



BVLGARI GROUP FY 2009 AND Q4 RESULTS

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KEY MESSAGES

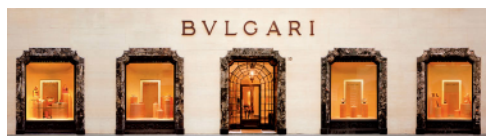
REVENUES MOMENTUM IMPROVED

- TOTAL CONSOLIDATED REVENUES MOVED FROM **Q1 -30.6%** TO **Q4 -2.7%** AT COMP FX
- DOS SALES MOVED FROM **Q1 -16%** TO **Q4 +12%** AT COMP FX
- DOS SALES IN Q4 09 AT THE SAME LEVEL OF Q4 07 IN EUR TERMS
- NO MEANINGFUL PRICE INCREASES WERE IMPLEMENTED DURING 2009

VERY STRONG RESULTS OBTAINED ON COST AND BALANCE SHEET OPTIMIZATION

- FY 2009 TOTAL **OPEX DOWN 7.3%** AT COMPARABLE FX
- FY 2009 TOTAL **OPEX w/out DEPRECIATION DOWN 9.8%** AT COMPARABLE FX
- INVENTORY **DOWN 15.4%**
- CAPEX **DOWN 12.4%**
- DEBT **DOWN 29%**
- GEARING DOWN FROM **37%** TO **28%**

EUR 37 M OF ONE-OFF, NON-RECURRING RESTRUCTURING COSTS WERE BOOKED IN FY 09.



Q4 2009 - FINANCIAL HIGHLIGHTS

	Q1 2009	Q2 2009	Q3 2009**	Q4 2009	Q4 09/Q4 08
	EUR M.	EUR M.	EUR M.	EUR M.	% DELTA REPORTED FX
REVENUES	178.1	218.3	233.2	297.0	-5.1%
CONTRIBUTION MARGIN	115.0	134.9	150.0	172.4*	-9.3%
EBITDA <i>before</i> Restructuring & other Non Recurring costs	(7.4)	7.4	40.8	41.7	-9.3%
EBIT <i>before</i> Restructuring & other Non Recurring costs	(23.6)	(8.1)	25.2	23.5	-23.9%
Restructuring & other Non Recurring costs	(0.2)	(0.1)	(6.7)	(29.9)	
NET RESULT	(29.3)	(11.2)	7.0	(13.6)	



Q4 2009 – GROUP PROFIT & LOSS

EUR M.	Q4 2009 EUR M.	Q4 2008 EUR M.	Q4 09/Q4 08 % DELTA AT REPORTED FX	Q4 09/Q4 08 %DELTA AT COMP. FX
REVENUES	297.0	312.8	-5.1%	-2.7%
CONTRIBUTION MARGIN <i>% on Sales</i>	172.4* <i>58.0%*</i>	190.1* <i>60.8%*</i>	-9.3%	
VARIABLE SELLING EXPENSES	(13.5)	(14.0)	-3.9%	-2.6%
PERSONNEL COSTS	(45.2)	(49.1)	-7.9%	-6.6%
OTHER GENERAL EXPENSES	(43.0)	(50.1)	-14.2%	-12.5%
AMORTIZATION AND DEPRECIATION	(18.2)	(15.1)	+20.6%	+22.3%
ADVERTISING AND PROMOTION	(29.0)*	(30.9)*	-6.2%	-4.4%
TOTAL OPERATING EXPENSES	(148.9)	(159.2)	-6.5%	-4.9%
EBITDA before Restructuring & other Non Recurring costs <i>% on Sales</i>	41.7 <i>14.0%</i>	46.0 <i>14.7%</i>	-9.3%	
EBIT before Restructuring & other Non Recurring costs <i>% on Sales</i>	23.5 <i>7.9%</i>	30.9 <i>9.9%</i>	-23.9%	
Restructuring & other Non Recurring costs	(29.9)	-		
TOTAL FINANCIAL COSTS of which:	(6.4)	(20.6)		
• FX Loss	(0.1)	(15.2)		
• Financial Costs	(6.2)	(5.4)		
CURRENT AND DEFERRED TAXES	(0.9)	(4.8)		
MINORITY INTEREST	0.1	0.2		
NET RESULT	(13.6)	5.7		

WITHOUT THE DR/G
LOWER MARGIN SALE
Q4 09 CONTR.MG.
WOULD HAVE BEEN
59.5%

FY 2009 - FINANCIAL HIGHLIGHTS

EUR M.	FY 2009 EUR M.	FY 09/FY08 % DELTA REPORTED FX
REVENUES	926.6	-13.8%
CONTRIBUTION MARGIN	565.7*	-16.9%
EBITDA <i>before</i> Restructuring & other Non Recurring costs	82.4	-50.0%
EBIT <i>before</i> Restructuring & other Non Recurring costs	17.1	-84.6%
Restructuring & other Non Recurring costs	(37.0)	
NET RESULT	(47.1)	

Of the total **EUR 37 M** of the 2009 Restructuring & other Non-recurring costs:

- **EUR 8.8 M** are cash outflows
- **EUR 28.2 M** are write-offs

And:

- **1/3** are related to Bulgari
- **2/3** are related to Daniel Roth and Gérald Genta



FY 2009 - GROUP PROFIT & LOSS

EUR M.	FY 2009 EUR M.	FY 2008 EUR M.	FY 09/08 % DELTA REPORT.	FY 09/08 % DELTA COMP.FX
REVENUES	926.6	1075.4	-13.8%	-18.1%
CONTRIBUTION MARGIN <i>% on Sales</i>	565.7* <i>61.1%*</i>	681.1* <i>63.3%*</i>	-16.9%	
VARIABLE SELLING EXPENSES	(41.9)	(47.8)	-12.4%	-15.3%
PERSONNEL COSTS	(182.6)	(189.9)	-3.9%	-7.6%
OTHER GENERAL EXPENSES	(163.2)	(167.5)	-2.6%	-6.1%
AMORTIZATION AND DEPRECIATION	(65.3)	(53.9)	+21.1%	+16.3%
ADVERTISING AND PROMOTION <i>A&P % on Sales</i>	(95.6)* <i>10.3%*</i>	(110.9)* <i>10.3%*</i>	-13.8%	-16.9%
TOTAL OPERATING EXPENSES	(548.6)	(570.1)	-3.8%	-7.3%
EBITDA <i>Before Restructuring & other Non Recurring costs</i> <i>% on Sales</i>	82.4 <i>8.9%</i>	164.9 <i>15.3%</i>	-50.0%	
EBIT <i>before Restructuring & other Non Recurring costs</i> <i>% on Sales</i>	17.1 <i>1.9%</i>	111.0 <i>10.3%</i>	-84.6%	
Restructuring & other Non Recurring costs	(37.0)	-		
TOTAL FINANCIAL COSTS of which	(27.5)	(21.3)		
• FX Loss	(8.8)	(4.9)		
• Financial costs	(18.7)	(16.4)		
CURRENT AND DEFERRED TAXES	0.3	(7.4)		
MINORITY INTEREST	(0.1)	0.6		
NET RESULT	(47.1)	82.9		

-17.8%
W/OUT RENT

EUR 2.1 M
Non Recurr.



FY 2009 – CONTRIBUTION MARGIN

CONTRIBUTION MARGIN RECLASSIFICATION	FY 2009 EUR M.	FY 2008 EUR M. restated	FY 09/08 % DELTA REPORTED FX
CONTRIBUTION MARGIN	565.7*	681.1*	-16.9%
<i>CONTRIBUTION MARGIN % on Sales</i>	61.1%*	63.3%*	

CONTRIBUTION MARGIN WAS AFFECTED BY THE FOLLOWING FACTORS:

- A) FX AND GOLD NEGATIVE IMPACT, IN ABSENCE OF MEANINGFUL PRICE INCREASES DURING FY 2009
- B) DANIEL ROTH AND GERALD GENTA EXTRAORDINARY, VERY LOW MARGIN SALES OF DISCONTINUED SKUs IN CONNECTION WITH THE FULL INTEGRATION OF DR/GG INTO THE BVLGARI BUSINESS
- C) TEMPORARY LAY-OFF RESIDUAL COST

* CONTRIBUTION MARGIN RECLASSIFICATION AND RESTATEMENT: SEE DEDICATED SLIDE IN ANNEX



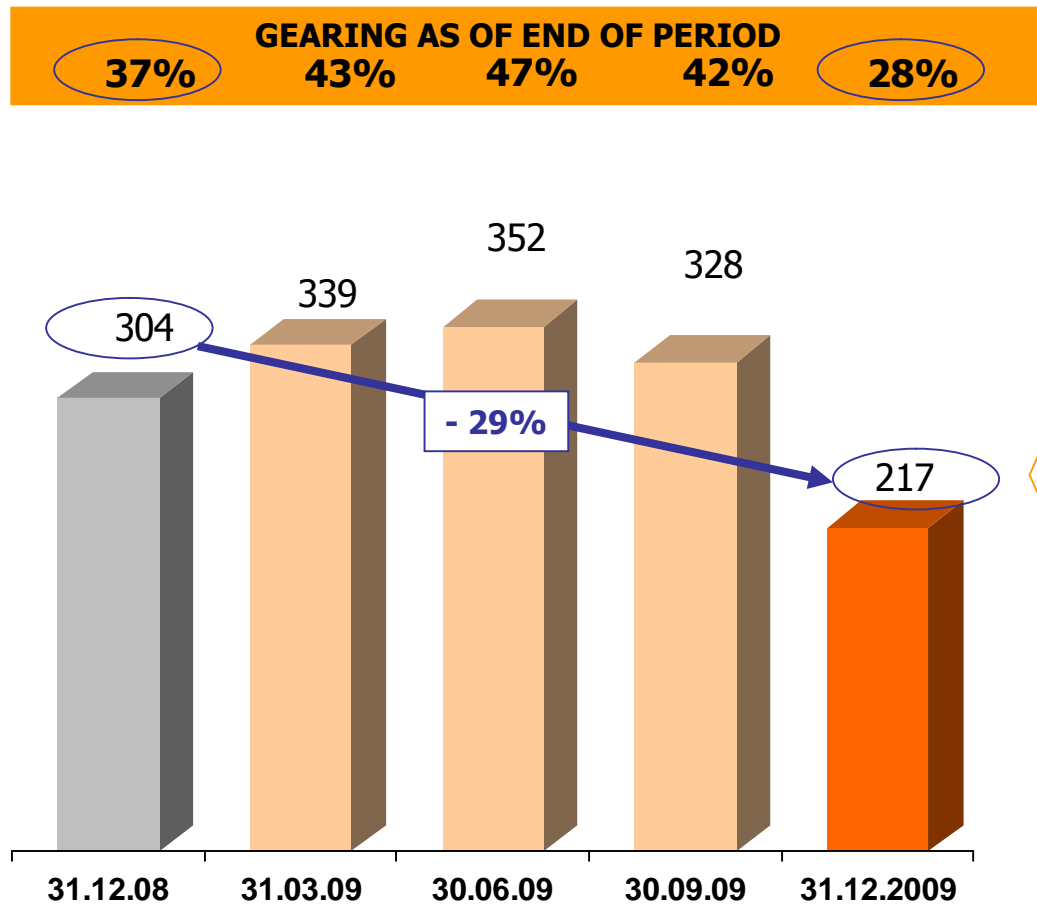
FY 2009 - NET WORKING CAPITAL

EUR M.	End of December 2008	End of March 2009	End of June 2009	End of September 2009	End of December 2009
RECEIVABLES	182	137	143	143	148
INVENTORY	728	751	721	689	615
PAYABLES	(165)	(154)	(157)	(104)	(145)
OTHER RECEIVABLES AND PAYABLES	(1)	4	0	(4)	(1)
TOT NWC	744	738	707	723	617

THE INVENTORY IS **15% LOWER** vs END 2008
 NWC OPTIMIZATION FREED UP **EUR 127 M** OF CASH vs END 2008



FY 2009 - NET INDEBTEDNESS



100% OF THE DEBT POSITION AS OF 31.12.09 IS COVERED BY LONG-TERM LOANS AND BY COMMITTED CREDIT LINES WITH AVERAGE EXPIRING DATES **>36 MONTHS** AND WITH **NO COVENANTS**

THE **EUR 150 M CONVERTIBLE BOND** ISSUE IS INCLUDED



FY 2009 - CASH FLOW, CAPEX

EUR M.	DEC 2009	DEC 2008
NET INDEBTEDNESS AT 01.01.2009	(303.6)	(140.9)
CASH FLOW from P&L	27.5	137.5
CHANGE in WORKING CAPITAL	126.8	(132.8)
CASH FLOW from INVESTING ACTIVITY	(73.9)	(114.0)
• CAPITAL EXPENDITURE	(72.3)	(82.2)
• ACQUISITION OF COMPANIES	(5.4)	(7.3)
• GUARANTEE DEPOSIT	0.8	(1.3)
• OTHER	2.9	(23.2)
DIVIDENDS	(30.1)	(96.1)
OTHER	36.3	42.8
TOTAL	86.8	(162.6)
NET INDEBTEDNESS AT ENDING PERIOD	(216.8)	(303.6)





FY 2009 – STORE NETWORK EVOLUTION

	AS OF 31.12.08	FY 09 STORE OPENINGS	FY 09 STORE CLOSURES	AS OF 31.12.09	FY 09 DELTA
DIRECTLY OPERATED STORES (DOS)	164	+13	-11	166	+2
THIRD-PARTY STORES	99	+13	-5	107	+8
TOTAL STORES	263	+26	-16	273	+10



CURRENT TRADING

JANUARY AND FEBRUARY 2010 AT COMPARABLE FX RATES:

- TOTAL CONSOLIDATED REVENUES WERE **UP HIGH SINGLE-DIGIT**
- ALL CHANNELS AND PRODUCT CATEGORIES HAVE **POSITIVELY CONTRIBUTED**
- WEAK EUROPE, FLAT JAPAN, STRONG USA, **EXTREMELY STRONG SOUTH KOREA AND GREATER CHINA**



2010 STRATEGY

- **IN 2009 OUR ACTIONS FOCUSED ON COST EFFICIENCY AND BALANCE SHEET IMPROVEMENT – OUR COMMITMENT DELIVERED THE BENEFITS FASTER THAN EXPECTED**
- **2010 PROJECTS PUT THE BULGARI CUSTOMER AT THE CENTER OF OUR STRATEGY:**
 - **CREATIVITY AND CRAFTSMANSHIP WILL CHARACTERIZE MORE THAN EVER OUR PRODUCT LAUNCH INITIATIVES**
 - **OUR COMMUNICATION APPROACH - BE IT ADVERTISING, PR, DIGITAL - WILL EVOLVE: FEWER, MORE IMPACTFUL AND LATERAL-THINKING, CREATIVE PROJECTS**
 - **A GREATER FOCUS AND EFFORT WILL BE DEDICATED TO THE STORE EXPERIENCE, WITH INCREASED COMMITMENTS ON SALES FORCE EXPERTISE, SERVICE TO THE CLIENT AND CUSTOMER LOYALTY**

WE WILL SHARE THESE INITIATIVES WITH YOU AT THE INVESTOR DAY IN BASEL ON MARCH 22 nd

- **IMPROVING PROFITABILITY WILL BE A PRIORITY IN 2010, THANKS TO SUPPLY CHAIN REALIGNMENT - POSITIVELY IMPACTING WORKING CAPITAL - AND CONTINUED COST OPTIMIZATION**
- **OUR FOCUSED INVESTMENTS WILL CONTINUE TO TARGET THE GREATER CHINA REGION**



FY 2010 – ROADMAP for P/L and B/S

PROFIT AND LOSS	
REVENUES GROWTH AT COMPARABLE FX RATES	UP MID SINGLE-DIGIT %
CONTRIBUTION MARGIN %	About 63%, also thanks to price increases
TOTAL OPERATING COSTS w/out ADVERTISING AND PROMOTION	Flattish vs FY 2009
ADVERTISING AND PROMOTION	A bit higher than FY 2009 restated level of 10.3%
RESTRUCTURING COSTS	Immaterial
BALANCE SHEET	
CAPEX	Less than EUR 65 M
NET WORKING CAPITAL, INVENTORY, DEBT	Slightly down
OTHER TARGETS	
DOS OPENINGS DOS CLOSURES	7, all in Asia 10 (of which 3 Genta, 7 Bulgari)



INVESTOR DAY 2010

INVESTOR DAY 2010

JOIN US IN **BASEL** ON **MONDAY MARCH 22 nd 2009** (12.00- 14.15)

GROUP STRATEGY - 2010 PRODUCT LAUNCHES



END OF PRESENTATION

QUESTION & ANSWERS

BULGARI INVESTOR RELATIONS WEBSITES:

<http://ir.bulgari.com>

<http://ir.mobi.bulgari.com>

BULGARI CORPORATE WEBSITE

<http://www.bulgari.com>



ANNEX



CONTRIBUTION MARGIN AND ADV.& PROMOTION 2009 RECLASSIFICATION AND 2008 RESTATEMENT

	FY 2009	FY 2008	FY 2008	Q4 2009	Q4 2008	Q4 2008
	EUR M.	EUR M.	EUR M.	EUR M.	EUR M.	EUR M.
		Restated March 2010	Released March 2009		Restated March 2010	Released March 2009
CONTRIBUTION MARGIN	565.7*	681.1*	691.3	172.4*	190.1*	192.8
<i>CONTRIBUTION MARGIN % on Sales</i>	<i>61.1%</i>	<i>63.3%</i>	<i>64.3%</i>	<i>58.0%</i>	<i>60.8%</i>	<i>61.6%</i>
ADVERTISING AND PROMOTION	(95.6)*	(110.9)*	(121.2)	(29.0)*	(30.9)*	(33.6)
<i>ADVERTISING AND PROM. % on Sales</i>	<i>10.3%</i>	<i>10.3%</i>	<i>11.3%</i>	<i>9.8%</i>	<i>9.9%</i>	<i>10.7%</i>

***CONTRIBUTION MARGIN TECHNICAL RECLASSIFICATION AND RESTATEMENT:**

THE CONTRIBUTION MARGIN HAS BEEN RECLASSIFIED AT THE END OF 2009.

IT IS NOW REDUCED BY THE AMOUNT OF **PERFUME-RELATED SELLING MATERIAL** (EUR 8.9 M IN FY09 AND EUR 10.2 IN FY08).

THIS COST WAS PREVIOUSLY INCLUDED IN THE ADVERTISING AND PROMOTION LINE, WHICH HAS BEEN REDUCED ACCORDINGLY.

THE SAME RECLASSIFICATION AND RESTATEMENT ALSO APPLY TO BOTH Q4 08 AND Q4 09.



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