YOOX GROUP

THE NET-A-PORTER GROUP

PRESS RELEASE

YOOX GROUP AND THE NET-A-PORTER GROUP TO MERGE TO CREATE A LEADING ONLINE LUXURY FASHION RETAILER WORLDWIDE WITH COMBINED 2014 NET REVENUES OF €1.3 BILLION

Milan, 31 March 2015 - YOOX S.p.A. (“YOOX”), (MTA, STAR: YOOX) the global Internet retailing partner for leading fashion brands, has entered into an agreement with Compagnie Financière Richemont SA (“Richemont”), controlling shareholder of The Net-A-Porter Group Limited (“Net-A-Porter”), the world’s premier online luxury fashion retailer, on the terms of an all-share merger. The transaction will create the YOOX Net-A-Porter Group (the “Combined Group”), the independent leading online luxury fashion retailer worldwide, with combined 2014 net revenues of €1.3 billion, and Adjusted EBITDA of approximately €108 million[1].

KEY TRANSACTION HIGHLIGHTS

- Transformational merger combining two highly complementary businesses covering all key geographic luxury markets and customer segments
- Expanded platform for building stronger partnership with brands
- Significantly enhanced growth profile given highly complementary skills and geographical footprints
- More than two[2] million high-spending customers and over 24 million monthly unique visitors worldwide
- More diversified business portfolio and balanced mix across territories
- Increased operating leverage and efficiencies driven by greater scale
- Expected to deliver ~€60 million annual run rate synergies by the third full year following completion

KEY TERMS OF THE MERGER

- All-share merger of YOOX and Net-A-Porter to form the YOOX Net-A-Porter Group, through the absorption into YOOX S.p.A. of an Italian holding company owning The Net-A-Porter Group Limited (“Newco”)
- Richemont, as sole shareholder of Newco, will receive 50% of the Combined Group’s share capital[3]
- In order to preserve the independence of the Combined Group:
  - Richemont’s voting rights will be limited to 25%
  - Richemont’s board representation will be limited to 2 directors out of a minimum of 12
  - The Board of Directors of the Combined Group will be composed of at least half of independent directors
- YOOX will remain listed upon the Milan stock exchange and incorporated in Italy, and, at the completion of the merger, will be renamed YOOX Net-A-Porter Group
- Federico Marchetti, Founder and CEO of YOOX, will be the CEO of YOOX Net-A-Porter Group
- Natalie Massenet, Founder and Executive Chairman of Net-A-Porter, will serve as Executive Chairman of YOOX Net-A-Porter Group with defined responsibilities
- Following completion, the YOOX Net-A-Porter Group intends to launch a capital increase of up to €200m to fund future growth opportunities and the integration, potentially allow for the entry of strategic investors and retain maximum balance sheet flexibility

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[1] All data refer to calendar year 2014. Financials related to YOOX Net-A-Porter Group are calculated as the sum of the two corresponding figures.
Figures for Net-A-Porter presented in this press release are prepared according to UK GAAP, refer to the retail calendar (52 weeks) and they are sourced from the unaudited internal management accounts. These accounts may therefore potentially differ significantly from the consolidated accounts for the twelve months ended 31 December 2014. Net-A-Porter financials were converted to Euro at an average €/£ rate of 0.8062 for 2014. Net-A-Porter Adjusted EBITDA excludes Incentive Plan Costs, management fees paid to Richemont and FX gains.
[2] Number of Active Customers related to YOOX Net-A-Porter Group calculated as the sum of the two corresponding Active Customer figures in calendar year 2014. An Active Customer is defined as a customer who has placed at least one order in the 12 preceding months.
[3] On a fully diluted basis.

- Merger conditional on regulatory consents and shareholder approvals, closing expected in September 2015

Commenting on the announcement, Johann Rupert, Chairman of Richemont, said: "*Richemont has been a pioneer in luxury e-commerce, first as a minority shareholder of Net-A-Porter in its infancy and then as a controlling shareholder since 2010. We are proud of Net-A-Porter's achievements under the leadership of Natalie Massenet, ably assisted by a wonderful team of professionals. Established business models are being increasingly disrupted by the technological giants. It is with this in mind that we believe it is important to increase leadership and size to protect the uniqueness of the luxury industry. The merger of the two leaders will further enhance an independent, neutral platform for a sophisticated clientele looking for luxury brands.*"

Federico Marchetti, Founder of YOOX Group and CEO of YOOX Net-A-Porter Group, said: "*This is a game-changing merger between two pioneering companies that have already radically transformed the marketplace since 2000 and will now shift the industry paradigm once again.*
Together, we plan to expand on our many combined successes and industry breadth to strengthen partnerships with the world's leading luxury brands and harness a significant untapped growth potential."

Natalie Massenet, Founder and Executive Chairman of YOOX Net-A-Porter Group, said: "*Today, we open the doors to the world's biggest luxury fashion store. It is a store that never closes, a store without geographical borders, a store that connects with, inspires, serves and offers millions of style-conscious global consumers access to the finest designer labels in fashion. A store that provides established and emerging brands with the greatest interactive shop window to the world.*
Together, with our world-class teams in technology, logistics, content and commerce we are redefining the fashion media and retail landscape. The best way to predict the future of fashion is to create it."

COMPELLING STRATEGIC AND FINANCIAL RATIONALE

The YOOX Net-A-Porter Group will be the independent global partner of choice of the world's leading luxury fashion brands for all online channels. The merger of YOOX and Net-A-Porter combines two leaders in the fast-growing online luxury retail sector with full coverage across key customer segments and the entire luxury product lifecycle. The Combined Group's increased scale is expected to deliver operating leverage and efficiencies and will capitalise on an existing customer base of more than two million high-spenders globally. It will also benefit from enhanced global reach and a broader addressable audience of over 24 million monthly unique visitors.

Uniquely Positioned in the High Growth Online Luxury Fashion Sector

- Combines YOOX's long-standing strategic partnerships with the world's leading luxury and fashion brands and Net-A-Porter's strong position as the online multi-brand destination of choice for in-season luxury fashion
- Over 24 million monthly unique visitors and more than two million combined high-spending customers worldwide
- Favourable structural growth trends in online luxury in both developed and emerging markets
- Luxury brands increasingly recognising the transformative potential of digital formats

Two Highly Complementary Business Models

- Six proprietary storefronts with distinct and targeted propositions covering all luxury fashion customer segments across the product lifecycle: net-a-porter.com, mrporter.com, thecorner.com and shoescribe.com in multi-brand in-season, and yoox.com and theoutnet.com in multi-brand off-season
- Several online flagship stores of leading luxury and fashion brands "Powered by YOOX", including the joint venture with Kering, enabled by YOOX's state-of-the-art global techno-logistics platform tailored for fashion
- Net-A-Porter will add its award-winning editorial and integrated marketing platforms as the world's premier online luxury fashion destination for content and commerce

Enhanced Geographic Diversification

- Coverage of over 180 countries worldwide

- Balanced geographical mix with 28% of combined net revenues from North America, the Group's no. one country, 15% from the UK, 7% from Italy, 30% from Rest of Europe, 15% from Asia Pacific and 5% from Rest of the World[4]
- Strengthened customer proximity and local business capabilities including ten local offices, three automated distribution centres, five logistics hubs and 11 customer care centres covering all time zones

Increased Operating Leverage and Efficiencies

- One common global technology and logistics platform that will connect all storefronts and distribution centres
- 5.8 million combined annual orders in 2014

Attractive Combined Financial Profile and Substantial Synergy Potential

- Combined 2014 net revenues of €1.3 billion and Adjusted EBITDA of approximately €108 million[5]
- Run rate synergies of approximately €60 million per annum expected in the third full year following completion
- Long-term profitability of the Combined Group will be supported by its increased scale

Exceptional Knowledge of the Online Luxury Fashion Retail

- Pioneering teams of talented individuals with entrepreneurial spirit and deep expertise in luxury fashion e-commerce across Europe, the United States and Asia.

STRONG SYNERGY POTENTIAL

The merger is expected to deliver substantial operational benefits including significant revenue, cost and capex synergies.

The Combined Group is expected to achieve approximately €60 million of annual run rate EBITDA and capex savings by the third full year following completion, with approximately half expected to come from revenues and the remainder from cost and capex savings. Synergies are expected to be net positive[6] as soon as 2017.

Main revenue synergies expected to be driven by:

- Expanded platform for building stronger partnership with brands. The Combined Group's significantly enhanced scale, including its broader geographic reach and enlarged global inventory through an increased portfolio of storefronts, will help to strengthen relationships with its luxury fashion partners, delivering mutual benefits to brands and the YOOX Net-A-Porter Group

- Enhanced mono-brand business potential by providing YOOX's leading mono-brand offer to Net-A-Porter's top brands, as well as delivering a step-change in value-added services by leveraging both companies' unique competencies, including Net-A-Porter's award-winning editorial, integrated marketing platforms and luxury customer service and YOOX's creative web agency expertise

- Development of one shared technology platform, connecting storefronts and distribution centres, thus allowing for one virtual global inventory. This is expected to deliver additional sales, improved sell-through and retail margin by exposing the Combined Group's offering to a wider audience worldwide

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[4] All data refer to calendar year 2014. Financials related to YOOX Net-A-Porter Group are calculated as the sum of the two corresponding figures. Geographic split for The Net-A-Porter Group net revenues assumed proportional to Net Merchandise Revenue (Net Merchandise Revenue represents sale of merchandise on net-a-porter.com, mrporter.com, theoutnet.com net of returns and customer discounts. It does not include revenues from shipping, duties, advertising, white label services and miscellaneous).

[5] All data refer to calendar year 2014. Financials related to YOOX Net-A-Porter Group are calculated as the sum of the two corresponding figures.
Figures for Net-A-Porter presented in this press release are prepared according to UK GAAP, refer to the retail calendar (52 weeks) and they are sourced from the unaudited internal management accounts. These accounts may therefore potentially differ significantly from the consolidated accounts for the twelve months ended 31 December 2014. Net-A-Porter financials were converted in Euro at an average €/£ rate of 0.806 for 2014. Net-A-Porter Adjusted EBITDA excludes Incentive Plan Costs, management fees paid to Richemont and FX gains.

[6] Calculated as incremental EBITDA less incremental net capex.

- Deeper and faster localisation of respective customer propositions leveraging complementary geographical footprint and market knowledge, including improving YOOX's offering in the UK and Australia and Net-A-Porter's in Italy, Japan and China

The expected cost synergies are primarily anticipated to arise from technology and operations. The optimisation of the global logistics platform combined with a more efficient localisation of inventories, closer to the customer, will drive efficiencies in delivery and fulfilment costs. Additional scale benefits are expected from bundling top logistics and technology suppliers. Efficiency gains are also expected to be achieved by sharing best practices across the value chain without compromising on quality. Sales and marketing cost synergies will be driven by scale in product sourcing, by combining yoox.com and theoutnet.com's buying efforts, and greater efficiency in web marketing spend. The Combined Group's overall retail margin is also expected to benefit from yoox.com and theoutnet.com's combined greater scale and effectiveness.

Capex synergies are expected to primarily arise from optimisation of research and development investment across the two organisations.

TRANSACTION TERMS AND GOVERNANCE

The transaction will be structured as an all-share merger of YOOX and Net-A-Porter, through the absorption into YOOX of Newco, an Italian holding company owning Net-A-Porter. YOOX will remain listed upon the Milan stock exchange and incorporated in Italy, and, at the completion of the merger, will be renamed YOOX Net-A-Porter Group. Under the terms of the agreement, Richemont, sole shareholder of Newco, will receive 50% of the combined entity's share capital[7]. YOOX's current shareholders will own the remaining 50% of the share capital.

For the purpose of preserving the independence of the Combined Group, Richemont will receive ordinary shares corresponding to 25% of the combined entity's voting share capital, and the balance as non-voting shares carrying the same economic rights as ordinary shares. Upon a transfer of non-voting shares to a person other than a related-party of Richemont, the non-voting shares will automatically convert into ordinary shares. In the event of a tender or exchange offer to acquire all or at least 60% of the ordinary shares of the Combined Group, the non-voting shares may be converted into ordinary shares for the exclusive purpose of tendering them in the offer.

Richemont has committed to a 3-year lock-up on shares equivalent to 25% of the total share capital of the Combined Group, a 3-year standstill provision and not to enter into any shareholder agreement for the same period of time.

Under the terms and conditions agreed, there will be no change of control and therefore the proposed transaction will not trigger any change of control clauses included in certain YOOX's mono-brand agreements.

Federico Marchetti, Founder and CEO of YOOX, will serve as the CEO of YOOX Net-A-Porter Group. Richemont has committed to vote in favour of the reappointment of Federico Marchetti as a board member and CEO for a further 3-year term following the mandate which will end in 2018 with the AGM approving the 2017 financial statements.
Natalie Massenet, Founder and Executive Chairman of Net-A-Porter, will serve as Executive Chairman of YOOX Net-A-Porter Group with defined responsibilities.

Richemont has agreed to limit its board representation to two directors, who will join the Board of Directors of the Combined Group with effect from closing of the merger.

The composition of the Board will be reviewed to reflect the enlargement of YOOX by the combination with Net-A-Porter and the position of the enlarged YOOX Net-A-Porter Group as a leading online luxury fashion retailer worldwide. Accordingly, the Board of Directors will be further strengthened by the addition of two to four independent

[7] On a fully diluted basis.

directors with strong credentials and skills for a listed international company. This will ensure that the Board retains an appropriate mix of skills and nationalities while respecting gender diversity requirements. An internationally recognised executive search company, if necessary, will be charged with identifying the relevant individuals.
The YOOX EGM (expected to be held in the first half of June 2015) will include resolutions to approve the enlargement of the Board with effect from the closing of the merger.

Following the completion of the merger, a capital increase of up to €200 million (in any case not greater than 10% of the combined entity's share capital) is envisaged to fund future growth opportunities and the integration, retaining maximum balance sheet flexibility and potentially to allow for the entry of strategic investors. The capital increase could be executed with or without option rights or a mix of the two.

The merger is subject to required antitrust clearances and approval by YOOX EGM. Notwithstanding the limits on Richemont rights preserving the independence of the Combined entity, the merger resolution will also require to be approved with the so called "whitewash test" pursuant to Article 49, paragraph 3, letter g) of Consob Regulation No. 11971 of May, 1999 (as subsequent amended).

TIMETABLE

The Board of Directors intends to approve the merger plan in the second half of April. Following this, an EGM to resolve upon the merger and the authorisation for the capital increase is expected in the first half of June. Accounting for the creditors' opposition period as per Italian law, the merger is expected to close, subject to regulatory approvals, in the first half of September 2015.

In connection with the Transaction, Goldman Sachs International is serving as financial advisor to YOOX, and d'Urso Gatti e Bianchi Studio Legale Associato is serving as its primary legal advisor, with Skadden, Arps, Slate, Meagher & Flom LLP and Affiliates advising YOOX on English law matters. Lazard & Co. Limited and Nomura International PLC are serving as financial advisors to Richemont; Slaughter and May and Bonelli Erede Pappalardo are serving as its legal advisors.

YOOX will provide further updates as the process progresses and the relevant documents will be available at www.yooxgroup.com.

ITALIAN CONSOB REGULATION NO. 11971 OF MAY, 1999 (AS SUBSEQUENT AMENDED)

Prior to the EGM of YOOX to resolve upon the merger, YOOX will voluntarily make available an information document pursuant to Article 70, paragraph 6, of the Consob Regulation No. 11971 of May, 1999 (as subsequent amended), in accordance with the applicable terms.

No offer or solicitation

This press release is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law.
This press release does not represent an investment solicitation in Italy, pursuant to Section 1, letter (t) of Legislative Decree No. 58 of February 24, 1998 (as subsequent amended). The release, publication or distribution of this press release in certain jurisdictions may be restricted by law, and therefore persons in such jurisdictions into which this communication is released, published or distributed should inform themselves about and observe such restrictions.

Cautionary statement regarding forward-looking statements

This press release contains forward-looking statements concerning YOOX, Net-A-Porter, the Combined Group, the merger and other matters. These statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise. They are based on current beliefs of the management of YOOX, as well as assumptions made by, and information currently available to, such management, and therefore, you are cautioned not to place undue reliance on them. These forward-looking statements are subject to various risks and uncertainties, many of which are outside the parties' control. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. YOOX does not undertake any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by law. Forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about the business and future financial results, and other legal, regulatory and economic developments. You should carefully consider the factors and the other risks and uncertainties that affect the parties' businesses. Nothing in this press release is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per YOOX share for the current or any future financial years or those of the Combined Group, will necessarily match or exceed the historical published earnings per YOOX share, as applicable. YOOX does not give any assurance that either YOOX or the Combined Group will achieve its expectations, or concerning any result or the timing thereof, in each case, with respect to any regulatory action, administrative proceedings, government investigations, litigation, warning letters, consent decree, cost reductions, business strategies, earnings or revenue trends or future financial results.

INVESTOR CONFERENCE CALL

A conference call will take place today, 31 March 2015, at 3.00PM CET to discuss today's announcement. If you wish to take part in the conference call, please call one of the following numbers:

- from Italy: +39 02 805 88 11
- from the UK: +44 121 281 8003
- from the US (toll-free number): 1 855 265 6959
- from the US (local number): +1 718 705 8794

The presentation may be downloaded before the start of the conference call from the Investor Relations section of the YOOX Group website at www.yooxgroup.com/pages/investor-relations/results-centre/presentations/

A recording of the conference call will be available from today, after the call, until 1 May 2015 on the following numbers:

- from Italy: +39 02 724 95
- from the UK: +44 121 281 8005
- from the US (local number): +1 718 705 8797

Access code: 881#

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YOOX Group analyst/investor contacts

Silvia Scagnelli
Corporate Development & Financial Communications Director
T +39 02 83112811
investor.relations@yoox.com

YOOX Group media contacts

Arturo Salerni
Financial Communication Manager
M +39 346 2702591
arturo.salerni@yoox.com

Image Building
Giuliana Paoletti, Simona Raffaelli,
Emanuela Borromeo
T +39 02 89011300
yoox@imagebuilding.it

Finsbury (London)
Edward Simpkins
+44 (0)7947 740 551
edward.simpkins@finsbury.com

James Thompson
+44 7879 810327
James.Thompson@Finsbury.com

Finsbury (New York)
Chris Ryall, Sara Evans
+1 646 805 2000
Chris.Ryall@finsbury.com

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YOOX Group

YOOX Group is the global Internet retailing partner for leading fashion & design brands. It has established itself amongst the market leaders with the multi-brand online stores yoox.com, thecorner.com and shoescribe.com, as well as with numerous mono-brand online stores, all of which are "Powered by YOOX Group." The Group is also a partner of Kering, with which it has created a joint venture dedicated to the management of the mono-brand online stores of several of the Kering Group's luxury brands. The Group has offices and operations in Europe, the United States, Japan, China and Hong Kong and delivers to more than 100 countries worldwide. Listed on the Milan stock exchange, the Group posted consolidated net revenues of Euro 524 million in 2014. For further information: www.yooxgroup.com.

The Net-A-Porter Group

The Net-A-Porter Group is home to the world's leading style destinations. The multi-brand retailer, media and publishing group encompasses net-a-porter.com, the world's premier luxury fashion retailer, theoutnet.com, the most fashionable fashion outlet, and mrporter.com, the online destination for men's style. With a team of over 2,500 people across London, New York, Hong Kong and Shanghai, The Net-A-Porter Group offers an extraordinary experience for the global luxury fashion consumer. With unique editorial content, translated and shoppable across multiple platforms, an inspiring edit of luxury brands and products, next day delivery across the globe and dedicated 24 hour customer service, The Net-A-Porter Group is constantly innovating to offer the best experience for its customers and its brand partners. Headquartered in London, The Net-A-Porter-Group recorded net revenues of €754 million and Adjusted EBITDA[8] of €58 million in calendar year 2014.

Richemont

Richemont owns a portfolio of leading international brands or 'Maisons' which are managed independently of one another, recognising their individuality and uniqueness. The businesses operate in three areas: Jewellery Maisons, being Cartier and Van Cleef & Arpels; Specialist watchmakers, being A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Officine Panerai, Piaget, Roger Dubuis and Vacheron Constantin, as well as the Ralph Lauren Watch and Jewelry joint venture; and Other, being Alfred Dunhill, Chloé, Lancel, Montblanc and Net-A-Porter as well as other smaller Maisons and watch component manufacturing activities for third parties. Richemont 'A' shares are listed on the SIX Swiss Exchange, Richemont's primary listing, and are included in the Swiss Market Index ('SMI') of leading stocks. Richemont South African Depository Receipts are listed in Johannesburg, Richemont's secondary listing.

[8] The Net-A-Porter Group Adjusted EBITDA excludes Incentive Plan Costs, management fees paid to Richemont and FX gains.