



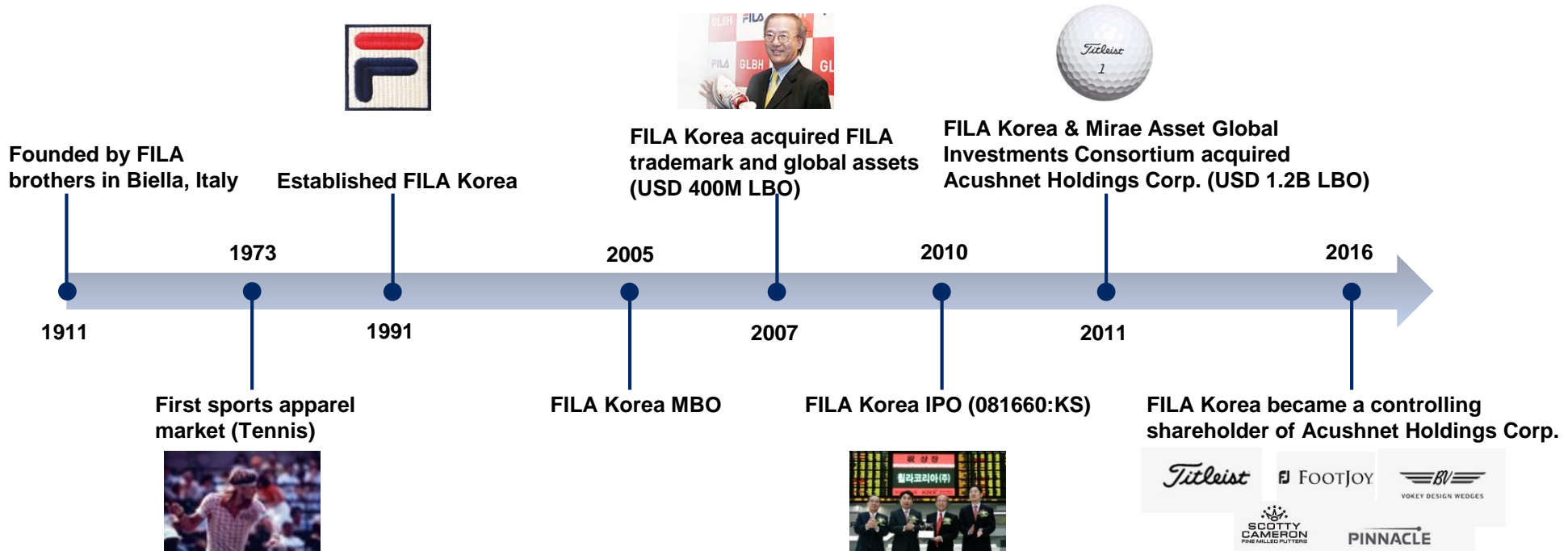
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Investor Relations
FY 2017

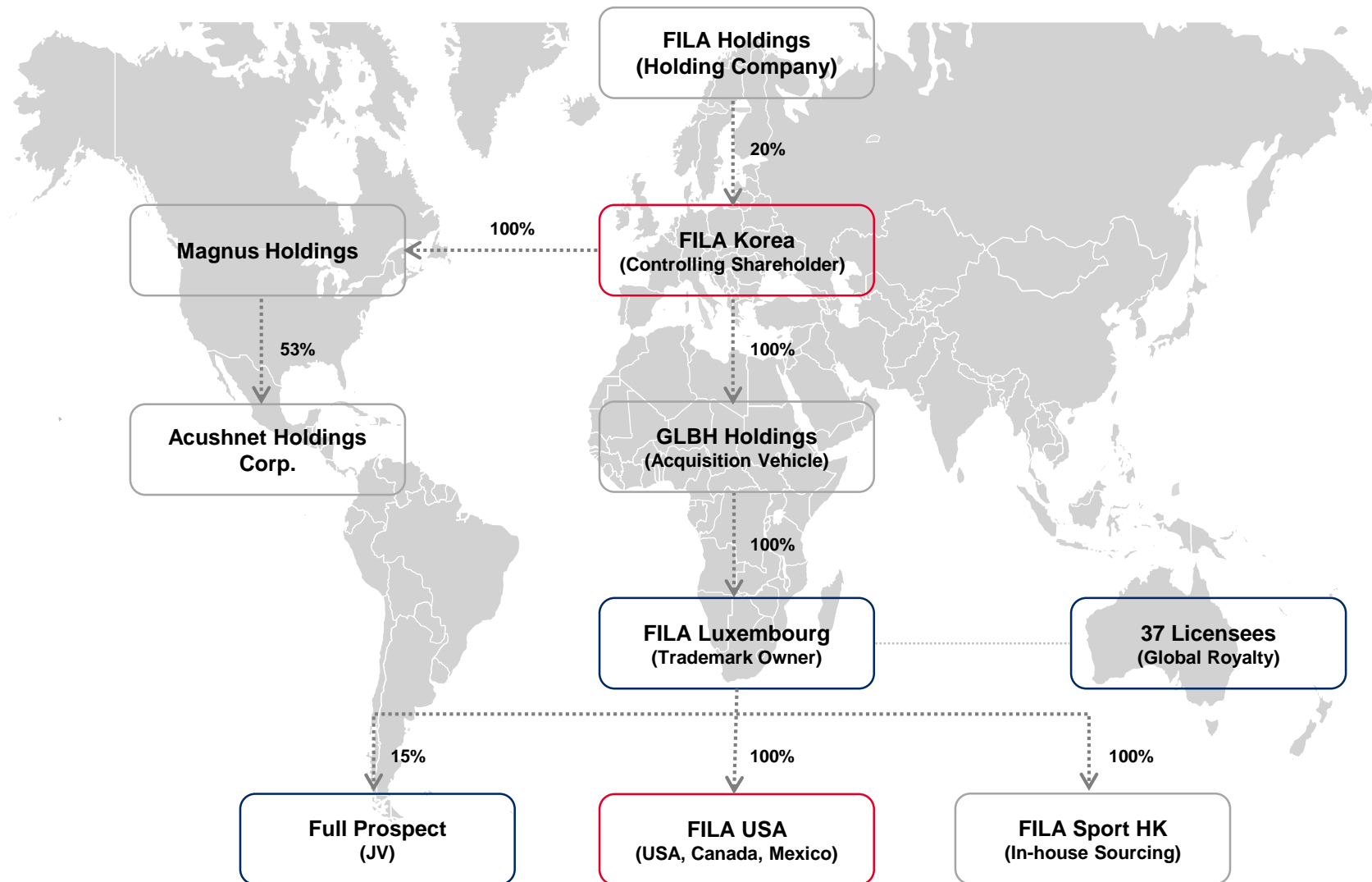
History



**“Leading Authentic Sports Brand Inspired by
the Style, Elegance and Passion of our Italian Heritage”**



Group Structure



FILA – A Leading Authentic Global Sports Brand



- ✓ **Expanding into upper channels of distribution in the US:** Foot Locker, Bloomingdale's, Macy's, Nord-strom, Neiman Marcus etc.

- ✓ **Successful product collaborations** including Urban Outfitters, Baja East, Gosha Rubchinskiy, Marion Bartoli (LOVE FILA by Marion Bartoli), Nas (Nas x Ghostbusters footwear collection, Mountain Dew, Staples etc.)

- ✓ **Brand renewal in Korea**
- ✓ **Distribution channel re-structuring process**
- ✓ **Various collaboration reflecting Heritage trend**

- ✓ **Successfully established FILA® as leading high-end lifestyle casual brand in China**

- ✓ **Collaborations with Anna Sui, Jason Wu and Ginny Hilfiger**



■ Total of 35 licensees

FILA Group Business Overview

Direct

FILA Korea

- Apparel and footwear based **retail and wholesale** distributor
- Total number of stores: **598** (as of YE 2017)
- Multi-category: FILA, FILA KIDS, FILA UNDERWEAR, FILA GOLF

FILA USA

- **North America** (U.S.A., Canada, Mexico)
- Footwear based **wholesale** distributor

Indirect

FILA Licensee

- Total **37 licensees** in EMEA, North America, Latin America and Asia
- Stable revenue and profit contribution from licensee partners that operate the FILA branded products globally

Full Prospect

- **Joint venture** (15% ownership)
- Offering premium sports & lifestyle products in China, Hong Kong, Macau, and Singapore
- Contributes **3%** of its wholesale revenue as Design Service Fee to FILA Korea
- Fast growth in revenue since its launching year

Acushnet Hold.

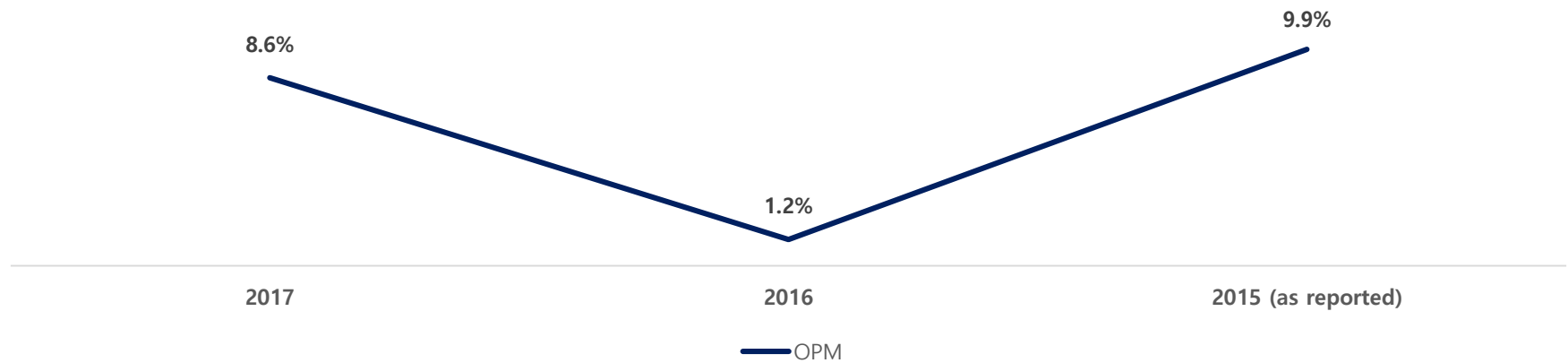
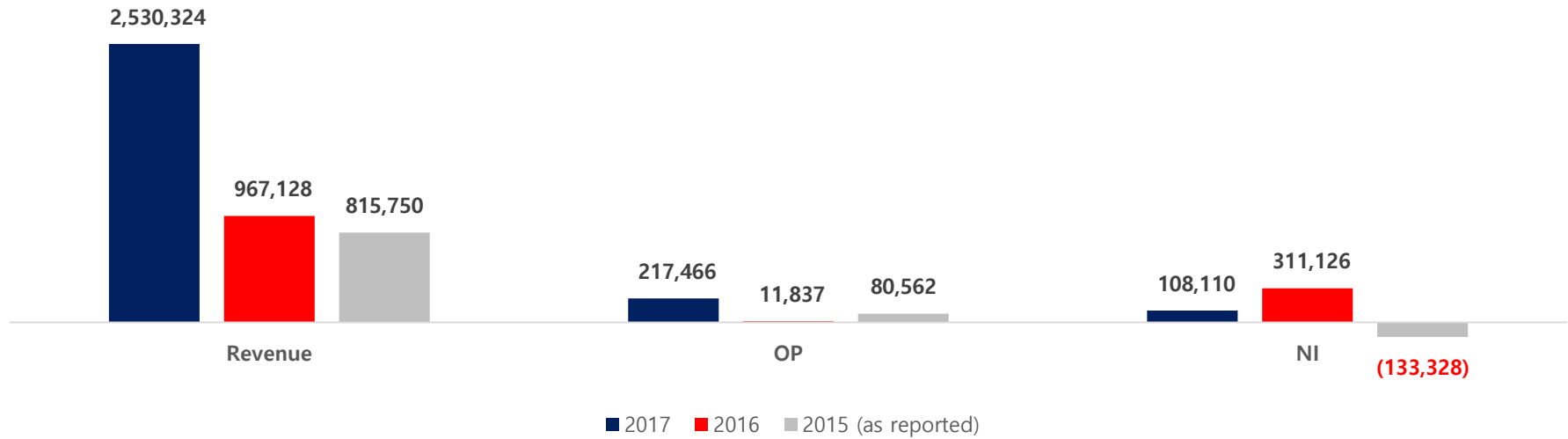
- Magnus Holdings Co., Ltd., a wholly-owned subsidiary of Fila Korea Co., Ltd., or Fila Korea, owns approximately **53%** of Acushnet Holdings Corp. as a controlling shareholder.
- Acushnet Holdings Corp. designs, develops, manufactures, and distributes golf products worldwide. The company operates through four segments: Titleist Golf Balls, Titleist Golf Clubs, Titleist Golf Gear, and FootJoy Golf Wear.
- Owned brands: **Titleist, FootJoy, Vokey, Scotty Cameron, Pinnacle**

Consolidated Financial Summary

3 months (Oct. - Dec.) ended						12 months (Jan. - Dec.) ended				
	4Q 2015	4Q 2016	Variance (%)	4Q 2017	Variance (%)	FY 2015	FY 2016	Variance (%)	FY 2017	Variance (%)
[Unit: KRW mn]										
Revenue	203,497	414,161	103.5%	614,482	48.4%	815,750	967,128	18.6%	2,530,324	161.6%
Gross Profit	88,247	172,894	95.9%	304,044	75.9%	368,878	418,971	13.6%	1,240,530	196.1%
G.P.(%)	43.4%	41.7%	(1.7%p)	49.6%	7.9%p	45.2%	43.3%	(1.9%p)	49.0%	5.7%p
Operating Profit	8,546	(25,500)	N/A	51,451	N/A	80,562	11,838	(85.3%)	217,466	1737.2%
O.P.(%)	4.2%	(6.2%)	(10.4%p)	8.4%	14.6%p	9.9%	1.2%	(8.7%p)	8.6%	7.4%p
Net Income	(51,144)	357,314	N/A	15,127	(95.8%)	(133,328)	311,126	N/A	108,110	(65.3%)

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[Unit: KRW mn]



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FILA Korea Domestic Financial Summary

3 months (Oct. - Dec.) ended						12 months (Jan. - Dec.) ended				
	4Q 2015	4Q 2016	Variance (%)	4Q 2017	Variance (%)	FY 2015	FY 2016	Variance (%)	FY 2017	Variance (%)
[Unit: KRW mn]										
Revenue	90,672	82,268	(9.3%)	101,835	23.8%	346,805	306,179	(11.7%)	342,462	11.9%
Gross Profit	47,142	40,078	(15.0%)	59,584	48.7%	192,692	156,750	(18.7%)	195,485	24.7%
G.P.(%)	52.0%	48.7%	(3.3%p)	58.5%	9.8%p	55.6%	51.2%	(4.4%p)	57.1%	5.9%p
Operating Profit	(6,738)	(13,608)	N/A	4,285	N/A	(4,020)	(31,021)	N/A	1,415	N/A
O.P.(%)	(7.4%)	(16.5%)	(9.1%p)	4.2%	20.7%	(1.2%)	(10.1%)	(8.9%p)	0.4%	10.5%p
Net Income	(3,826)	4,811	N/A	965	(79.9%)	(430)	(17,845)	N/A	(3,389)	N/A

FILA Products Displayed at the Multi-Brand Stores



FILA Domestic Products



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FILA USA Consolidated Financial Summary

3 months (Oct. - Dec.) ended						12 months (Jan. - Dec.) ended				
	4Q 2015	4Q 2016	Variance (%)	4Q 2017	Variance (%)	FY 2015	FY 2016	Variance (%)	FY 2017	Variance (%)
[Unit: USD K]										
Revenue	78,739	82,828	5.2%	92,526	11.7%	320,990	319,928	(0.3%)	304,665	(4.8%)
Gross Profit	21,842	24,137	10.5%	29,166	20.8%	94,406	98,509	4.3%	91,906	(6.7%)
G.P.(%)	27.7%	29.1%	1.4%p	31.5%	2.4%p	29.4%	30.8%	1.4%p	30.2%	(0.6%p)
Operating Profit	2,682	5,377	100.5%	6,422	19.4%	19,944	21,127	5.9%	9,340	(55.8%)
O.P.(%)	3.4%	6.5%	3.1%p	6.9%	0.4%p	6.2%	6.7%	0.5%p	3.1%	(3.5%p)
Net Income	1,406	2,763	96.5%	(529)	(119.2%)	10,890	11,604	6.6%	1,137	(90.2%)

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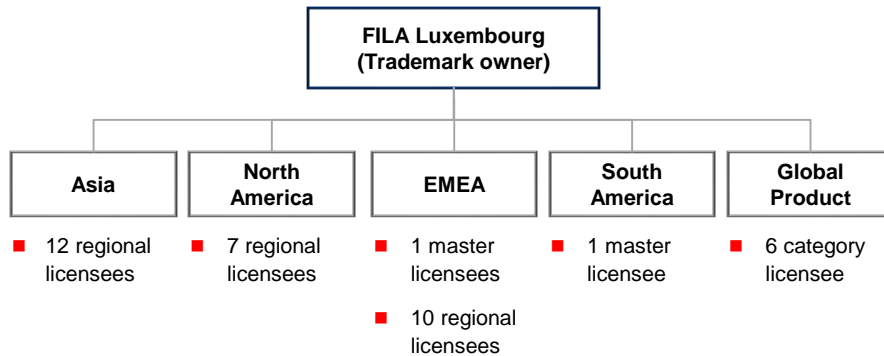
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FILA Global Royalty Summary

3 months (Oct. - Dec.) ended						12 months (Jan. - Dec.) ended				
	4Q 2015	4Q 2016	Variance (%)	4Q 2017	Variance (%)	FY 2015	FY 2016	Variance (%)	FY 2017	Variance (%)
[Unit: USD K]										
Asia	3,051	2,338	(23.4%)	2,615	11.9%	9,091	9,434	3.8%	11,017	16.8%
North America	2,303	2,035	(11.6%)	1,307	(35.8%)	9,427	7,621	(19.2%)	5,342	(29.9%)
South America	678	466	(31.3%)	501	7.6%	2,710	1,027	(62.1%)	1,754	70.7%
EMEA	3,504	3,500	(0.1%)	4,258	21.7%	13,645	14,073	3.1%	16,023	13.9%
Category	282	343	21.6%	388	13.1%	1,483	1,685	13.7%	1,654	(1.9%)
Total (Adjusted)	9,973	8,781	(12.0%)	9,478	8.6%	36,743	34,305	(6.6%)	36,954	8.5%

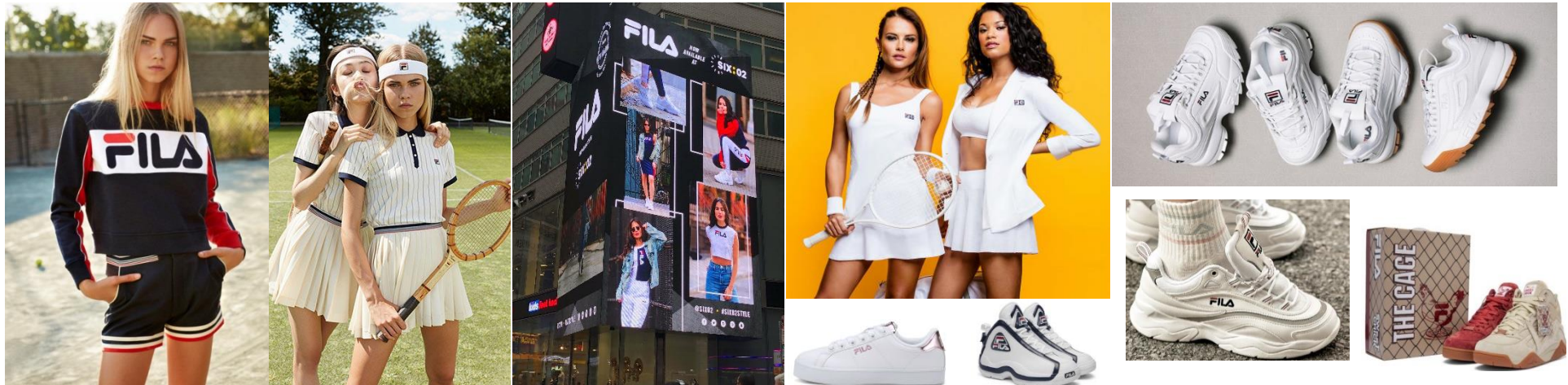
Global License Business

Global License Structure (37 licensees)



General License Conditions

- License period is 5 years (10 years for master licensees)
- Based on the wholesale revenue from each licensee
- Avg. 6-7% of FILA's wholesale revenue
- Each licensee has minimum guaranteed royalty (MGR) based on the forecasted revenue
- Semi-annual Global Collaboration Meetings (GCM) held to set broad, global strategic guidelines among all licensees



Consolidated Balance Sheet (K-IFRS)

Consolidated Balance Sheet (K-IFRS)

(KRW M)

	FY 2017	FY 2016	FY 2015
Assets	3,078,924	3,384,915	978,932
Current Assets	1,154,081	1,240,992	413,786
Cash and cash equivalents	107,696	149,389	46,938
Trade and other receivables	387,342	400,528	131,500
Inventories	578,367	608,896	222,208
Other current assets	80,676	82,178	13,140
Non-current Assets	1,924,843	2,143,923	565,146
Property and equipment	323,527	344,467	44,531
Intangible assets	1,440,427	1,626,895	396,637
Other non-current assets	160,889	172,561	123,978
Liabilities	1,844,594	2,082,752	499,830
Current Liabilities	694,581	1,193,035	271,629
Trade and other payables	330,386	512,510	105,402
Borrowings	212,671	584,312	146,037
Bonds	69,558	-	-
Other current liabilities	81,966	96,214	20,190
Non-current Liabilities	1,150,014	889,717	228,200
Borrowings	855,614	514,438	92,572
Bonds	-	78,083	75,363
Other non-current liabilities	294,400	297,195	60,265
Total Equity	1,234,330	1,302,163	479,102

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