

June 6, 2011

*Eurazeo to invest in*



**MONCLER®**



## **Moncler is a unique luxury brand offering significant growth potential**

- An iconic brand with global appeal and a strong heritage in France
- Strong positions in Italy, Germany and Japan and significant growth potential in China and in the US
- Experienced and talented management as demonstrated by an impressive track-record
- Highly profitable and cash generative

## **Luxury is an attractive sector for Eurazeo**

- Complementary to Eurazeo's portfolio
- Strong fundamentals of the luxury segment and of the outerwear market

## **Investment of Eurazeo alongside Mr. Remo Ruffini, Chairman and Creative Director**

- Eurazeo (45%) and Mr. Remo Ruffini (32%) to be the two largest shareholders
- Carlyle and Brands Partners 2 remain invested with respectively 18% and 5%

## **Investment for Eurazeo of €418m**

- A share of which will be syndicated, notably to Eurazeo Partners co-investment fund

## EURAZEO INVESTMENT CRITERIAS

## MONCLER'S PROPOSITION

BARRIERS TO ENTRY

 Global brand with unique heritage and technical know-how, enjoying high consumer awareness

PROFITABILITY

 Efficient business model resulting in high profitability levels: 53% gross margin and 24% EBITDA margin achieved in 2010

LONG TERM SUSTAINABILITY  
OF CASH FLOWS

 Sustainable cash flow generation supported by solid growth prospects, profitability and high cash conversion (60-70%)

STRONG TRANSFORMATION  
POTENTIAL / EQUITY STORY

 A young company with numerous growth levers: new geographies, retail expansion, product offering

HIGH QUALITY  
MANAGEMENT TEAM

 An experienced management team led by Remo Ruffini

## Moncler Group key figures

- +19% 2008-2010 Group Sales\* CAGR
- €429m sales in 2010 and €102m of EBITDA, 24% EBITDA margin
- 79 Directly Operated Stores (DOS), as of December 2010
- 55 DOS for the Moncler brand, as of today
- 23% of sales from retail channel
- 1,000 employees

## The transaction values the Moncler Group

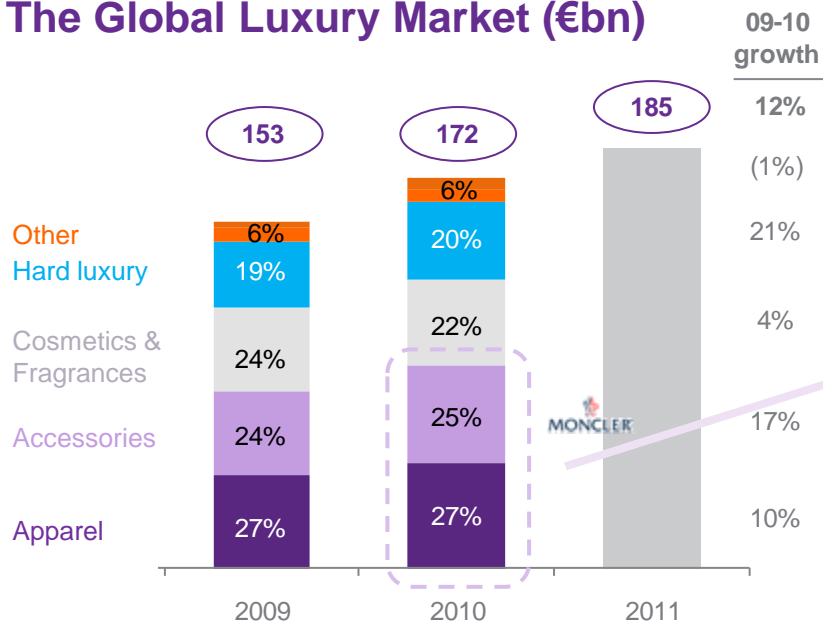
- At an Enterprise Value of €1.2bn
- 12x 2010 EBITDA

## Governance

- Mr. Remo Ruffini to remain Chairman of the Board
- Eurazeo will appoint 5 board members, including the Vice-Chairman, Mr. Remo Ruffini 3 board members, Carlyle and Brands Partners 2 each 1 board member

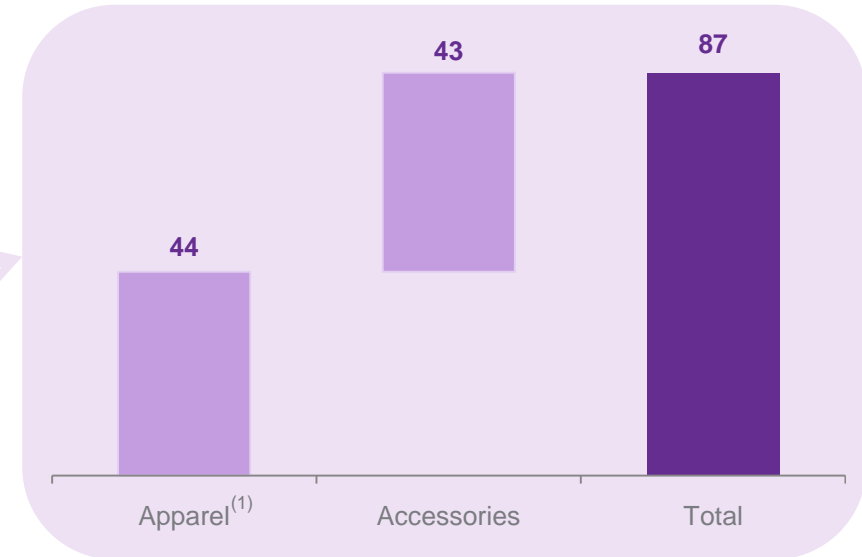
\* 2008 based on Italian GAAP; 2009 and 2010 based on IFRS

## The Global Luxury Market (€bn)



- The Global Luxury Market is expected to reach €185bn in 2011 reflecting a 10% year-on-year growth since 2009, mainly driven by:
  - Increased penetration in emerging markets
  - Changing demographics: older consumers and women as increasing segments
  - Digitalization and new technologies (e-commerce)

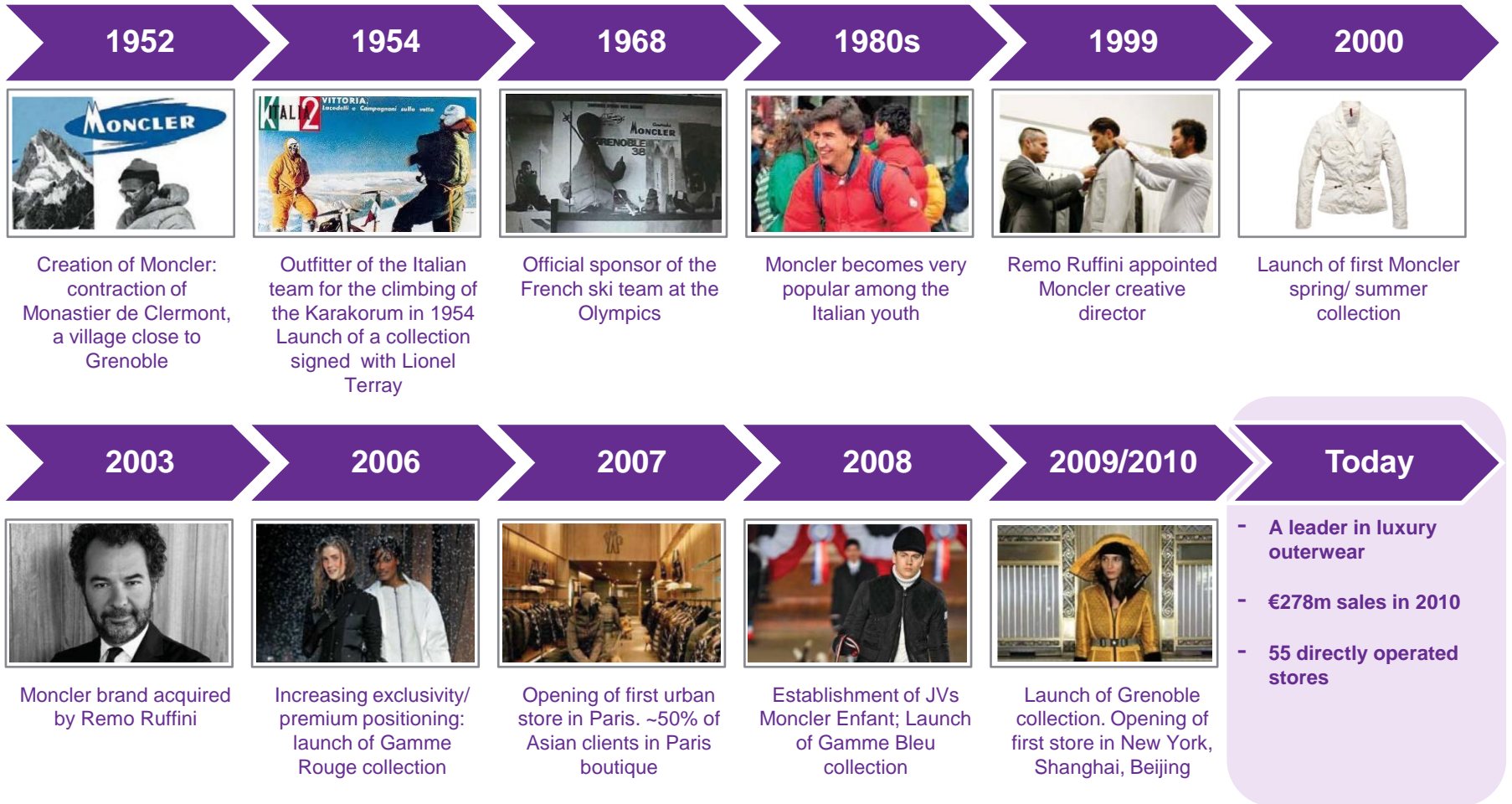
## Luxury Apparel and Accessory (€bn)



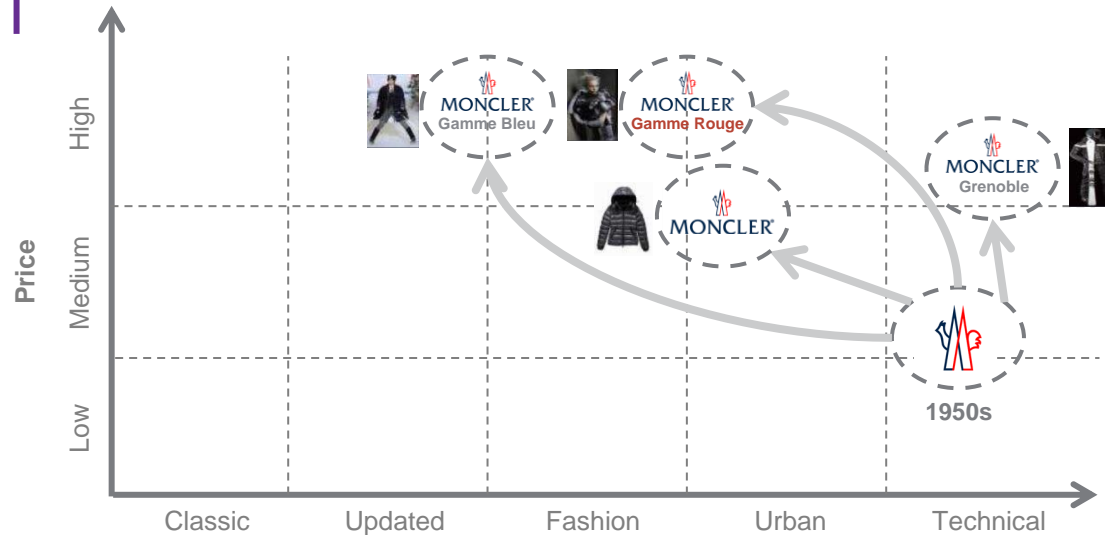
- The Moncler Brand is active in the €87bn Apparel and Accessories Global Market
- In particular, the **luxury outerwear** market has increased at higher pace than luxury apparel
- Within luxury outerwear, down jacket sub-segment has grown extremely fast, driven by diversification of usage

Source: Altagamma  
 (1) Excluding underwear

# Moncler, a brand anchored in history and heritage



## Successful positioning of the Moncler brand achieved over the last 10 years

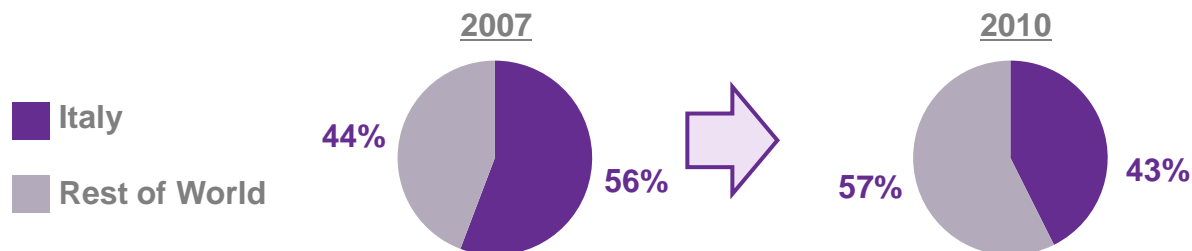


- Moncler brand is perceived as a pure luxury product
- Four products lines ranging from accessible luxury (Main and Grenoble) to exclusive luxury (Gamme Rouge and Gamme Bleu)
- Products from high tech sportswear, to elegant contemporary, up to tailored couture competing successfully both in image and price with the leading global luxury brands thanks to a very unique and differentiated offering
- Successful launch and consolidation of spring/summer collection
- Well-balanced between men and women (45/55)

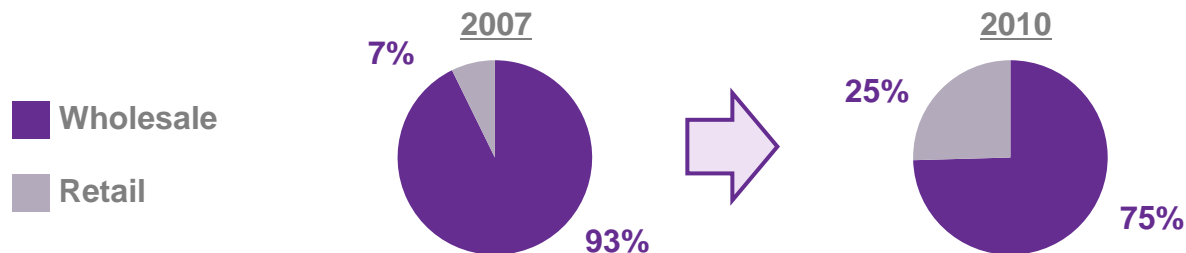
## 1 Gradual repositioning of the brand within the premium/ high-end category with strong pricing power

➔ From the technical brand rooted in the iconic down jacket to **one of the leading brands in luxury outerwear**

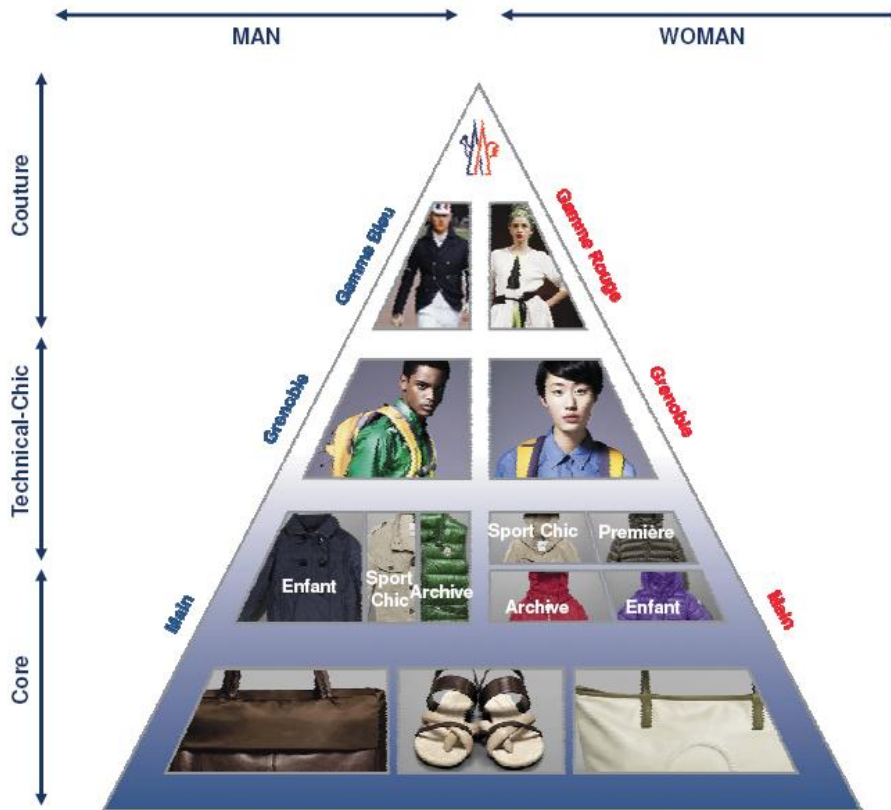
## 2 Geographic expansion both in Western Europe and Asia notably



## 3 Progressive shift to retail Directly Operated Stores (DOS)



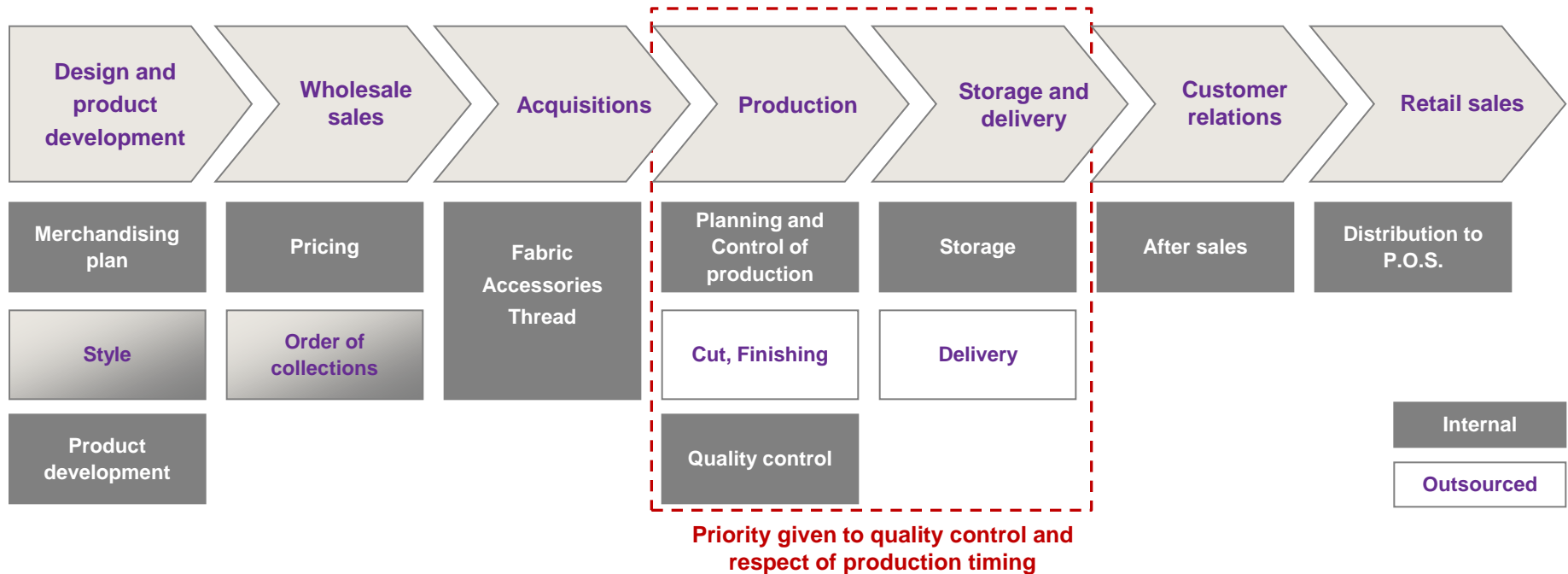
## 4 Transition to a comprehensive product collection and offering as well as spring/ summer collection



- Moncler's lines touch various needs/segments with a high end positioning
- Blockbuster products in the "Down Jacket" category
- Expanded product portfolio: lines and genders (accessories, knitwear, cut & sewn)
- Increasing weight of the Spring/Summer collections, representing 28% of total gross order backlog orders in 2010 (vs. 23% in 2008)
- Balanced women/men/kids segments

## 5 Transformation into a scalable production model

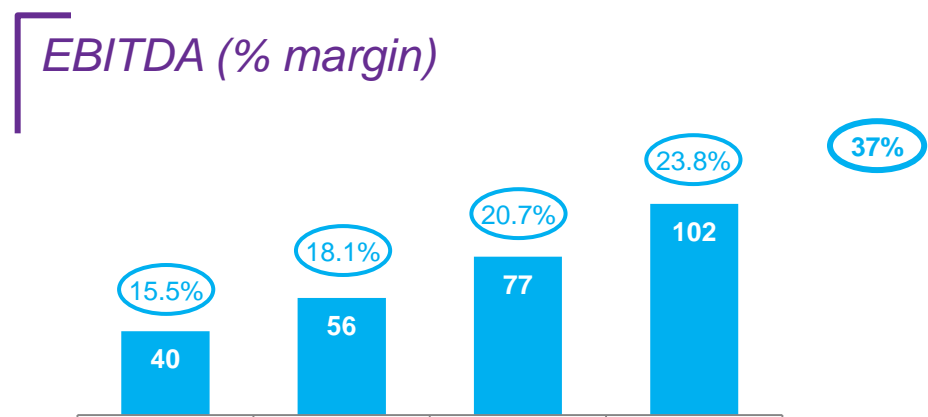
- **Cut-Make-Trim outsourced to suppliers in Italy and Eastern Europe**
  - A particular attention is given to quality control and delivery delays
  - Very light raw materials incidence on sale price (approx. 6%)
- **Key activities retained in-house**



*Moncler Group also operates 4 other brands, which enjoy strong recognition and together generate sales of almost €150m*

<p><b>COLLECTION</b></p>			<p><b>COAST + WEBER + AHAUS</b></p>	<p><b>18 CARR 81 CERRUTI</b></p>
	<p>British sportswear line inspired by Sir Henry Cotton's style with an up-to-date Italian twist</p>	<p>Sport chic Italian brand of marine wear inspiration</p>	<p>Vintage/ Cult brand, dedicated to a refined public providing an alternative style by making tradition contemporary</p>	<p>Designer denim Sportswear line of urban inspiration</p>
<p><b>KEY MARKETS</b></p>	<p>Focus on Italy, Japan and Korea</p>	<p>Focus on Italy</p>	<p>Focus on Italy, Western Europe and Russia</p>	<p>Italy , France, Russia, China and Middle East</p>
<p><b>KEY STRENGTHS</b></p>	<p>Brand heritage in core markets Strong collection (in-line with brand image)</p>	<p>Clear brand positioning Recently redesigned and sharpened image/collection</p>	<p>Highest positioning within Other Brands High-end image and distribution</p>	<p>Brand awareness as a fashion designer brand (especially in emerging markets)</p>

# An impressive track-record of growth



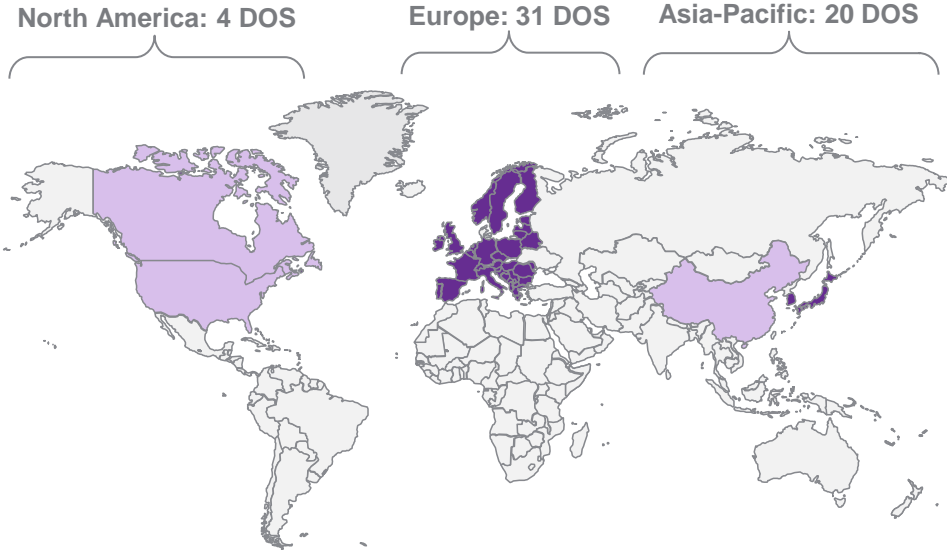
- Strong historical growth mainly through international expansion and retail network build-up
- Margin expansion driven by operational efficiency and mix
  - Reinforcement of commercial channels in both wholesale and retail
  - Scale effect on operations and shared services
- Strong cash conversion
  - Favorable business model
  - Tight control on capex and working capital

## *Expansion of the retail network, notably in Asia and in the US*

- Mono-brand stores located in top end locations of the most important cities and ski resorts
- Strong potential in Asia, a retail market
  - Increase presence in Japan
  - Only 3 stores opened to date in China
  - Open Korea
- Only 4 stores opened to date in the US, with distribution in well-known department stores

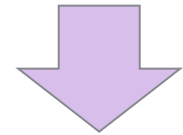
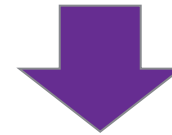
## *Pursue selective growth through the wholesale channel*

- Purposely achieved selective reduction wholesale number of doors (-20% of numbers of doors between 2008 and 2010) to enhance brand exclusivity, especially in Europe
- Significant sales per door increase



■ Expand focus

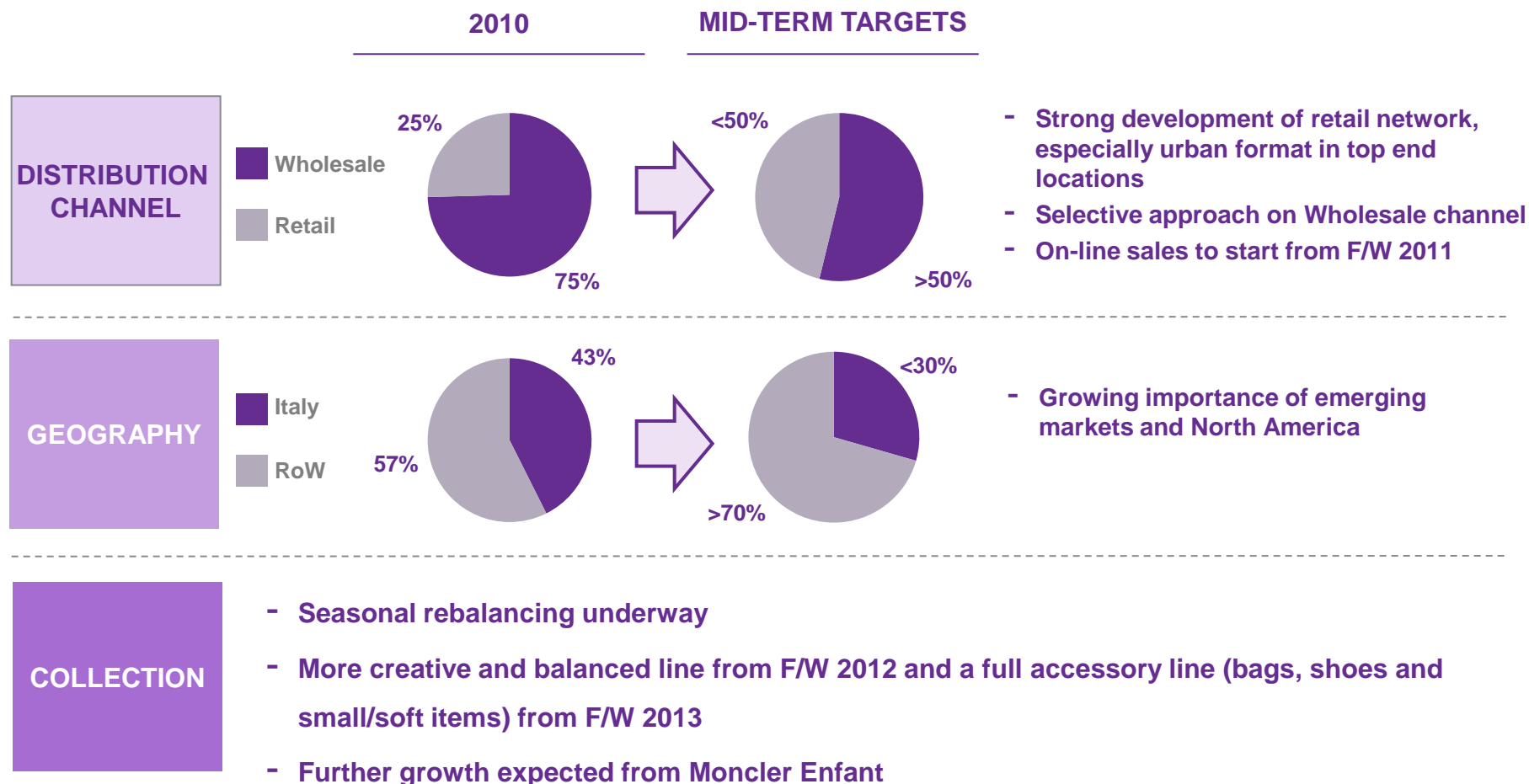
■ Increase penetration



**Strongly develop DOS, especially urban format in top end locations, and increase selectivity for the wholesale channel**

**Intensify efforts on underpenetrated markets with strong potential**

# Further diversification strategy leading to a more balanced revenue profile for Moncler



## 1 Further expand geographic reach

- Accelerate penetration in China and in the U.S., two strategic markets
- Consolidate presence in Italy, Germany, Japan, France
- Open new geographies (Russia, Korea)

## 2 Roll-out of retail network

## 3 Pursue selectiveness in the wholesale channel

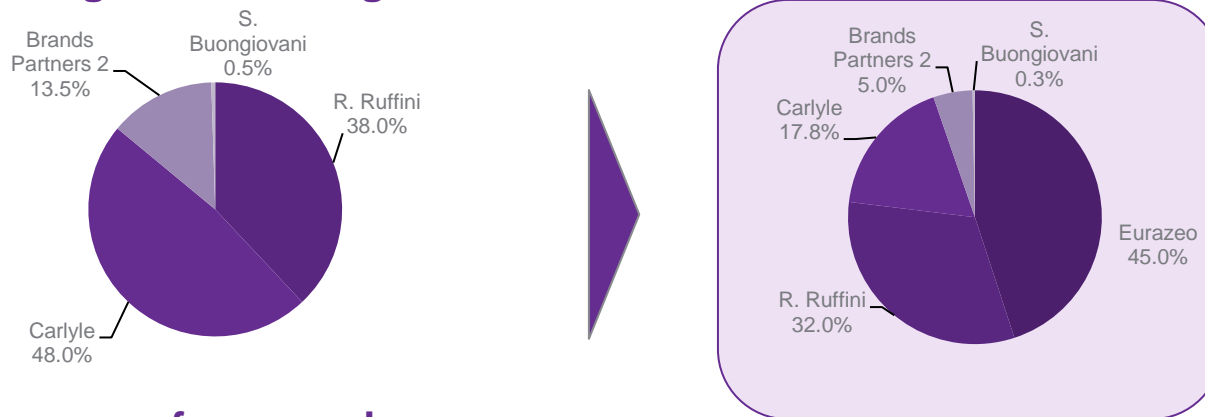
## 4 Further diversify product offering

## 5 Fully exploit the potential of Other Brands: Henry Cotton's, Marina Yachting, Coast Weber Ahaus and Cerruti Jeans

## Valuation and purchase price

- Eurazeo values the Company at €1.2bn; this EV represents 12x 2010 EBITDA multiple
- Eurazeo is purchasing a 45.0%-stake in the Company for a price of €418m
- Closing of the transaction anticipated in Q3 2011

## Resulting shareholding structure



## Governance framework

- Mr. Remo Ruffini to remain Chairman of the Board of Directors
- Eurazeo to appoint 5 out of 10 Board Members, including the Vice Chairman, Mr. Remo Ruffini to appoint 3, Carlyle and Brands Partners 2 one each

- **The luxury market presents attractive fundamentals and is a good diversification of Eurazeo's portfolio**
- **Moncler is an iconic brand with a unique French heritage**
- **Over the past decade, Remo Ruffini and his management team have led the successful brand redeployment**
- **Moncler offers today strong growth prospects, solid margins and a high cash conversion rate**
- **Potential upside on the Other Brands**
- **Eurazeo is fully supportive of the ambitious strategy of the Moncler Group**

# APPENDICES

# Seasoned and well regarded management team led by Chairman & Creative Director Remo Ruffini

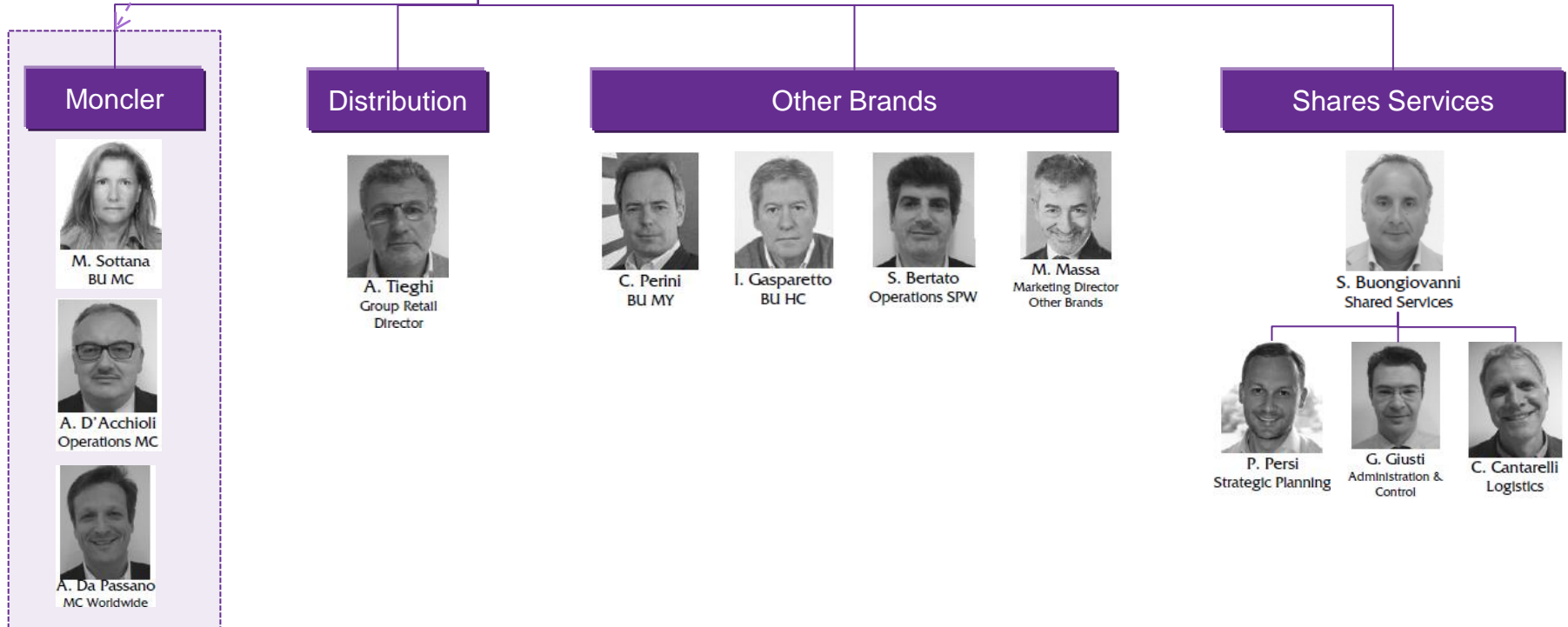


**Remo Ruffini**  
Chairman & Creative Director



**A. Lavia**  
CEO

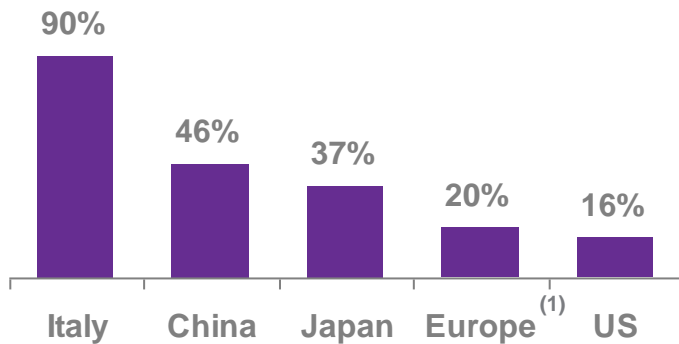
- 1 Remo Ruffini is involved in the definition and implementation of the Group's strategy as well as in daily operations
  - Mr. Ruffini started as a clothing design and marketing consultant; he founded New England and Ingrose (sportswear companies)
- 2 Alberto Lavia leads administrative functions and is the CEO of the Other Brands division
  - A.Lavia was previously Chairman and General Manager of Kenzo and then CEO of Façonnable International



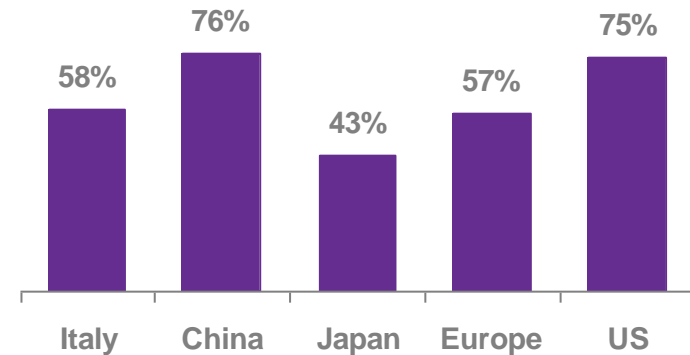
# Moncler, a well known brand in Italy with a solid base abroad

- Strong brand awareness, especially in Italy
- Transgenerational brand

## Brand Awareness



## Intention to Buy<sup>(2)</sup>



(1) Average for France, Germany and the UK

(2) Percentage based on the portion of the sample that knows Moncler brand

Note: Interviews carried out through online questionnaires to people aged 18-64, classified "high-medium status" on the basis of socio-economic and cultural features

## Investor Relations contacts

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## Eurazeo shares

- ISIN code: FR0000121121
- Bloomberg/Reuters: RF FP, Eura.pa
- Indices: SBF 120, DJ Euro Stoxx, DJ Stoxx, MSCI, Euronext 150, LPX Europe
- 60,905,618 shares in circulation
- Statutory threshold declarations 1%

## Research on Eurazeo

- Alpha Value, Catherine Radiguer
- Cheuvreux, Amandine Latour
- Deutsche Bank, David Cerdan
- Exane BNPParibas, Charles-Henri de Mortemart
- Goldman Sachs, Markus Iwar
- HSBC, Pierre Bosset
- JP Morgan Cazenove, Christopher Brown
- Kepler, Pierre Boucheny
- Oddo, Quentin Philippe
- SG, Patrick Jousseume
- UBS, Denis Moreau/Alessandro D'Erme