



MEDIOBANCA

## PRESS RELEASE

### FIRST EUROPEAN BRANDED GOODS CONFERENCE

## MEDIOBANCA BRINGS THE LEADING EUROPEAN LUXURY BRANDS TOGETHER WITH OVER 100 INSTITUTIONAL INVESTORS

Mediobanca has today hosted the first day of its two-day **European Branded Goods Conference**. This event, in its first year, brings institutional investors into conversation with some of the leading brands in European fashion.

Day 1 of the conference, at which proceedings were opened by Mediobanca CEO Alberto Nagel, saw the involvement of Remo Ruffini, Chairman & CEO of Moncler, Brunello Cucinelli, Executive Chairman & Creative Director of Brunello Cucinelli, Michele Norsa, Executive Vice Chairman of Salvatore Ferragamo, and Alberto Galassi, CEO of Ferretti Group. Tomorrow it will be the turn of Diego Della Valle, Chairman and CEO of the Tod's group, Renzo Rosso, Chairman of OTB, Nerio Alessandri, founder and CEO of Technogym, and Matteo Lunelli, Chairman of Altagamma.

In his introductory speech, made before an audience of institutional investors consisting of over 100 representatives of all the leading international investment houses, Alberto Nagel emphasized how the luxury goods sector had demonstrated resilience during the pandemic and is now one of the most dynamic sectors in Europe post-lockdown: *"In the early days of the fight against Covid-19 European players strengthened their social role, often converting their productions from consumer goods to personal protection equipment, while preserving their supply chain. Already at the end of last year, Branded Goods players had quickly resumed growth, optimizing their customer-facing operations and adapting their business models to remote sales."*

Of the various trends driving this recovery, the Mediobanca CEO is convinced that the digital channel has a vital role to play: *"Online is estimated to influence 85% of consumers' purchases, and is expected to be once again the distribution channel with the highest growth this year. At Mediobanca, we are convinced that digital is the area of the industry that will attract most investments and talents in the coming years."*

According to the data compiled by Mediobanca Securities in its report published to coincide with the Conference, consumer spending and the demand for branded goods are driven by macroeconomic factors, including the financial support measures introduced, that have increased purchasing power in Europe and North America in particular, and the excess savings that households have been accumulating since 2020. Last year the personal savings rate increased to a record average of 16% in the United States (according to the Federal Reserve Economic Database), while in Europe the average households' saving rate has more than doubled, to 19% (source: Eurostat). Sales in the luxury sector for 2Q 2021 exceeded those recorded in 2Q 2019 (Mediobanca estimate by 5-6%), and it is likely that FY 2021 will outstrip FY 2019 as well.

Year-to-date the performances have differed from one region to another. In Asia, and in continental China especially, the strong positive trends have been unaffected by the pandemic. Today Chinese clients account for more than one-third of luxury good sales, and it is estimated that they will represent more than half the demand for luxury by 2025, driving

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more than 80% of the growth in this sector. US clients have been the most rapidly growing cluster so far this year, while in western Europe the healthy levels of sales to domestic clients have not been sufficient to make up for the lack of tourists and the prolonged restrictions on retail sales and on travel.

*Milan, 21 September 2021*