

YOOX
NET-A-PORTER
GROUP**YOOX NET-A-PORTER (BIT: YNAP) 3Q16
TRADING RESULTS: STRONG TOP-LINE GROWTH**

- Italian online fashion retailer YOOX Net-a-Porter reported net revenues of €435.4 million in 3Q16, up 11.7% year over year on a reported basis and up 19.0% year over year at current exchange rates. Net revenues were slightly below the consensus estimate of €440.4 million.
- 3Q16 sales growth was driven by strong performance in the US and Asia-Pacific regions, where sales increased by 17.8% and 36.8%, respectively. UK sales increased by 13.5% year over year. In the first nine months, the average number of monthly unique visitors across the company's sites rose by 6.2% year over year, from 25.9 million in 9M15 to 27.5 million in 9M16, and orders increased by 18.3%, to 5.9 million, compared with 5.0 million in 9M15.
- YOOX Net-a-Porter expects to achieve further revenue growth and year-over-year improvement in its adjusted EBITDA margin in FY16. All of the group's business lines are expected to contribute to EBITDA margin expansion.

NET REVENUES BY BUSINESS LINE

YOOX Net-a-Porter reported total net revenues of €435.4 million in the third quarter, ended September 30. Year over year, YOOX Net-a-Porter's multibrand in-season product sales climbed by 19.0% on an organic basis. Multibrand off-season sales climbed by 19.5% and online flagship store sales increased by 25.7%. More than 52.9% of the company's revenue came from multibrand in-season sales, including sales from Net-A-Porter.com and MrPorter.com.

Including sales of TheCorner.com and ShoeScribe.com, which were discontinued at the end of August 2016 and thus did not contribute to September results, sales grew by 14.7% at constant exchange rates. The increase in revenues was mainly attributable to the exceptional performance of Net-A-Porter.com and MrPorter.com, which introduced new brands such as Prada, Moncler, Giorgio Armani and Ermenegildo Zegna.

About 37.2% of the company's revenues came from multibrand off-season sales on Yoox.com and TheOutnet.com.

Online flagship stores' mono-brand business accounted for 9.9% of the group's consolidated net sales. The division's strong sales performance was driven by a joint venture with Kering.

KEY PERFORMANCE INDICATORS

In the first nine months, the average number of monthly unique visitors across the company's sites rose by 6.2% year over year, from 25.9 million in 9M15 to 27.5 million in 9M16. Orders increased by 18.3% year over year, to 5.9 million, compared with 5.0 million a year prior.

The average order value excluding VAT was €331, down 6.5% from €354 in 9M15, reflecting unfavorable exchange rate movements and business mix. Active customers increased by 21.7% year over year, to 2.8 million in the first nine months of 2016, compared with 2.3 million at the same time last year.



FLASH REPORT

9M16 RESULTS

Revenues in 9M16 were €1,332.5 million, up 17.1% year over year on an organic basis. Multibrand in-season product sales increased by 15.4% on an organic basis, while multibrand off-season sales grew by 20.8%. Online flagship store sales increased by 17.3% year over year on an organic basis.

OUTLOOK

YOOX Net-a-Porter expects to achieve further revenue growth and year-over-year improvement in its adjusted EBITDA margin in FY16. All of the group's business lines are expected to contribute to EBITDA margin expansion. The company expects to achieve net positive EBITDA synergies in FY16 and to incur capital expenditures of €140 million.

For FY16, analysts expect the company to generate revenues of €1,990 million, EBIT of €97.3 million and normalized EPS of €0.50. The estimates imply revenue growth of 14.0% year over year, EBIT growth of 40.0% and EPS growth of 8.7%.



FLASH REPORT

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