

Movado Group, Inc.

ICR Conference January 2016



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This presentation contains certain “forward-looking statements” for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, estimates, forecasts and projections about the Company, its future performance, the industry in which the Company operates and management’s assumptions. Words such as “expects”, “anticipates”, “targets”, “goals”, “projects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “may”, “will”, “should” and variations of such words and similar expressions are also intended to identify such forward-looking statements. The Company cautions readers that forward-looking statements include, without limitation, those relating to the Company’s future business prospects, projected operating or financial results, revenues, working capital, liquidity, capital needs, plans for future operations, expectations regarding capital expenditures, operating efficiency initiatives and other items, operating expenses, effective tax rates, margins, interest costs, and income as well as assumptions relating to the foregoing. Forward-looking statements are subject to certain risks and uncertainties, some of which cannot be predicted or quantified. Actual results and future events could differ materially from those indicated in the forward-looking statements, due to several important factors herein identified, among others, and other risks and factors identified from time to time in the Company’s reports filed with the SEC including, without limitation, the following: general economic and business conditions, which may impact disposable income of consumers in the United States and the other significant markets (including Europe) where the Company’s products are sold, uncertainty regarding such economic and business conditions, trends in consumer debt levels and bad debt write-offs, general uncertainty related to possible terrorist attacks, natural disasters, the stability of the European Union and defaults on or downgrades of sovereign debt and the impact of any of those events on consumer spending, changes in consumer preferences and popularity of particular designs, new product development and introduction, the ability of the Company to successfully implement its business strategies, competitive products and pricing, the impact of “smart” watches and other wearable tech products on the traditional watch market, seasonality, availability of alternative sources of supply in the case of the loss of any significant supplier or any supplier’s inability to fulfill the Company’s orders, the loss of or curtailed sales to significant customers, the Company’s dependence on key employees and officers, the ability to successfully integrate the operations of acquired businesses without disruption to other business activities, the continuation of the company’s major warehouse and distribution centers, the continuation of licensing arrangements with third parties, losses possible from pending or future litigation, the ability to secure and protect trademarks, patents and other intellectual property rights, the ability to lease new stores on suitable terms in desired markets and to complete construction on a timely basis, the ability of the Company to successfully manage its expenses on a continuing basis, information systems failure or breaches of network security, the continued availability to the Company of financing and credit on favorable terms, business disruptions, disease, general risks associated with doing business outside the United States including, without limitation, import duties, tariffs, quotas, political and economic stability, changes to existing laws or regulations, and success of hedging strategies with respect to currency exchange rate fluctuations. All forward-looking statements speak only as of the date of this presentation or, in the case of any document incorporated by reference, the date of that document. All subsequent written and oral forward-looking statements attributable to the Company or any person acting on its behalf are qualified by the cautionary statements in this section. The Company undertakes no obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date of this presentation.



COMPANY OVERVIEW

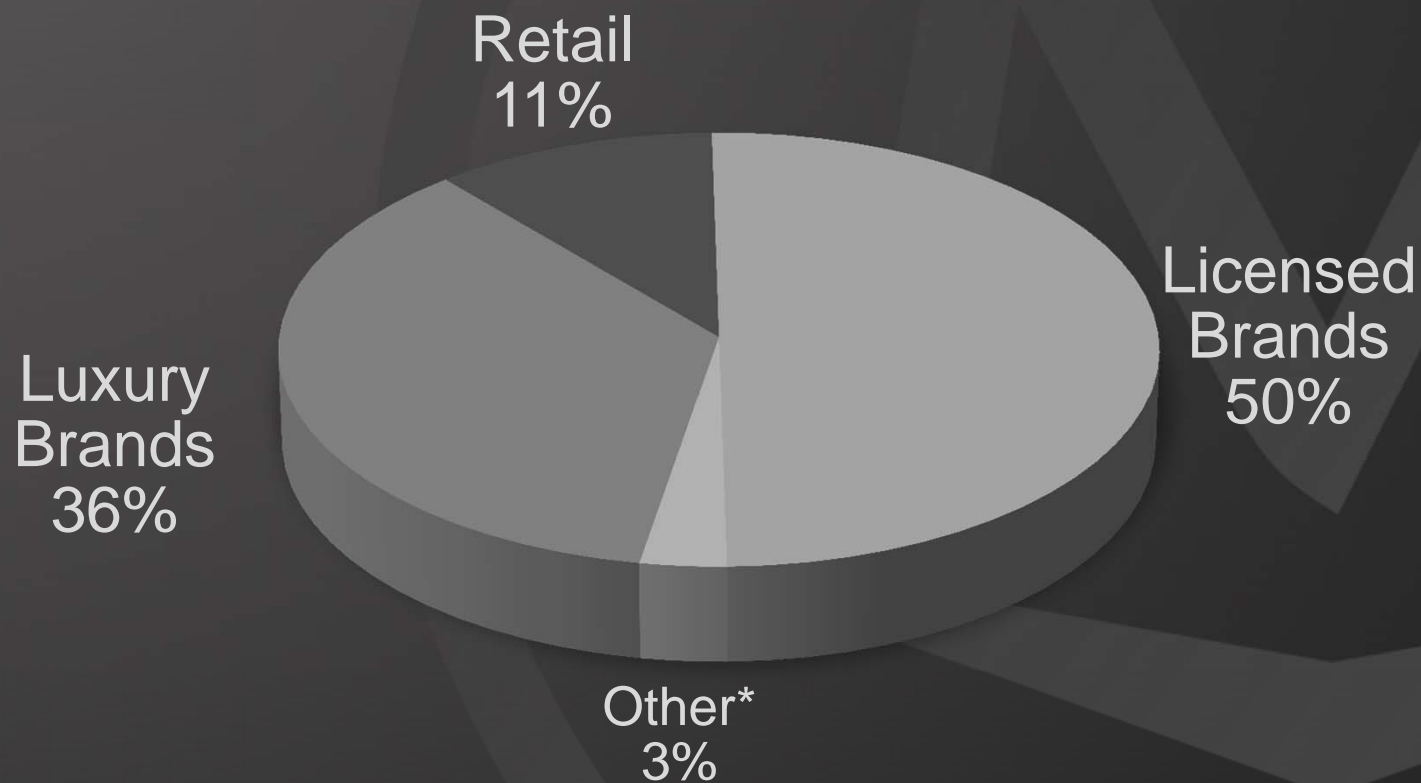
- Compelling portfolio of watch brands
- Diversified across brands, price points and geographies
- World class global infrastructure – systems, talent & processes
- Initiatives driving strong financial results
- Strong balance sheet and cash flow



DIVERSE BRAND PORTFOLIO

Presence in all key market segments

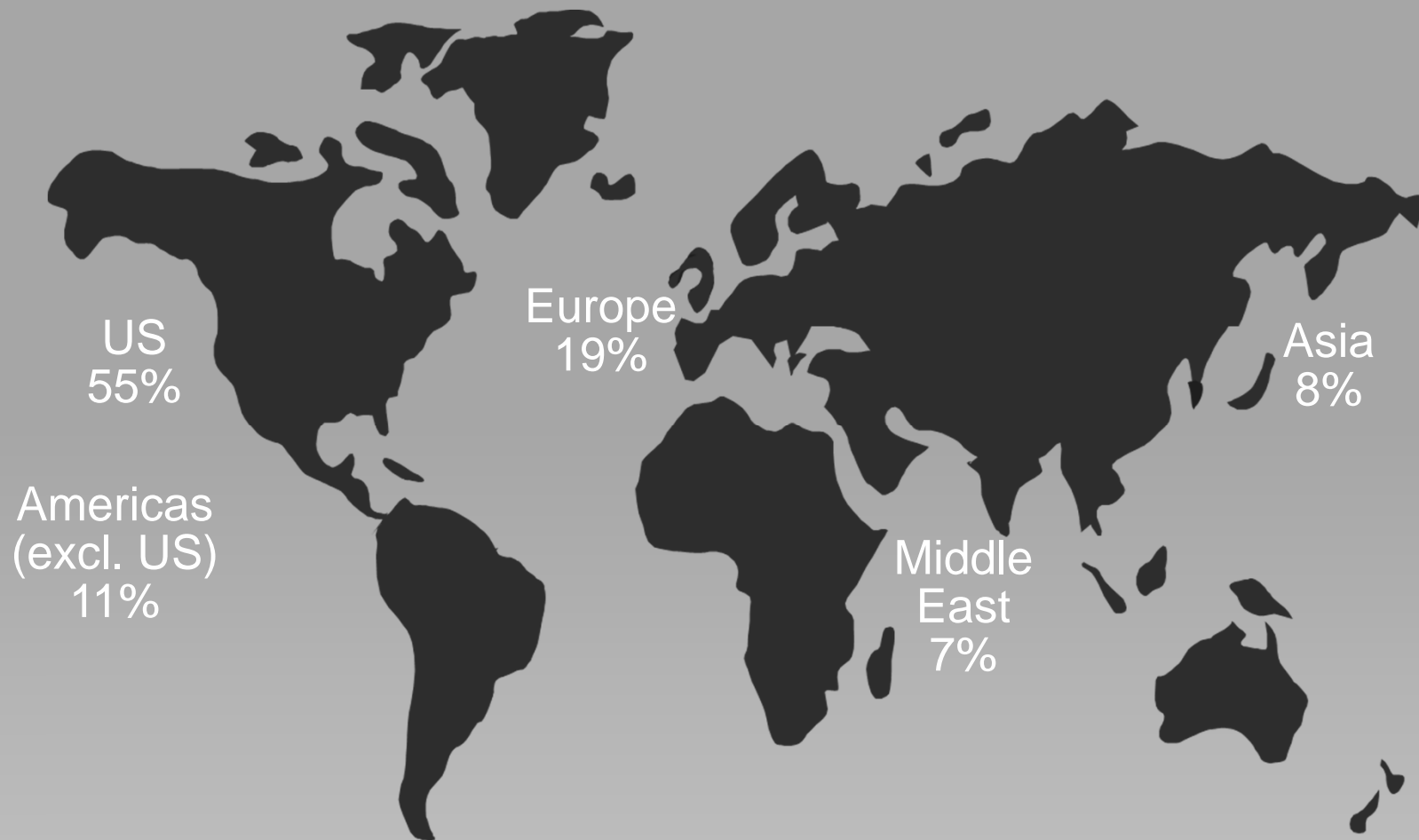
Percent of Total MOV Revenue (FY '15)



* Includes after-sales service and all other.

BROAD GEOGRAPHIC REACH

Presence and opportunity in all regions (FY '15)



DEMONSTRATED SUCCESS*

- 11.3% compounded sales growth over last 5 years
 - Movado brand US market share grew from 13% to over 20%
 - Virtually doubled Licensed Brands to an approximate \$300 Million business



* Adjusted for nonrecurring items.

DEMONSTRATED SUCCESS*

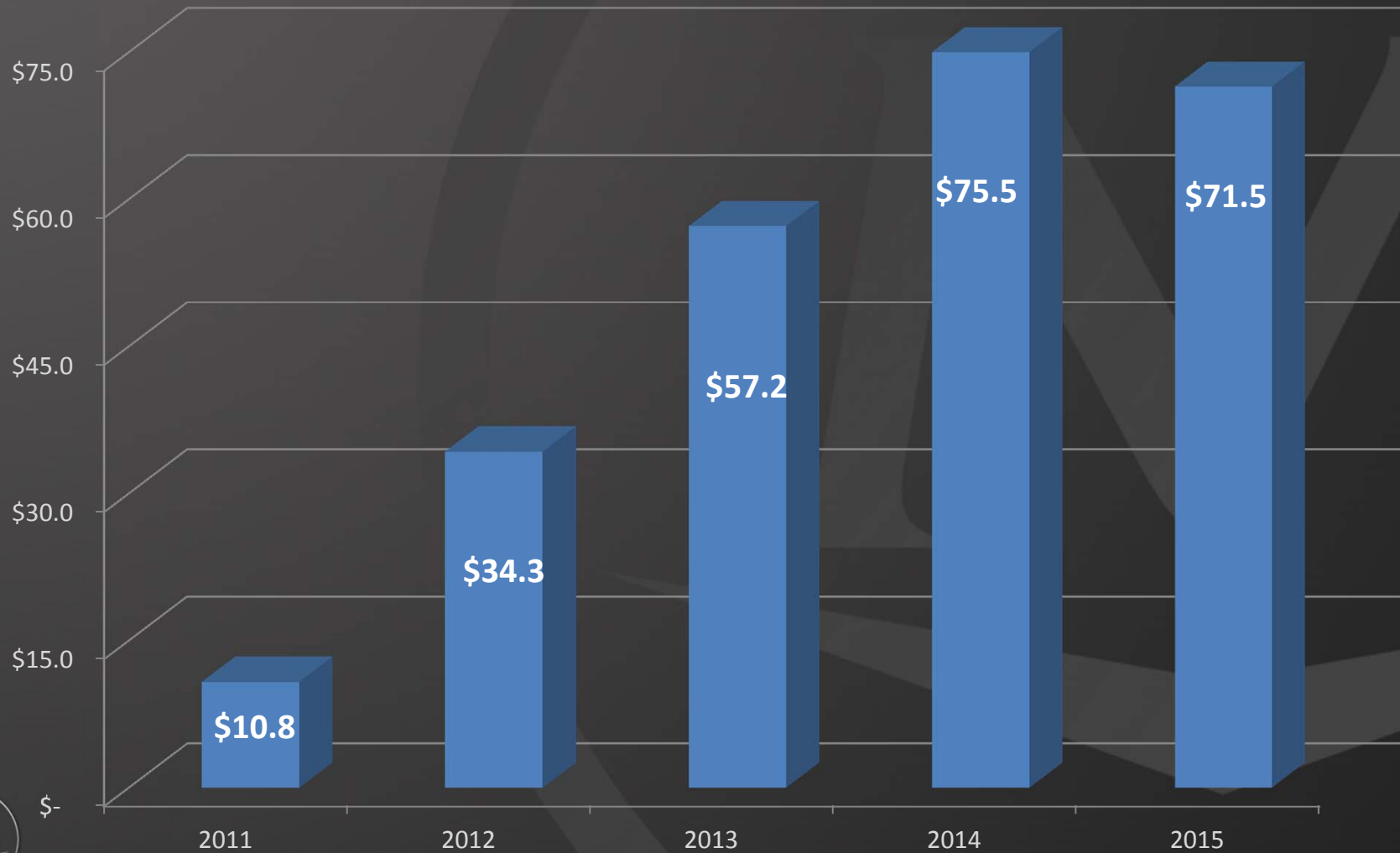
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- Operating profit growth to over \$70 Million Level



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Operating Profit* – 5 Year History

in \$ millions



* Adjusted for nonrecurring items.

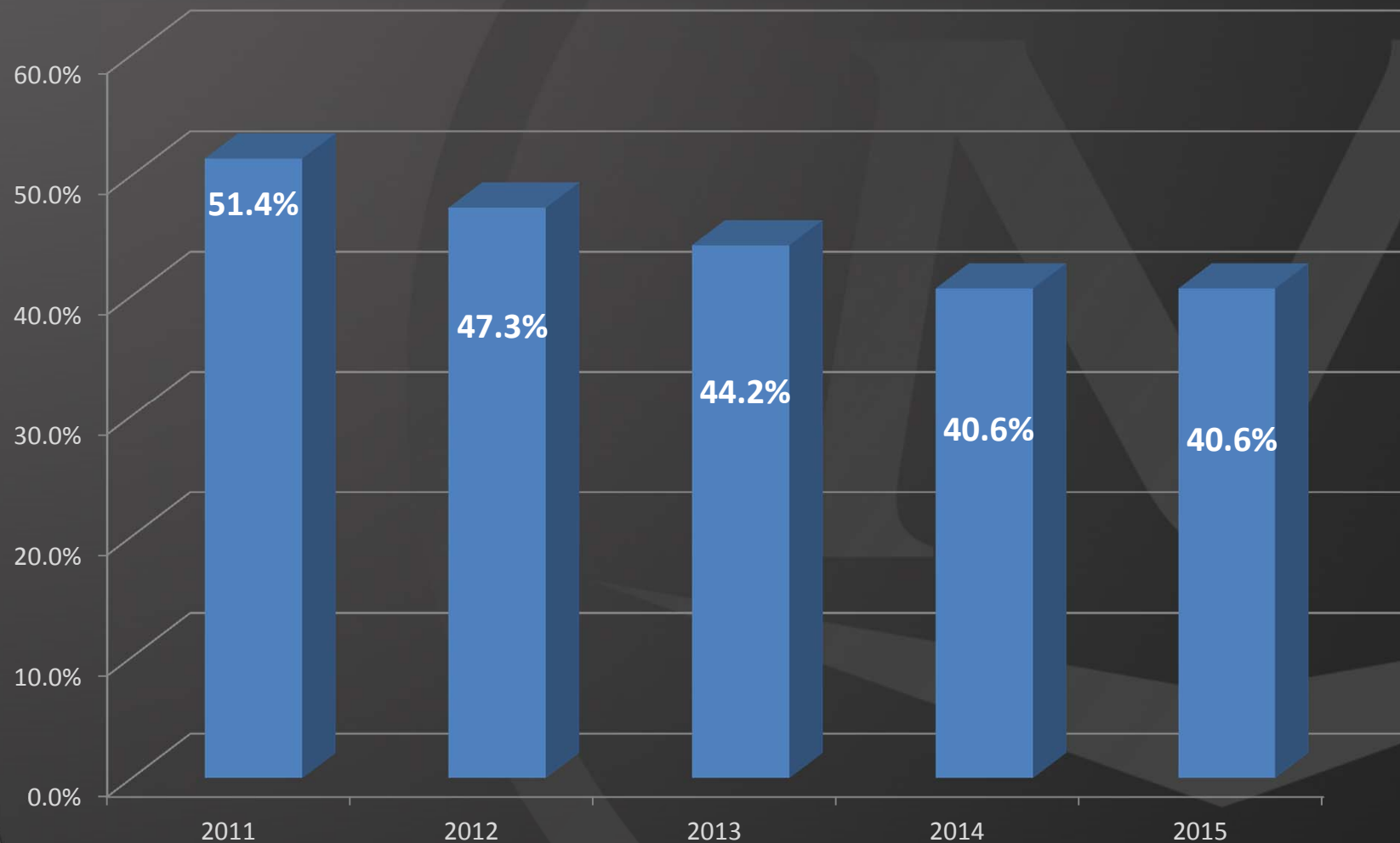
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- Leveraging world class operating infrastructure
 - Achieved record low ~40% as % of sales



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Operating Expense as a % of Sales* 5 Year History



* Adjusted for nonrecurring items.

DEMONSTRATED SUCCESS*

- 11.3% compounded sales growth over last 5 years
- Operating profit growth to over \$70 Million Level
- Leveraging world class operating infrastructure
 - Achieved record low ~40% as % of sales
- Continually developing & delivering innovative consumer desired product
- Major investments in design, merchandising and marketing
- Sustainable continual share of market growth



* Adjusted for nonrecurring items.

FY15 FINANCIAL RESULTS *

- Sales growth +2% to \$587M
 - Licensed brands growth +6.5%
 - Movado sales flat, yet continued SOM growth
- Operating income -5%
 - \$71.5M in FY15
 - 12% as % of sales
- Healthy balance sheet
 - \$200M cash
 - No debt outstanding



* Adjusted for nonrecurring items.

Positioned for Continued Success

FY 2016



OUTLOOK FOR FY 2016

- Slow growth retail environment
- Currency impact is material
- Focus on global sales and profit growth
 - Excellence in execution of brand initiatives
 - Driving gross margin improvement
 - Executing strategic price increases to offset currency impact
 - Focusing on sourcing opportunities
 - Streamline certain aspects of our business to provide greater operating efficiencies while investing for growth



YTD Q3 FY16 FINANCIAL RESULTS *

- Net Sales decreased 0.3% to last year
 - +4.1% in constant dollars
 - Driven by Licensed Brands and Luxury businesses
- Operating income decreased ~ 0.3% from last year
 - In constant dollars +14%
- Net income of \$39.7M compared to \$41.7M last year
- EPS \$1.65 vs. \$1.63 last year
 - Negative currency impact of \$0.27



* Current year period adjusted for nonrecurring items.

SHAREHOLDER RETURN

- Dividend Payments
 - Increased annual dividend payout from \$0.32 per share in FY 2013 to a planned \$0.48 per share this year
- \$100 Million Share repurchase program
 - Through 3Q FY 2016 purchased 2.9m shares for \$82.8 Million



Realizing the Full Potential of our Brands



Luxury Strategy - MOVADO

- Build on Movado North America momentum
- Global market expansion
- Key account customer focus (Europe, Middle East and Latin America)



MOVADO

- Movado has leading US market share within its segment
- Strong sales growth
- Quality distribution
- Expanding brand offering in certain retail doors
- Great new product pipeline



EDGE – LEADING INNOVATION

- Developed in collaboration with world renowned industrial designer Yves Behar
- Synergy of modern design & sculpture
- Swiss watch reinterpreting iconic museum dial into a three-dimensional curved dial



EDGE

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MODERN.FORM.SWISS.
GENUINE.INSPIRED.
MIDCENTRALY.INSPIRED.
INDUSTRIAL.INSPIRED.
INTERESTING.INSPIRED.
MOVADO
DIMENSIONAL.INSPIRED.
ENERGY.INSPIRED.
SMOOTH.INSPIRED.
MUSEUM.INSPIRED.
GRAPHIC.INSPIRED.
INTENSIVE.INSPIRED.
AUTHENTIC.INSPIRED.
UNEXPECTED.INSPIRED.
GENUINE.INSPIRED.
GRAPHIC.INSPIRED.
MINIMALIST.INSPIRED.
AUTHENTIC.ART.
TACTILE.MODERN.



EDGE.

Movado Edge designed in collaboration with Yves Béhar
Retailer Tagging

MOVADO

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MODERN.FORM.SWISS.
MOVADO.INSPIRED.
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MOVADO




DYNAMIC ADVERTISING

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MEN'S SAPPHIRE™ NEW THIN CASE MOVADO.COM



WYNTON MARSALIS,
COMPOSER, PERFORMER, VIRTUOSO,
RETAILER



MOVADO
MODERN AHEAD OF ITS TIME

©2011 Movado Group, Inc.

NEW 1881 AUTOMATIC™
A MODERN TRIBUTE TO THE
YEAR MOVADO WAS FOUNDED.
FINE SWISS MOVEMENT.
MOVADO.COM
RETAILER



MOVADO
MODERN AHEAD OF ITS TIME



DYNAMIC ADVERTISING

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NEW MOVADO BOLD® INK
SHADES OF MIDNIGHT.
SWISS QUARTZ CHRONOGRAPH.
MOVADO.COM
RETAILER



MOVADO
MODERN AHEAD OF ITS TIME

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MOVADO BOLD®
THIN NEW WOMEN'S STYLES ON
PEARLIZED PATENT LEATHER STRAPS.
MOVADO.COM
RETAILER



MOVADO
MODERN AHEAD OF ITS TIME



MOVADO - CONNECTED

- Swiss Made
- Movado Motion
- Measures activity & sleep monitoring
- Always on correct time
- 2 year battery life



MOVADO - HP - Collaboration

- Movado Bold Motion
- Notification texts
- Calendar alert
- Activity tracker
- Dual movement



EBEL and CONCORD

- Position for profitable growth
- Focus on key markets
- Seize Concord “back to heritage” growth opportunities

EBEL

CONCORD



THE NEW EBEL WAVE

- Maintains the most important elements
- Redesigned for today's modern chic woman & man



CONCORD SARATOGA

CONCORD

[BROWSE WATCHES](#)

[WATCH ADVISOR](#)

[WORLD OF CONCORD](#)



CONCORD MARINER

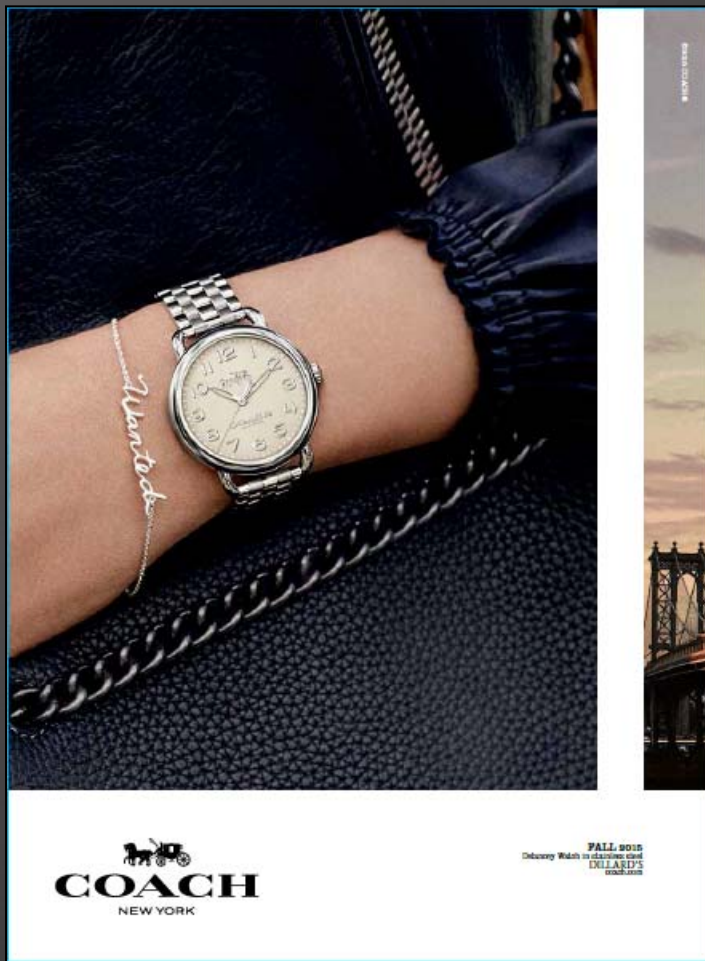


LICENSED BRANDS

- Continued growth of existing world class global brands
- Focus on key owned markets
- Continued enhancement in productivity improvements
- Digital marketing investment



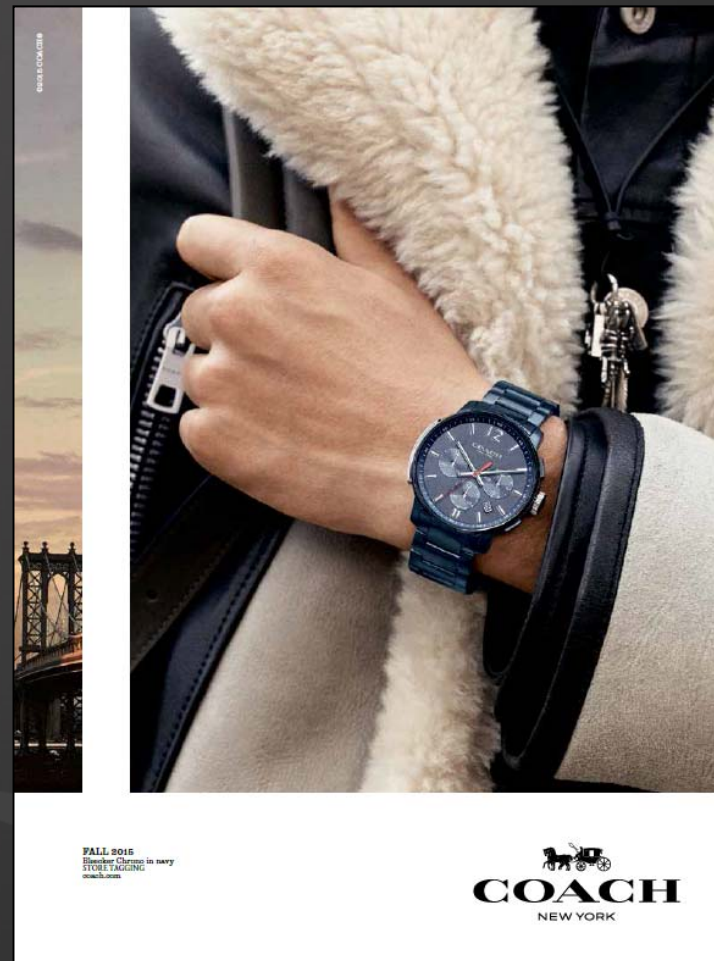
COACH



A close-up photograph of a person's wrist wearing a silver-tone metal link watch with a white dial and a silver-tone metal link bracelet. A thin silver-tone bracelet with the word "Wantode" written in cursive is also visible. The background shows a dark, textured leather bag with a chain strap and a bridge at sunset.

COACH
NEW YORK

FALL 2016
Dobson Watch in stainless steel
DILLARY'S
coach.com



A close-up photograph of a person's wrist wearing a dark blue watch with a dark blue dial and a dark blue link bracelet. The watch is shown against a background of a dark jacket with a white fur collar and a bridge at sunset.

COACH
NEW YORK

FALL 2016
Hawker Chrono in navy
STORE TAGGING
coach.com



HUGO BOSS



TOMMY HILFIGER



LACOSTE



LACOSTE 
LIFE IS A BEAUTIFUL SPORT



JUICY COUTURE



SCUDERIA FERRARI



FERRARI
OFFICIAL LICENSED PRODUCT

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OUTLET RETAIL STORES STRATEGY

- Continue growth in sales and profits
- Selectively expanding
 - Premier outlet centers
 - Reflect brand image
- Primary channel for end of lifestyle product management
- FY15 traffic of 2.4M customers



SUMMARY

MOV is a globally diversified company with continued great growth potential

- Compelling brand portfolio across all major segments
- Global reach with expansion opportunity
- Driving superior new product designs
- World class global infrastructure – systems, talent and processes
- Strong financial performance, balance sheet and cash flow
- Positioned to deliver sustainable, profitable growth



CAPTURE THE FULL POTENTIAL OF OUR BRANDS

MOVADO

EBEL

CONCORD

TOMMY  HILFIGER
WATCHES

BOSS
HUGO BOSS
watches


COACH
NEW YORK

SCUDERIA
FERRARI

Juicy Couture
TIMEPIECES

LACOSTE 