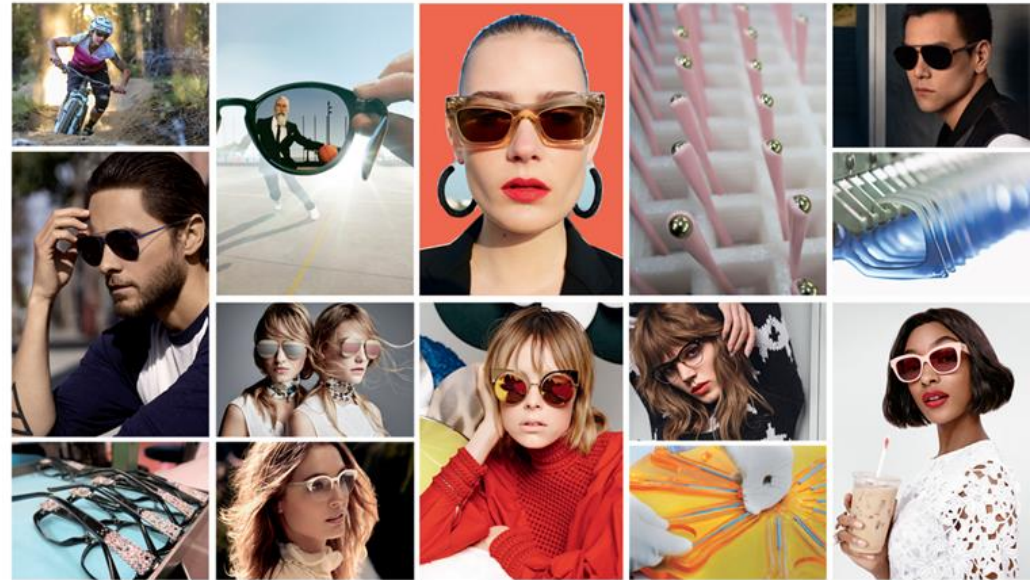


Q4 and FY 2015 Results



DISCLAIMER

This presentation may contain forward looking statements based on current expectations and projects of the Group in relation to future events. Due to their specific nature, these statements are subject to inherent risks and uncertainties, as they depend on certain circumstances and facts, most of which being beyond the control of the Group. Therefore actual results could differ, even to a significant extent, with respect to those reported in the statements.

AGENDA

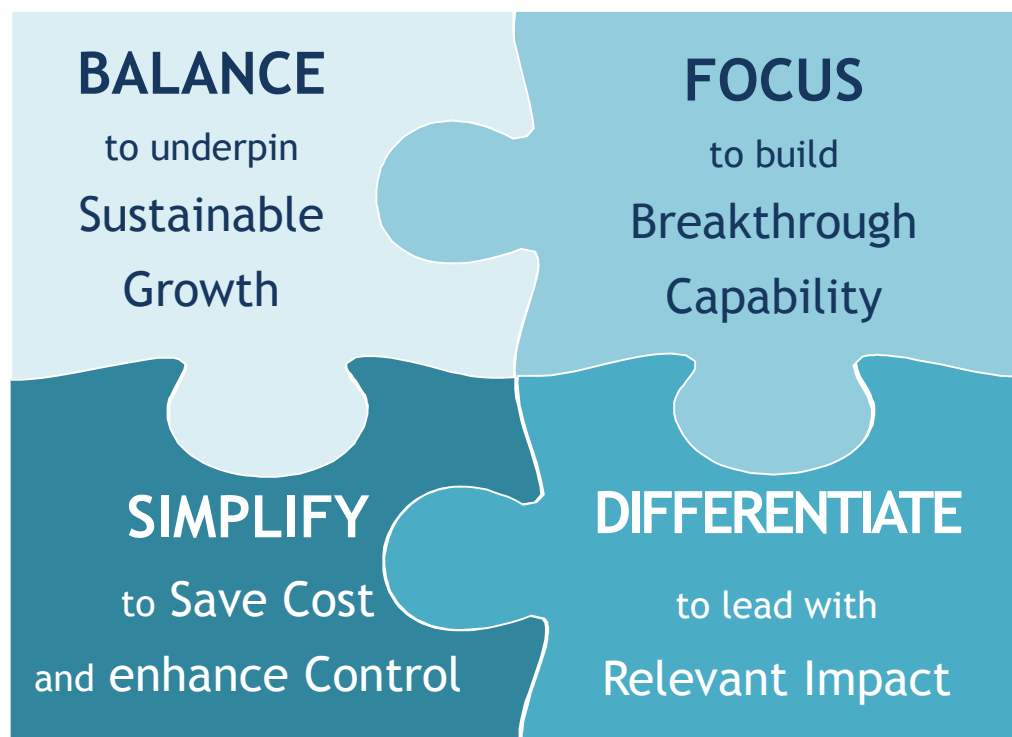
- 1. 2015 PRIORITIES AND PROGRESS***
- 2. 2015 ECONOMIC AND FINANCIAL ANALYSIS***
- 3. 2016 KEY BUSINESS DRIVERS AND BUILDING BLOCKS***

1. 2015 PRIORITIES AND PROGRESS

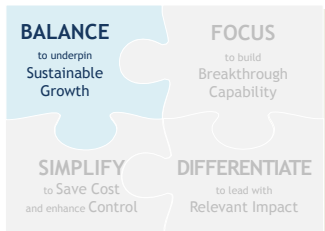
LUISA DELGADO, CEO

2015 PRIORITIES

Our 4 KEY STRATEGIES to deliver the 2020 Plan



2015 PROGRESS



Portfolio BALANCE

5 SEGMENTS

NEW PARTNERSHIPS

OWN CORE BRANDS



STRATEGIC LICENSED BRANDS

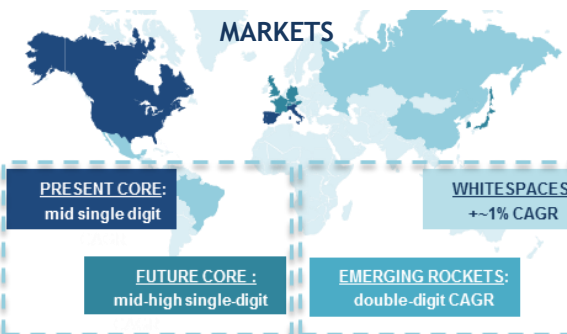
Foundation

Dior

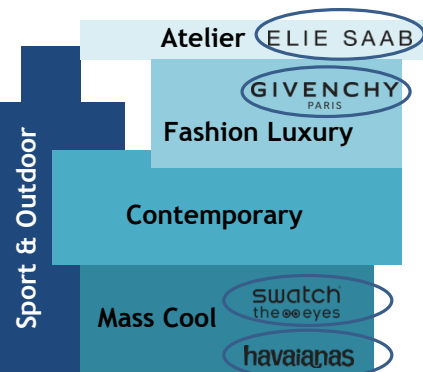
Future Core



Rockets



FURTHER BALANCE WITH NEW PARTNERSHIPS



BRAND HEALTH PROGRESS BUT RESULTS NOT YET THERE

Polaroid
Broadly on track (sales high-single digit)
Restrained by distributor exits in CN/RU

Carrera
Positive optical frames momentum,
Sunglass restage remains key restraint

Smith
Core on track: Strong NA Snow results,
gaining share but in declining market.
Expansion mixed: EMEA Snow on track,
Eyewear needs to improve.

OUTSTANDING PERFORMANCE AND MARKET SHARE GAINS

Dior - Our Foundation of Excellence
Outstanding growth cementing our
leadership position across markets

Future Core
Excellent progress, driven by Boss,
Max Mara and Kate Spade

Rockets
Strong double digit growth over 30%

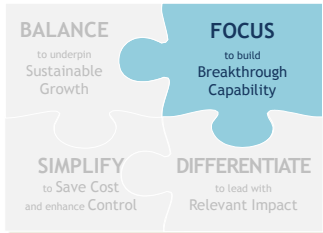
GROWTH OF STRONGHOLDS MITIGATED BY SLOWDOWN OF EMERGING AND RESET

Above plan in Present Core
Strong broad-based growth in Europe and
North America wholesale and key accounts.

Asia worse than anticipated
Significant decline of Asia behind strategic
business re-setting and macro weaknesses

Other Emerging Markets mixed
Mexico and Middle East outperforming
Weak business environment affecting some
emerging markets, notably Brazil and Russia

2015 PROGRESS



Capability FOCUS

BRAND BUILDING

- Launched new brand platforms and marketing strategies, enabled by our new Corporate Marketing organization -> driving brand driven culture in Safilo.
- Digitally-centered communication programs driving brand Health improving on all 3 own core brands -> in-store execution now key

COMMERCIAL STRATEGY

- Organization design completed: regions, channels, multi-functional capabilities.
- First set of globally integrated trade terms put in place, quality of distribution improved and customer service professionalized.
- Significant DSO reduction driving free cash flow

PRODUCT DESIGN

- New Sports & Outdoor design studio set-up in Portland; NYC Lifestyle and Mass/Cool Milan studios fully up and running.
- New Safilo Product School up and running

2015 PROGRESS



SIMPLIFY to Save Cost and Enhance Control

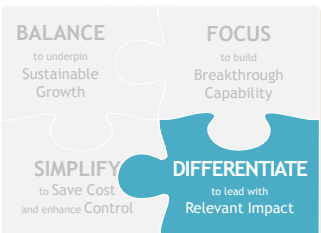
GLOBAL PRODUCT SUPPLY

- Technological & process innovations started in our plants and along with Sourcing and Distribution savings drove cost reduction program > Euro 10 million
- Flip-side: Plant inefficiencies and fixed cost absorption along with still high obsolescence charges, more than offset cost reductions
- Service level and delivery performance remained a significant challenge in 2015
- Key experiments in plant re-design and production lead time reduction launched and tested in 2015 and give us confidence for successful roll-out in 2016

“EYE-WAY” - IT SYSTEMS TRANSFORMATION & WORK PROCESS INTEGRATION

- Flawless go-lives of Sales planning and SAP for HR, Finance, Procurement, Logistics in our operating company Safilo S.p.A.
- Fully on track for global roll-out 2016-2019, with opportunity to accelerate

2015 PROGRESS



DIFFERENTIATE to Lead with relevant impact

DISPROPORTIONATELY DRIVE BIG ACCOUNTS

- Double digit growth of Top 100 Accounts, behind joint business plans and SMILE
- Expanded coverage of SMILE, from 2,500 to more than 3,400 doors worldwide

BESPOKE QUALITY STANDARDS

- Designing products with bespoke quality standards for each segment in order to fulfill consumer & customer expectations regarding product performance and price.

KIDS EYEWEAR STRATEGY

- Launched “Kids by Safilo”, developed together with leading ophthalmologists, and extended own core brands kids offering

TALENT DEVELOPMENT AND PERFORMANCE MANAGEMENT

- Implemented new, modern HR policies and programs for merit-based selection and hiring, performance assessment and remuneration, and internal career progression and assignment planning.

2015 ECONOMIC AND FINANCIAL HIGHLIGHTS

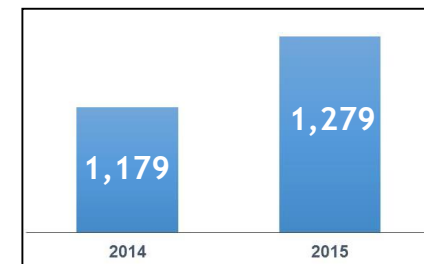
- Net Sales and Adj.¹ economic performance affected by **DECLINE OF BRANDS WE STOPPED/ WILL STOP SERVICING**
- **REPORTED OPERATING AND NET PERFORMANCE AFFECTED BY NON RECURRING CHARGES**

-
- **STRATEGIC LICENSED BRANDS IN EUROPE, NORTH AMERICA AND KEY NEW MARKETS**, the main strongholds
 - **ASIA RESET, US RETAIL BUSINESS AND KEY EMERGING MARKETS SLOWDOWN**, the key headwinds

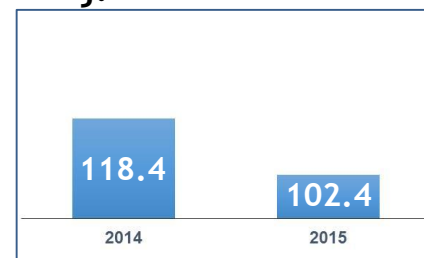
- **SUBDUED INDUSTRIAL AND ADJ.¹ OPERATING PROFITABILITY** behind sales dynamics and gross margin dilution, while investing in core business initiatives and capabilities
- **STRONG CASH FLOW GENERATION** and sound financial leverage behind improved working capital management

in millions of Euro

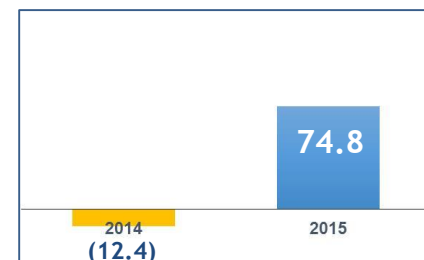
NET SALES +8.5%



Adj.¹ EBITDA -13.5%



Free Cash Flow



2. 2015 ECONOMIC AND FINANCIAL ANALYSIS

GERD GRAEHSLER, CFO

NON-RECURRING COSTS

in millions of Euro

In 2015 non-recurring costs amounted to	60.5
---	------

- Impairment loss on goodwill 40.5
- Provision for the litigation with the French Competition Authority 17.0
- North America distribution network consolidation in Denver (mainly) 1.8
- Commercial restructuring costs in the EMEA region 1.2

In 2014 non-recurring costs amounted to	7.7
---	-----

2015 ECONOMIC AND FINANCIAL PERFORMANCE

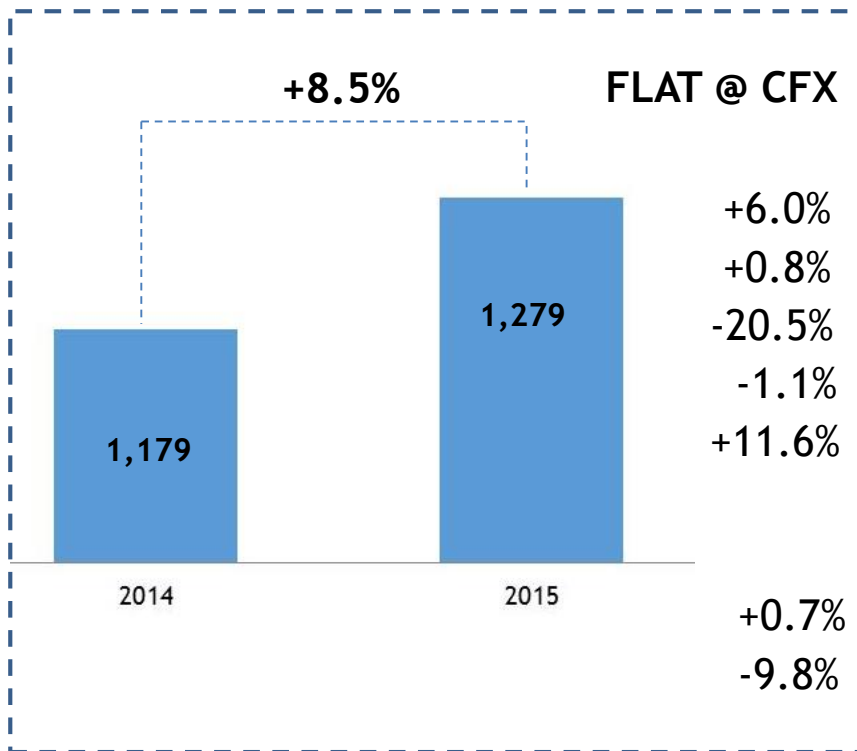
in millions of Euro

	FY 2015	FY 2014	% Change	Q4 2015	Q4 2014	% Change	9M 2015	9M 2014	% Change
Total sales	1,279.0	1,178.7	+8.5%	319.2	311.2	+2.6%	959.7	867.5	+10.6%
Gross profit	757.0	718.6	+5.3%	179.5	178.0	+0.9%	577.4	540.6	+6.8%
%	59.2	61.0		56.2	57.2		60.2	62.3	
EBITDA	82.4	110.7	-25.6%	7.3	27.4	-73.3%	75.1	83.3	-9.8%
Adjusted¹ EBITDA	102.4	118.4	-13.5%	25.0	32.1	-22.3%	77.4	86.3	-10.3%
%	8.0	10.0		7.8	10.3		8.1	9.9	
Group net result	(52.7)	39.1	n.s.	(63.5)	7.4	n.s.	10.8	31.7	-65.9%
Adjusted¹ Group net result	6.9	44.5	-84.4%	(5.4)	10.6	n.s.	12.4	33.9	-63.5%
%	0.5	3.8		(1.7)	3.4		1.3	3.9	
Group Net Debt	89.9	163.3	-44.9%				97.1	158.9	-38.9%
Free Cash Flow	74.8	(12.4)		8.0	(2.1)		66.8	(10.3)	

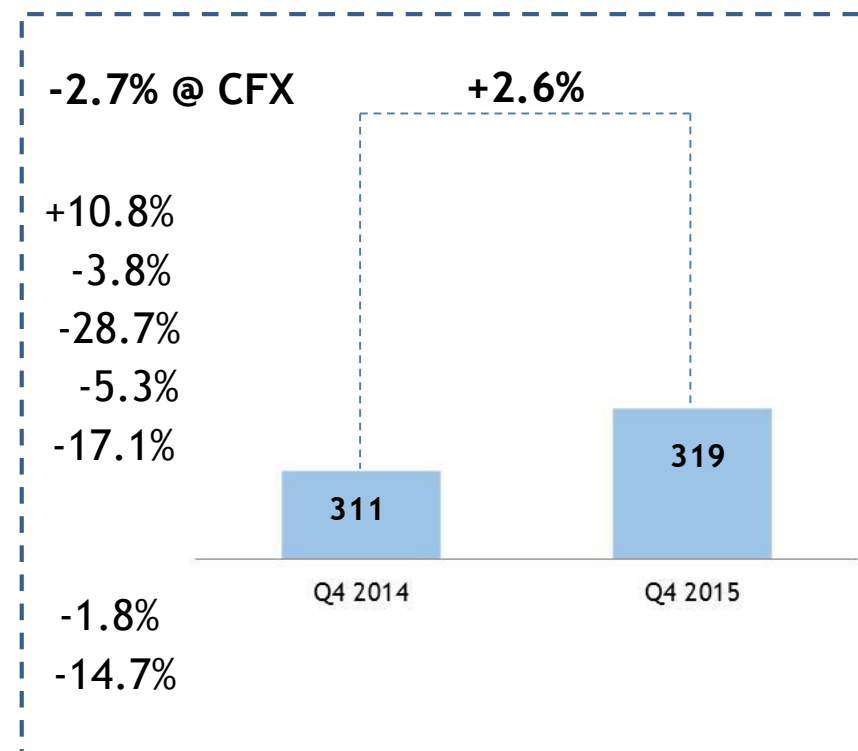
2015 - NET SALES PERFORMANCE

in millions of Euro

FULL YEAR 2015



4TH QUARTER 2015



Key downside: decline of brands we stopped/ will stop servicing

FY Going forward brands portfolio

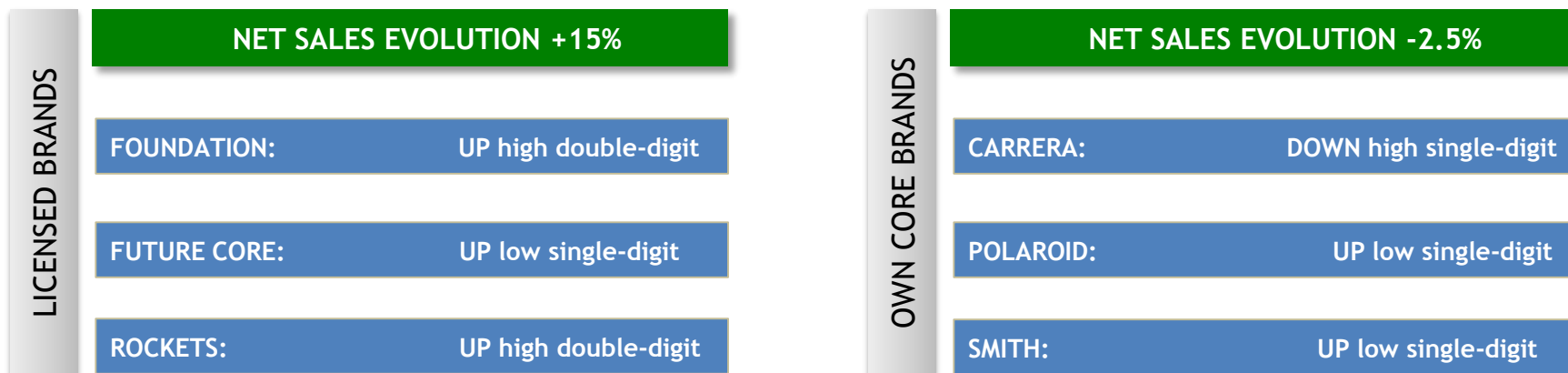
+4.3% @ cfx

Q4 Going forward brands portfolio

+2.0% @ cfx

2015 - NET SALES Going-Forward Portfolio PERFORMANCE

2015 going forward brands portfolio +4.3% @ cfx vs 2014, driven by



EUROPE
+10%

NORTH AMERICA
Total +3%
Wholesale +6%

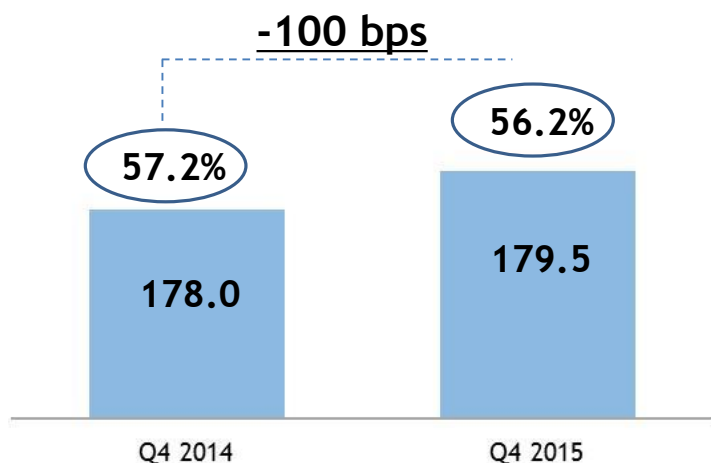
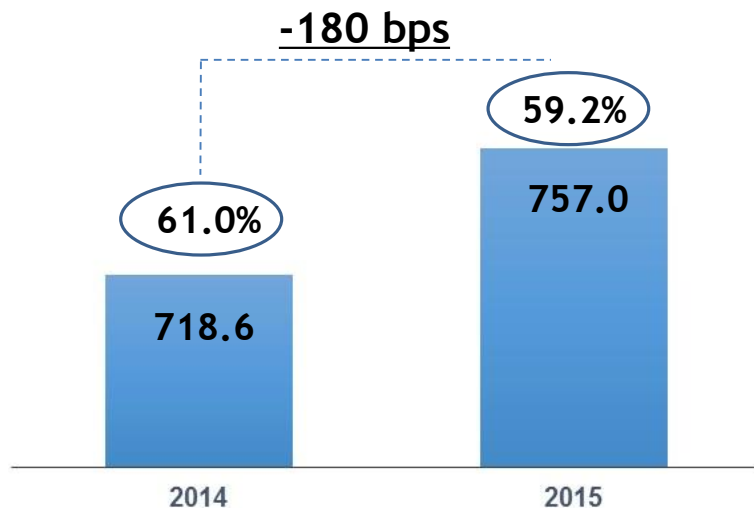
ASIA
-18%

LATAM
+4%

ROW
+21%

2015 - GROSS MARGIN PERFORMANCE

in millions of Euro

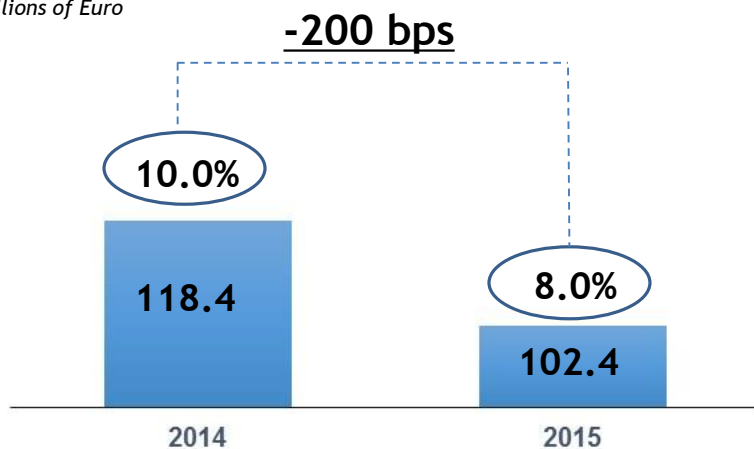


KEY DRIVERS

- Negative exchange rates impact
- Lower plant utilization vs 2014 stock increases
- Obsolescence costs for the year
- Cost savings trailing cost inflation in H1 while in H2 more than offsetting
- Positive price/mix impact

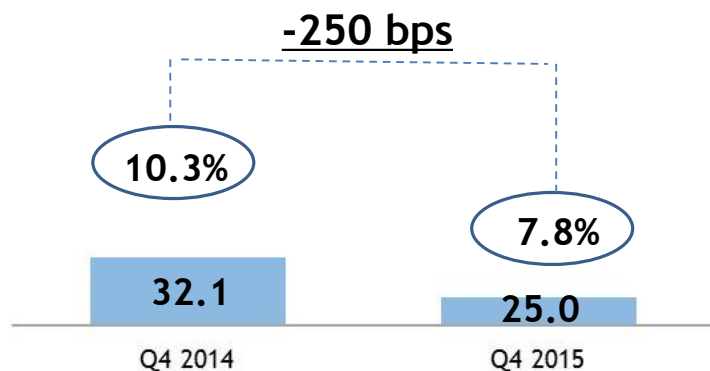
2015 - ADJ.¹ EBITDA PERFORMANCE

in millions of Euro



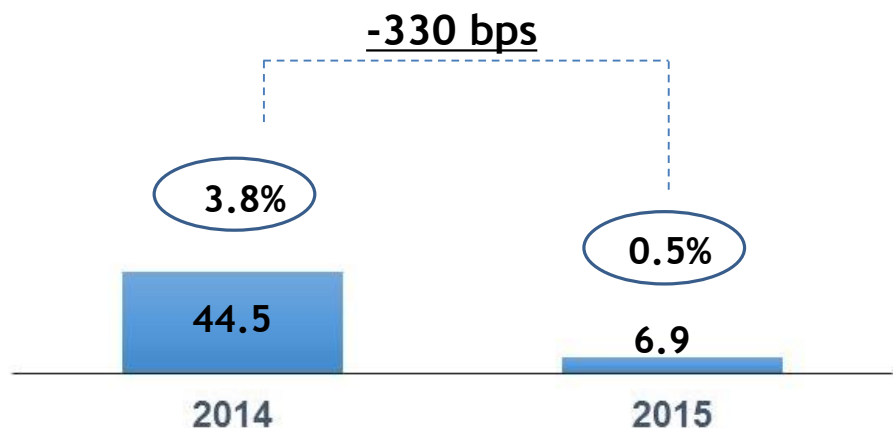
KEY DRIVERS

- Gross margin dynamics
- Negative retail business performance in H2
- Core business sales dynamics not enabling positive operating leverage on OpEx investments (especially in Q4)

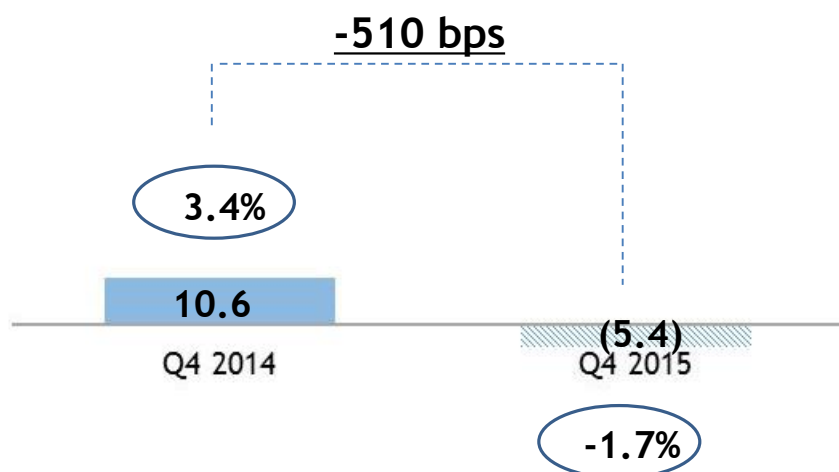
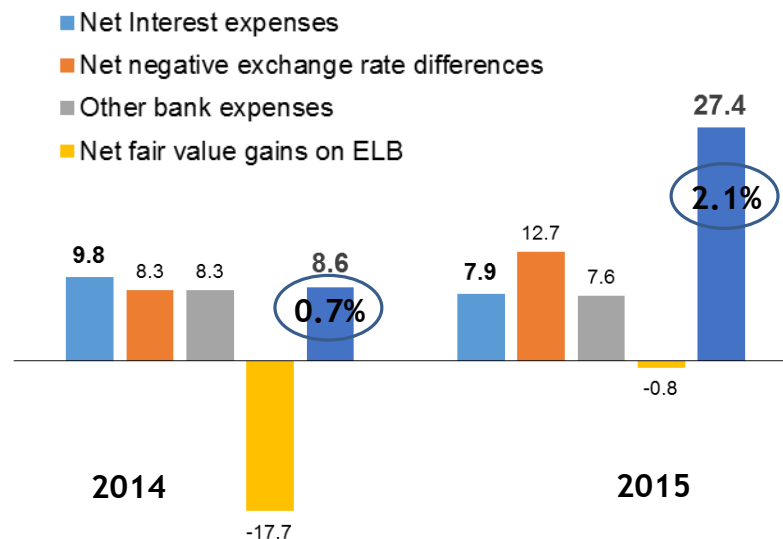


2015 - ADJ.¹ GROUP NET PERFORMANCE

in millions of Euro



2015 ADJ.¹ NET MARGIN ALSO IMPACTED BY -140BPS FOR HIGHER TOTAL FINANCIAL EXPENSES

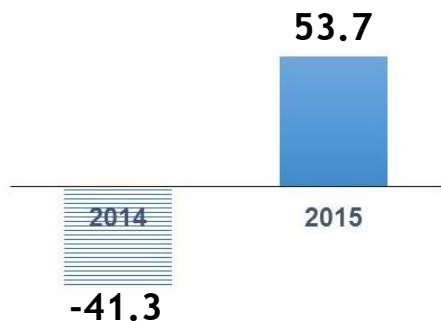


Q4 2015 ADJ.¹ NET MARGIN ALSO IMPACTED BY -280BPS FOR HIGHER INCOME TAXES

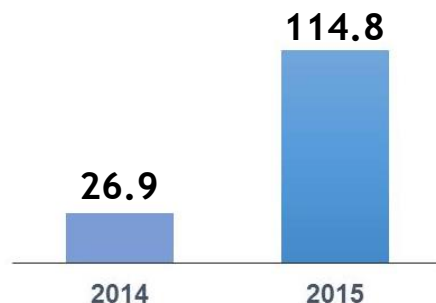
2015 - FREE CASH FLOW

in millions of Euro

Change in Working Capital



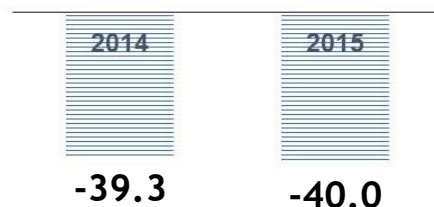
Cash Flow from Operating Activities



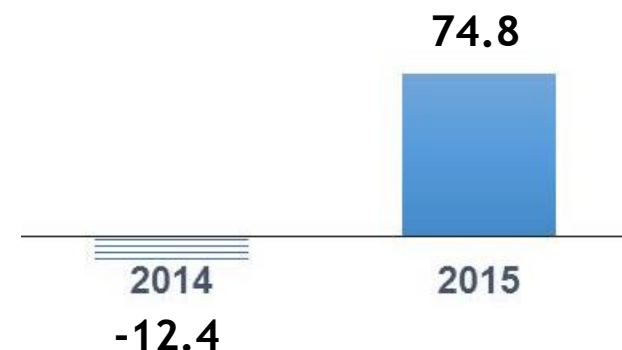
Net Working Capital Incidence

% on net sales	2015	2014	Change
Receivables	19.1%	22.6%	-3.5%
Inventories	19.9%	21.0%	-1.1%
Payables	-17.2%	-17.9%	0.7%
NWC	21.7%	25.7%	-4.0%

Cash Flow for Investing Activities



Translating SUSTAINABLE BUSINESS into stronger FREE CASH FLOWS



NET WC freeing 32.7 thanks to 29.0 from receivables and 2.0 from inventories
Kering compensation +30

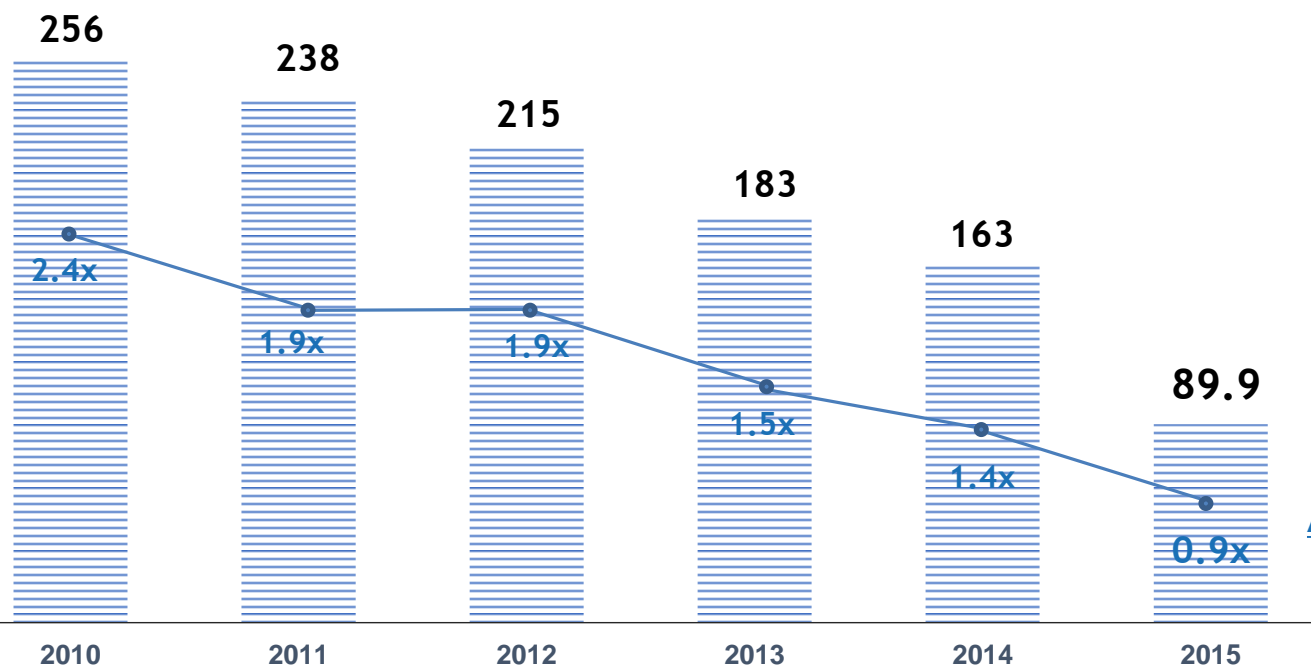
CAPEX +9.1m for plant investments in new technology + EYEWAY project, offset by the sale of all shares held in an associate company

2015 - GROUP NET DEBT

in millions of Euro

ALL TIME LOW NET DEBT

-44.9% vs 2014



All time low Adj.¹ Financial Leverage

3. 2016 KEY BUSINESS DRIVERS AND BUILDING BLOCKS

LUISA DELGADO, CEO

2016 KEY BUSINESS DRIVERS

BRANDS

- **Own core brands:** improve performance behind 2015 learnings and sharpened execution, led by Polaroid
- **Strategic licenses:** sustain growth + new partnerships (Givenchy, havaianas, Swatch The Eyes)
- **Gucci transition:** minimize top and bottom line impact on what we can control

MARKETS

- **Europe & North America:** continue momentum in stronghold markets, leveraging Smile coverage
- **LatAm + RofW:** accelerate Mexico and Middle East development vs more challenging market conditions in Brazil and Russia
- **Asia-Pacific:** stabilize the business following 2015 restructuring, yet we expect more challenging market conditions

OPERATIONS

- **Manufacturing & Logistics:** Execute Production Optimization and continue rationalization of logistics footprint via distribution centre closures
- **Overheads Productivity:** Start with our 2020 Productivity & Restructuring program now in 2016
- **Delivery performance:** Sustainably improve on acceleration of integrated planning

2016 KEY ECONOMIC AND FINANCIAL DRIVERS

2016 is expected to be characterized by two differing business dynamics

Expected tailwinds:

1. Positive Organic Growth:
 - continued strategic licensed brands growth
 - own core brands acceleration
2. New Business offsetting brands we stopped serving
3. Cost Savings behind Manufacturing, Sourcing and D&L efficiencies
4. Operating Cash Flow to fund higher CAPEX to accelerate Supply Chain reinvention and fund EYEWAY project roll-out

Expected headwinds:

1. Gucci transition in particular in H2
2. More challenging macro conditions in a number of markets

2016 BUSINESS DRIVERS - BRANDS

Organic growth drivers

- Strong execution plans to continue gaining market share with STRATEGIC LICENSES

FOUNDATION

Dior
DIOR HOMME



FUTURE CORE

MaxMara



BOSS
HUGO BOSS



MARC JACOBS



MARC JACOBS

TOMMY HILFINGER



TOMMY HILFINGER

kate spade
NEW YORK



ISSUE BY
FOSSIL
1954



CALLING ALL CURIOUS

ROCKETS

FENDI



JIMMY CHOO



CÉLINE



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue **gaining market share with STRATEGIC LICENSES**

Dior



- Confirming its leadership in Female Sun business, leveraging strong **ICONS** (continuing design innovation)
- Accelerate growth of Female Prescription business
- Accelerate growth of **DIOR HOMME**:
 - worldwide known testimonial coming soon!
- Continue driving **HYPER SELECTIVE DISTRIBUTION** and **HIGHER PRODUCTIVITY PER DOOR**
- **8 OUTSTANDING COMMUNICATION CAMPAIGNS** through the year



2016 BUSINESS DRIVERS- BRANDS

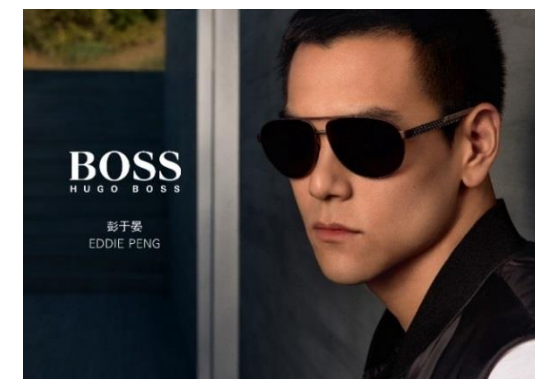
Organic growth drivers

- Strong execution plans to continue gaining market share with **STRATEGIC LICENSES**

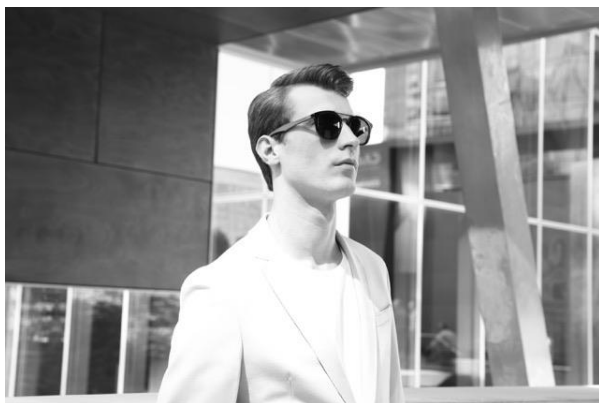
BOSS
HUGO BOSS



- **HIGH FOCUS** on BOSS brand within HUGO BOSS brands portfolio, leveraging on the FASHION HOUSE same STRATEGY



- **TWO** main MARKETING PROJECTS:
 - **MASTER THE LIGHT:** 3rd wave of a worldwide HOLISTIC campaign with a strong ON LINE investment mainly concentrated on man



- **EDDIE PENG** testimonial: focus on China, Hong Kong and Travel Retail to **EXPAND DISTRIBUTION, ENHANCE VISIBILITY** with a well recognized celebrity through locally relevant marketing initiatives



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue gaining market share with **STRATEGIC LICENSES**

MaxMara



- Leverage the **RADICAL CHANGE OF THE COLLECTION** design and structure
- Reach a larger female consumer base, also increasing the brand positioning
- **NEW COMMUNICATION APPROACH**, with a strong connection with the Art world



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

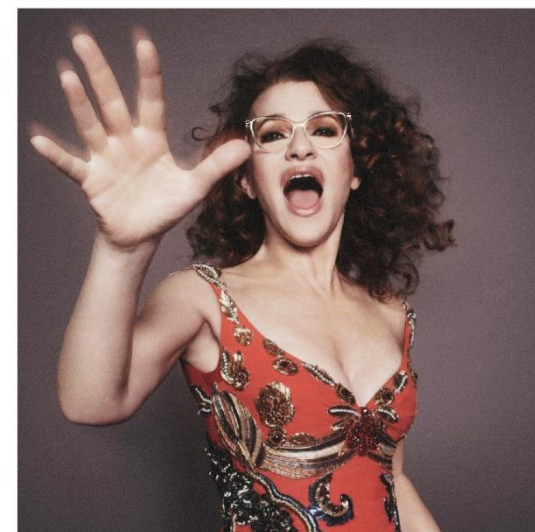
- Strong execution plans to continue gaining market share with **STRATEGIC LICENSES**



MARC JACOBS

- **LEVERAGING ON THE MERGE** between the best of Marc Jacobs (the desirability of a Luxury) and the best of Marc by Marc (the extensive distribution network, the wide product offer with strong DNA), to build the **NEW MARC JACOBS** “Megabrand strategy”
- **ONE STRATEGIC BRAND** to capture existing and additional business opportunities from Contemporary to Luxury

MARC JACOBS



MARC JACOBS

2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue gaining market share with **STRATEGIC LICENSES**

T O M M Y  H I L F I G E R



- **GROW THE FEMALE BUSINESS** in line with fashion house strategy:
 - new capsule collection with a strong testimonial
- **EXPAND DISTRIBUTION** in the brand's stronghold markets (Latam, Japan, Turkey, Europe big 5) enlarging client reach
- Increase focus on **DIGITAL COMMUNICATION**



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue **gaining market share with STRATEGIC LICENSES**




 kate spade
 NEW YORK


 kate spade
 NEW YORK

- **EXPAND DISTRIBUTION** in Japan and Australia
- **CONSOLIDATE** its position in **US** as #1 Contemporary Women's Brand within Safilo Portfolio
- 2 strong **COMMUNICATION CAMPAIGNS**

2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue gaining market share with **STRATEGIC LICENSES**

FENDI

FENDI



- 2015 successful repositioning of Fendi eyewear: recognised stepchange in design, quality and distinctiveness
- 2016 strong joint business plans to enlarge **QUALITATIVE DISTRIBUTION** and **PRODUCTIVITY** per door
- Doubling **DIGITAL INVESTMENTS** to leverage the brand forefront position in new media



Jan 2016: Dedicated Digital Campaign

FENDI



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue **gaining market share with STRATEGIC LICENSES**

CÉLINE



- Accelerate **HIGH-QUALITY DOOR EXPANSION** behind brand eyewear success: core markets, Italy, France, US and Japan
- Product category development into **OPTICAL**
- First steps into the **ATELIER** segment, with one sunglass and two optical models



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- Strong execution plans to continue gaining market share with **STRATEGIC LICENSES**

JIMMY CHOO



- **EXPAND DISTRIBUTION** in Asia and US in 30s
- Increase **PRODUCTIVITY** thanks to strong investments in digital communication
- Launch **SPECIAL EDITION**



2016 BUSINESS DRIVERS- BRANDS

Organic growth drivers

- OWN CORE BRANDS acceleration behind 2015 key learnings and strong go-to-market initiatives



CARRERA
EYEWEAR SINCE 1956



SMITH



 **Polaroid**
YOU'LL SEE

2016 Action Plan builds on the brand strongholds

Always Polarized.
Instant Experience. Without Glare.



- **#2 SUNGLASS BRAND IN EUROPE 5 MARKET**
- New Consumer-centric merchandising: focus on Polaroid core collection leveraging the instant experience of polarization
- Launch of first optical collection mid-year
- Investments in communication in order to increase awareness
- Dedicated sales force focus in each country
- Completing Polaroid's integration in Safilo:
 - Vale lenses production into the Global Supply Network by the progressive wind down of its operations (closure by Q1 2017)
 - Other functions into the corporate structures

Always Polarized.
Instant Experience. Without Glare.



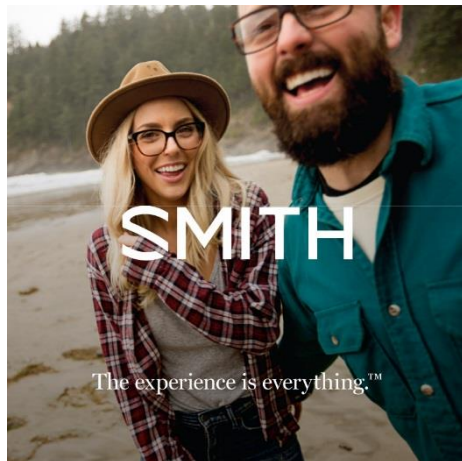
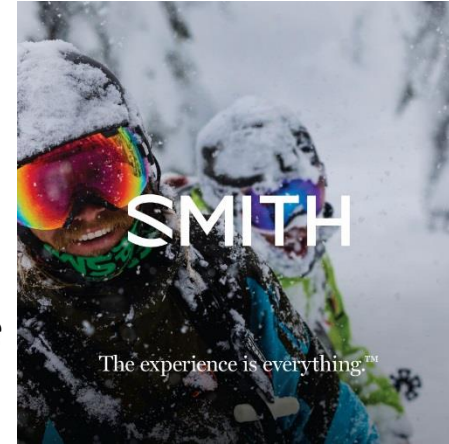
2016 Action Plan builds on the brand strongholds

- Leverage what worked well in 2015: OPTICAL BUSINESS, US, CANADA, MEXICO AND MEA
- Sharpen product offer with a new Signature collection: THE MAVERICK COLLECTION
- Introduce a strong Brand Ambassador: JARED LETO
- Continue driving our OutThere Campaign



2016 Action Plan builds on the brand strongholds

- LEVERAGE ON WHAT WORKED WELL IN 2015:
 - Build on N.A. Snow Helmet & Goggles market leadership and share growth
 - Fuel succesful N.A. bike business
 - Leverage ChromaPop™ lens technology to expand the reach to a wider consumer base
 - Grow eCommerce business double-digit
- EUROPE EXPANSION: FOCUS ON 2 COUNTRIES IN EUROPE - FRANCE AND SPAIN - TO CREATE A MODEL FOR SMITH
 - 3 important brand ambassadors to create mainstream brand awareness!

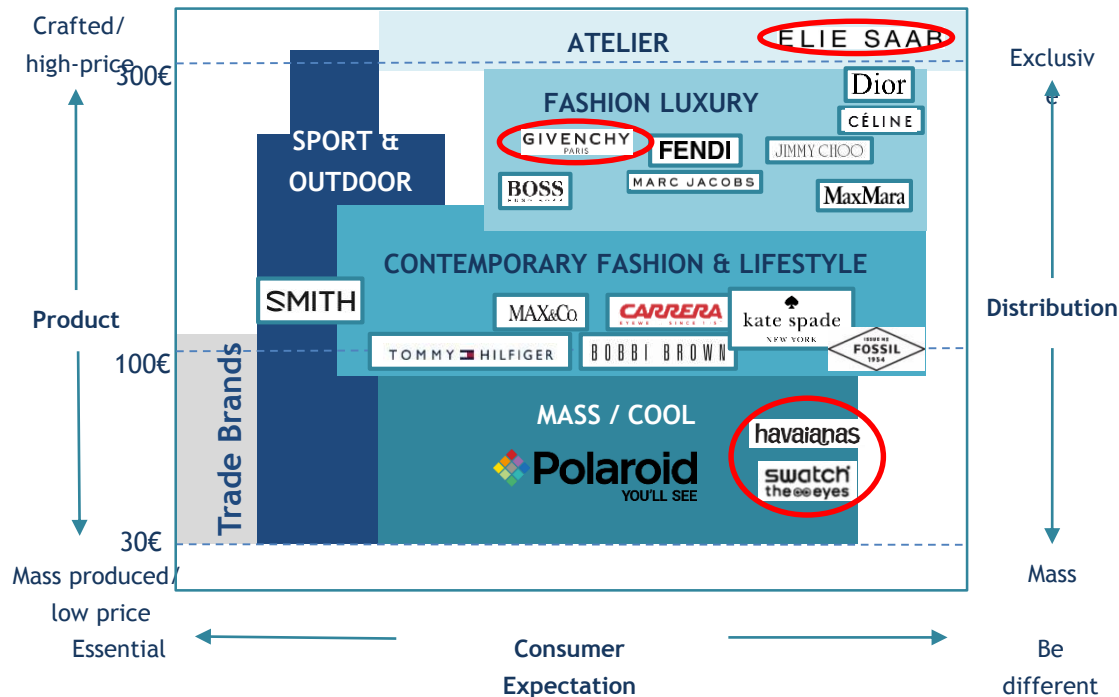


Smith Appoints Leonardo Fioravanti to Global Surf Team

2016 BUSINESS DRIVERS- BRANDS

New growth drivers

- Leader in the **MASS COOL SEGMENT**
- Strengthen our **FASHION LUXURY** portfolio
- First entry into **ATELIER**



Our Leading MASS COOL Portfolio

havaianas



 **Polaroid**
YOU'LL SEE

swatch®
the eyes



The IDEA

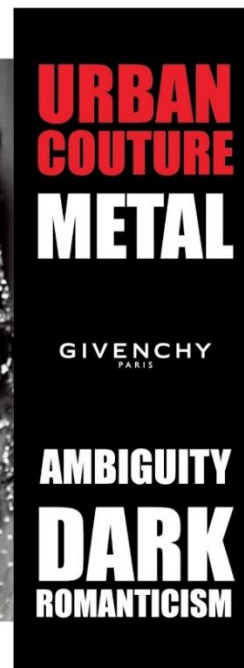
Create a «new generation» of interchangeable sunglasses that leverages the SMART and PLAYFUL DNA of Swatch and its clear and simple selling proposition

- ✓ Smart design to cost
- ✓ Simple collection structure
- ✓ Innovative European Made in Safilo manufacturing
- ✓ Swatch's global retail network and Safilo's eyewear network of the highest standard

Strengthening our FASHION LUXURY portfolio

GIVENCHY PARIS

- **HYPER QUALITATIVE** distribution network
- **MAN OFFER** a competitive advantage
- **URBAN COUTURE** collection, innovation trough creativity and richness of material
- A communicative and emotional brand connecting directly with its fans (tribu)



5-Star project for the launch of Givenchy Eyewear

One month window in the prestigious Alain Afflelou Paris Champs-Élysées store

Gucci transition: KEY FACTS

- Safilo sells Gucci collections, including new January and April 2016, up to the end of the year, remaining dedicated and committed to its business success and Brand health, until the very last day of the license
- From Aug. '16 in US and Oct.'16 in the rest of the world, Kering Eyewear starts presenting and collecting orders on the Jan.17 Gucci collection;
- Next phase of product partnership agreement starts in Q4 '16, with Safilo selling to Kering Eyewear Jan.17 Gucci products

2016 BUILDING BLOCKS - SUPPLY NETWORK

Product Supply Optimization

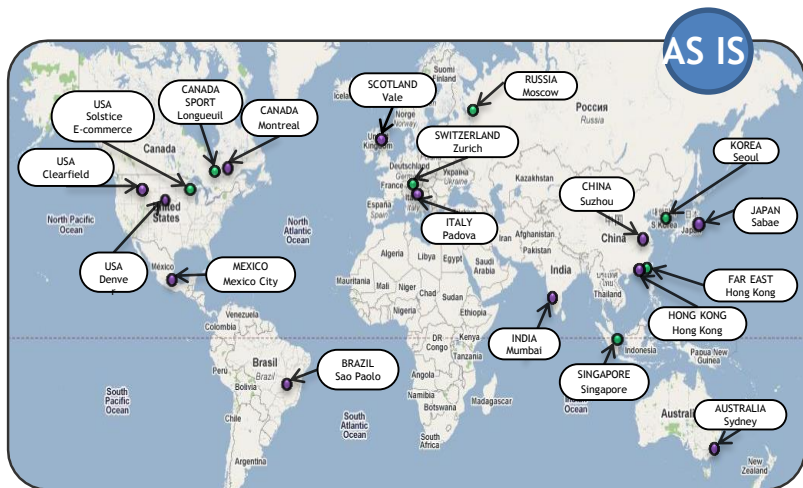
End2end product flows:	<u>from 25% to 35% in 2016</u>	on its way to 75% in 2020
Lead time of finished products:	<u>from 45 to 40 days in 2016</u>	on its way to 12 days in 2020
Total system efficiency:	<u>+7% in 2016</u>	on its way to +38% in 2020

-
- Inventory and obsolescence reduction
 - Improve Flexibility of our Supply Network
 - Multi-skilled plants across materials
 - Finished products capabilities in Martignacco and Suzhou to start driving Made in Safilo
 - Injection in Ormoz to enable Mass Cool production made in Europe

2016 BUILDING BLOCKS - SUPPLY NETWORK

Logistics Footprint Rationalization

Main objective by 2020 is to achieve a network centered around three Consolidation Centers combined with Regional DC functionality

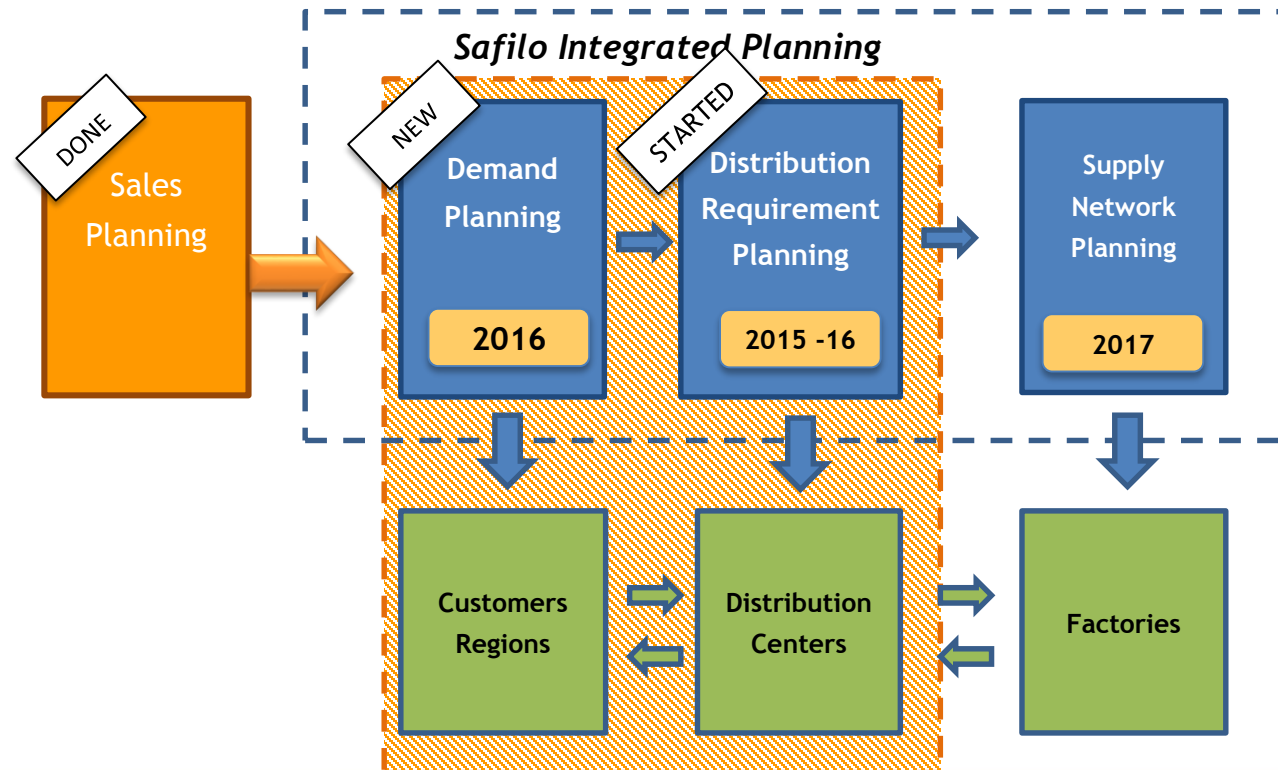


NUMBER OF DCs EVOLUTION 2015-2020					
2015	2016	2017	2018	2019	2020
19	14	9	8	6	6
US DC consolidation in Denver					

2016 BUILDING BLOCKS - SUPPLY NETWORK

Integrated Supply Chain Planning

- In 2016, we go live with Demand Planning and DRP improve Delivery Performance, Controlling Tools, Inventory and Obsolescence



2016 BUILDING BLOCKS - EYEWAY

Full SAP implementation for Purchasing, Logistics, Sales, Finance, Human Resources Processes and Reporting. Integrated with the other tools included in the following framework.

SALES PLANNING

A new software completely integrated with SAP, to improve sales forecasts and have more accurate planning

DRP

Distribution center inventory planning, Supply chain multilevel netting, procurement requirements, Reservation and allocation management, Distribution planning and deployment, to improve planning and worldwide stock visibility

PROCUREMENT

Procurement & Sourcing, Vendor collaboration and Purchasing cycle & analysis

OPERATIONS

Inbound & Outbound logistics, Quality Management, Warehouse Management

SALES

Customer Master Data, Catalogue management, Pricing, discounts and campaign, Multichannel Sales Order management, Order fulfillment, Returns management, Rebates, Incentives & Commissions

CRM

Call center integration and ticket management

PLM/PDM

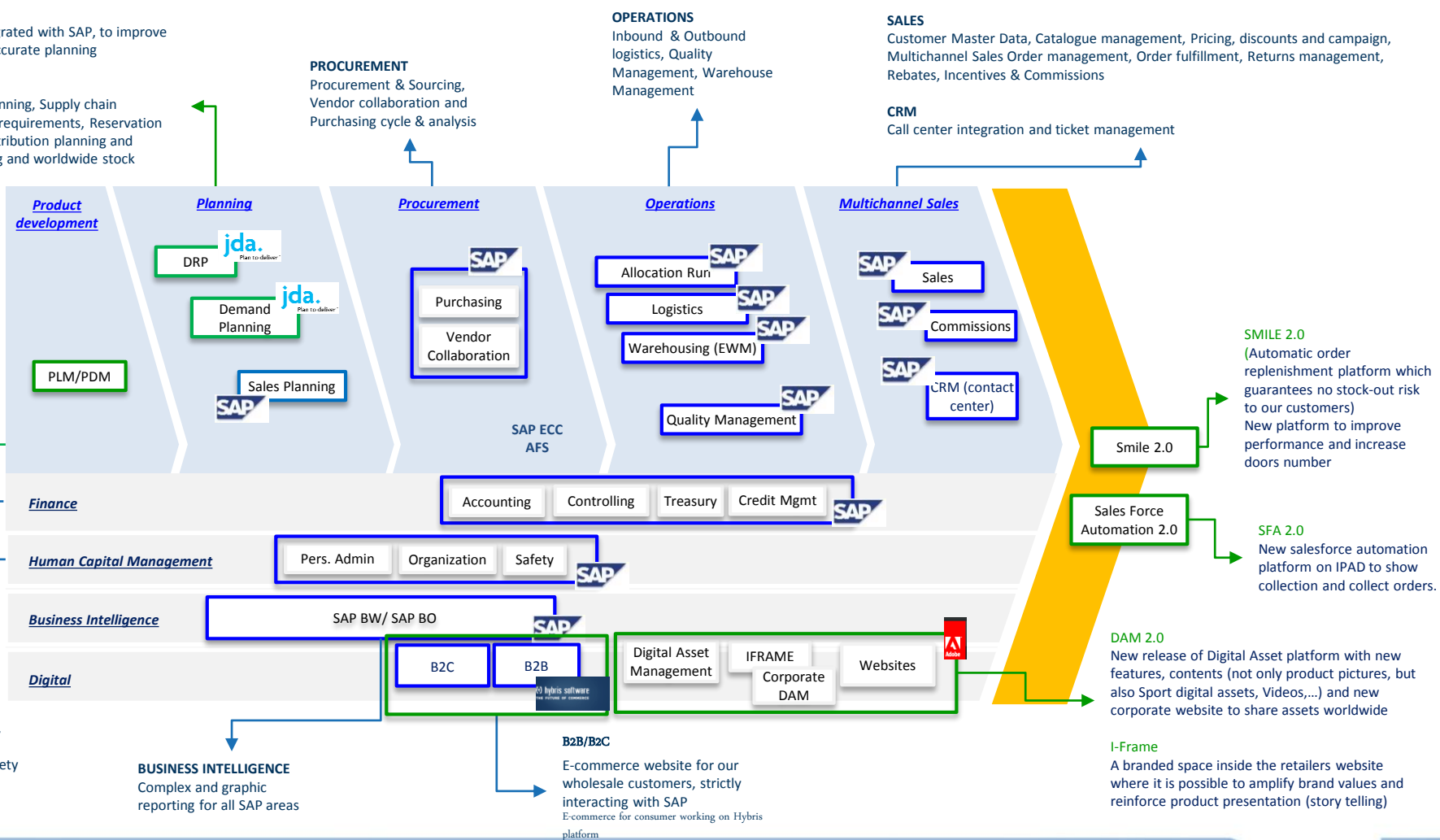
A new global platform for Collection Design and Product Planning, Development and Engineering

FINANCE & CONTROLLING

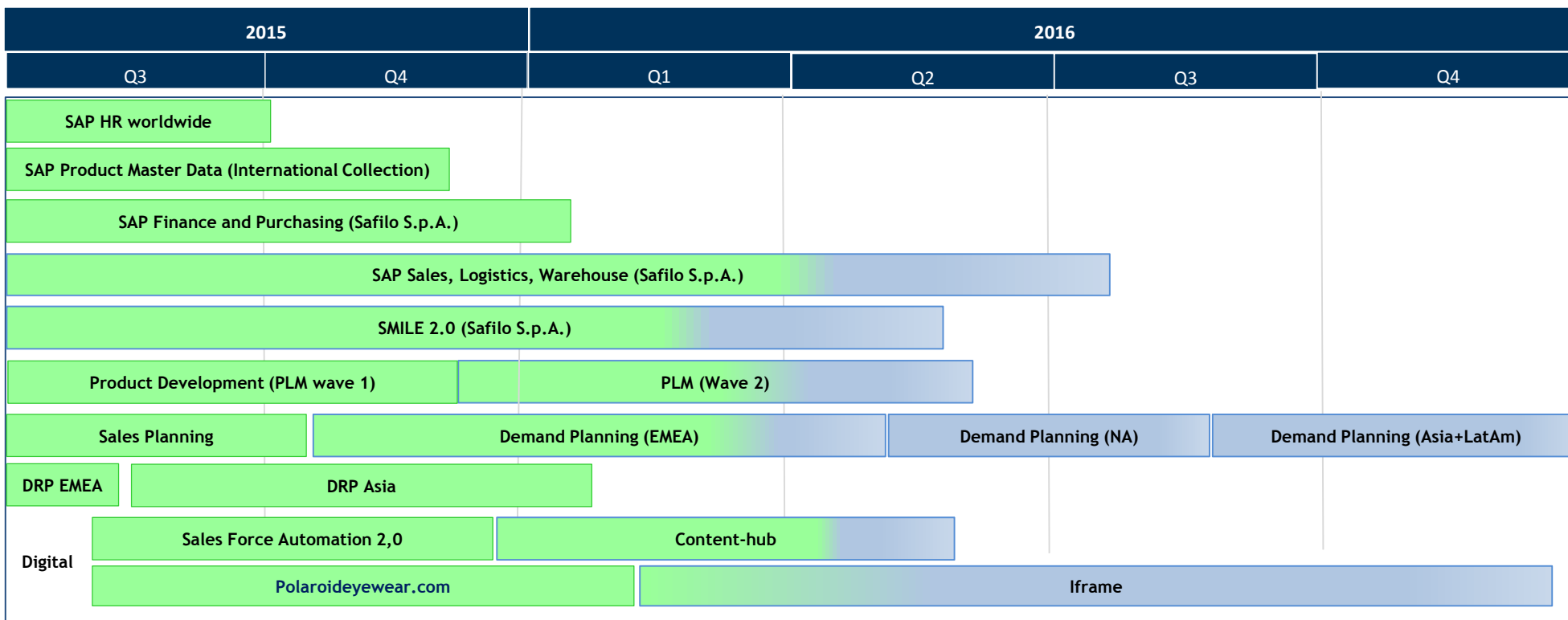
SAP for general accounting, account payable & receivable, Tax management, Controlling, Treasury & Credit Management

HUMAN RESOURCES

Organizational Management, Personnel Administration, Environment, Health and Safety management



2016 BUILDING BLOCKS - EYEWAY



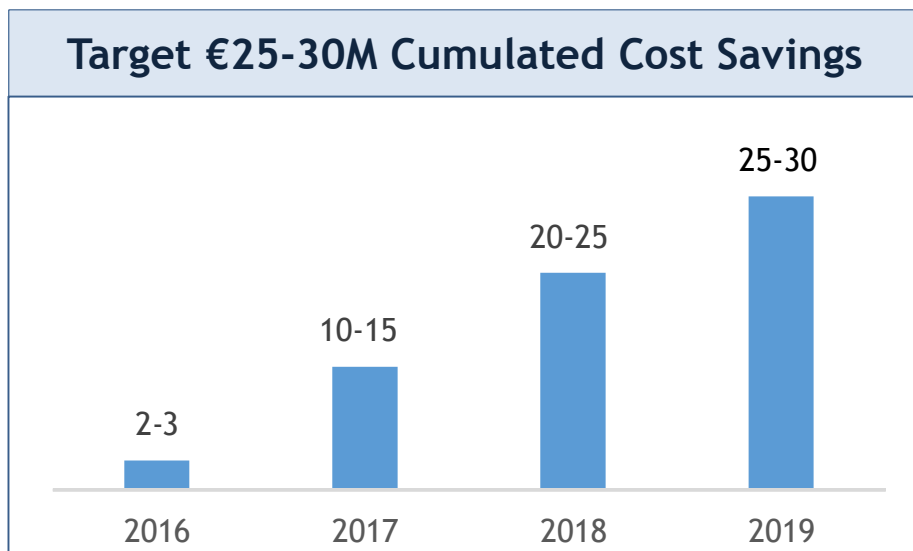
SAP Go Live Step 0
 In August 2015 SAP approached its first go live, involving the HR area: Personnel Administration and Environment Health and Safety for Safilo SpA and Organizational Management for Safilo Worldwide.

SAP Go Live Step 1
 Product Master data went live on November 2015. Purchasing, Finance & Controlling went live on January 2016.

SAP Go Live Step 2
 For Sales, Logistics, CRM and B2B the Build phase is almost completed; Training and User Acceptance Test phases started.

2016 BUILDING BLOCKS - OVERHEAD PRODUCTIVITY PLAN

in millions of Euro



- Program duration until Dec 2019
- Cost Savings to mainly benefit 2017 and 2018
- Expected one-off restructuring costs of € 20 million, of which €8-10 million planned for 2016.

Overhead Cost Saving Program

Integral part of our 2020 Plan Simplification Strategy

€25-30 million cost savings

- Globally standardized work processes and systems, and scaled work
- Examples of Key Projects:
 - Polaroid Vale operation
 - Distribution centre footprint
 - EMEA Customer Services
 - Return management
 - Purchasing

Thank you

Among the most loved and editorially featured eyewear worldwide



Gurú
LOS MITOS NUNCA MUEREN
 EN EL MUNDO DE LA MODA Y EL ESTILO, LOS MITOS NUNCA MUEREN. EN EL MUNDO DE LA MODA Y EL ESTILO, LOS MITOS NUNCA MUEREN. EN EL MUNDO DE LA MODA Y EL ESTILO, LOS MITOS NUNCA MUEREN.



2 SAFILO'S BRANDS IN THE TOP 3 POSITIONS OF 2015 DMR (Digital Media Research) GLOBAL EYEWEAR RANKING FOR EDITORIAL VALUE:

1. Christian Dior is the leading overall fashion luxury eyewear
2. Fendi is the second fashion brand in the Safilo portfolio with almost + 46% editorial value compared to 2014
3. MaxMara registered an outstanding result with + 66,1% editorial value compared to 2014
4. Carrera marked an outstanding performance online with more than 5ME online editorial value getting at the first position in the Safilo Group Brands ranking
5. Polaroid and Marc Jacobs have increased its editorial value by almost 40% from 2014
6. Oxydo climbed up the ranking with + 185% editorial value compared to 2014
7. Smith has started to impose itself in the Safilo portfolio gaining 3 positions in the ranking
8. Céline gained one position in the ranking establishing itself among the first 4 brands in the portfolio per editorial value



Appendices

Economic results

in millions of Euro

	2015	%	2014	%	Change %	Q4 2015	%	Q4 2014	%	Change %
Net sales	1,279.0	100.0	1,178.7	100.0	8.5%	319.2	100.0	311.2	100.0	2.6%
Cost of sales	(522.0)	(40.8)	(460.1)	(39.0)	13.4%	(139.7)	(43.8)	(133.2)	(42.8)	4.9%
Gross profit	757.0	59.2	718.6	61.0	5.3%	179.5	56.2	178.0	57.2	0.9%
Selling and marketing expenses	(526.5)	(41.2)	(479.4)	(40.7)	9.8%	(124.0)	(38.8)	(116.8)	(37.5)	6.2%
General and administrative expenses	(171.5)	(13.4)	(157.5)	(13.4)	8.8%	(43.2)	(13.5)	(40.1)	(12.9)	7.7%
Other operating income (expenses)	(17.7)	(1.4)	(6.4)	(0.5)	n.s.	(16.3)	(5.1)	(3.0)	(1.0)	n.s.
Impairment loss on goodwill	(40.5)	(3.2)	0.0	0.0	n.s.	(40.5)	(12.7)	0.0	0.0	n.s.
Operating profit/(loss)	0.8	0.1	75.3	6.4	-98.9%	(44.4)	(13.9)	18.1	5.8	n.s.
Financial charges, net	(26.4)	(2.1)	(10.4)	(0.9)	n.s.	(2.5)	(0.8)	(3.2)	(1.0)	-22.0%
Profit/(Loss) before taxation	(25.6)	(2.0)	64.9	5.5	n.s.	(46.9)	(14.7)	14.9	4.8	n.s.
Income taxes	(26.9)	(2.1)	(25.4)	(2.2)	5.7%	(16.4)	(5.1)	(7.3)	(2.3)	n.s.
Net profit/(loss) of the period	(52.4)	(4.1)	39.5	3.3	n.s.	(63.3)	(19.8)	7.6	2.4	n.s.
Non-controlling interests	0.3	0.0	0.4	0.0	-21.7%	0.2	0.1	0.2	0.1	-9.6%
Net profit/(loss) attributable to owners of the Parent	(52.7)	(4.1)	39.1	3.3	n.s.	(63.5)	(19.9)	7.4	2.4	n.s.
EBITDA	82.4	6.4	110.7	9.4	-25.6%	7.3	2.3	27.4	8.8	-73.3%
Economic indicators pre non-recurring items										
EBIT pre non-recurring items	61.4	4.8	83.0	7.0	-26.1%	13.8	4.3	22.8	7.3	-39.7%
EBITDA pre non-recurring items	102.4	8.0	118.4	10.0	-13.5%	25.0	7.8	32.1	10.3	-22.3%
Net profit/(loss) attributable to the Group pre non-recurring	6.9	0.5	44.5	3.8	-84.4%	(5.4)	(1.7)	10.6	3.4	n.s.

2015 Non-Recurring Costs

¹ 2015 adjusted economic results do not include non-recurring items for a total of Euro 60.5 million related to commercial restructuring costs in the EMEA region for Euro 1.2 million, other non-recurring costs for Euro 1.8 million mainly related to the consolidation of the Group's North American distribution network into its Denver facility, Euro 40.5 million for an impairment of the Group's goodwill, and Euro 17.0 million for a provision for other risks and charges in relation to the litigation with the French Competition Authority.

Safilo's French subsidiary (Safilo France S.A.R.L.) together with other major competitors and a number of leading retailers in the French eyewear industry, has starting from 2009 been the subject of an investigation conducted by the French Competition Authority ("FCA") relating to pricing and sales practices in the industry.

In May 2015, Safilo France S.A.R.L. and Safilo S.p.A. in its capacity of parent-company received a Statement of Objections from the FCA. Safilo has examined the FCA's preliminary findings reported in the Statement of Objections and has recently reached an agreement with the FCA limiting the Group's liability at Euro 17 million. Consequently, a provision of Euro 17 million has been booked by the Group as the best estimate for the expected liability. The Group currently expects to receive the final investigation report and the fine, from the FCA by the end of 2016.

As part of its annual goodwill impairment test, the Group has decided to book an impairment of Euro 40.5 million of its historic goodwill. Two of its three cash-generating units (Americas and EMEA) continue to show a fair market value significantly ahead of book value. The Far East CGU's business contraction in 2015, coupled with an increase in the book value driven by foreign exchange (Euro +22.5 million) and a more uncertain economic outlook in the region going forward, required an impairment of the goodwill allocated to this CGU in the magnitude of Euro 40.5 million.

In 2014 adjusted economic results did not include non-recurring expenses for a total of Euro 7.7 million.

Net sales performance

in millions of Euro

Net sales by geographical area	2015	%	2014	%	Change %	Change % (*)
Europe	508.6	39.8	478.5	40.6	6.3%	6.0%
North America	531.3	41.5	445.1	37.8	19.4%	0.8%
Latin America	51.3	4.0	54.9	4.7	-6.7%	-1.1%
Asia Pacific	154.8	12.1	170.8	14.5	-9.4%	-20.5%
Rest of the world	33.0	2.6	29.3	2.5	12.6%	11.6%
Total	1,279.0	100.0	1,178.7	100.0	8.5%	0.0%

Net sales by geographical area	Q4 2015	%	Q4 2014	%	Change %	Change % (*)
Europe	130.3	40.8	117.3	37.7	11.1%	10.8%
North America	127.7	40.0	117.3	37.7	8.9%	-3.8%
Latin America	14.8	4.7	17.5	5.6	-15.0%	-5.3%
Asia Pacific	36.6	11.5	47.6	15.3	-23.0%	-28.7%
Rest of the world	9.7	3.0	11.6	3.7	-16.1%	-17.1%
Total	319.2	100.0	311.2	100.0	2.6%	-2.7%

Net sales by distribution channel	2015	%	2014	%	Change %	Change % (*)
Wholesale	1,190.4	93.1	1,096.7	93.0	8.5%	0.7%
Retail	88.6	6.9	82.0	7.0	8.1%	-9.8%
Total	1,279.0	100.0	1,178.7	100.0	8.5%	0.0%

Net sales by distribution channel	Q4 2015	%	Q4 2014	%	Change %	Change % (*)
Wholesale	299.6	93.9	291.0	93.5	3.0%	-1.8%
Retail	19.6	6.1	20.2	6.5	-3.1%	-14.7%
Total	319.2	100.0	311.2	100.0	2.6%	-2.7%

(*) at constant exchange rates

Balance Sheet

in millions of Euro

	December 31, 2015	December 31, 2014	Change
Net working capital	277.7	303.1	(25.4)
Tangible and Intangible assets	843.7	841.2	2.5
Financial assets	0.0	7.6	(7.6)
Non-current assets held for sale	9.9	0.0	9.9
Other assets / (liabilities), net	(42.8)	(14.5)	(28.4)
NET INVESTED CAPITAL	1,088.5	1,137.4	(48.9)
Net Financial Position	(89.9)	(163.3)	73.4
Group Shareholders' equity	(997.5)	(971.5)	(26.0)
Non-controlling interests	(1.1)	(2.7)	1.6

Net Working Capital

in millions of Euro

	December 31, 2015	December 31, 2014	Change
Trade receivables	243.8	266.3	(22.5)
Inventories	254.1	247.6	6.5
Trade payables	(220.2)	(210.8)	(9.4)
Net working capital	277.7	303.1	(25.4)
<i>% on net sales</i>	<i>21.7%</i>	<i>25.7%</i>	

Free Cash Flow

in millions of Euro

	2015	2014
Cash flow from operating activities before changes in working capital	61.1	68.2
Changes in working capital	53.7	(41.3)
Cash flow operating activities	114.8	26.9
Cash flow investing activities	(40.0)	(39.3)
Free cash flow	74.8	(12.4)

Exchange Rates

Currency	Code	As of		(Appreciation)/ Depreciation (*)	Average for		(Appreciation)/ Depreciation (*)
		December 31, 2015	December 31, 2014	%	2015	2014	%
US Dollar	USD	1.0887	1.2141	-10.3%	1.1095	1.3285	-16.5%
Hong-Kong Dollar	HKD	8.4376	9.4170	-10.4%	8.6014	10.3025	-16.5%
Swiss Franc	CHF	1.0835	1.2024	-9.9%	1.0679	1.2146	-12.1%
Canadian Dollar	CAD	1.5116	1.4063	7.5%	1.4186	1.4661	-3.2%
Japanese Yen	YEN	131.0700	145.2300	-9.8%	134.3140	140.3061	-4.3%
British Pound	GBP	0.7340	0.7789	-5.8%	0.7259	0.8061	-10.0%
Swedish Krown	SEK	9.1895	9.3930	-2.2%	9.3535	9.0985	2.8%
Australian Dollar	AUD	1.4897	1.4829	0.5%	1.4777	1.4719	0.4%
South-African Rand	ZAR	16.9530	14.0353	20.8%	14.1723	14.4037	-1.6%
Russian Ruble	RUB	80.6736	72.3370	11.5%	68.0720	50.9518	33.6%
Brasilian Real	BRL	4.3117	3.2207	33.9%	3.7004	3.1211	18.6%
Indian Rupee	INR	72.0215	76.7190	-6.1%	71.1956	81.0406	-12.1%
Singapore Dollar	SGD	1.5417	1.6058	-4.0%	1.5255	1.6823	-9.3%
Malaysian Ringgit	MYR	4.6959	4.2473	10.6%	4.3373	4.3446	-0.2%
Chinese Renminbi	CNY	7.0608	7.5358	-6.3%	6.9733	8.1857	-14.8%
Korean Won	KRW	1,280.7800	1,324.8000	-3.3%	1,256.5444	1,398.1424	-10.1%
Mexican Peso	MXN	18.9145	17.8679	5.9%	17.6157	17.6550	-0.2%
Turkish Lira	TRY	3.1765	n.a.	n.a.	3.0255	n.a.	n.a.
Dirham United Emirates	AED	3.9966	4.45942	-10.4%	4.0733	4.76	-14.4%

Brands Portfolio



Dior

JIMMY CHOO

swatch
the eyes

BANANA REPUBLIC

CARRERA
EYEWEAR SINCE 1956

CÉLINE

MARC JACOBS

havaianas

Juicy Couture
los angeles, california

FENDI

ELIE SAAB

BOBBI BROWN

SMITH

LIZ claiborne

GIVENCHY
PARIS

GUCCI

MAX&Co.



MaxMara


kate spade
NEW YORK

pierre cardin
PARIS



SAFILO
OCCHIALI DAL 1934

BOSS
HUGO BOSS

TOMMY HILFIGER



JACK SPADE