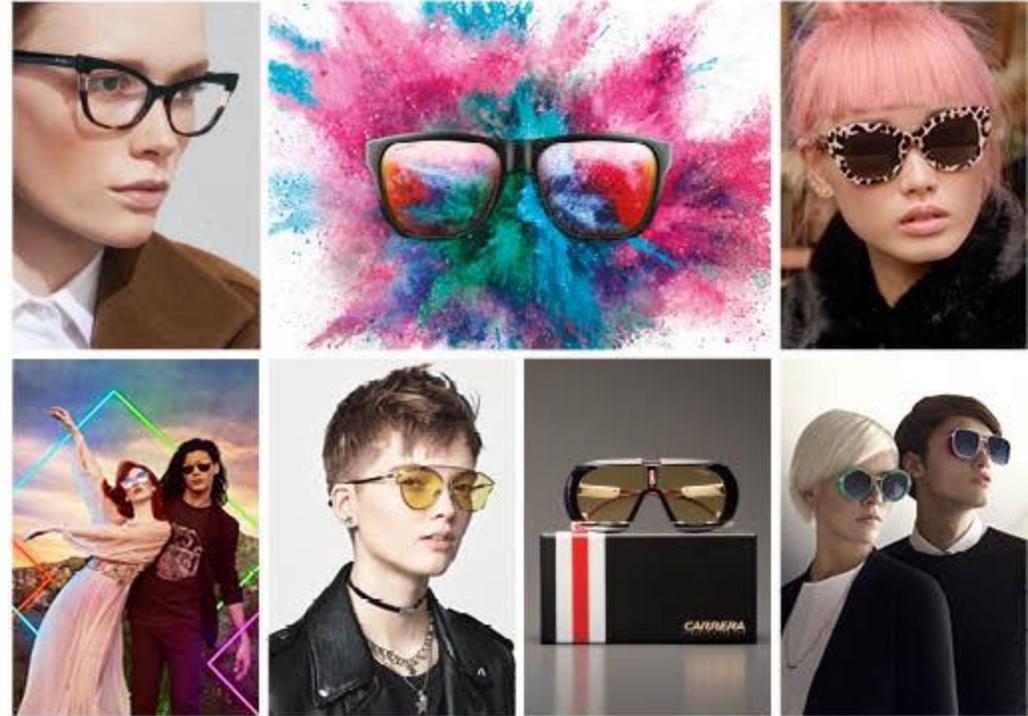


H1 2017 Results and Q2 Trading Update



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.

H1 2017 BUSINESS AND ECONOMIC HIGHLIGHTS

NET SALES AND ADJ.¹ ECONOMIC PERFORMANCE REFLECTED:

• Q1 SHORTFALL IN WORLDWIDE SALES ORDER FULFILLMENT DUE TO NEW IT SYSTEM CHALLENGES IN PADUA DC:

→ **LOW SALES AND OPERATING DELEVERAGE**

• Q2 RECOVERY OF BACK ORDERS AND RESTORATION OF NORMAL WORKING CONDITIONS AND SERVICE LEVELS IN PADUA DC:

→ **GROWTH OF GOING FORWARD BRAND* SALES AND GROUP EBITDA**

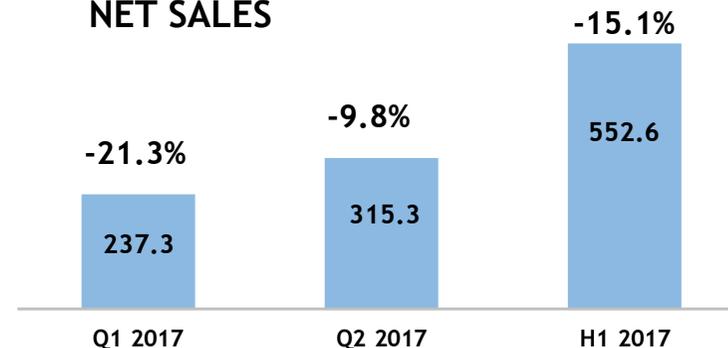
- Positive contribution by our Own Core Brands (H1 in line with YA) led by strong Smith, Polaroid recovery and Carrera turnaround progress
- IMEA, CEE and China: the biggest positive drivers
- Positive Western Europe vs challenging comps, yet softer order intake
- Challenging trading conditions in North America
- Progress on cost savings and overhead productivity plan

• **IMPACT OF THE EXIT OF THE GUCCI LICENSE AND ITS REPLACEMENT WITH THE STRATEGIC PRODUCT PARTNERSHIP AGREEMENT**

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

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

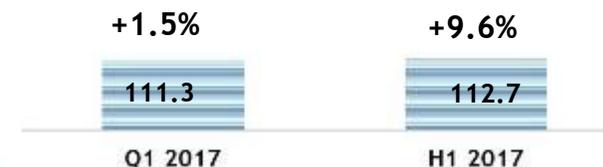
NET SALES



Adj.¹ EBITDA



NET DEBT



TOTAL NET SALES PERFORMANCE

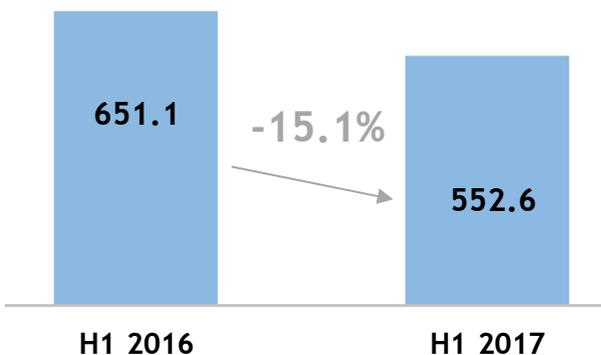
in millions of Euro

H1 2017

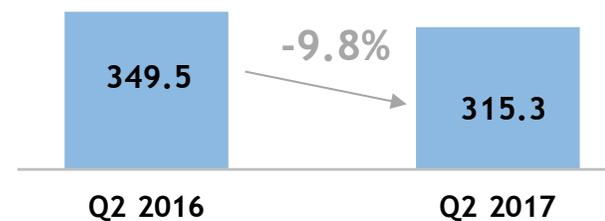
-16.2% @ cfx

-10.6% @ cfx

Q2 2017



| <u>Markets</u> | |
|----------------|---------------|
| -7.8% | Europe |
| -17.1% | North America |
| -17.3% | of which |
| -15.8% | Wholesale |
| | Retail |
| -51.4% | Asia |
| -20.0% | RoW |



NET SALES PERFORMANCE OF GOING FORWARD BRANDS*

H1 2017: -6.3% @ CFX (-5.7% Wholesale)

| | | | |
|--|------------------------|-----------------------|---------------------|
| NORTH AMERICA Total -4.2% Wholesale -2.3% | EUROPE -6.7% | ASIA -17.2% | ROW -5.3% |
|--|------------------------|-----------------------|---------------------|

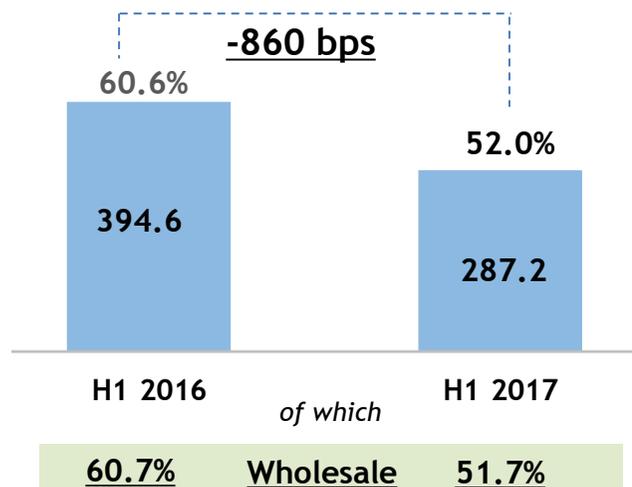
Q2 2017: +1.2% @ CFX (+2.0% Wholesale)

| | | | |
|--|---|--|---|
| NORTH AMERICA Total -7.6% Wholesale -7.3% | EUROPE +6.9% | ASIA -3.8% | ROW +17.3% |
| <ul style="list-style-type: none"> • Reflecting market challenges and ongoing strategic commercial actions: <ul style="list-style-type: none"> - Soft business in department stores - Strategic commercial partnerships renewal, independent opticians - Retail down H1, but Q2 markedly better - Strong sport channel | <ul style="list-style-type: none"> • Backorders recovery on tough comps: <ul style="list-style-type: none"> - CEE and North Europe top drivers - Positive broad based brand performance - Soft Dior on tough comps | <ul style="list-style-type: none"> • Resetting of Going Forward brands: <ul style="list-style-type: none"> - Weak environment in some areas - New distribution strategy in Korea - Distributors business improving - Progress in China | <ul style="list-style-type: none"> • Continued strong progress: <ul style="list-style-type: none"> - IMEA leading performer, back in line with YA in H1 - LATAM recovering well, thanks to Mexico solid growth - Brazil soft performance |

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

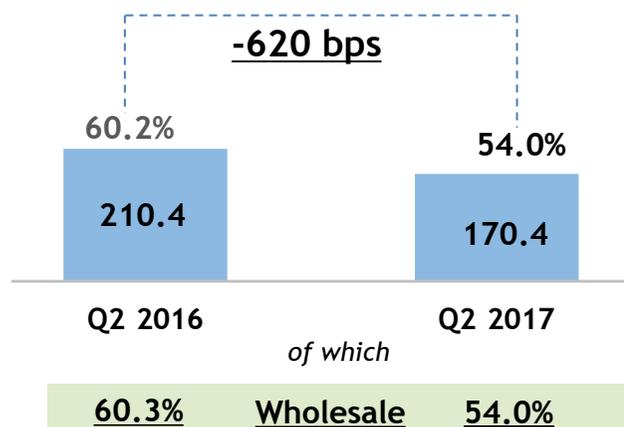
GROSS MARGIN PERFORMANCE

in millions of Euro and % on total net sales



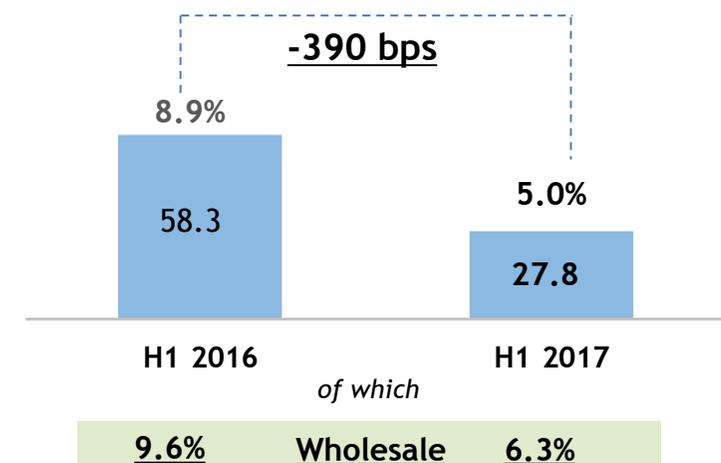
KEY DRIVERS

- Q2 Gross Margin dilution mainly explained by Gucci/SPPA dynamics: license out, SPPA in (ca 400bps);
- Q2 volumes growth by Going Forward Portfolio offset by negative brand mix effect and Retail decline;
- H1 Gross Margin impacted by Q1 very weak sales order fulfilment due to Padua DC challenges.



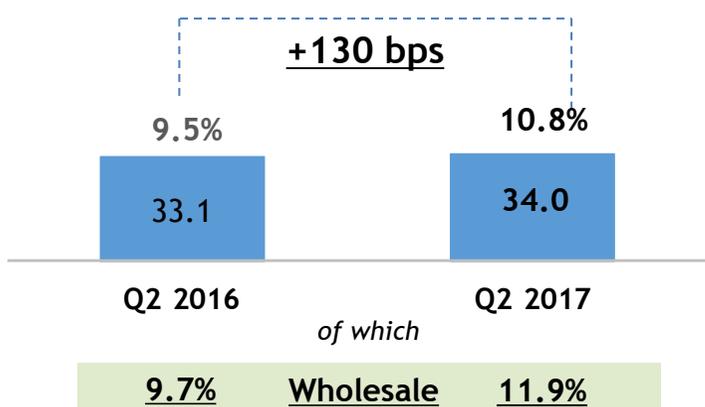
ADJ.¹ EBITDA PERFORMANCE

In millions of Euro and % on total net sales



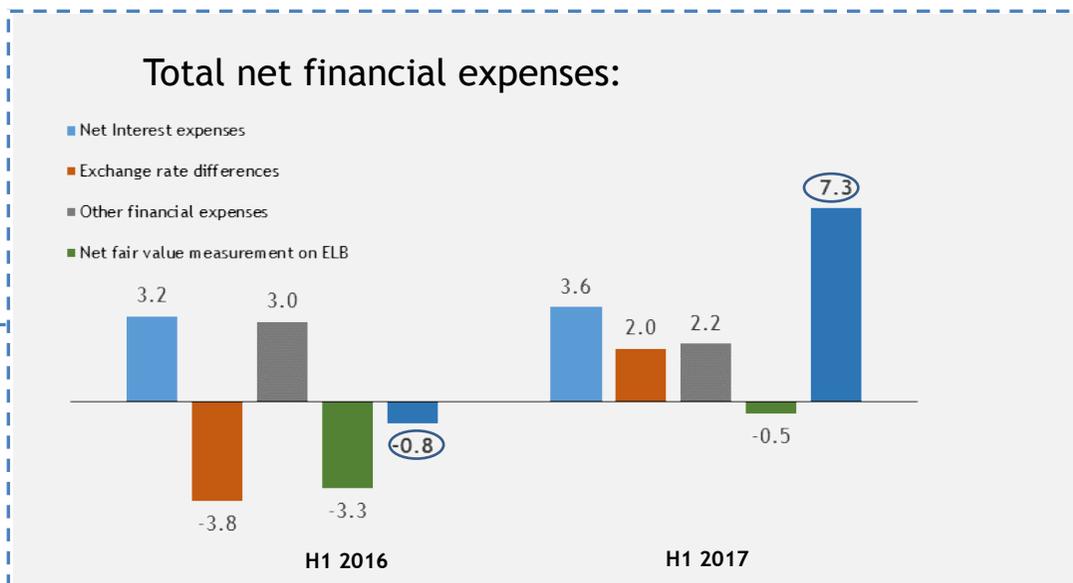
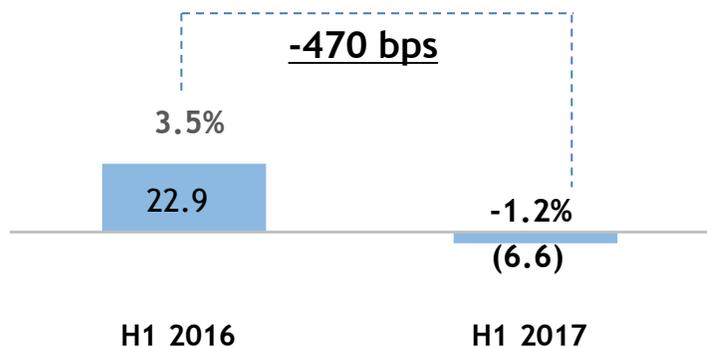
KEY DRIVERS

- Progress on cost saving initiatives and overheads productivity plan benefitting Q2 operating performance;
- SPPA plus pro-rata accounting compensation fully compensating the lost profit/margin of the Gucci license;
- Q2 negative retail performance;
- H1 Adj.¹ EBITDA Margin impacted by Q1 very weak sales order fulfilment due to Padua DC challenges.



ADJ.¹ GROUP NET RESULT

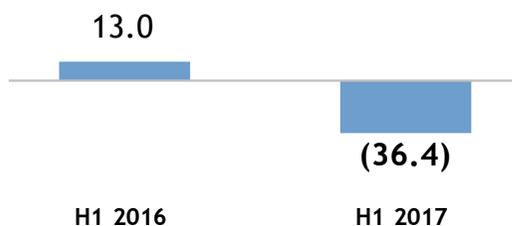
in millions of Euro and % on total net sales



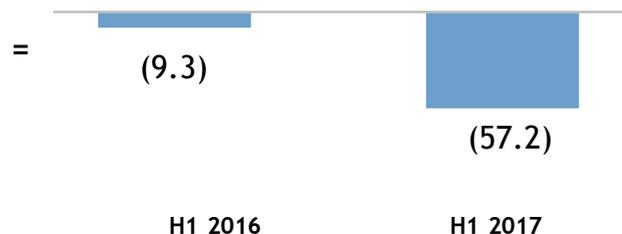
FREE CASH FLOW

in millions of Euro

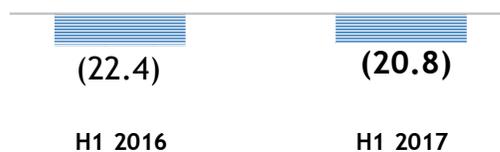
Cash Flow from Operating Activities



FREE CASH FLOW



Cash Flow for Investing Activities

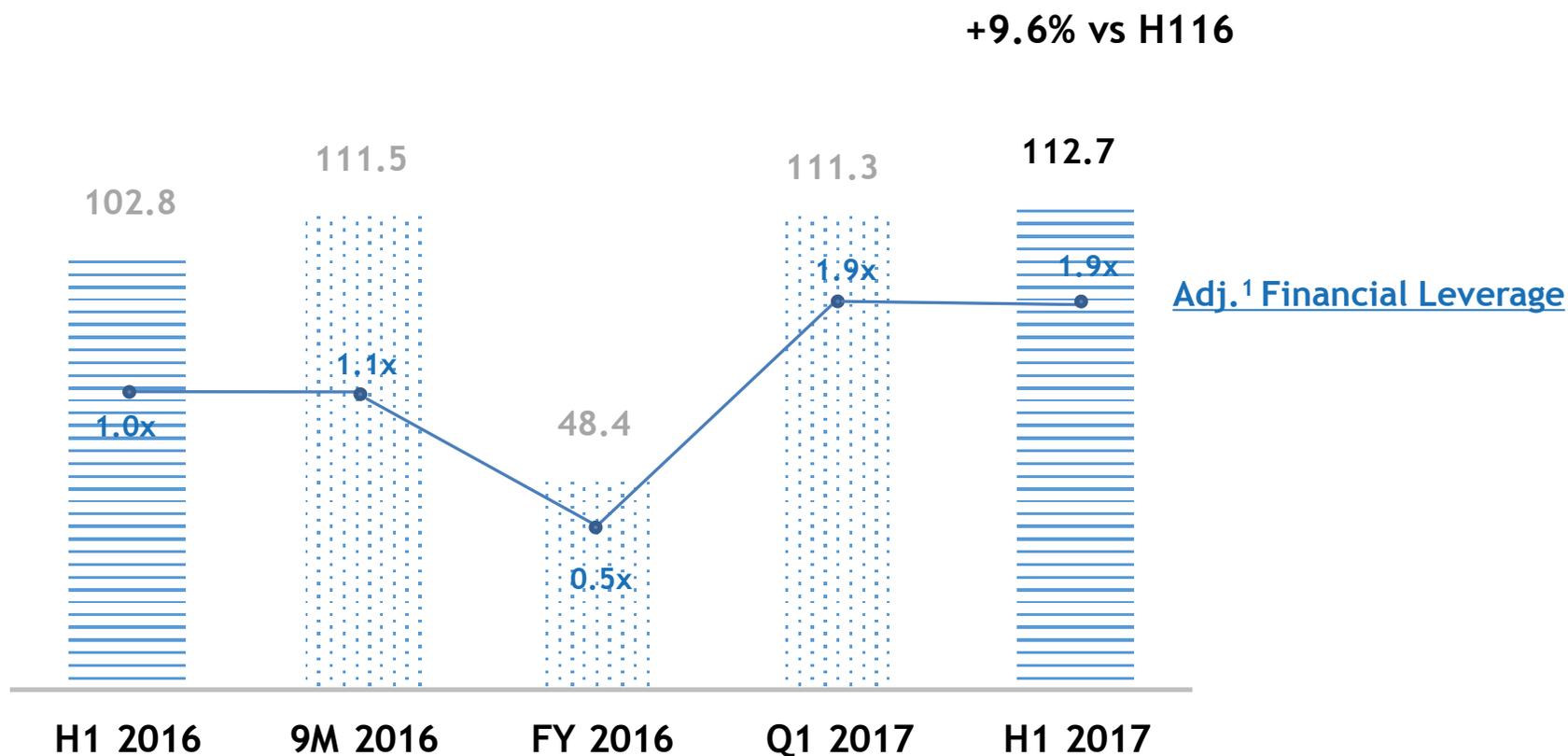


KEY DRIVERS

- Negative economic result of the period;
- NET WC absorbing €33.5 Mio, mainly due to decrease of trade payables;
- CAPEX of €20.8 Mio for plant investments + EYEWAY project.

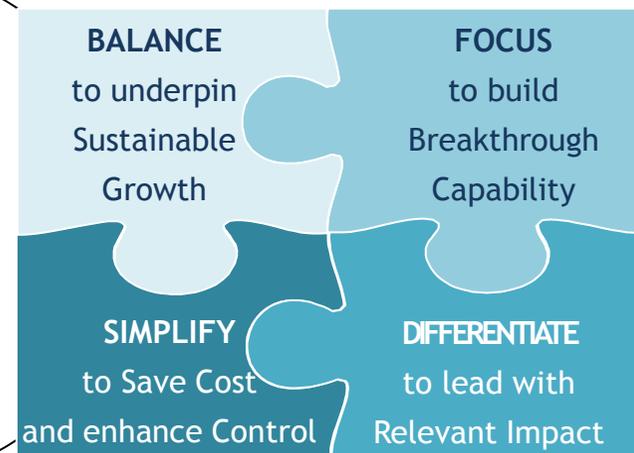
GROUP NET DEBT

in millions of Euro



PROGRESS ON OUR STRATEGIC CHOICES

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



OUR GO-TO-MARKET ACTIONS FOR QUALITY OF SALES

✓ IN OUR CORE REGIONS, WE WORK TO ESTABLISH PREFERRED CUSTOMER PARTNERSHIPS

- Focus on a renewed strategic direction to drive commercial partnerships in North America, building on:
 - solid and transparent commercial policies and trade terms, aligned with our brand portfolio priorities and strategies
 - development and regeneration of salesforce capabilities to improve execution of commercial plans, in particular with independent opticians

✓ WE CONTINUE TO BUILD SUSTAINABLY OUR EMERGING MARKETS:

- New exclusive distribution agreement in Saudi Arabia, leveraging IMEA strong momentum

OUR MULTI-SEGMENT BRANDS PORTFOLIO BALANCE

✓ 5 year renewal of the licensing agreement with LIZ CLAIBORNE



The Liz Claiborne and Claiborne brands are two of Safilo's most sought after collections in the U.S., delivering a stable and healthy business. Two strong optical brands, both highly regarded by independent optical retailers and their customers, **supports the Group's objective of growing its optical business.**



OUR FOCUS ON INNOVATION

- ✓ Moving forward with our Digital Strategy, through innovative and integrated Social/PR/Media and instore campaigns and growing e-commerce business

Digital Media

2017 Digital Partnership with HEARST in USA

- develop branded content, focusing on Carrera and Smith
- deliver display adv campaign within HEARST platforms (Elle, Cosmopolitan, Esquire, Popular Mechanics)
- create new business opportunities (Smith.com and significant commercial partnership with Nordstrom for Carrera)

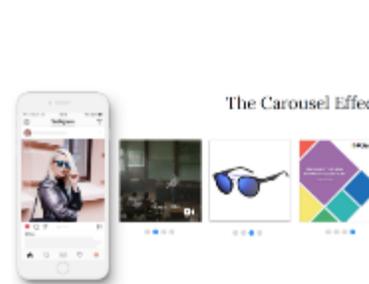


Digital communication

2017 Influencer Activation on Instagram

- use micro-influencers to reach, engage consumers as well as develop brand content. Plus, drive e-com sales

An extraordinary Instagram activity, leading in eyewear

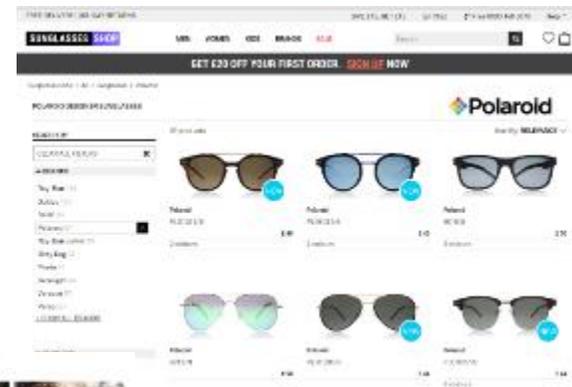


OUR FOCUS ON INNOVATION

B2B2C E-commerce

Safilo is partnering with key customers to drive online sales with joint business and marketing plans

- POLAROID IS #1 BRAND FOR MYOPTIQUE GROUP IN 2016



B2B E-commerce

Safilo's new B2B platform for customers to order products and download marketing content

- CA 5500 ACTIVE CUSTOMERS
- 2016 NETCOMM E-COMMERCE AWARD FOR BEST B2B PLATFORM



B2C E-Commerce

Safilo selling directly to consumers

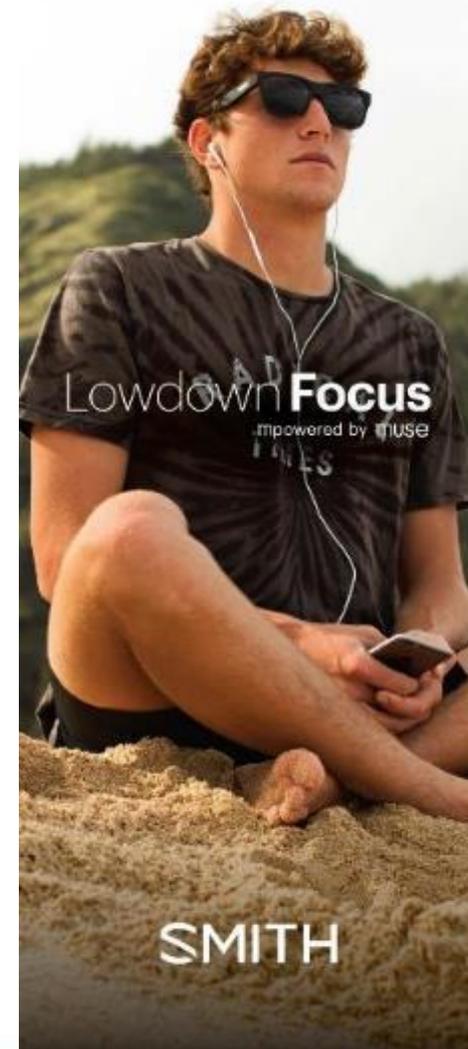
- OUR BEST PRACTICE IN E-COMMERCE: SMITH
- PREPARING FOR CARRERA AND POLAROID



H2 2017 FOCUS AREAS

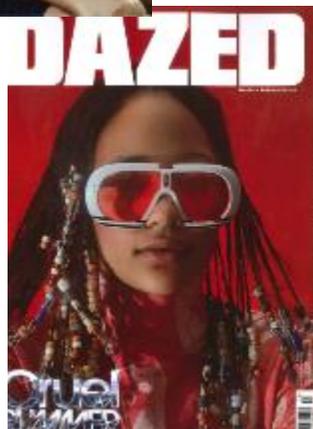


- Increasing efforts on order generation, based on our Fall-Winter collections and go-to-market campaigns
 - Launch of SAFILO's completely renovated optical collection, building on our renewed Optical Strategy
 - Launch of Lowdown Focus (Smith X), further driving Smith's strong e-commerce business
 - Executing Polaroid product plans, with special focus on India, Nordic and Russia
 - Leveraging Carrera's FW ADV Campaign and deployment of global and local activities
 - Special focus on Dior optical business and Dior Homme, backed by easier comps
- Progressing with the implementation of our cost saving programs, productivity and efficiency plan
 - Progress on our Eyebuy program



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

Adjusted economic results

¹ In H1 2017, the adjusted economic results exclude non-recurring costs of Euro 3.7 million, mainly related to the reorganization of the Ormoz plant in Slovenia and other overhead cost saving initiatives (Euro 3.0 on the Net result). H1 2017 adjusted economic results include income of Euro 21.5 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.

In Q2 2017, the adjusted EBITDA excludes non-recurring costs of Euro 0.4 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.

In the first half of 2016, the adjusted operating results excluded non-recurring costs of Euro 7.1 million (Euro 6.1 million on EBITDA), including Euro 5.9 million related to overhead cost saving initiatives, such as 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.

Economic results

in millions of Euro and % on net sales

| | H1 2017 | % | H1 2016 | % | % Change |
|--|--------------|--------------|--------------|--------------|---------------|
| Net sales | 552.6 | 100.0 | 651.1 | 100.0 | -15.1% |
| Cost of sales | (265.4) | (48.0) | (256.5) | (39.4) | 3.5% |
| Gross profit | 287.2 | 52.0 | 394.6 | 60.6 | -27.2% |
| Selling and marketing expenses | (216.6) | (39.2) | (272.6) | (41.9) | -20.5% |
| General and administrative expenses | (85.3) | (15.4) | (85.1) | (13.1) | 0.2% |
| Other operating income (expenses) | 18.0 | 3.3 | (6.6) | (1.0) | n.s. |
| Operating profit | 3.3 | 0.6 | 30.4 | 4.7 | -89.2% |
| Financial charges, net | (7.3) | (1.3) | 0.8 | 0.1 | n.s. |
| Profit/(Loss) before taxation | (4.0) | (0.7) | 31.2 | 4.8 | n.s. |
| Income taxes | (5.6) | (1.0) | (14.7) | (2.3) | -62.1% |
| Net profit/(loss) | (9.6) | (1.7) | 16.5 | 2.5 | n.s. |
| Non-controlling interests | 0.0 | 0.0 | 0.2 | 0.0 | -100% |
| Net profit/(loss) attributable to the Group | (9.6) | (1.7) | 16.3 | 2.5 | n.s. |
| EBITDA | 24.1 | 4.4 | 52.2 | 8.0 | -53.8% |

Adjusted¹ economic results

| | | | | | |
|---|--------------|--------------|-------------|------------|---------------|
| Adjusted¹ EBIT | 7.0 | 1.3 | 37.5 | 5.8 | -81.4% |
| Adjusted¹ EBITDA | 27.8 | 5.0 | 58.3 | 8.9 | -52.3% |
| Adjusted¹ net profit/(loss) attributable to the Group | (6.6) | (1.2) | 22.9 | 3.5 | n.s. |

Economic results

in millions of Euro and % on net sales

| | Q2 2017 | % | Q2 2016 | % | % Change |
|--------------|---------|-------|---------|-------|----------|
| Net sales | 315.3 | 100.0 | 349.5 | 100.0 | -9.8% |
| Gross profit | 170.4 | 54.0 | 210.4 | 60.2 | -19.0% |
| EBITDA | 33.7 | 10.7 | 32.4 | 9.3 | 3.9% |

Adjusted¹ economic result

| | | | | | |
|------------------------------|------|------|------|-----|------|
| Adjusted ¹ EBITDA | 34.0 | 10.8 | 33.1 | 9.5 | 2.9% |
|------------------------------|------|------|------|-----|------|

Net sales performance

in millions of Euro

| Net sales by geographical area | HY 2017 | % | HY 2016 | % | Change % | Change % (*) | Change % (**) |
|--------------------------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Europe | 267.2 | 48.3 | 291.4 | 44.8 | -8.3% | -7.8% | -6.7% |
| North America | 221.8 | 40.1 | 259.8 | 39.9 | -14.6% | -17.1% | -4.2% |
| Asia Pacific | 28.9 | 5.2 | 58.8 | 9.0 | -50.8% | -51.4% | -17.2% |
| Rest of the world | 34.7 | 6.3 | 41.0 | 6.3 | -15.5% | -20.0% | -5.3% |
| Total | 552.6 | 100.0 | 651.1 | 100.0 | -15.1% | -16.2% | -6.3% |

| Net sales by distribution channel | HY 2017 | % | HY 2016 | % | Change % | Change % (*) | Change % (**) |
|-----------------------------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Wholesale | 519.0 | 93.9 | 612.4 | 94.1 | -15.3% | -16.3% | -5.7% |
| Retail | 33.6 | 6.1 | 38.7 | 5.9 | -13.2% | -15.8% | -14.3% |
| Total | 552.6 | 100.0 | 651.1 | 100.0 | -15.1% | -16.2% | -6.3% |

(*) at constant exchange rates

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

| Net sales by geographical area | Q2 2017 | % | Q2 2016 | % | Change % | Change % (*) | Change % (**) |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Europe | 166.0 | 52.6 | 161.4 | 46.2 | 2.9% | 3.3% | 6.9% |
| North America | 107.4 | 34.1 | 132.7 | 38.0 | -19.1% | -20.8% | -7.6% |
| Asia Pacific | 17.9 | 5.7 | 32.1 | 9.2 | -44.4% | -44.6% | -3.8% |
| Rest of the world | 24.1 | 7.6 | 23.4 | 6.7 | 3.1% | -1.6% | 17.3% |
| Total | 315.3 | 100.0 | 349.5 | 100.0 | -9.8% | -10.6% | 1.2% |

| Net sales by distribution channel | Q2 2017 | % | Q2 2016 | % | Change % | Change % (*) | Change % (**) |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Wholesale | 295.2 | 93.6 | 327.6 | 93.7 | -9.9% | -10.6% | 2.0% |
| Retail | 20.1 | 6.4 | 21.9 | 6.3 | -8.3% | -10.7% | -8.8% |
| Total | 315.3 | 100.0 | 349.5 | 100.0 | -9.8% | -10.6% | 1.2% |

(*) at constant exchange rates

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

Balance Sheet

in millions of Euro

| | June 30, 2017 | December 31, 2016 | Change |
|--------------------------------------|---------------|-------------------|--------------|
| Net working capital | 283.5 | 261.7 | 21.7 |
| Tangible and intangible fixed assets | 683.3 | 710.0 | (26.7) |
| Financial fixed assets | 0.0 | 0.0 | 0.0 |
| Non-current assets held for sale | 1.4 | 1.5 | (0.0) |
| Other assets / (liabilities), net | (48.0) | (52.0) | 4.0 |
| Net invested capital | 920.3 | 921.2 | (0.9) |
| Net financial position | (112.7) | (48.4) | (64.3) |
| Group Shareholders' equity | (807.6) | (872.8) | 65.2 |
| Non-controlling interests | 0.0 | 0.0 | 0.0 |

Net Working Capital

in millions of Euro

| | June 30, 2017 | June 30, 2016 | Change |
|----------------------------|---------------|---------------|---------------|
| Trade receivables | 235.9 | 266.7 | (30.8) |
| Inventories | 271.1 | 268.6 | 2.4 |
| Trade payables | (223.5) | (230.2) | 6.7 |
| Net working capital | 283.5 | 305.2 | (21.7) |
| <i>% on net sales LTM</i> | 24.6% | 24.3% | |

Free Cash Flow

in millions of Euro

| | H1 2017 | H1 2016 |
|---|---------------|--------------|
| Cash flow from operating activities before changes in working capital | (5.6) | 31.9 |
| Changes in working capital | (30.8) | (18.9) |
| Cash flow operating activities | (36.4) | 13.0 |
| Cash flow investing activities | (20.8) | (22.4) |
| Free cash flow | (57.2) | (9.3) |

Exchange Rates

| Currency | Code | As of | | (Appreciation)/ Depreciation | Average for | | (Appreciation)/ Depreciation |
|------------------------|------|---------------|-------------------|---------------------------------|---------------|---------------|---------------------------------|
| | | June 30, 2017 | December 31, 2016 | % | June 30, 2017 | June 30, 2016 | % |
| US Dollar | USD | 1.1412 | 1.0541 | 8.3% | 1.0830 | 1.1157 | -2.9% |
| Hong-Kong Dollar | HKD | 8.9068 | 8.1751 | 9.0% | 8.4199 | 8.6669 | -2.8% |
| Swiss Franc | CHF | 1.0930 | 1.0739 | 1.8% | 1.0766 | 1.0959 | -1.8% |
| Canadian Dollar | CAD | 1.4785 | 1.4188 | 4.2% | 1.4453 | 1.4846 | -2.6% |
| Japanese Yen | YEN | 127.7500 | 123.4000 | 3.5% | 121.7804 | 124.4162 | -2.1% |
| British Pound | GBP | 0.8793 | 0.8562 | 2.7% | 0.8606 | 0.7787 | 10.5% |
| Swedish Krown | SEK | 9.6398 | 9.5525 | 0.9% | 9.5968 | 9.3020 | 3.2% |
| Australian Dollar | AUD | 1.4851 | 1.4596 | 1.7% | 1.4364 | 1.5218 | -5.6% |
| South-African Rand | ZAR | 14.9200 | 14.4570 | 3.2% | 14.3063 | 17.1977 | -16.8% |
| Russian Ruble | RUB | 67.5449 | 64.3000 | 5.0% | 62.8057 | 78.3228 | -19.8% |
| Brasilian Real | BRL | 3.7600 | 3.4305 | 9.6% | 3.4431 | 4.1310 | -16.7% |
| Indian Rupee | INR | 73.7445 | 71.5935 | 3.0% | 71.1760 | 74.9940 | -5.1% |
| Singapore Dollar | SGD | 1.5710 | 1.5234 | 3.1% | 1.5208 | 1.5398 | -1.2% |
| Malaysian Ringgit | MYR | 4.8986 | 4.7287 | 3.6% | 4.7511 | 4.5734 | 3.9% |
| Chinese Renminbi | CNY | 7.7385 | 7.3202 | 5.7% | 7.4448 | 7.2955 | 2.0% |
| Korean Won | KRW | 1,304.5600 | 1,269.3600 | 2.8% | 1,236.3302 | 1,318.8060 | -6.3% |
| Mexican Peso | MXN | 20.5839 | 21.7719 | -5.5% | 21.0441 | 20.1703 | 4.3% |
| Turkish Lira | TRY | 4.0134 | 3.7072 | 8.3% | 3.9391 | 3.25832 | 20.9% |
| Dirham United Emirates | AED | 4.1893 | 3.869601 | 8.3% | 3.97578 | 4.09588 | -2.9% |

Brands Portfolio

Polaroid

Dior

BOSS
HUGO BOSS

BOSS
HUGO BOSS

havaianas

CARRERA
EYEWEAR SINCE 1958

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^{oo}eyes

pierre cardin
PARIS

JACK SPADE

* From 2018