BRUNELLO CUCINELLI

**Press Release**

**BRUNELLO CUCINELLI: the Board of Directors has approved the Consolidated interim report at 30th September 2014.**

- **Net revenues of € 277.3 million, +10.2% (current exchange rates) compared to 30th September 2013;**
- **Net income of € 25.9 million, +10.2%;**
- **EBITDA of € 48.8 million, +6.6%;**
- **International markets in expansion by 12.9%: North America +16.0%, Europe +11.6%, Greater China +35.5%, Rest of the World -5.6% (+41.8% excluding the effect of the conversion of the business in Japan);**
- **Growth of 1.3% on the Italian market;**
- **Revenues in the retail monobrand channel +27.6%, wholesale monobrand channel -4.4% (+23.4% excluding the 8 conversions to the direct channel), wholesale multibrand channel +3.6%;**
- **Important investment plan in progress structural to long-term growth and positioning of the brand (€ 31.1 million at 30th September 2014); net debt of € 49.5 million.**

**Brunello Cucinelli**, Chairman and CEO, commented as follows:

*“2014 is drawing to a close and it represents a "fundamental" year for our company, not only for the consistent growth reported by both revenues and profit, but also for the visibility and the positioning - at the top of the luxury segment - that our brand keeps enjoying.*

*We have just come back from some important business trips to the US and the Far East in the past weeks. And it is pleasing to realize how everything that comes from our splendid country is welcome with high regard all over the world. It easy to perceive a great admiration for our handcrafted products, for our culture and for our way of life.*

*We are being acknowledged great manual skills, creativity and style, both as Italians and as a company, and this is the reason why these are still the founding values of our way of doing business. High regard is shown for the skilled hands that manufacture our products and for all our partners who support our project firmly.*

*On the back of improving results in Italy too, as well as of Spring Summer 205 collections that were greatly appreciated by clients and observers, we believe that this trend featuring healthy and gracious double-digit growth for both revenues and profit is likely to continue also in 2015.“*

*We would like to thank from the deep of our heart all our employees who have worked with daily dedication and acknowledged rapidity and genius as great values.”*

*Solomeo, 11th November 2014* – The Board of Directors of Brunello Cucinelli S.p.A. – an Italian maison operating in the luxury goods sector listed on the Borsa Italiana Electronic Stock Exchange – today examined and approved the Company's Consolidated interim report for the first 9 months of 2014.

The project for the sustainability of the Company's growth path, based on indispensable bases such as exclusive distribution, product excellence, craftsmanship, creativity and Made in Italy know-how, is confirmed by the results achieved in the first 9 months.

The prestige acknowledged to the brand by the top-end customer, who identifies the whole of the Brunello Cucinelli world as the essence of an exclusive **prêt-à-porter** proposal and the expression of a sophisticated concept of **contemporary lifestyle**, supports the results achieved and represents the basis for long-term sustainable growth.

This offer of manufactured products of the highest possible quality, together with an exclusive distribution, represents the Company's tradition and identity, combining itself with a humanistic business model which finds its roots in respect for the **economic and moral dignity** of everyone who participates in the creation of the Company's value.

## <u>Revenues</u>

The Company posted net revenues[1] of € 277.3 million for the 9 months ended 30th September 2014, a rise of 10.2% (+10.7% at constant exchange rates) compared to € 251.7 million for the 9 months ended 30th September 2013.

Revenues reached € 278.7 million, an increase of 10.0% compared to € 253.4 million recorded the previous year.

The rising demand for *"exclusive luxury"* products confirms the evolution the customer is undergoing: a person sophisticated and attentive not only to the quality of the offer but also to the production process and the dynamics of sustainability, dignity and ethics within which the Company operates.

Demand from domestic consumers is positive, as is top-end tourist flow which does not appear to have been significantly affected by the geo-political problems of the past few months.

The international markets, which account for 78.8% of total net revenues (76.9% at 30th September 2013), report a rise of 12.9% in turnover and this is accompanied by an increase of 1.3% in revenues on the Italian market (over 30th September 2013), showing a healthy performance.

## <u>Revenues by Geographical Area</u>

<u>North American market</u> – growth in sales of 16.0% (€ 91.1 million compared to € 78.5 million in the first 9 months of 2013), representing 32.9% of the total (31.2% in the first 9 months of 2013).

There has been growth in revenues in both the multibrand channel, with a presence in the most exclusive and attractive spaces of Luxury Department Stores, and in the prestigious monobrand boutiques located on the luxury streets of leading cities and resorts.

---

[1] Performance in the quarterly results is characterized by variations in the delivery dates for collections between the end of one quarter and the beginning of the next, making a reading on a progressive basis important for obtaining an understanding of the dynamics underlying the business.

At 30th September 2014 the monobrand network consisted of 18 boutiques, which include 2 important openings over the past 12 months (in Atlanta and San Francisco in September).

European market – revenues rose by 11.6% (with a turnover of € 91.9 million compared to € 82.3 million in the first 9 months of 2013) representing 33.1% of the total (32.7% at 30th September 2013).

The increase in revenues was led by the positive results achieved by existing spaces, accompanied by new, selected openings; these positive results are supported by the flow of top-end foreign tourists at the most exclusive locations.

There was an increase in the results of the sales made in Russia which confirm the solidity of the business and the domestic demand for exclusive luxury goods; orders for the 2015 Spring/Summer collection are also positive, showing healthy growth.

There were 22 stores in the network of direct monobrand boutiques at 30th September 2014, with just one new opening over the past 12 months (Vienna) and two conversions from the wholesale monobrand channel. There were 19 wholesale monobrand boutiques at 30th September 2014, with one opening having taken place since 30th September 2013.

Greater China – an increase in sales of 35.5% (€ 15.3 million compared to € 11.3 million at 30th September 2013), aided by the conversion of 3 boutiques over the past 12 months from the wholesale monobrand network to the direct network, representing a proportion of total revenues limited to 5.5% (4.5% at 30th September 2013).

These results highlight the considerable approach that the Asian consumer carries out to find exclusivity in the luxury "*prêt-à-porter*" segment and modern taste, with increasing attention being paid towards the no-logo, exclusive and top crafted offer in the quest for that unique purchasing experience that is also found in the world's main luxury capitals.

The Company's presence in Greater China currently consists of 19 monobrand boutiques (18 boutiques at 30th September 2013), of which 16 are direct monobrand boutiques and 3 are wholesale monobrand boutiques.

Rest of the World – Total sales at 30th September 2014 amounted to € 20.3 million (€ 21.5 million at 30th September 2013), representing 7.3% of total revenues (8.5% at 30th September 2013).

Very interesting performance compared to the first 9 months of 2013; even if sales decreased by 5.6%, the results would have been 41.8% higher excluding the conversion that have taken place in Japan, which acts as the main reference point for the Rest of the World.

Since 1st September 2014 the 3 wholesale monobrand boutiques in Japan have been converted into direct stores, and the 13 hard shops located in the Luxury Department Stores have passed from wholesale multibrand channel to retail management.

These changes and conversions have affected the results for the third quarter, which in 2013 were characterized by deliveries of the Fall/Winter collection to wholesale monobrand and multibrand customers (sell-in turnover), while the same deliveries to sales points in the third quarter of this year will mainly contribute to sales in Japan (sell-out) in the upcoming quarters.

There were 11 monobrand stores at 30th September 2014 (8 at 30th September 2013), of which 4 directly operated (in addition to the 3 boutiques in Japan there is also one in San Paolo in Brazil).

Italian market – very interesting results, with revenues growing by 1.3%, (€ 58.8 million compared to € 58.0 million at 30th September 2013), representing 21.2% of turnover (23.1% at 30th September 2013).

Sales in the monobrand channel posted sustainable growth in both the direct and the wholesale monobrand network, supported by the significant flow of foreign tourists whose numbers increased in the country's main cities and resorts.

There were 15 monobrand boutiques at 30th September 2014, of which 11 direct and 4 wholesale monobrand.

## **Revenues by Distribution Channel**

There was a progressive increase in the retail monobrand channel over the 9 months, with *Like for Like*[2] sales rising by 5.5% and results in the wholesale monobrand and multibrand channels affected by the consequences of the conversion of a number of sales points to the direct channel.

Retail monobrand channel – turnover rose by 27.6%, with sales reaching € 101.0 million at 30th September 2014 (36.4% of the total) compared to € 79.1 million in the first 9 months of 2013 (31.5%).

There was in an increase of 5.5% in *Like for Like* sales of the direct distribution network in the first 44 weeks of 2014 (the period between 1 January and 2 November 2014), in line with the result for the first half of the year.

The development of the network (70 boutiques at 30th September 2014) is proceeding in a sustainable and exclusive manner, with 4 new selected openings taking place over the past 12 months, to which should be added 8 conversions from the wholesale monobrand network to the direct channel, which include those relating to Japan.

Wholesale monobrand channel – positive trend in revenues amounting to € 28.0 million (10.1% of total turnover) compared to € 29.3 million at 30th September 2013 (11.6% of turnover for the period). These revenues, showing a slowdown of 4.4%, would have posted an increase of 23.4% if the impact of conversions to the direct channel (8 boutiques including the 3 Japanese boutiques) were excluded.

The wholesale monobrand boutique network (34 boutiques at 30th September 2014 compared to 38 at 30th September 2013) includes 4 new openings over the past 12 months, with 8 conversions to the direct channel.

Multibrand channel – sales rose by 3.6% to reach € 148.4 million at 30th September 2014 (representing 53.5% of total turnover), compared to € 143.3 million in the first 9 months of 2013 (56.9% of total turnover).

A comparison of the trend in the multibrand channel with the result posted in the first half of the year is affected by the conversion to the retail channel of dedicated spaces in the Japanese Luxury Department Stores, consistent with the changes analyzed in the comment on revenues in the Rest of the World.

[2] Like for Like in 2014 represents the increase in revenues at constant exchange rates achieved by the DOS existing at 1st January 2013.

**The Monobrand Channel network**

There were 104 boutiques in the monobrand network at 30th September 2014 (70 direct monobrand and 34 wholesale monobrand) compared to 96 stores at 30th September 2013 (58 direct monobrand and 38 wholesale monobrand), maintaining high the exclusivity of the distribution.

Four boutiques in the direct channel have been opened since 30th September 2013 and the same number in the wholesale monobrand channel, while 8 conversions from the wholesale monobrand network to direct monobrand took place.

The Company's long-term planning and strategy of exclusivity in market presence are confirmed by the 9 openings for 2015 already secured.

**Analysis of the Income Statement**

Against an increase in revenues of 10.0%, net income rose by 10.2% from € 23.5 million at 30th September 2013 (or 9.3% of revenues) to € 25.9 million at 30th September 2014 (again 9.3%).

EBITDA reached € 48.8 million (17.5% of revenues), an increase of 6.6% over the result of € 45.8 million for the first 9 months of 2013 (18.1% of revenues).

Depreciation and amortization rose by 13.9% from € 8.3 million (3.3% of revenues) to € 9.5 million at 30th September 2014 (3.4% of revenues); the tax rate (30.7%) decreased compared to the same period of the previous year.

An analysis of the changes which took place at an EBITDA level and a comparison of the figures for the 9 months ended 30th September 2014 with those for the 9 months ended 30th September 2013 show the positive effect that business development, the evolution in the sales channel mix and LFL growth have had on the margin, with a simultaneous increase in operating costs.

Sales in the direct channel increased as a percentage of net revenues (from 31.5% to 36.4%), supported by both a positive performance in existing spaces and the network growth to a total of 70 boutiques at 30th September 2014, including the 4 openings and 8 conversions from the wholesale monobrand network that have taken place over the past 12 months.

The increase in operating costs (which rose as a percentage of revenues from 39.5% to 42.6% in the period) is the result of both business growth and new openings in the direct channel, and the development taking place in the way in which the business is run in Japan, with the relative fixed costs being incurred earlier than the sales of the next few months.

These changes had an effect above all on rental expense (which rose as a proportion of revenues from 5.5% to 7.3%) and payroll costs (which increased from 14.4% to 15.9%); also contributing to this increase was the acquisition of the manufacturing know-how of the historical tailor D'Avenza to strengthen the production of men's suits.

Other operating costs fell as a percentage of revenues from 19.6% to 19.4%, with the percentage of investments in communication remaining constant (at 5.7% at 30th September 2014), with initiatives mainly focused on exclusive consumers.

**Balance Sheet**

Net working capital amounted to € 102.4 million at 30th September 2014 (€ 76.2 million at 30th September 2013).
This increase was driven by a structural rise in inventories from € 77.2 million to € 102.9 million.

The growth in inventories arose as a result of the development of the business and the retail network (which over the past 12 months includes 4 new openings and 8 conversions from the wholesale monobrand channel, of which 3 boutiques in Japan) and the retail management of the entire business in Japan, which in addition to the above-mentioned boutiques also includes the 13 spaces in the Luxury Department Stores.

The Company's net financial position amounted to € 49.5 million, increasing over the € 23.6 million at 30th September 2013; the Company continues with its significant investment policy (€ 31.1 million invested at 30th September 2014), structural to the business model, the positioning of the brand at the top of the absolute luxury sector and long-term growth.

Commercial investments amounted to € 16.1 million in the first 9 months of 2014, dedicated to new openings and increasing selling surfaces, as well as to certain spaces in the most prestigious Luxury Department Stores.

Investments in production and logistics, amounting to € 10.4 million at 30th September 2014, include work on the extension of the Solomeo factory which will be completed in the final months of the year.

Lastly, the Company faced capital expenditure of € 2.3 million in the first 9 months of 2014 on the project aimed at strengthening and developing the technological platform which affects all the markets where our industry has a presence with directly operated stores.
This project will continue to have considerable importance over the next three years and will additionally include investments needed to support the brand's digital presence, consistent with a positioning of exclusivity and prestige.

***

*The manager in charge of preparing the corporate accounting documents, Moreno Ciarapica, declares pursuant to and to the effects of article 154-bis, paragraph 2 of Legislative Decree no. 58 of 1998 that the disclosures included in this release correspond to the balances on the books of account and the accounting records and entries.*

*The Consolidated interim report on operations prepared pursuant to article 154-ter, paragraph 2 of Legislative Decree no. 58 of 1998 has not been audited.*

*The Consolidated interim report on operations at 30th September 2014, approved by the Board of Directors as of today's date, is lodged at the Company's registered office and is available to the public in the section "Financial Reports" of the Company's website: (http://investor.brunellocucinelli.com).*

*This documentation is also available on the website of Borsa Italiana S.p.A. and on the website of the authorized "1Info" storage system.*

*The pdf version of the presentation to analysts of the results at 30th September 2014 may be found in the section "Presentations" of the Company's website: http://investor.brunellocucinelli.com/ita/presentazioni/.*

BRUNELLO CUCINELLI

**Brunello Cucinelli S.p.A.** is an Italian maison operating in the absolute luxury goods sector which specializes in cashmere and is now one of the most exclusive brands in the international informal luxury **prêt-à-porter** sector.

Brunello Cucinelli, founded in 1978 by the eponymous stylist and entrepreneur, posted a net turnover of € 322.5 million in 2013 (+15.5% compared to the previous year), of which 79.3% was achieved overseas, and an EBITDA of € 58.2 million (up by 18.5% over normalized EBITDA for 2012), and currently has approximately 1,200 employees. Brunello Cucinelli's success is rooted in the history and legacy of great craftsmanship as well as in modern design: a quality strategy founded on a combination of innovation and artisan skill.

The attention and care taken in manufacturing the product are expressed through the use of the highest quality raw materials, tailoring and **craftsmanship** of exclusively Made in Italy production, combined with *savoir faire* and **creativity**; all of this makes the Solomeo-based company one of the most exclusive testimonials of Italian **lifestyle** worldwide.

Company business has always been conducted in the medieval hamlet of Solomeo, on the outskirts of Perugia. Today the brand is distributed internationally in over 60 countries through 104 monobrand boutiques in leading capitals and cities worldwide and in the most exclusive resorts, with a significant presence in approximately 650 selected multibrand stores, including leading luxury department stores.


Contacts: **Media**

Vittoria Mezzanotte
Brunello Cucinelli S.p.A.
Tel. +39 02/34.93.34.78

Ferdinando de Bellis
Barabino & Partners
Tel. 02/72.02.35.35

**Investor Relations**

Pietro Arnaboldi
Brunello Cucinelli S.p.A.
Tel. +39 075/69.70.079

Corporate web-site: www.brunellocucinelli.com


The financial statements are attached

BRUNELLO CUCINELLI

# CONSOLIDATED BALANCE SHEET AS OF 3OTH SEPTEMBER 2014

| | September 30, 2014 | *related parties* | December 31, 2013 | *related parties* | September 30, 2013 | *related parties* |
|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | |
| Intangible assets | 29,630 | | 26,552 | | 26,850 | |
| Property, plant and equipment | 76,364 | 10,575 | 59,180 | 8,252 | 55,556 | 7,717 |
| Other non-current financial assets | 4,824 | 41 | 3,426 | 41 | 2,803 | 41 |
| Deferred tax asset | 14,717 | | 10,082 | | 9,448 | |
| **Total non-current assets** | **125,535** | | **99,240** | | **94,657** | |
| **Current assets** | | | | | | |
| Inventories | 102,942 | | 94,464 | | 77,246 | |
| Trade receivables | 66,648 | 27 | 43,361 | 99 | 63,027 | 61 |
| Tax receivables | 3,289 | | 1,094 | | 1,212 | |
| Other receivables and other current assets | 13,182 | | 14,186 | | 8,797 | |
| Other current financial assets | 33 | | - | | - | |
| Cash and cash equivalents | 32,060 | | 38,676 | | 38,027 | |
| Derivative financial instruments | 85 | | 1,658 | | 1,443 | |
| **Total current assets** | **218,239** | | **193,439** | | **189,752** | |
| Assets held for sale | 0 | | 0 | | 0 | |
| **Total assets** | **343,774** | | **292,679** | | **284,409** | |

| | September 30, 2014 | *related parties* | December 31, 2013 | *related parties* | September 30, 2013 | *related parties* |
|---|---|---|---|---|---|---|
| **Shareholders' equity** | | | | | | |
| **Shareholders' equity attributable to parent company shareholders** | | | | | | |
| Share capital | 13,600 | | 13,600 | | 13,600 | |
| Share-premium Reserve | 57,915 | | 57,915 | | 57,915 | |
| Reserves | 61,649 | | 40,063 | | 40,442 | |
| Net income for the period | 26,902 | | 30,476 | | 24,404 | |
| **Total shareholders' equity attributable to owners of the parent** | **160,066** | | **142,054** | | **136,361** | |
| **Shareholders' equity attributable to non-controlling interests** | | | | | | |
| Capital and reserves attributable to non-controlling interests | 6,925 | | 4,061 | | 3,929 | |
| Net income for the period attributable to non-controlling interests | (997) | | (901) | | (897) | |
| **Total shareholders' equity attributable to non-controlling interests** | **5,928** | | **3,160** | | **3,032** | |
| **Total shareholders' equity** | **165,994** | | **145,214** | | **139,393** | |
| **Non-current liabilities** | | | | | | |
| Employees termination indemnities | 3,278 | | 2,854 | | 2,951 | |
| Provisions for risks and charges | 813 | | 831 | | 944 | |
| Non-current payables towards banks | 34,958 | | 18,281 | | 11,313 | |
| Non-current financial debt | 3,709 | | 3,477 | | 3,637 | |
| Other non-current liabilities | 4,703 | | 2,006 | | 1,482 | |
| Deferred Tax liabilities | 3,707 | | 3,308 | | 2,481 | |
| Non-current derivative financial instruments | 419 | | 230 | | 254 | |
| **Total non-current liabilities** | **51,587** | | **30,987** | | **23,062** | |
| **Current liabilities** | | | | | | |
| Trade payables | 49,458 | 571 | 62,607 | 753 | 49,036 | 857 |
| Current payables towards banks | 41,893 | | 29,639 | | 45,987 | |
| Current financial liabilities | 215 | | 2,955 | | 133 | |
| Income tax payables | 10,675 | | 1,562 | | 8,059 | |
| Current derivative financial instruments | 3,977 | | 311 | | 402 | |
| Other current liabilities | 19,975 | | 19,404 | | 18,337 | |
| **Total current liabilities** | **126,193** | | **116,478** | | **121,954** | |
| **Total liabilities** | **177,780** | | **147,465** | | **145,016** | |
| **Total equity and liabilities** | **343,774** | | **292,679** | | **284,409** | |

BRUNELLO CUCINELLI

# CONSOLIDATED INCOME STATEMENT AS OF 3OTH SEPTEMBER 2014

| | September 30, 2014 | *related parties* | September 30, 2013 | *related parties* |
|---|---|---|---|---|
| Net revenues | 277,346 | 9 | 251,685 | 56 |
| Other operating income | 1,378 | 781 | 1,701 | 925 |
| **Revenues** | **278,724** | | **253,386** | |
| Costs of raw materials and consumables | (51,546) | (68) | (52,679) | (48) |
| Costs for services | (131,417) | (1,336) | (115,947) | (1,169) |
| *Non-recurrent costs* | | | - | |
| Payroll costs | (44,447) | (181) | (36,432) | (142) |
| Other operating (expenses)/revenues, net | (2,165) | (7) | (1,743) | (1) |
| Costs capitalized | 738 | | 432 | |
| Depreciation and amortization | (9,450) | | (8,297) | |
| Impairment of assets and other accruals | (1,084) | | (1,251) | |
| **Total operating costs** | **(239,371)** | | **(215,917)** | |
| **Operating Income** | **39,353** | | **37,469** | |
| Financial expenses | (5,637) | | (5,340) | |
| Financial income | 3,645 | | 3,897 | |
| **Income before taxation** | **37,361** | | **36,026** | |
| Income taxes | (11,456) | | (12,519) | |
| **Net income for the period** | **25,905** | | **23,507** | |
| Net income for the period attributable to owners of the parent | 26,902 | | 24,404 | |
| Net income for the period attributable to non-controlling interests | (997) | | (897) | |
| Base earnings per share | 0.39562 | | 0.35888 | |
| Diluted earnings per share | 0.39562 | | 0.35888 | |

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| | September, 30 | |
|---|---|---|
| | **2014** | **2013** |
| **Net income for the period** | **25,905** | **23,507** |
| **Effects with possible future impact on the income statement** | **(717)** | **(479)** |
| Profit/(Loss) from fair value adjustments related to hedging instruments | (3,102) | (352) |
| Tax Effect | 853 | 97 |
| Total Profit/(Loss) from fair value adjustments related to hedging instruments | **(2,249)** | **(255)** |
| Exchange differences on translation of foreign operations | 1,532 | (224) |
| **Effects that do not have future impact on the income statement** | **(69)** | **31** |
| Profit / (loss) from effects of employee benefit remesurement | (95) | 42 |
| Tax Effect | 26 | (11) |
| **Total other profit/(loss), net of taxation** | **(786)** | **(448)** |
| **Total net comprehensive income, net of taxation** | **25,119** | **23,059** |
| *Attributable to:* | | |
| Owners of the parent | 25,794 | 24,000 |
| Non-controlling interests | (675) | (941) |

BRUNELLO CUCINELLI

## CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30TH SEPTEMBER 2014

| CONSOLIDATED STATEMENTS OF CASH FLOWS | September 30, 2014 | September 30, 2013 |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net income for the period | 25,905 | 23,507 |
| *Adjustments to reconcile net income for the period to the cash flows generated by (used in) operating activities:* | | |
| Depreciation and amortization | 9,450 | 8,297 |
| Provisions for employees termination indemnities | 128 | 111 |
| Provisions for risks and charges / inventory obsolescence / doubtful accounts | 908 | 1,287 |
| Change in other non-current liabilities | 2,162 | 290 |
| (Gain)/Loss on disposal of Fixed assets | (722) | (885) |
| Termination indemnities payments | (122) | (72) |
| Payments of Provisions for risks and charges | (130) | - |
| Net change in deferred tax assets and liabilities | (3,807) | (1,644) |
| Change in fair value of financial instruments | 2,327 | (225) |
| *Changes in operating assets and liabilities:* | | |
| Change in trade receivables | (23,613) | (16,355) |
| Change in inventories | (4,702) | 3,522 |
| Change in trade payables | (17,769) | (14,685) |
| Change in other current assets and liabilities | 7,442 | 5,853 |
| **Net cash provided by/(used in) operating activities** | **(2,543)** | **9,001** |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Additions to property, plant and equipment | (22,689) | (18,641) |
| Additions to intangible assets | (2,979) | (6,220) |
| Additions/(disposals) of financial assets | (1,243) | 378 |
| Acquisition of SAS White Flannel , net of cash acquired | (549) | - |
| Acquisition of Pearl Flannel S.p.r.l., net of cash acquired | (443) | - |
| Acquisition of d'Avenza Fashion S.p.A. , net of cash acquired | (84) | - |
| Acquisition of Brunello Cucinelli (England) Ltd , net of cash acquired | - | (3,197) |
| Acquisition of minority Brunello Cucinelli Marittima Srl | - | (82) |
| Proceeds from disposal of property, plant and equipment | 2,252 | 1,216 |
| **Net cash provided by/(used in) investing activities** | **(25,735)** | **(26,546)** |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Medium/Long-term loans received | 51,642 | 3,600 |
| Repayment of medium/long-term loans | (14,353) | (4,326) |
| Net change in short-term financial debt | (11,944) | 16,217 |
| Net change in long-term financial debt | - | 3,418 |
| Dividends paid | (7,955) | (5,794) |
| Share capital and reserves increase | 3,518 | 2,562 |
| **Net cash provided by/(used in) financing activities** | **20,908** | **15,677** |
| **TOTAL CASH FLOW FOR THE PERIOD** | **(7,370)** | **(1,868)** |
| **Effect of exchange rate changes on cash and cash equivalents** | **754** | **(150)** |
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD** | **38,676** | **40,045** |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | **32,060** | **38,027** |
| Additional information: | | |
| Interest paid | **1,445** | **1,207** |
| Income tax paid | **8,553** | **9,701** |