



LINEAPELLE LEATHER MARKET OVERVIEW

3rd QUARTER 2025



RAW MATERIALS

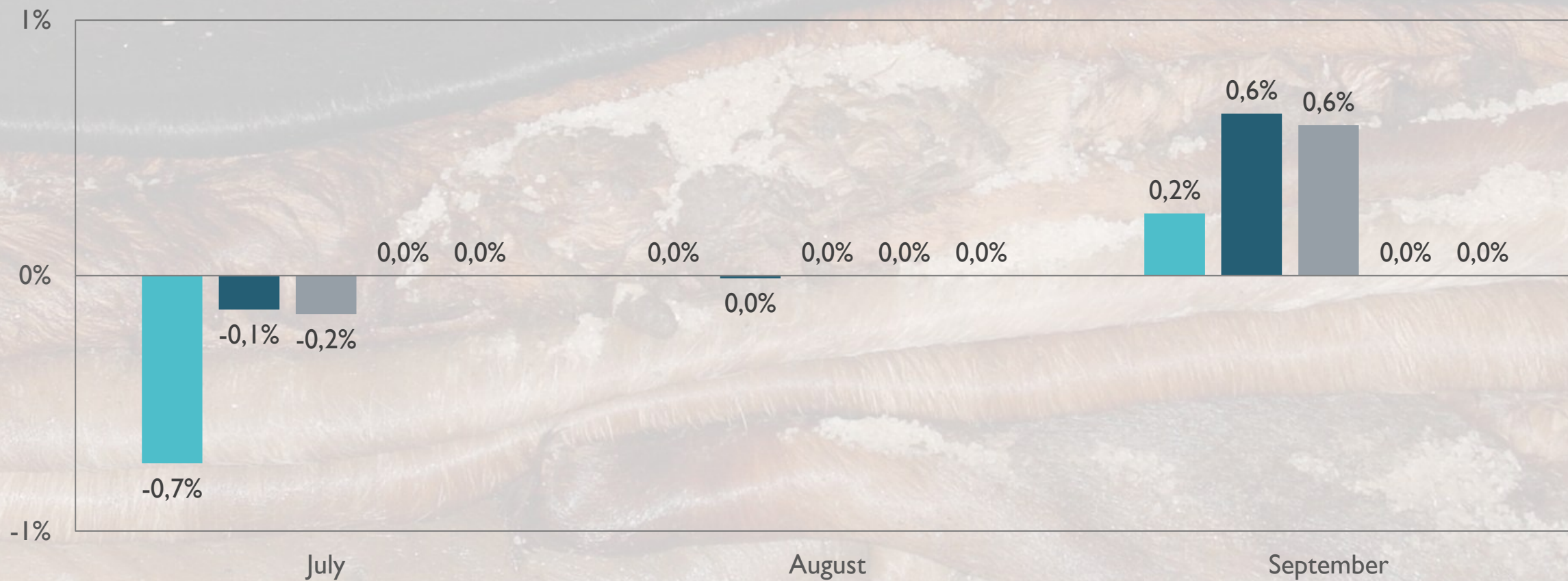
RAW AND SEMI-PROCESSED HIDES/SKINS - PRICE TRENDS

- The average price indices of the **main raw and semi-processed hides and skins** still show very limited changes in the quarter under review, confirming the persistent market difficulties.
- In the **bovine raw hides/skins segment, calfskins** were the category recording the most dynamism, although movements did not exceed a single percentage point (with a downward trend in France and Australia, and an upward trend in the Netherlands and Italy) - Some variation was also recorded in medium sizes, i.e., **young cattle** and **cows** (with slight declines in July and slight increases in September) - **Bull hides** essentially unchanged.
- Average prices for **wet-blue bovine hides** were also stable, showing only a very light increase at the end of the period (September) in some Oceanian origins.
- No significant change, instead, was recorded for the quotations of the **main raw sheep and lambskins**.

RAW MATERIALS

RAW HIDES/SKINS - MONTHLY VARIATIONS OF AVERAGE PRICE INDICES BY ANIMAL TYPE

■ Calves ■ Steers/heifers ■ Cows ■ Bulls ■ Sheeps



RAW MATERIALS

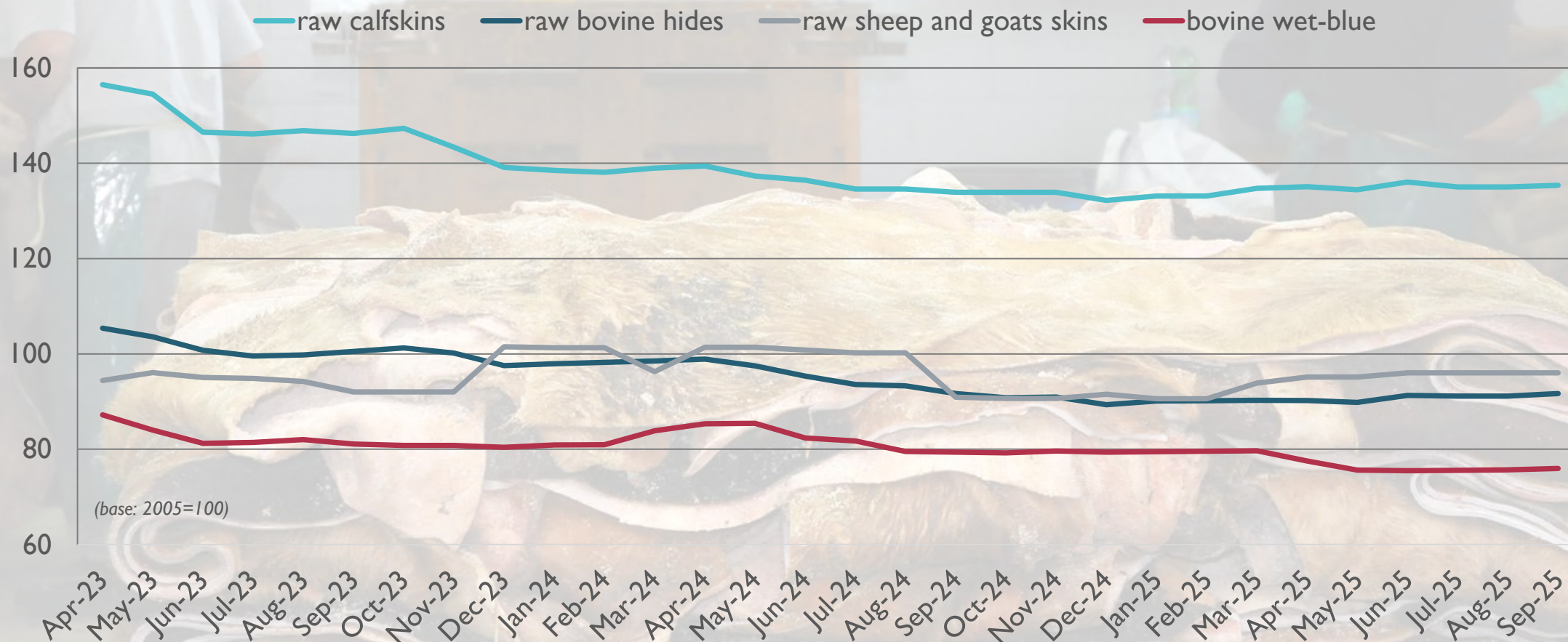
RAW HIDES/SKINS - AVERAGE PRICE CHANGES BY ANIMAL TYPE/ORIGIN (FROM JANUARY TO SEPTEMBER 2025)



Calves	+2%	Steers, bull calves, heifers	+3%	Cows	=	Bulls	+9%	Sheep	+5%
Italy	+2%	Italy (bull calves)	=	Italy	=	France	+10%	Iran	+6%
France	=	Germany (heifers)	-1%	France	+2%	Netherlands	+2%	Spain	=
Netherlands	+10%	United Kingdom (mixed)	+8%	Netherlands	=	Germany	+1%	New Zealand	+2%
Australia	-8%	Spain (bull calves)	+13%	Germany	-2%	New Zealand	-15%		
		United States (mixed)	-28%	Spain	+4%	Denmark	-6%		
		Australia (mixed)	-8%	United States	-58%				
		Sweden (mixed)	-6%	Sweden	-8%				
		Sweden (mixed)	=	New Zealand	-13%				
		Denmark (mixed)	-4%	Denmark	-4%				

RAW MATERIALS

RAW AND SEMI-PROCESSED HIDES/SKINS - LONG TERM AVERAGE PRICE INDEXES BY ANIMAL TYPE



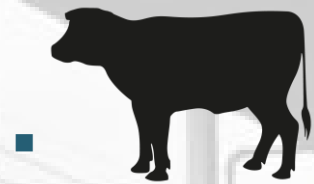
RAW MATERIALS

RAW HIDES - TRENDS IN AVAILABILITY (SLAUGHTERING)

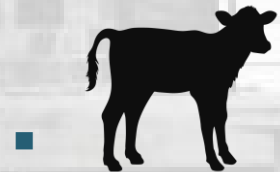
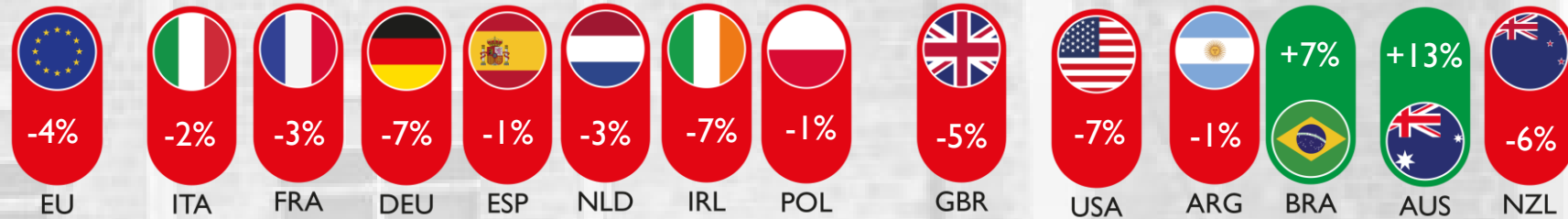
- In the first nine months of 2025, **adult bovine** slaughter volumes in the monitored areas (EU, Americas, Oceania) recorded a slight overall increase (+1%) - Europe continues to move against the trend, showing an overall decline of 4% (with no exceptions to this negative trend when analyzing the main EU producing countries individually) - In the Americas, the contraction in the US continues, with a slight decline also in Argentina, while Brazil is increasing - In Oceania, Australia is growing, while New Zealand is declining.
- The survey instead shows a sharply negative global change in **calf slaughtering** (-9% in the first three quarters of 2025) - In Europe, the decline is -10%, with losses across all major EU member states - Outside Europe, as per the adult bovine, Australia is increasing while New Zealand is decreasing.
- Overall **sheep slaughtering** is down by 6% in the January–September 2025 period - The EU shows an overall decline in line with the total figure (-5%), with some slight trend improvement among the main producing countries (Italy) - UK is stable, US is positive, while Australia and New Zealand show negative results.

RAW MATERIALS

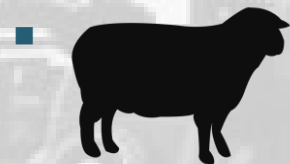
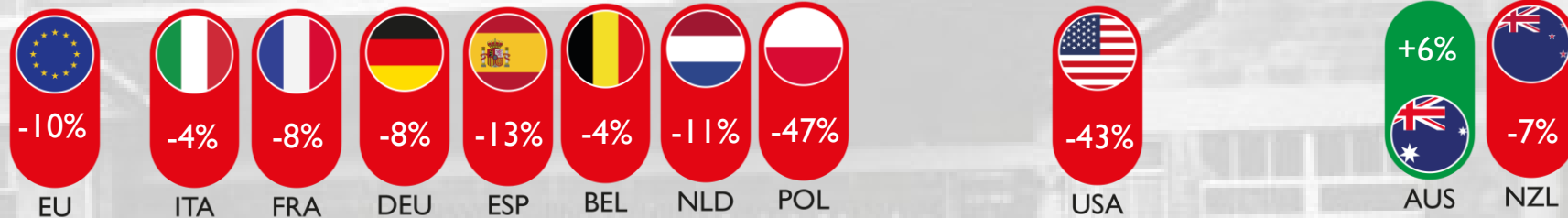
RAW HIDES - TRENDS IN AVAILABILITY (SLAUGHTERING) FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024



Adult bovine:



Calves:



Sheep:



RAW MATERIALS

OTHER REFERENCE COMMODITIES - PRICE TRENDS AND PERFORMANCE

■ 3rd QUARTER 2025
VS 3rd QUARTER 2024



OIL

-13%



COTTON

-3%



WOOL

+13%



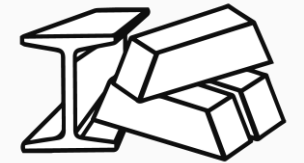
NATURAL RUBBER

-9%



SYNTHETIC RUBBER

+1%



METALS

■ FIRST 9 MONTHS 2025
VS FIRST 9 MONTHS 2024

-14%

-11%

+6%

+1%

+6%

- Aluminum +10%
- Copper +7%
- Iron +0,2%
- Nickel -7%
- Zinc +2%

- Aluminum +8%
- Copper +5%
- Iron -12%
- Nickel -11%
- Zinc +3%

TANNING SECTOR

TRENDS

- The uneven picture regarding the **tanning results of the main producing countries** intensified in the third quarter of the year and, despite the persistent prevalence of negative results, some positive outcomes began to emerge, especially in Europe.
- In the **medium-to-large leather bovine segment**, the EU shows signs of a (partial) recovery in exports, including in Germany, in addition to France and Portugal, while outside Europe difficulties remain widespread, with the exception of a promising recovery in Argentina.
- Further declines for **small bovine (calves) leather** in Italy, while exports are growing in Spain and France.
- Mixed results in the sales of **sheep and goat leather**, with widespread declines in Italy, France, and China, and more varied trends in Spain, Turkey, Pakistan, and India.

TANNING SECTOR

TURNOVER INDEX TRENDS IN ITALY



3rd QUARTER 2025 VS 3rd QUARTER 2024



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024



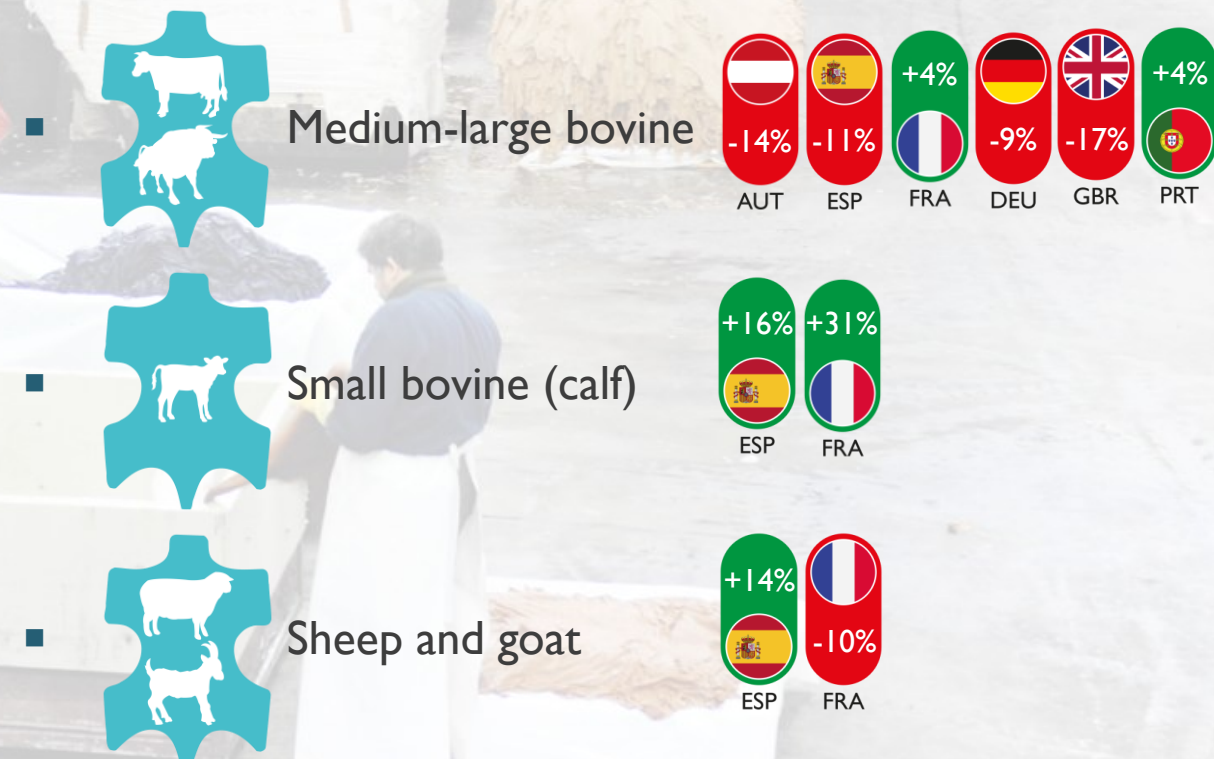
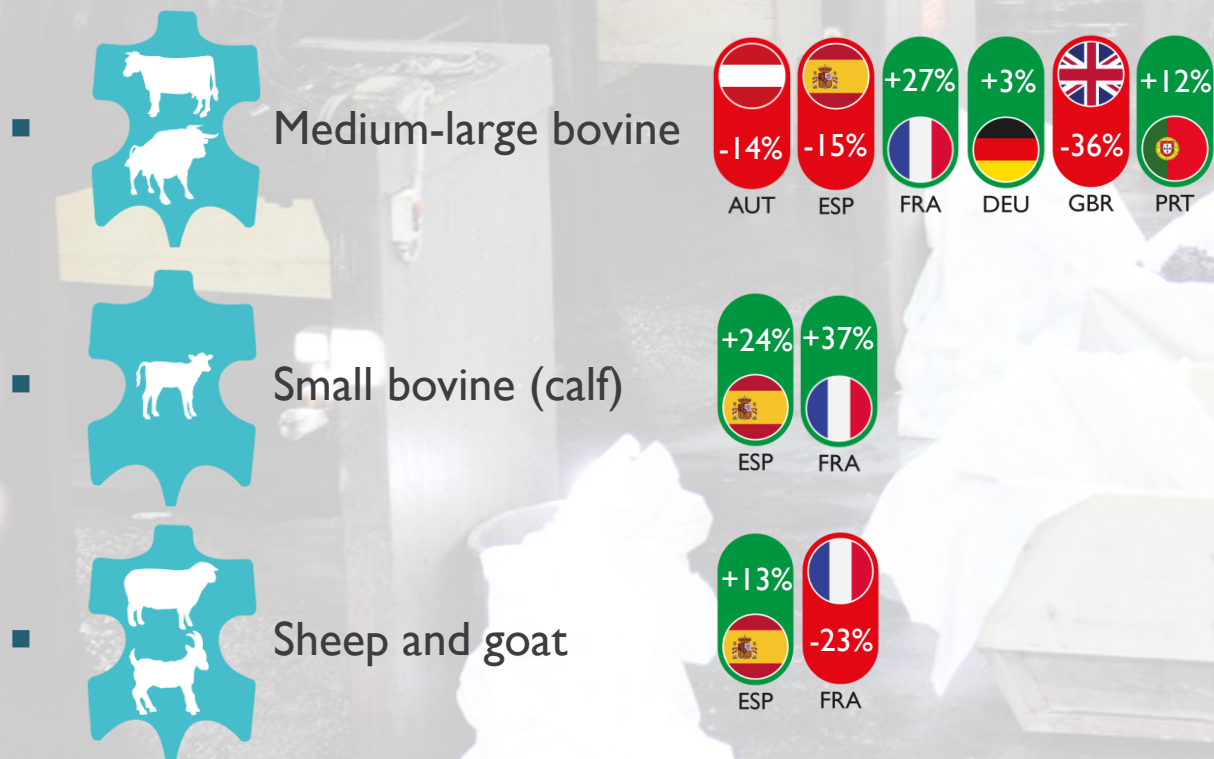
TANNING SECTOR

TURNOVER INDEX TRENDS IN EUROPE



3rd QUARTER 2025 VS 3rd QUARTER 2024

FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024



TANNING SECTOR

TURNOVER INDEX TRENDS IN THE WORLD



3rd QUARTER 2025 VS 3rd QUARTER 2024

FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

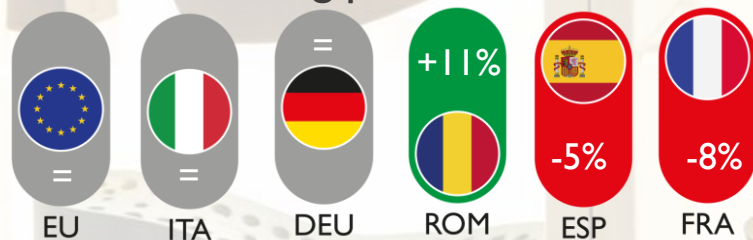


ACCESSORIES AND COMPONENTS SECTOR

EXPORT INDEX TRENDS

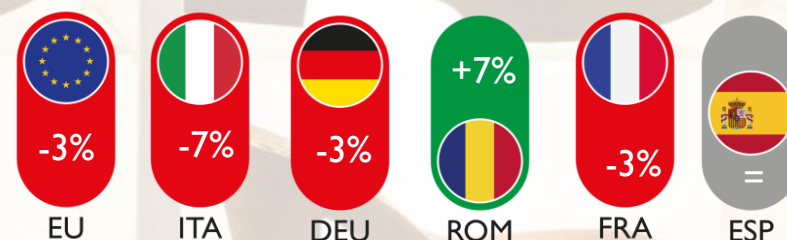
3rd QUARTER 2025 VS 3rd QUARTER 2024

The third quarter 2025 confirms the difficulties facing the sector, which nevertheless improved its performance compared to previous quarters, bringing the EU into negative stability after a number of declines. The performance of small metal parts was more convincing, while other footwear components faced widespread difficulties. The other accessories saw mixed results, with contrasting performances across Europe.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

There is no respite from the crisis in the accessories and components sector at European level, which in the first nine months of 2025 confirmed the declines already recorded in the first half of the year. The trend in all sectors was predominantly negative, held back by sluggish results from major EU manufacturers.



TEXTILES AND SYNTHETICS SECTOR

EXPORT INDEX TRENDS

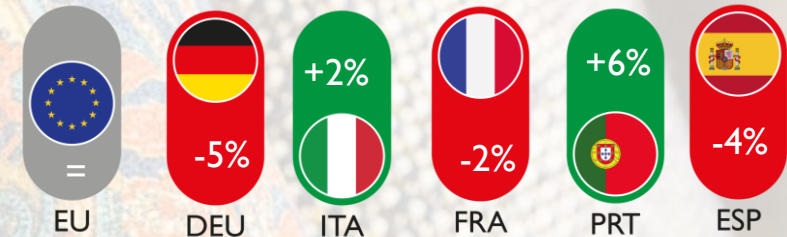
3rd QUARTER 2025 VS 3rd QUARTER 2024

The sector is slowly but steadily improving compared to the EU average for the season, which remains stable although the recovery in France and Spain is offsetting the slump in Germany. Synthetics are not moving beyond stability, held back by the weakness of the major European producers. Regenerated leather fibres are struggling, and the synthetic fabric materials sector is also down on average.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

The recovery of Italian manufacturers and the mitigation of losses by French and Spanish are not enough to bring the sector above parity. Negative confirmations from German manufacturers weigh heavily. In the partial aggregate for 2025, synthetics slow down, while regenerated leather fibres mitigate the quarterly difficulties. Heavy and widespread declines, on the other hand, for synthetic fabric materials.

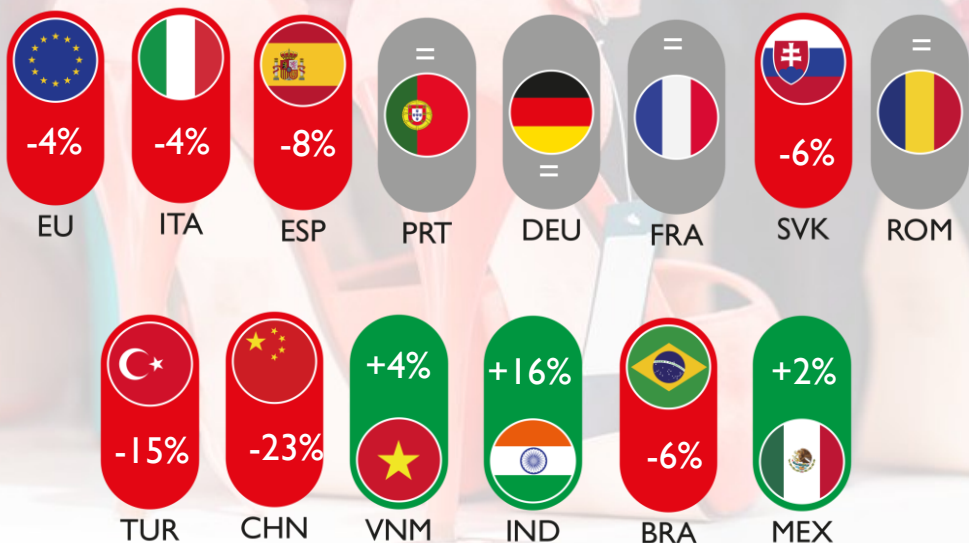


FOOTWEAR

EXPORT INDEX TRENDS

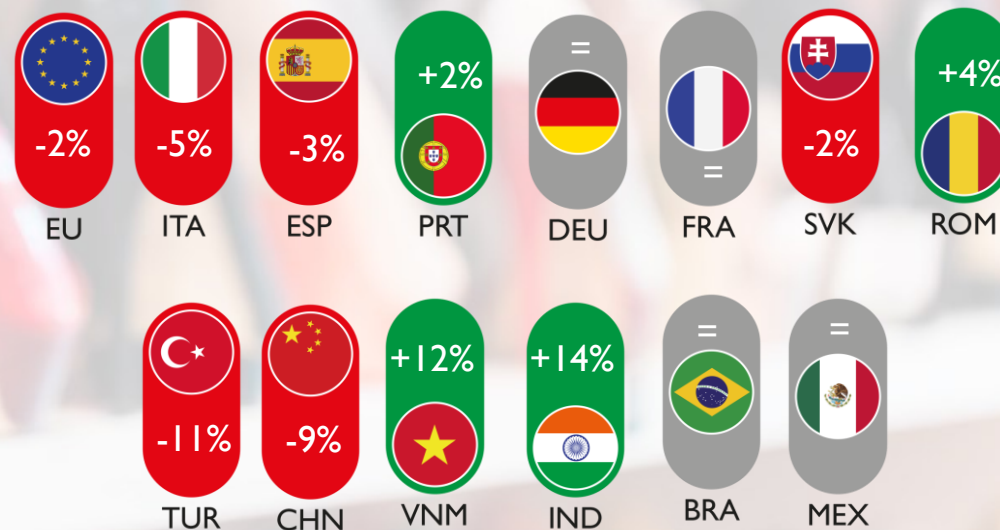
3rd QUARTER 2025 VS 3rd QUARTER 2024

The sector's performance was weak in seasonal comparison, with all European producers down or stagnant compared to the third quarter of the previous year. Turkey, China and Brazil also suffered, while Vietnam, India and Mexico rose.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

The cumulative figure for 2025 reflects the difficulties experienced by the sector since the beginning of the year. The EU average stands at -2%, affected by losses in Italy and Spain. The performance of Turkish and Chinese producers has worsened, while Brazil and Mexico have slowed down. Elsewhere, the upward trend continues.

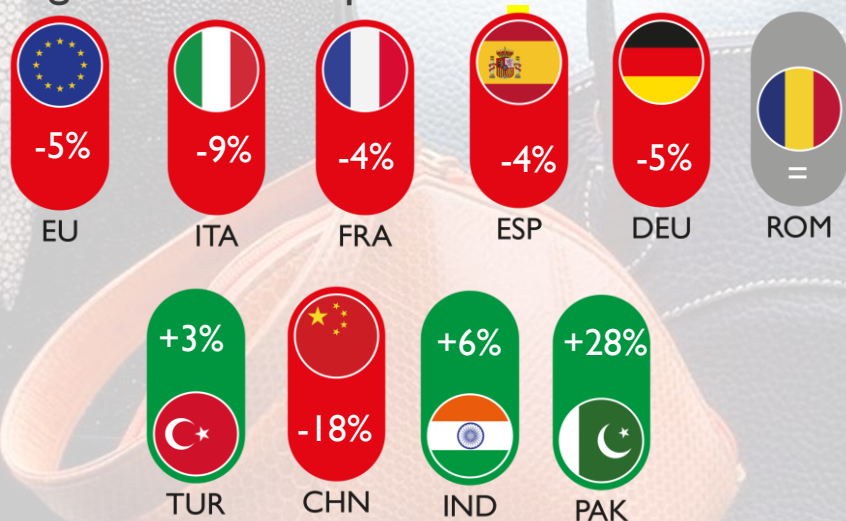


LEATHER GOODS

EXPORT INDEX TRENDS

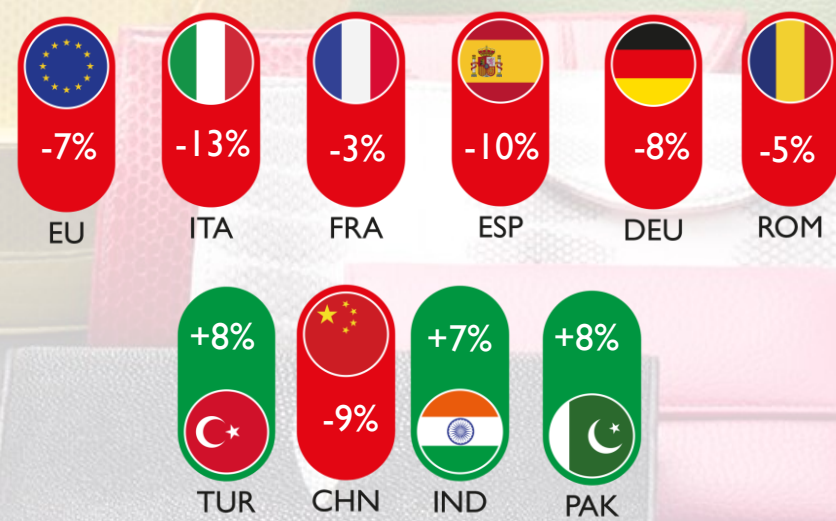
3rd QUARTER 2025 VS 3rd QUARTER 2024

The third quarter of current year once again confirms the crisis in the European leather goods sector (-5%), dragged down mainly by Italian and French manufacturers. However, there are some signs of recovery among non-European competitors, with the notable exception of China, which is still experiencing double-digit decline compared to 2024.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

The outlook for European leather goods remains deeply negative in the partial cumulative figures for 2025, with all major EU manufacturers down on the previous year's results. Beyond Europe's borders, China is struggling, while Turkey, India and Pakistan are growing.

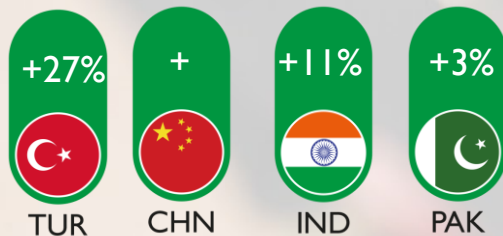
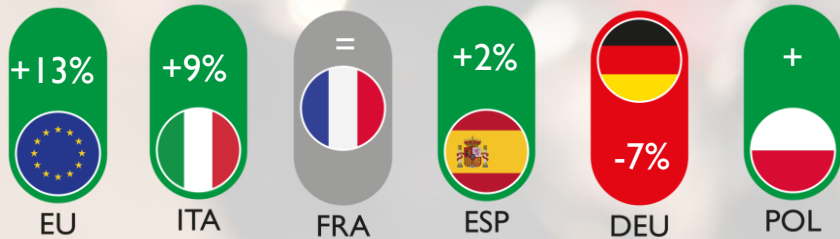


LEATHER CLOTHING

EXPORT INDEX TRENDS

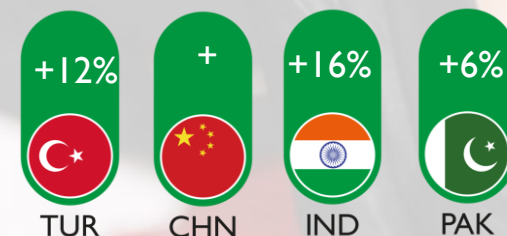
3rd QUARTER 2025 VS 3rd QUARTER 2024

The positive trend continues with strong momentum for European garment manufacturers, particularly in Italy and Spain. Germany falls behind (-7%), while France recovers ground (remaining stable). The outlook outside the EU is also very encouraging, with increases ranging from +3% to 27%.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

Spain and Germany stumble in the 2025 partial cumulative figures, accompanied by a slowdown in France. Positive confirmation during the period, however, for Italy and Poland, which are supporting growth in the sector at EU level. Partners across the border are also in line with European trends.

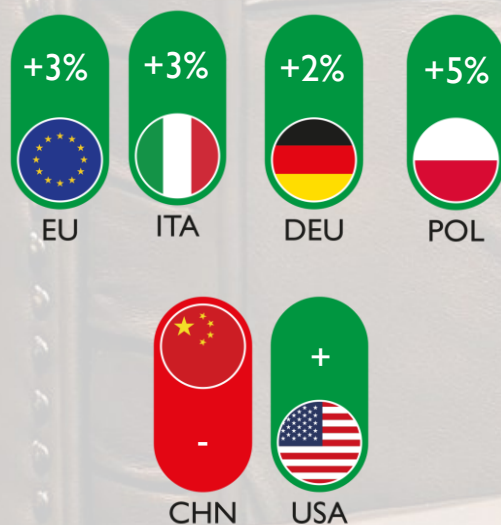


UPHOLSTERED FURNITURE

EXPORT INDEX TRENDS

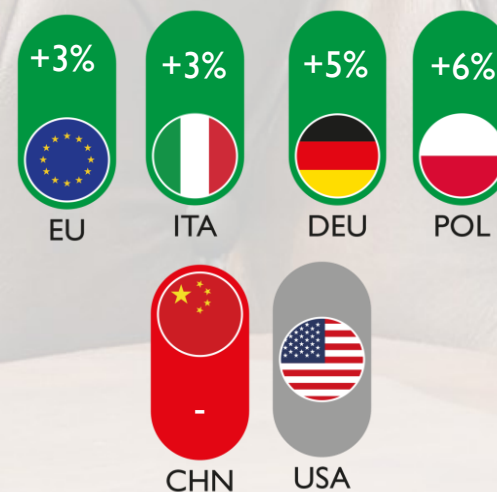
3rd QUARTER 2025 VS 3rd QUARTER 2024

German upholstered furniture manufacturers are growing again, in line with the positive performance of other major EU manufacturers. Problems for China, which declined also in the third quarter of the year, while the American market is pushing again, showing a marked increase.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

A comparison with the first nine months of the previous year shows the solidity of growth in the sector at European level, which is once again benefiting from the positive contribution of German manufacturers. Doubts for China, caution for the US, at a standstill in the cumulative comparison with 2024.

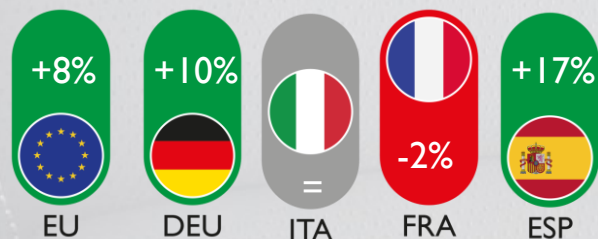


AUTOMOTIVE

EXPORT INDEX TRENDS

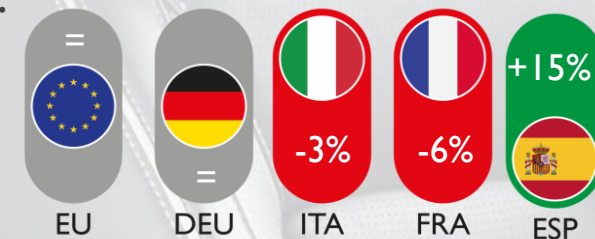
3rd QUARTER 2025 VS 3rd QUARTER 2024

- After several negative quarters, the European automotive sector showed signs of recovery in the third quarter of 2025 (+8% at EU level compared to the same period in 2024). Despite modest growth in September (+10%), the market is still far from pre-COVID volumes, making the European Union the only region in the world that has not recovered to pre-pandemic sales levels, with a gap of over 1.85 million vehicles.



FIRST 9 MONTHS 2025 VS FIRST 9 MONTHS 2024

- The automotive sector in Europe was weak in the first nine months of this year, with the trend remaining worrying, particularly due to declines in Italy and France and the stagnation of new cars registrations in Germany.



- Beyond EU borders, new car registrations in the US are growing (+4%). In contrast, China (-8%) and India (-6%) are experiencing a decline.
- +4% UK registrations in the period

LUXURY

FIRST 9 MONTHS 2025 RESULTS

In a rather choppy geopolitical and economic environment, major luxury brands recorded moderately negative results in 2025 as a whole but still showed signs of a slight recovery in the third quarter of 2025.

- **LVMH** - French group revenues fell by 2% in the first nine months of the current year. The decline was driven by the fashion and leather goods division, which recorded a 6% drop in revenues in the first nine months of the year compared to the same period in 2024. This was despite an improvement in the trend in the third quarter of 2025, reflecting the resilience of the EU and US markets.
- **KERING** - the results for the third quarter of 2025, while representing a clear improvement on the previous quarter, remain well below market expectations. In the first nine months of the year, the Group generated revenues down by 12% (at constant rates). The breakdown for the third quarter of the current year shows persistent difficulties for Gucci (-14%) and Yves Saint Laurent (-4% in the quarter). Bottega Veneta's performance is encouraging, with a 3% increase in turnover in the quarter under review.
- **HERMÈS** - the French maison consolidated its positive performance, growing by 5% in the third quarter of 2025 (at constant rates). There were significant increases in all major geographical areas: Japan +15%, Americas +13%, EU +12% and Asia +4%. The leather goods and saddlery division performed particularly well, with a cumulative increase of 13% in 2025 compared to 2024.
- **FERRAGAMO** - despite the positive results for the third quarter of 2025, the first nine months of the current year show a decline in revenues for the Florence-based group: -4.5% (constant rates). Declines were widespread across all reference markets. Sales in the footwear division are struggling in the partial cumulative total for 2025 (-10% compared to 2024), while leather goods are stable but negative (-1%).
- **PRADA** - the Milanese group performed strongly, with revenues up 9% in the first nine months of the current year (at constant exchange rates). Revenues grew in all geographical areas, particularly in the Americas and the Middle East. Prada showed good resilience, with retail sales down 2% in the first nine months of 2025 and 0.8% in the third quarter. Miu Miu's trend was extraordinary, recording +41% growth on an annual basis, with a 29% increase in the third quarter of 2025.

NOTES

- Lineapelle processes and estimates data provided by statistical institutions, government bodies, international organizations, trade associations, retailers and other public/private sources
- Country acronyms refer to the official ISO alpha 3 classification
- Commodity prices. Historic price series are calculated on the basis of average price quotations in dollars (USD)
- Raw hides and skins/semi-processed leather prices. Historic original price series are collected by agents and publications in the industry and indexed using the base line 2005=100, maintaining the exchange currency used for purchases on the export market

By Lineapelle Economic Department

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