

Q3 and 9M 2017 Trading Update



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.

Q3 AND 9M 2017 KEY PERFORMANCE INDICATORS

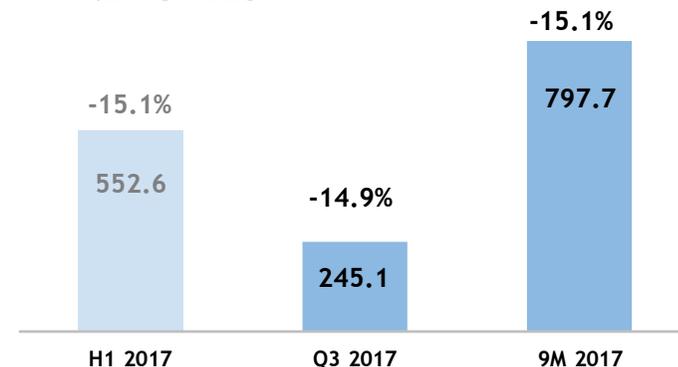
NET SALES AND ADJ.¹ ECONOMIC PERFORMANCE REFLECTED:

- IMPACT OF THE EXIT OF THE GUCCI LICENSE AND ITS REPLACEMENT WITH THE STRATEGIC PRODUCT PARTNERSHIP AGREEMENT
- Q3 CONFIRMS NORMALIZATION OF OPERATIONS AND DELIVERY PERFORMANCE IN THE PADUA DC
- Q3 PERFORMANCE OF THE GOING FORWARD BRANDS* DRIVEN BY:
 - Positive momentum of Own Core Brands in all regions and across all brands
 - Strong progress of Emerging markets, incl. growth turnaround in Asia
 - North America: Wholesale stabilizing after Q2, Retail comp sales almost stable
 - Western Europe declining, affected by soft order taking, carry forward from H1 delivery issues, and tough comps on Dior.

* THE GOING FORWARD BRAND SALES DO NOT INCLUDE THE GUCCI BUSINESS

in millions of Euro and % change vs same periods of 2016

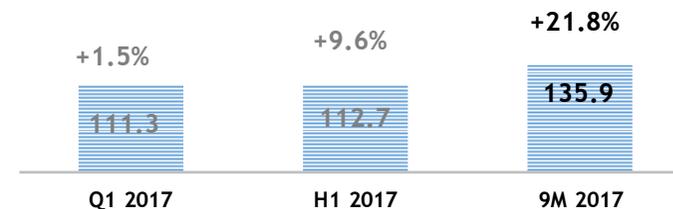
NET SALES



ADJ.¹ EBITDA



NET DEBT



TOTAL NET SALES PERFORMANCE

9M 2017: -15.0% @ CFX (-15.1% Wholesale)

NORTH AMERICA Total -16.0% Wholesale -16.4%	EUROPE -7.3%	ASIA -48.7%	ROW -10.0%
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Q3 2017: -12.3% @ CFX (-12.5% Wholesale)

NORTH AMERICA Total -13.7% Wholesale -14.5%	EUROPE -5.9%	ASIA -43.7%	ROW +8.0%
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NET SALES PERFORMANCE OF GOING FORWARD BRANDS*

9M 2017: -4.0% @ CFX (-3.5% Wholesale)

NORTH AMERICA Total -2.8% Wholesale -1.4%	EUROPE -6.1%	ASIA -8.7%	ROW +6.6%
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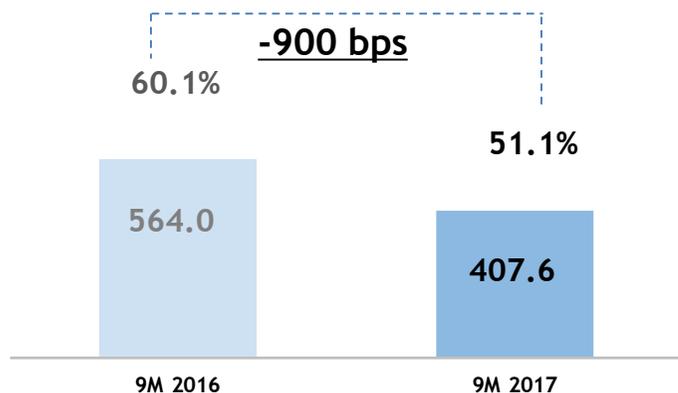
Q3 2017: +1.3% @ CFX (+1.6% Wholesale)

NORTH AMERICA Total -0.1% Wholesale +0.4%	EUROPE -4.2%	ASIA +9.3%	ROW +28.2%
<ul style="list-style-type: none"> • Improved momentum in the independent retail optical channel • Good growth by Own Core Brands and core licenses like Kate Spade, Tommy and Boss • Market environment remained challenging, Retail also affected by severe weather conditions in several states 	<ul style="list-style-type: none"> • Soft order taking and tough comps on Dior affecting Western Europe • Positive performance of Central & Eastern Europe and good progress by Own Core Brands, Carrera and Smith in particular 	<ul style="list-style-type: none"> • Positive trends recorded in almost all the markets of the area, led by China • Positive development of Own Core Brands, led by Polaroid and growth of the licensed brands portfolio 	<ul style="list-style-type: none"> • Surge of Own Core Brands and strong growth of the licensed portfolio. India biggest IMEA market following new development plan

* GOING FORWARD BRAND SALES DO NOT INCLUDE THE GUCCI BUSINESS

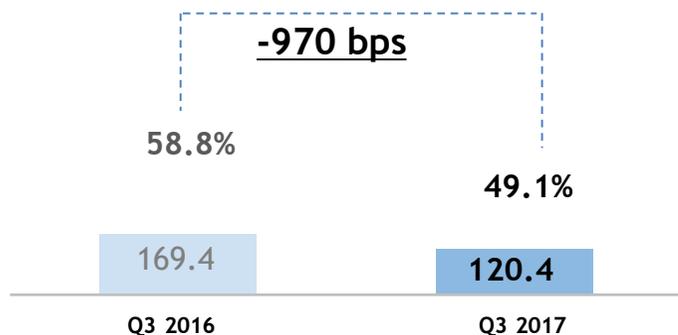
GROSS MARGIN PERFORMANCE

in millions of Euro and % on total net sales



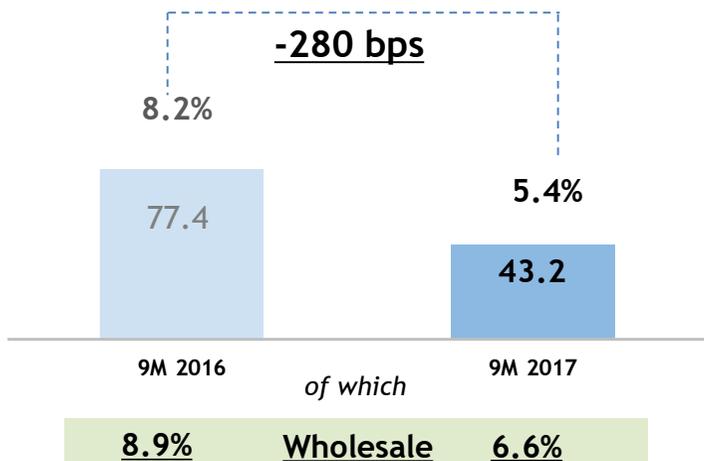
KEY DRIVERS

- Gross Margin dilution largely explained by the Gucci/SPPA dynamics: license out, SPPA in
- Negative brand mix effect, retail performance and FX weighing on Going Forward Brand business



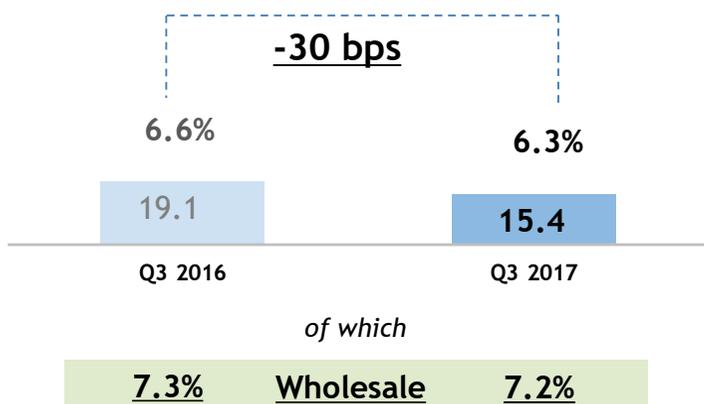
ADJ.¹ EBITDA PERFORMANCE

In millions of Euro and % on total net sales



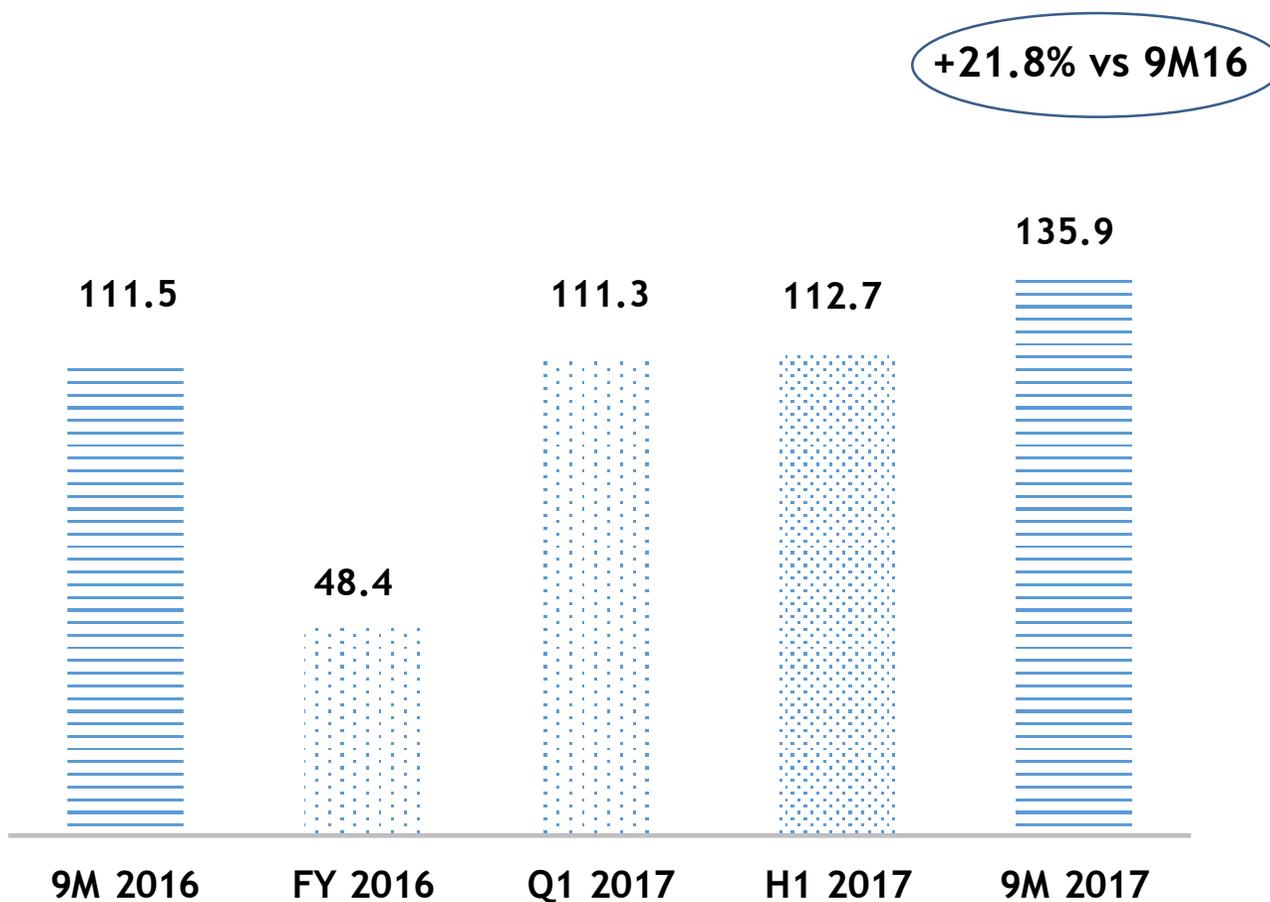
KEY DRIVERS

- SPPA plus pro-rata accounting compensation fully compensating the lost profit/margin of the Gucci license
- Q3 Adj.¹ EBITDA margin in line with last year excl. FX effect, reflecting cost saving initiatives and overheads productivity plan
- 9M Adj.¹ EBITDA Margin impacted by subdued operating leverage in Q1 following weak sales order fulfilment



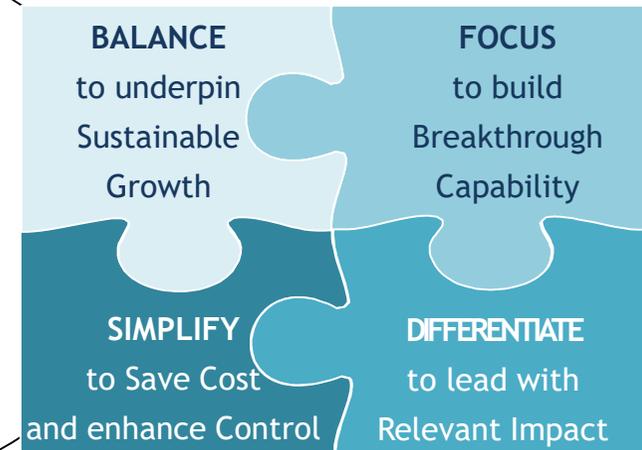
GROUP NET DEBT

in millions of Euro



PROGRESS ON OUR STRATEGIC CHOICES

- 1) Our go-to-market actions for Quality of Sales
- 2) Our multi-segment brand Portfolio Balance
- 3) Our focus on Innovation



OUR MULTI-SEGMENT BRAND PORTFOLIO BALANCE

- ✓ New 7 year licensing agreement with REBECCA MINKOFF

REBECCAMINKOFF



Rebecca Minkoff is an exciting further addition to our brand portfolio. It is the largest global brand led by a millennial female designer and one of the fastest growing in the contemporary segment. The brand's unique relevance among tech and fashion forward modern women, and digital born millennials, offers Safilo interesting business growth and learning opportunities.

OUR MULTI-SEGMENT BRAND PORTFOLIO BALANCE

✓ Strong reception of our new MOSCHINO and ...



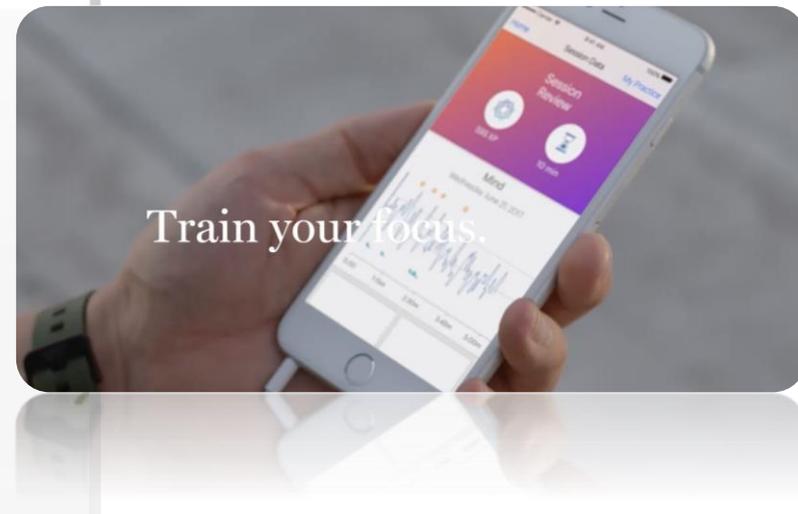
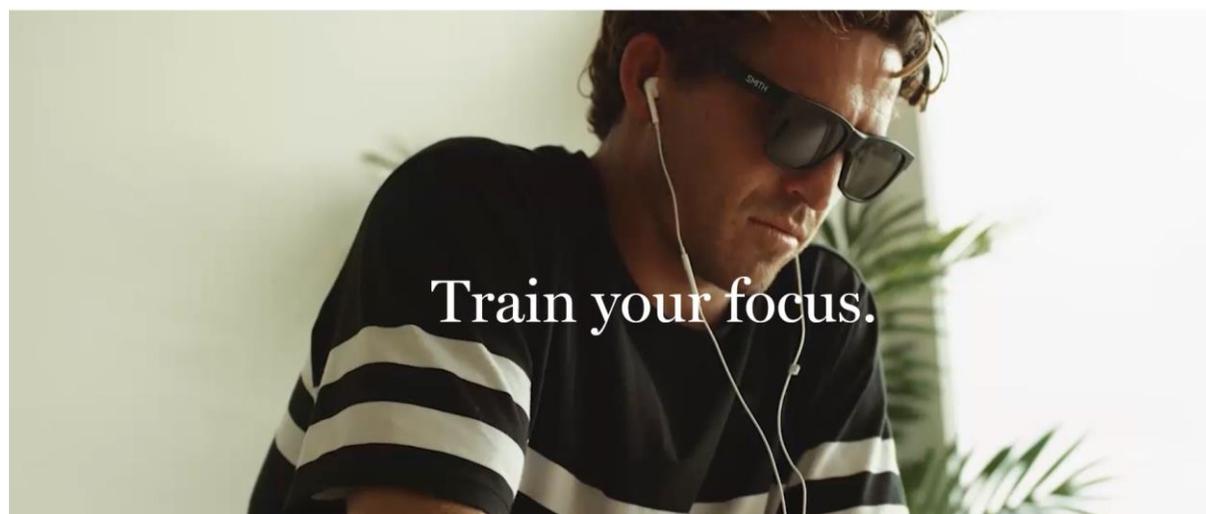
... RAG & BONE collections. Coming soon!!!

rag & bone
NEW YORK



OUR COMMITMENT TO INNOVATION

✓ **SMITH LOWDOWN FOCUS smart glasses now available for sale ON SMITHOPTICS.COM**



Lowdown **Focus** mpowered by **muse**

UP YOUR MENTAL GAME WITH THE LOWDOWN FOCUS.

Life and sport are filled with chaos and distraction. Now there is a way to mentally train for better focus and concentration. Introducing Lowdown Focus with the Smith Focus App to help you develop a heightened sense of self-awareness and train your cognitive performance. The integrated brain-sensing technology provides real-time feedback on your brain's activity level so you can learn how to control your focus.



EXPANDING OUR GLOBAL COMMERCIAL FOOTPRINT

✓ Continued investments in the CEE region

OPENING OF BELARUS AND KAZAKHSTAN, two markets of particular interest in the context of the Group's Central and Eastern Europe (CEE) high growth region

✓ Expand our Global Partner Network of worldwide distributors

EXCLUSIVE DISTRIBUTION PARTNERSHIPS IN CHILE AND IN COLOMBIA, further important steps in Safilo's development of Latin America that is part of the growth acceleration plan for its Emerging Markets

AMONG THE MOST LOVED AND EDITORIALY FEATURED EYEWEAR WORLDWIDE

- Our collections continue to enjoy excellent market reception. Our Own Core Brands are among the most well received product collections and iconic designs of the Fall-Winter 2017 season



Appendices

Economic results

in millions of Euro and % on net sales

	9M 2017	%	9M 2016	%	Change %	Q3 2017	%	Q3 2016	%	Change %
Net sales	797.7	100.0	939.1	100.0	-15.1%	245.1	100.0	288.0	100.0	-14.9%
Gross profit	407.6	51.1	564.0	60.1	-27.7%	120.4	49.1	169.4	58.8	-28.9%
EBITDA	38.8	4.9	71.0	7.6	-45.3%	14.7	6.0	18.8	6.5	-21.9%
Adjusted ¹ EBITDA	43.2	5.4	77.4	8.2	-44.2%	15.4	6.3	19.1	6.6	-19.6%

Adjusted¹ EBITDA

¹ 9M 2017 adjusted EBITDA excludes non-recurring costs of Euro 4.4 million, mainly related to the reorganization of the Ormoz plant in Slovenia and other overhead cost saving initiatives. 9M 2017 adjusted EBITDA includes income of Euro 32.3 million as a pro-rata portion of the accounting compensation for the early termination of the Gucci license, equal to Euro 43 million for the full year 2017. Q3 2017 adjusted EBITDA excludes non-recurring costs of Euro 0.7 million related to overhead cost saving initiatives and includes income of Euro 10.8 million as a pro-rata portion of the accounting compensation for the early termination of the Gucci license.

9M 2016 adjusted EBITDA excluded non-recurring costs for Euro 6.4 million of which Euro 5.2 million related to overhead cost saving initiatives, such as for example the planned integration of Vale of Leven (Scotland) Polaroid lens production into Safilo's China based corporate supply network, and Euro 1.2 million related to commercial restructuring costs in the EMEA region.

Net sales performance

in millions of Euro

Net sales by geographical area	9M 2017	%	9M 2016	%	Change %	Change % (*)	Change % (**)
Europe	367.7	46.1	399.1	42.5	-7.9%	-7.3%	-6.1%
North America	325.3	40.8	386.3	41.1	-15.8%	-16.0%	-2.8%
Asia Pacific	45.6	5.7	90.1	9.6	-49.4%	-48.7%	-8.7%
Rest of the world	59.1	7.4	63.5	6.8	-7.0%	-10.0%	6.6%
Total	797.7	100.0	939.1	100.0	-15.1%	-15.0%	-4.0%

Net sales by distribution channel	9M 2017	%	9M 2016	%	Change %	Change % (*)	Change % (**)
Wholesale	747.8	93.7	881.4	93.9	-15.2%	-15.1%	-3.5%
Retail	49.9	6.3	57.7	6.1	-13.5%	-13.7%	-10.4%
Total	797.7	100.0	939.1	100.0	-15.1%	-15.0%	-4.0%

Net sales by geographical area	Q3 2017	%	Q3 2016	%	Change %	Change % (*)	Change % (**)
Europe	100.5	41.0	107.6	37.4	-6.6%	-5.9%	-4.2%
North America	103.5	42.2	126.5	43.9	-18.2%	-13.7%	-0.1%
Asia Pacific	16.7	6.8	31.3	10.9	-46.7%	-43.7%	9.3%
Rest of the world	24.4	10.0	22.6	7.8	8.4%	8.0%	28.2%
Total	245.1	100.0	288.0	100.0	-14.9%	-12.3%	1.3%

Net sales by distribution channel	Q3 2017	%	Q3 2016	%	Change %	Change % (*)	Change % (**)
Wholesale	228.8	93.3	268.9	93.4	-14.9%	-12.5%	1.6%
Retail	16.4	6.7	19.0	6.6	-14.0%	-9.3%	-2.5%
Total	245.1	100.0	288.0	100.0	-14.9%	-12.3%	1.3%

(*) Sales performance at constant exchange rates

(**) Sales performance at constant exchange rates of the Going Forward Brands Portfolio, excluding Gucci business

Exchange Rates

Currency	Code	As of		(Appreciation)/ Depreciation	Average for		(Appreciation)/ Depreciation
		September 30, 2017	December 31, 2016	%	September 30, 2017	September 30, 2016	%
US Dollar	USD	1.1806	1.0541	12.0%	1.1140	1.1161	-0.2%
Hong-Kong Dollar	HKD	9.2214	8.1751	12.8%	8.6771	8.6649	0.1%
Swiss Franc	CHF	1.1457	1.0739	6.7%	1.0951	1.0935	0.1%
Canadian Dollar	CAD	1.4687	1.4188	3.5%	1.4546	1.4746	-1.4%
Japanese Yen	YEN	132.8200	123.4000	7.6%	124.6813	120.9359	3.1%
British Pound	GBP	0.8818	0.8562	3.0%	0.8732	0.8031	8.7%
Swedish Krown	SEK	9.6490	9.5525	1.0%	9.5833	9.3737	2.2%
Australian Dollar	AUD	1.5075	1.4596	3.3%	1.4539	1.5046	-3.4%
South-African Rand	ZAR	15.9440	14.4570	10.3%	14.7055	16.6796	-11.8%
Russian Ruble	RUB	68.2519	64.3000	6.1%	64.9992	76.1890	-14.7%
Brasilian Real	BRL	3.7635	3.4305	9.7%	3.5352	3.9561	-10.6%
Indian Rupee	INR	77.0690	71.5935	7.6%	72.6449	74.9108	-3.0%
Singapore Dollar	SGD	1.6031	1.5234	5.2%	1.5470	1.5296	1.1%
Malaysian Ringgit	MYR	4.9827	4.7287	5.4%	4.8377	4.5568	6.2%
Chinese Renminbi	CNY	7.8534	7.3202	7.3%	7.5766	7.3462	3.1%
Korean Won	KRW	1,351.8300	1,269.3600	6.5%	1,268.1068	1,295.4828	-2.1%
Mexican Peso	MXN	21.4614	21.7719	-1.4%	21.0082	20.4291	2.8%
Turkish Lira	TRY	4.2013	3.7072	13.3%	4.00314	3.27602	22.2%
Dirham United Emirates	AED	4.3358	3.869601	12.0%	4.08964	4.097	-0.2%

Brand Portfolio



Dior

BOSS
HUGO BOSS

BOSS
HUGO BOSS

havaianas[®]

CARRERA
EYEWEAR SINCE 1956

DIOR HOMME

MARC JACOBS

GIVENCHY
PARIS

BANANA REPUBLIC

CÉLINE

ELIE SAAB

MOSCHINO *

rag & bone*
NEW YORK

SMITH

♠
kate spade
NEW YORK

LOVE
MOSCHINO *

Juicy Couture
BLACK LABEL
los angeles

FENDI

FOSSIL

BOBBI BROWN

LIZ claiborne

OXYDO

MaxMara

TOMMY  HILFIGER

MAX&Co.



SAFILO

JIMMY CHOO

swatch
the[®]eyes

pierre cardin
PARIS

JACK SPADE

* From 2018