facility in Penne

1970-1980

Growth and consolidation

1979



The first tie collection

1982



The first boutique in New-York

1985



Creation of the "Scuola di Sartoria"

1992



Launch of the leisurewear collection

1990-2009

Acquisition of know-how

1991



Ties

1994



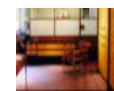
Leather menswear

1995



Shirts

2001



Knitwear

2005



Small leather goods

A brand synonymous
with high quality “made in Italy” elegance

Vision



Target



Brioni

Heritage



Dynamics



A brand synonymous
with high quality “made in Italy” elegance

Vision

“Power suit” to showcase
elegance and individuality

“Premium Casualwear” to
express a genuine lifestyle

A discerning and demanding
man, lover of beauty, that
does not stop at
appearances, and is able to
identify, accept or reject
current trends

Target

Brioni

Heritage

The first true ambassador of
the Italian men's fashion in
the world

Keeping the relationship
between tradition and
innovation intact:
“Future lies in
craftsmanship”

Dynamics

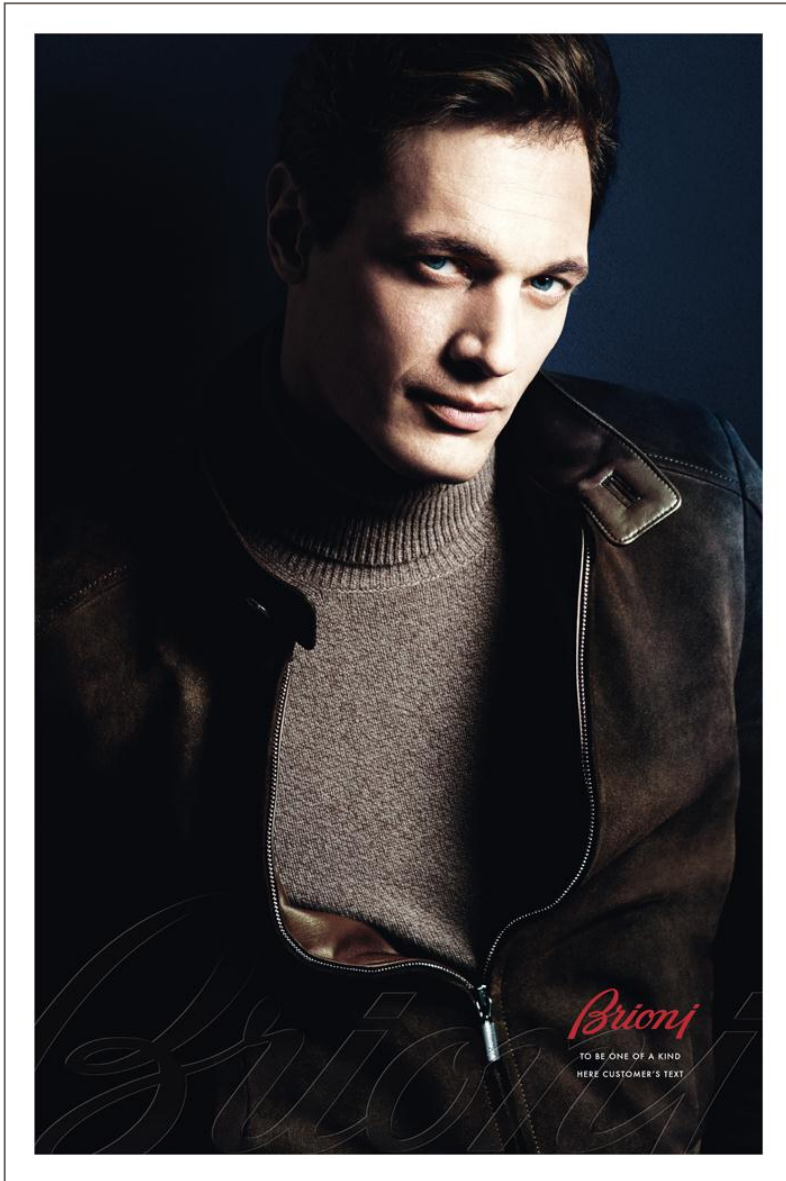
Expanding the range in men's market

- **Core offer: tailoring**
 - Ready-to-wear and bespoke suits
 - Extensive choice
- **Successful diversification in menswear**
 - From suits to leisurewear and accessories
- **A legitimate brand in the whole men's market**
- **Strong customer loyalty**

- **A history of sartorial craftsmanship**
 - A suit made “by 440 hands”
 - Unsuspected meticulous attention at all production phases
- **Know-how that is carefully perpetuated**
 - Master tailors with ancestral expertise
 - The *Scuola Sartoria Nazareno Fonticoli*, founded in 1985
- **“Handmade in Italy”**
 - 8 production sites, 1,800 employees
 - 50,000 suits made every year

A profitable and dynamic company

- **Continuous and profitable growth**
 - 2010 revenue: €170 million
 - Strong presence in Europe and North America
 - Dynamic expansion in emerging countries
- **A selective, well-balanced worldwide distribution network**
 - 32 DOS
 - 42 franchises
 - Corners in department stores
- **Vertical integration**
 - In-house manufacturing
 - Know-how



Significant
growth potential

- **Menswear: one of the Luxury sector's most dynamic markets**
 - Men's RTW market: €24bn (+9%) in 2011
 - The "Masculinization" of the market
 - "Casualization"

- **A legitimate brand in all areas of the masculine universe**
 - The brand's extensive territory
 - Successful diversification that should be continued

**Altagamma 2011*

An ambitious growth strategy

- **Strengthening the product offer**
 - Expanding the product range (leather and accessories)
 - Widening the leisurewear
- **Accelerating geographic expansion**
 - Emerging countries
 - Network of DOS: modernization and extension
- **Access to PPR's know-how**
 - *Supply chain*
 - Real estate and distribution
 - Support functions

The perfect match to PPR's luxury brand portfolio

- **A family history and common vision**
 - Tradition and modernity
 - Respect for DNA and heritage
- **Distinct and unique brand positioning**
 - A long-history of sartorial craftsmanship
 - Exclusively for men
 - A "classic modern" style
- **PPR: respecting brands and serving their development**

- **7 November, 2011**
 - Signing of the purchase agreement
- **End 2011 – early 2012**
 - Transaction authorization by the antitrust authorities
- **First quarter 2012**
 - Closing of the transaction
 - Start of Brioni's integration into the Group

A new stage in the deployment of PPR's strategy

- **Expanding the brand portfolio**
- **Another boost to the activity's growth potential and profitability**





Q&A