

Informal translation

Reference No.51156

File No. 12599

**MINUTES of the SHAREHOLDERS' MEETING
ITALIAN REPUBLIC
JULY 16th, 2014**

Year 2014, day 16th of the month of July.

In Milan,

Before me Mr. STEFANO RAMPOLLA, Public Notary registered with the Notary Public Role of Milan, is present personally - Mrs. Luisa Deplazes de Andrade Delgado, born in Sumvitg (Switzerland), on August 9th, 1966 resident, for the purposes of the office, at the registered offices of the Company;

of whose identity, I, Notary Public, am certain, who declares to intervene as Chief Executive Officer of the company:

"SAFILO GROUP S.P.A."

with registered office in Pieve di Cadore (BL), at Piazza Tiziano no. 8, Italy, with fully paid-in share capital of EURO 312,674,825, tax code number and registration number with the Company Register, ordinary section, of Belluno 03032950242 - no. BL-90811 R.E.A., and with its shares traded at the Mercato Telematico Azionario managed by Borsa Italiana S.p.A..

Provided that:

- in Milan - at Piazza Fontana no.3 - Starhotel Rosa Grand, on July 10th, 2014, the Extraordinary Shareholders' Meeting of the above-mentioned Company SAFILO GROUP S.p.A. was held and there convened in a single call at 3:00pm
- Luisa Delgado, as Chief Executive Officer, assumed the chair of the meeting until the end of it;
- I Public Notary, participating personally at the meeting, was appointed as Secretary of the Meeting, as resulting from the following report.

Provided that, it is ascertained as follows (pursuant to article 2375 c.c. and in accordance with the other applicable regulation, also on the basis of the status of the Company with its shares stocked at Borsa Italiana S.p.A.) the execution of the Extraordinary Shareholders' Meeting of Safilo Group S.p.A. held on July 10th, 2014.

"This day of Thursday 10th of the month of July of the year 2014 (two thousand fourteen) at 3:00pm, in Milan, at Piazza Fontana no.3 - Starhotel Rosa Grand,

Is held the Extraordinary Shareholders' Meeting of the company

SAFILO GROUP S.p.A.

with registered office in Pieve di Cadore (BL), at Piazza Tiziano no. 8, Italy, with fully paid-in share capital of EURO 312,674,825 tax code and registration number with the Company Register, ordinary section, of Belluno 03032950242

Informal translation

- no. BL-90811 R.E.A., whose shares are traded at Mercato Telematico Azionario managed by Borsa Italiana S.p.A.

Upon unanimous designation of the Shareholders' Meeting pursuant to Article 11 of the Articles of Association, the Chief Executive Officer, Mrs. Luisa Delgado, assumes the chair of the meeting.

The Chairman of the meeting invites the Public Notary Mr. Stefano Rampolla and asks if there are contrary votes on this proposal.

No contrary vote having been expressed, the Chairman of the Meeting, pursuant to article 5 of the Shareholders' Meeting Rules, requests the assistance of the Notary Public, in order to expose to those in attendance the items on the agenda and, in general, in order to fulfil all duties attributed to the Chairman pursuant to the Articles of Association and the abovementioned Shareholders' Meeting Rules and in order to verbalize the contents of this meeting.

The Public Notary Stefano Rampolla takes the floor and declares that:

- a recording system is in place for the purpose of recording the progress of the Meeting and facilitating, if necessary, the preparation of the answers to any questions and the successive drafting of the minutes;
- the attendees are invited not to introduce any recording machines or cameras or similar equipment;
- pursuant to Legislative Decree no. 196/2003 on data privacy protection, the data of the attendees of the Meeting will be collected and processed by the Company exclusively for the accomplishment of the mandatory corporate requirements;
- with reference to today's Meeting, no proxy solicitation has been made pursuant to articles 136 and subsequent of T.U.F..
- at present individuals representing themselves or through proxy no. 174 shareholders owning 38,565,640 shares, all duly deposited in compliance with the modalities and terms set forth by the law, equal to 61.670523% of the share capital, are in attendance, as the nominative list of the attendees of this Meeting, that will be attached to these minutes.

The Public Notary notifies and acknowledges that:

- the notice of the call of this Meeting was published on June 9th, 2014 on the Company's website at www.safilo.com/it/investors.html and it was published in the daily newspaper "La Repubblica" on June 9th, 2014, as well as sent to Borsa Italiana S.p.A. through the SDIR-NIS (SDIR-Network Information Service) system;
- the agenda is comprised of the following item:

Informal translation

1. Authorization of the convertibility, of the equity-linked bond named "Safilo Group S.p.A. Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019", and capital increase, payable and in a divisible form, with the exclusion of pre-emption rights pursuant to article 2441, paragraph 5 of the Italian Civil Code, by serving the conversion of the above mentioned bond by a maximum amount of Euro 150 million, inclusive of any possible share premium, by issuing ordinary shares of Safilo Group S.p.A. with a nominal value of Euro 5.00 each; amendments to article 5 of the Articles of Association; inherent and consequent resolutions.
- the Company has not received any request for integrations to the agenda, pursuant to Article 126 bis of Legislative Decree no. 58/1998 (T.U.F.);
- no questions on the items on the agenda were submitted; in addition to Mrs. Luisa Deplazes de Andrade Delgado, Chief Executive Officer, Mr. Melchert Frans Groot and Mr. Marco Jesi are also in attendance; the Chairman of the Board of Directors Mr. Robert Polet and the directors Mr. Giovanni Ciserani, Mr. Eugenio Razelli, Mr. Massimiliano Tabacchi and Mr. Jeffrey A. Cole have justified their absence;
- for the Board Statutory Auditors Mr. Franco Corgnati is in attendance; the Chairman of the Board of Statutory Auditors, Mr. Paolo Nicolai, and Ms. Bettina Solimando, the standing Statutory Auditor, have justified their absence;
- the Chairman of the Board of Directors Mr. Robert Polet, the director Mr. Jeffrey A. Cole and Ms. Bettina Solimando, standing Statutory Auditor follow the meeting via teleconference;
- the Company's share capital fully paid-in amounts to Euro 312,674,825 divided into no. 62,534,965 ordinary shares with a par value of Euro 5.00 (five) each;
- the shares of the Company are currently traded on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A.;
- with reference to the latest recording on June 30th, 2014, the number of registered shareholders is equal to 28,762;
- the Company does not hold own shares;
- the nominative list of the attendees to this Meeting, in their capacity as shareholders or attorneys, with the number of shares represented by each attendee, the indication of the delegating shareholders, as well as of the attendees voting as pledgees and beneficial owners, will be attached to these minutes;
- a summary of the interventions with the indication of

Informal translation

the names of the speakers, the answers given, and any related comments will be reported in the minutes of the Meeting;

- the names of the individuals who express a contrary vote, abstain from voting or leave the meeting before the vote, and the relevant number of shares owned and/or represented by such individuals, will be attached to these minutes;
- on the basis of the shareholders' ledger, as completed by the notices received under Article 120 of the Legislative Decree no. 58/1998 and other information made available to the Company, the shareholders in attendance who, directly or indirectly, hold more than 2% of the subscribed share capital of the Company are the following:

		No. of Shares	% on share capital (62,534,965)
1.	Multibrands Italy BV Dutch Company	26,073,783	41.6947%
2.	Only 3T. S.r.l. Italian Company	5,692,658	9.1032%
3.	Norges Bank for Government of Norway Norwegian Company	1,333,411	2.138%

- All 62,534,965 shares are deposited with Monte Titoli S.p.A. in a dematerialization regime;
- The major deposits for the attendance at this Shareholders' Meeting are:

Participant	No. of shares	% on share capital (62,534,965)
Multibrands Italy BV	26,073,783	41.6947 %
Only 3T. S.r.l.	5,692,658	9.1032%
Norges Bank for Government of Norway	1,282,628	2.0510%
FCP CIS Euro Opportunités	1,210,000	1.9349%

The Public Notary invites the shareholders to disclose any cause of exclusion or any lack of legitimation to the vote pursuant to the applicable law.

He declares that the Company notes the existence of a shareholder's agreement dated September 15th, 2013, between Multibrands Italy B.V., a Dutch entity, having its registered office in Rotterdam, The Netherlands, registered at the Companies' Register of Rotterdam under No. 24406290, owning ordinary shares, representing, on the date of the

Informal translation

signing of the agreement, 42.211% of the share capital of the Company, and Luisa Deplazes de Andrade Delgado, Swiss citizen, born in Sumvitg (Switzerland) on August 9th, 1966, resident in Padova, Fiscal Code DPLLSU66M49Z133M, currently Chief Executive Officer of the Company, having as its object, *inter alia*, the presentation of a list for the appointment of the members of the Board of Directors of the Company and the exercise of the voting rights of Multibrands Italy B.V. at the ordinary Shareholders' Meeting of the Company.

He further informs those present that CONSOB has recommended that experts, financial analysts, qualified journalists and representatives of the auditing firm which certifies the financial statements of the Company attend the meeting and reminds those present that it is the usual practice of Safilo Group S.p.A. to comply with the above recommendations.

As a consequence, qualified journalists, financial analysts are welcome as observers as well as certain employees of the Company, for operative purposes. Also Mr. Vincenzo Giannelli, Chief Financial Officer and other managers of the Safilo Group, are in attendance.

The Public Notary continues and notifies that:

- the verification on the legitimacy of the proxies has taken place pursuant to article 2372 of the Italian Civil Code and the applicable Articles of Association;
- the Company has duly fulfilled the information requirements set forth by the applicable provisions of law and regulations with respect to the items on the agenda, the relevant documentation having been deposited in compliance with the terms and modalities set forth by the law;
- in particular, the documentation relating to the convened Meeting, including the report referred to under 125 ter of the T.U.F. (the reports on the items on the agenda), drawn up also pursuant to article 72 of the Consob Regulation and to Annex 3A - Model no. 2, and as well as the Report of the Auditing Firm Deloitte & Touche S.p.A. pursuant to article 2441, paragraphs 5 and 6, of the Italian Civil Code and article 158, paragraph 1, of the T.U.F. - that will be attached to these minutes - has been made available, deposited and published pursuant to the applicable law and regulation and within the terms prescribed by law, in particular it has been delivered to Consob, deposited with the registered office of the Company, published in a special area of the website of the Company and made available at the central storage of regulated information;
- The above-mentioned documentation is available and it

Informal translation

has been distributed to the shareholders or to their proxies who intervened;

- that the Shareholders' Meeting is convened in single call.

Having said that, with the favourable opinion of the Chairman of the Meeting, the Public Notary declares the Extraordinary Shareholders' Meeting validly convened, in the single call, in compliance with the law and with the Articles of Association, to discuss on and resolve upon the item on the agenda, already read.

The Public Notary informs the attendees of the modalities for the discussion during the Meeting and he specifies that, after the introduction of the item on the agenda, shareholders wishing to speak will be given the floor; he invites all attendees who intend to speak to make a reservation by a show of hands and by giving his/her data. In relation to the interventions that will follow and the relevant questions, such interventions will be preliminarily made and the relevant questions collected.

He recommends those present to intervene briefly on the specific topic under discussion, each intervention shall not exceed 5 minutes, in accordance with article 8.3 of the Shareholders' Meetings Rules and without prejudice to the possibility, in consideration of the importance of each single item as well as of the number of interventions booked, to allow a longer duration of each intervention. Upon request, after the clarifications and answers given to the questions, a short reply will be allowed from the shareholders, preferably to be made within 3 minutes and without prejudice to the possibility to allow a longer duration of the reply, should the circumstances referred to above occur.

The Public Notary reminds those present that, upon registration and entry into the meeting room, each shareholder or person entitled to vote and their proxies received an attendance form, it being understood that the proxies have notified the staff in charge, in accordance with the law, of the circumstance by which each of them is attending the meeting in representation of other shareholders.

He invites the shareholders not to leave the room, to the extent possible, during the course of the meeting. Whoever leaves the meeting, even temporarily, shall inform the staff in charge at the exit of the room so as to allow the regular course of the meeting and the voting procedures; the procedure records the time of leaving and the time of any re-entry.

The Public Notary reminds that, before each vote, the number of attending shareholders will be acknowledged, and the personal data of those who declare their intention not

Informal translation

to express the vote will be verified. The voting on the item on the agenda will take place by a show of hands and the contrary and/or abstaining shareholders shall communicate their name for the purpose of the minutes.

Lastly, he requests the attendees not to leave the room, to the extent possible, until the voting procedures and the declaration on the outcomes of the vote have been communicated, in view of the fact that, in accordance with the Consob Regulation, the minutes of the Meeting must name those shareholders who leave the Meeting before every vote and specify the related number of their shares.

Upon proposal of the Chairman of the Meeting, the Public Notary starts with the discussion of the only item on the agenda of the Extraordinary Shareholders' Meeting:

"1. Authorization of the convertibility, of the equity-linked bond named "Safilo Group S.p.A. Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019", and capital increase, payable and in a divisible form, with the exclusion of pre-emption rights pursuant to article 2441, paragraph 5 of the Italian Civil Code, by serving the conversion of the above mentioned bond by a maximum amount of Euro 150 million, inclusive of any possible share premium, by issuing ordinary shares of Safilo Group S.p.A. with a nominal value of Euro 5.00 each; amendments to article 5 of the Articles of Association; inherent and consequent resolutions."

The Public Notary reminds the attendees that the illustrative report of the Board of Directors concerning the capital increase prepared pursuant to article 125 ter T.U.F. and article 72 of the Issuers' Regulation and in accordance with Model no. 2 of Annex 3A, has been duly delivered to Consob, deposited with the registered office of the Company, published in a special area of the Company's website, within the terms prescribed by law, made available at the central storage of regulated information, sent to the people who have requested it from the Company and distributed to all shareholders in attendance. The above-mentioned report of the Auditing Firm has been published.

The Public Notary, before the discussion, reminds those present that this Extraordinary Shareholders' Meeting has been called to resolve upon the proposal to authorise the conversion into Safilo Group ordinary shares of the equity-linked bond of nominal amount of Euro 150,000,000, due to expire on May 22nd, 2019, named "Safilo Group S.p.A. Euro 150 million 1.25 per cent Guaranteed Equity-Linked Bonds due 2019", issued on May 22nd, 2014 (the "Bond") and, as a consequence, the proposal to increase the share capital of Safilo Group, by serving the Bond, payable and in a

Informal translation

divisible form, with exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, up to a maximum of Euro 150 million, inclusive of any possible share premium, to be issued at one or more times, by issuing Safilo Group ordinary shares, with nominal value of Euro 5.00 each, having the same characteristics of the outstanding ordinary shares (the "Capital Increase").

The proposed Capital Increase, which terms and conditions were set pursuant to article 2441, paragraph 6, of the Italian Civil Code and to its standards, is therefore aimed at serving the conversion into Safilo Group ordinary shares granted to the bondholders (the "Bonds") as per the Bond, as approved, *inter alia* and within its powers, by the Board of Directors on May 14th, 2014, which determined also the main terms and conditions of the Bond issue, pursuant to articles 2410 and following of the Italian Civil Code. In particular, the Bond and its final terms and conditions were resolved - as indicated in the minutes of the *determina* taken by the Public Notary Mr. Stefano Rampolla of Milan, rep. No. 50495, archive No.12432, by the Chief Executive Officer on May 15th, 2014.

On the same date it was started and concluded, the placement of the Bond, by finalising the conditions of the same, with Italian and foreigners qualified investors, with the exclusion of any offer to the public or countries where this type of offer is not permitted.

Finally, he points out that the issue is part of the refinancing of Safilo Group's indebtedness which arises *inter alia*, from the loan agreement signed by the subsidiaries Safilo S.p.A. and Safilo USA Inc. originally in 2006 and due to expire in June 2015

Mr Gabriele Ramponi, representing by proxy the shareholder Multibrands Italy B.V., asks leave to speak, who, in consideration of the fact that the shareholders have already had the chance to consult the documents deposited in relation to this item on the agenda, proposes to omit the integral reading of said documents and to move directly onto the relevant discussion.

The Shareholders' Meeting unanimously approves .

The Public Notary invites, therefore, the shareholders to book their interventions by way of a show of hands in order to arrange the order of the various interventions; he then declares the discussion open and specifies that, if questions of a technical nature are made, he will have the faculty to suspend the meeting for the time necessary to elaborate the relevant answers.

The shareholder Davide Reale takes the floor and, after greeting those in attendance, firstly asks what is the reason why the shareholders' meeting has been convened in Milan. He remembers that, when he was a boy, he would

Informal translation

attend the shareholders' meetings in Padova, accompanied by his father. He then expresses his fear that the reason for choosing Milan is the advisors' convenience.

With reference to the agenda, he points out that the transaction to be resolved upon by the shareholders' meeting consists of an equity-linked bond convertible into a capital increase and he comes to the conclusion that it is a capital injection. He asks about the availability of resources and explains that it is his understanding that the transaction refers to a 2006 debt. He believes that what is important now is the future outlook and reminds that the company performance, with reference to the 2013 rating, was excellent. He reminds it was a successful period and the rating increased from 4 to 16 Euro. However now the growth seems to have stopped and he expresses his fear that it might have been a flash in the pan. He strongly believes that the company has put and is putting a lot of effort into the business but he also underlines that the main macro-economic indicators highlight a downturn: the shareholders' net capital fell as well as the turnover; he underlines that the half-quarter results highlighted an improvement.

He then asks the Chief Executive Officer - whom he considers a lovely person - if she would like, on the occasion of the present shareholders' meeting and even if it is not related to the yearly financial statements, to dwell on the outlook of the company and on the actual actions to be taken to reach again the results of the previous year, that, he believes, can hardly be performed again.

He would like to end his intervention by making a criticism: the relevant documentation is not available on the website of Borsa Italiana. With reference to 2013, he points out that the documentation available is less than 2012. In particular he reports that neither the minutes of the ordinary shareholders' meeting for the approval of the 2013 Financial Statements nor those for the approval of the first quarter results of 2014 were available. He therefore asks for a more efficient release of the official documentation.

The Chief Executive Officer replies explaining that, first of all, the shareholders' meetings will not be held in Milan anymore and that today's meeting was held in Milan for practicality's sake, also taking into account that the transaction mentioned in the agenda was followed by Linklaters, which is based in Milan and she states that the location of the future shareholders' meetings will be Padova.

With reference to today's shareholders' meeting she confirms that it is related to a refinancing transaction

Informal translation

following a previous one and expiring in 2015 and she confirms that the Company's aim is to refinance itself for the next five years.

She states that she deems as more important the question about the company's future outlook. She acknowledges that, starting from 2013, the stock has made great strides, which shows the potentiality of the company at that time; however she points out that the company was underestimated at a market level.

She explains that the company is starting a new working, operational and global computing integration phase.

She further explains that it is a mid-long term construction phase based on the good work performed in the last two/three years. Therefore, she believes that it is now time to focus on the product value, its quality and craftsmanship; therefore the performance may be slower but deeper and more mid-long term.

In conclusion, she states that, looking forward, the goal is to make Safilo stronger and more sustainable in the mid-long term.

With reference to the documentation, she explains that all deadlines are met and asks the managers who are in attendance if they can answer the specific question on the website.

Mr. Vincenzo Giannelli, Group Chief Financial Officer, briefly takes the floor and confirms that all documents are available on the company's website and timely updated; he declares to have taken note of the inefficiencies of the website of Borsa Italiana declining any responsibility for that and promising to take action with reference to such inconvenience.

The Chief Executive Officer takes the floor again confirming Mr. Vincenzo Giannelli's answer and no intervention having been requested she asks the Public Notary to move on with the meeting.

The Public Notary requests to disclose any cause of exclusion or any lack of legitimization to the vote pursuant to the applicable provisions of law.

No shareholders having requested to intervene.

the Public Notary asks authorized staff if there is any variation in the list of attendees, the answer is negative.

The Public Notary asks to put to the vote the proposal of resolution contained in the Directors' Report to the Extraordinary Shareholders' Meeting and specifies that - differently to what was indicated in the above-mentioned report - the numerical amount of the share capital specified under article 5 of the Articles of Association has been updated to a partial execution of the share capital increase related to the "Stock Option Plan Safilo Group S.p.A. 2010 - 2013", executed on July 2nd, 2014.

Informal translation

The Public Notary hereby reads as follows:

"The Shareholders' General Meeting of Safilo Group S.p.A., convened as an extraordinary meeting:

- considered the Report of the Board of Directors;
- acknowledged the main terms and conditions of the Bond, as reported in the Report of the Board of Directors;
- acknowledged the opinion on the adequacy of the issue price released by the audit firm Deloitte & Touche S.p.A.;
- acknowledged the opportunity to proceed to the extents and in the ways mentioned above;

resolves

- 1) to provide and authorise, pursuant to the provisions of the regulation, the convertibility of the equity-linked Bond of a nominal amount of Euro 150,000,000, with due date May 22nd, 2019, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019", and therefore to approve the proposal of the capital increase in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, by a maximum amount of Euro 150,000,000.00, inclusive of any possible share premium, to be issued in one or more times, by means of the issue of ordinary shares of the Company with a nominal value of Euro 5.00 each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the above-mentioned equity-linked Bond, pursuant to the terms of the related Regulation of the Bond, at a price per share (including the nominal value and the share premium) equal to Euro 21.8623, without prejudice to eventual adjustments to the conversion price as provided by the Regulation of the Bond. The number of shares available for the eventual conversion shall be determined by dividing the nominal value of the Bonds, in relation to which the conversion right shall be exercised, by the above-mentioned conversion price (or the one which, if the case, is in force on the relevant date of conversion), rounded down to the nearest whole number of ordinary shares and being understood the limit of the nominal value of the share. They shall not issue or deliver portions of shares and no payment in cash or adjustment shall be executed instead of such portions;
- 2) to approve to send by the Chairman and the Chief Executive Officer, also individually and with power of sub-delegation, a communication to the bondholders, as a consequence of which the right of conversion into

Informal translation

ordinary shares of the Company which already exist and/or newly issued shall be granted to the bondholders;

- 3) to decide that the due date for the underwriting of the new ordinary shares is on June 30th, 2019, due date of the bond, "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019" it being understood that the capital increase is irrevocable until the deadline of the last due date for the Bonds conversion and that in the event that, on that date, the Capital Increase is not completely underwritten, the capital increase shall be, in any case, considered increased by an amount equal to the collected underwritings, and since the underwritings, provided that the following such underwritings are after the registration of this resolution at the Registry of Companies with express authorisation to the directors to issue new shares every time they are underwritten;
- 4) to modify consequently article 5 of the Company's Articles of Association adding the following: *"The capital is of Euro 312,674,825.00 (three hundred and twelve million, six hundred and seventy four thousand eight hundred and twenty five/00) and it is divided in No. 62,534,965 (sixty two million five hundred and thirty four thousand nine hundred and sixty five) ordinary shares with nominal value of Euro 5,00 (five/00) each.*

The pre-emption right could be excluded in relation to the capital increase, within the limit of the ten per cent of the pre-existing capital, upon condition that the issue price equals the market value and this shall be confirmed in a specific report of the audit firm, pursuant to article 2441, fourth paragraph, second sub-paragraph, of the Italian Civil Code.

In light of the above, the extraordinary general meeting of November 5, 2010 has approved the capital increase by maximum nominal Euro 8,500,000.00 (eight million five hundred thousand/00) by means of issue of new ordinary shares equal to a maximum of No. 1,700,000 (one million seven hundred thousand) at nominal value of Euro 5,00 (five/00) each, each one to be offered to be underwritten to directors and/or employees of the Company and the subsidiaries of the Company. In light of the above, the extraordinary general meeting of April 15, 2014 has approved to increase the share capital by maximum nominal Euro 7,500,000.00 (seven million five hundred thousand/00) by means of the issue of new ordinary shares equal to a maximum of No. 1,500,000 (one million five hundred

Informal translation

thousand) at nominal value of Euro 5,00 (five/00) each, each one to be offered to be underwritten to directors and/or employees of the Company and subsidiaries of the Company.

The extraordinary general meeting of July 10th, 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, for a maximum amount of Euro 150,000,000 (one hundred and fifty million), inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value of Euro 5,00 (five/00) each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000 (one hundred and fifty million), with due date May 22nd, 2019, reserved to qualified investors, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019", it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30th, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten.";

- 5) to authorise the Chairman of the Board of Directors and Chief Executive Officer, individually and with power of sub-delegation, to update the figures provided by article 5 of the Articles of Association, as amended, following the partial and/or total exercise of the conversion rights by the bondholders and the following partial and/or total capital increase to serve the Bond, providing also the relevant filings with the Registry of Companies;
- 6) to authorise the Board of Directors and, through it, the Chairman and the Chief Executive Officer, so that they individually and with power of sub-delegation, with all the powers, provide also by means of special attorneys, (i) to execute the resolutions, being also authorised to make amendments requested by the competent Authorities, as well as the eventual abolitions, extensions, amendments and integrations which may be requested to register with the Registry of Companies, providing also for the filing of the updated Company's Articles of Associations following

Informal translation

the approval of the transaction, and also (ii) to implement everything requested, necessary and useful for the total fulfilment of what has been resolved".

At the end of the reading, the Public Notary invites the proxies, if they will express differentiated votes depending on the delegators, to report specifically this circumstance as permitting the exact counting the votes.

The above-mentioned proposal is put to vote, by a show of hands, and at the end, the Public Notary declares it is approved by the Shareholders' Meeting with the majority of votes, specifying that no. 174 persons entitled to vote, owning 38,565,640, shares voted, and that:

- no. 37,206,512 votes in favour, corresponding about to 96.475806% of the voting capital and of 59.497134% of the share capital;
- no. 1,359,128 votes against, corresponding about to 3.524194% of the voting capital and to 2.173389% of the share capital;
- no abstained.

all the above as detailed in the schedule that will be attached to these minutes.

The Chairman of the Meeting thanks the Shareholders for their participation at the Meeting, which she declares closed at 3:33pm."

As requested by Ms. Luisa Delgado the following documentation is attached:

- sub "A", in a single package, the documents regarding the attendances and the results of the vote;
- sub "B", the report of the Directors drawn up pursuant to article 125 ter T.U.F. and to article 72 Consob Regulation;
- sub "C", the report of the Auditing Firm Deloitte & Touche S.p.A.;
- the full text of the Articles of Association, updated according to the amendments resolved by the Shareholders' Meeting.

I, Public Notary, have read in front of the present this deed, and she has approved it and signed it with me at 9:17am. The reading of the relevant attachments is omitted duly authorised by the present.

The deed has mainly been typed by a trusted person and completed by me by hand, on no. 15 half-papers written on the first page for a total of 15 pages up to the present one.

Elenco Intervenuti (Tutti ordinati cronologicamente)

Assemblea Straordinaria

Badge	Titolare	Tipo Rap.	Deleganti / Rappresentati legalmente	Straordinaria
1	ESPOSITO MARCO			0
1	D		DUPONT DEFINED CONTRIBUTION PLAN TRUST	28.891
2	D		DOMINION RESOURCES INC. MASTER TRUST	4.418
3	D		LOCKHEED MARTIN CORP MASTER TRUST	8.407
4	D		MT AGREEMENT BETWEEN PFINZER&NT COMPANY	29.950
5	D		EXELON CORPORATION PENSION MASTER RETIRE	26.818
6	D		NTGI-QM COMMON DAILY ALL COUNTRY WORLD E	838
7	D		R.R.DONNELLEY E SONS RET BENEF PLAN	4.422
8	D		UTAH STATE RETIREMENT SYSTEMS	5.877
9	D		AMERICAN HONDA MOTOR CO RETIREMENT	4.632
10	D		EMPLOYEES RET FUND - CITY OF DALLAS	4.877
11	D		1199 SEIU HEALTH CARE EMPLOYEES PENSION	94.802
12	D		COLORADO PUBLIC EMPLOYEES RETIREMENT	2
13	D		MUNICIPAL EMPLOYEES ANNUITY AND BENEFIT FUND OF CHICAGO	3.886
14	D		NATIONAL COUNCIL FOR SOCIAL SEC FUND	2.926
15	D		ONTARIO PUBLIC SERVICE EMPLOYEES UNION PENSION PLAN TRUST FUND	153.400
16	D		FORD MOTOR COMPANY DEFINED BENEFIT	2.443
17	D		NT GLOBAL INVESTMENT COLL FUNDS	27.714
18	D		NATIONAL RAILROAD INVESTMENT TRUST	83.377
19	D		NEW ZEALAND SUPERANNUATION FUND	3.666
20	D		LOS ANGELES CITY EMPLOYEES RETIREM.	10.925
21	D		CITY OF LOS ANGELES FIRE POLICE PLAN	3.222
22	D		FORD MOTOR COMPANY OF CANADA	154
23	D		NATIONAL WESTMISTER BANK AS TR BARING EU	219.548
24	D		WHEELS COMMON INVESTMENT FUND	1.172
25	D		CHURCH OF ENGLAND INV FD FOR PENSION	56.400
26	D		ABU DHABI RETIREMENT PENSION FUND	4.091
27	D		GMO INTERNATIONAL SMALL COMPANIES FUND	22.094
28	D		SEI INST INVEST TRUST WORLD EQ EX-US FUN	20.195
29	D		SCHWAB FUNDAM INTER SMALL- COMP INDEX FD	5.145
30	D		VANGUARD TOTAL WORLD STOCK INDEX FUND	3.221
31	D		VANGUARD FTSE ALL WORD SMALL CAP IND F.	33.345
32	D		CAMGESTION EURO MID CAP	305.000
33	D		CAMGESTION ACT. CROISS.	132.828
34	D		FCP ECHIQUIER AGENOR	1.018.300
35	D		FCP ASSURANCE DIVERSIFIEE	15.300
36	D		FCP BNP PARIBAS SMALL CAP EUROLAND	227.028
37	D		HENDERSON UK EUROPE FUNDS BNP PARIBAS SECURITIES SERVICES	70.738
38	D		BAYVK A3 FONDS	8.603
39	D		HENDERSON HORIZON FUND SICAV	826.073
40	D		HENDERSON GARTMORE FUND	141.887
41	D		FCP ITHAQUE	62.500
42	D		FCP ULYSSE	529.938
43	D		FCP BEL VAL	50.000
44	D		FCP UNION EUROPE GROWTH	248.000
45	D		FCP CIC EURO OPPORTUNITES	1.210.000
46	D		BANQUE PICTET & CIE SA/NON RES EXEMPT GCT	16.200
47	D		IGS-ACTIONS EUROPE EVOLUTION	2.584
48	D		PICTET - SMALL CAP EUROPE	366.717

Elenco Intervenuti (Tutti ordinati cronologicamente)

Assemblea Straordinaria

Badge	Titolare	Tipo Rap.	Deleganti / Rappresentati legalmente	Straordinaria
49	D		COMGEST GROWTH PLC	128.280
50	D		VANGUARD INVESTMENT SERIES, PLC	3.766
51	D		H.E.S.T. AUSTRALIA LIMITED	165.800
52	D		C&J CLARK PENSION FUND	3.210
53	D		VANGUARD INTERNATIONAL SMALL COMPANIES I	2.202
54	D		THE BOEING COMPANY EMPLOYEE RETIREMENT P	17.001
55	D		BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	325
56	D		ONEPATH GLOBAL SHARES - SMALL CAP UNHEDGED) INDEXPOOL	54
57	D		ASPIRIANT RISK MANAGED GLOBAL EQUITY FUND	1.703
58	D		KRAFT FOODS MASTER RETIREMENT TRUST	43.017
59	D		BOILERMAKER BLACKSMITH NATIONAL PENSION	13.497
60	D		NORGES BANK (CENTRAL BANK OF NORWAY)	27.983
61	D		NEW YORK STATE COMMON RETIREMENT FUND	20.059
62	D		GOVERNMENT OF NORWAY	1.282.628
63	D		WYOMING RETIREMENT SYSTEM	814
64	D		PETERCAM B FUND	26.000
65	D		PETERCAM HORIZON B	15.000
66	D		PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OH	73.876
67	D		VANGUARD TOTAL INTERNATIONAL STOCK INDEX	174.833
68	D		PEERLESS INSURANCE COMPANY	7.404
69	D		FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	2.113
70	D		ALTRIA CORPORATE SERVICES MASTER RETIREM	27.554
71	D		CANADA POST CORPORATION PENSION PLAN	16.646
72	D		EUROPEAN WEALTH INVESTMENT FUND PLC	9.235
73	D		TR EUROPEN GROWTH TRUST PLC	292.023
74	D		BNS CONNOR CLARK AND LUNN WHOLESALE FINANCIAL INC	2.177
75	D		ODDO ET CIE	136.903
76	D		FCP ASTORG CROISSANCE MID CAP	31.153
77	D		PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO CRESCITA	29.684
78	D		PIONEER ASSET MANAGEMENT SA	14.432
79	D		ODDO ASSET MANAGAMENT	4.744
80	D		LA FRANCAISE DES PLACEMENTS	7.550
81	D		ACADIAN GLOBAL LEVERAGED MARKET NEUTRAL MASTER FUND	7.039
82	D		COMPASS OFFSHORE HTV PCC LIMITED	54
83	D		COMPASS HTV LLC	70
84	D		GOTHAM CAPITAL V LLC	749
85	D		BRYN MAWR CAPITAL L.P.	184
86	D		ROSEMONT OFFSHORE FUND LTD	137
87	D		MFP MANAGERS SPC-BRYN MAWR SEGREGATED PORTFORLIO CRICKET SQUARE	43
88	D		TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC CORPORATION SERVICE COMPANY	3.151
89	D		HIGHMARK LIMITED - HIGHMARK US EQUITIES	84
90	D		TWO SIGMA EQUITY PORTFOLIO, LLC	1.655
91	D		TWO SIGMA SPECTRUM PORTFOLIO LLC.	1.823
92	D		FORWARD INTERNATIONAL SMALL COMPANIES FUND	105.284
93	D		SONOMA COUNTY EMPLOYEES RETIREMENT ASSOCIATION	248

Elenco Intervenuiti (Tutti ordinati cronologicamente)

Assemblea Straordinaria

Badge	Titolare	Tipo Rap.	Deleganti / Rappresentati legalmente	Straordinaria
94	D		SCHWAB INTERNATIONAL SMALL-CAP EQUITY ETF	838
95	D		SCHWAB FUNDAMENTAL INTERNATIONAL SMALL COMPANY ETF	644
96	D		OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	12.171
97	D		INTERNATIONAL MONETARY FUND	196
98	D		ARIZONA STATE RETIREMENT SYSTEM	42.896
99	D		OBLATE INTERNATIONAL PASTORAL INVESTMENT TRUST	11.282
100	D		UAW RETIREE MEDICAL BENEFITS TRUST	7.285
101	D		DYNAMIC EUROPEAN VALUE FUND	130.000
102	D		LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION	6.950
103	D		MARYLAND STATE RETIREMENT & PENSION SYSTEM	190
104	D		CITY OF NEW YORK GROUP TRUST	49.270
105	D		COPPER ROCK CAPITAL GLOBAL SMALL CAP FUND	187.851
106	D		SUNSUPER SUPERANNUATION FUND	11.380
107	D		CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	113.308
108	D		CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	21.107
109	D		SOUTH CALIF UTD FOOD & COMM WK UN & FOOD EMPL JOINT PENS TR F	209
110	D		WASHINGTON STATE INVESTMENT BOARD	8.977
111	D		SSGA RUSSELL FD GL EX-US INDEX NONLENDING QP COMMON TRUST FUND	1.918
112	D		SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	30.909
113	D		AXA WORLD FUNDS	330.000
114	D		UBS ETF	1.694
115	D		ISHARES MSCI EAFE SMALL CAP ETF	53.721
116	D		ISHARES DEVELOPED SMALL-CAP EX NORTH AMERICA ETF	1.530
117	D		BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	126.660
118	D		ISHARES CORE MSCI EAFE ETF	5.385
119	D		BGI MSCI EAFE SMALL CAP EQUITY INDEX FUND B	11.889
120	D		BGI MSCI EMU IMI INDEX FUND B	1.886
121	D		STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	694
122	D		COLLEGE RETIREMENT EQUITIES FUND	2.003
123	D		REGIME DE RENTES DU MOUVEMENT DESJARDINS	42.995
124	D		SPDR S&P INTERNATIONAL SMALL CAP ETF	1.657
125	D		MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN	76.802
126	D		SPDR MSCI EUROPE SMALL CAP UCITS ETF	116
127	D		MAJOR LEAGUE BASEBALL PLAYERS PENSION PLAN	115
128	D		MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	2.397
129	D		ISHARES VII PLC	40.673
130	D		ADVANCED SERIES TRUST AST GOLDMAN SACHS MULTI ASSET PORTFOLIO	2.483
131	D		POWERSHARES FTSE RAFI DEVELOPED MARKETS EX-US SMALL PORTFOLIO	2.364
132	D		POWERSHARES GLOBAL FUNDS IRELAND PLC	2.148
133	D		NBT MAIN A C (NCB CLEARING SVCS)	137.000
134	D		STG PFDS V.D. GRAFISCHE	8.043
135	D		LOMBARD ODIER FUNDS	333.684
136	D		FCP PATRIMOINE	100.000

Elenco Intervenuti (Tutti ordinati cronologicamente)

Assemblea Straordinaria

Badge	Titolare	Tipo Rap.	Deleganti / Rappresentati legalmente		Straordinaria
137	D		FCP GROUPAMA AVENIR EURO		630.645
138	D		FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS		200.000
139	D		FCP GROUPAMA PHARMA DIVERSIFIE		90.703
140	D		FCP RSI EUROPE S		15.623
141	D		FCP CONTI GESTION		44.000
142	D		REUNICA EQUILIBRE ACTIONS DIV		16.528
143	D		FCP BOURBON 6		19.334
144	D		ARROWSTREET GLOBAL EQUITY GBP		11.199
145	D		ACADIAN INTERNATIONAL SMALL CAPFUND		208.945
146	D		ACADIAN INTERNATIONAL ALL-CAP FUND		3.526
147	D		ALASKA PERMANENT FUND CORPORATION		5.460
148	D		THE CLEVELAND CLINIC FOUNDATION		918
149	D		COMMONWEALTH OF PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM		39.111
150	D		THE STATE OF CONNECTICUT ACTINGTHROUGH ITS TREASURER		42
151	D		BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN		425
152	D		FLORIDA RETIREMENT SYSTEM .		173.136
153	D		LIBERTY MUTUAL RETIREMENT PLAN MASTER TRUST		8.424
154	D		PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPI		22.250
155	D		TREASURER OF THE STATE OF NORTHCAROLINAEQUITY INVESTMENT FUND POOLED		255
156	D		ONTARIO POWER GENERATION INC. PENSION PLAN		25.514
157	D		INDIANA PUBLIC EMPLOYEES RETIREMENT FUND		1.190
158	D		ARIZONA PSPRS TRUST		5.780
159	D		GLOBAL ALPHA EAFE SMALL CAP EQUITY FUND		4.263
160	D		SEMPRA ENERGY PENSION MASTER TRUST		1.346
161	D		SAINT LOUIS UNIVERSITY		7.623
162	D		UMC BENEFIT BOARD, INC		638
163	D		UNITED TECHNOLOGIES CORP. MASTER RETIREMENT TR		45.908
164	D		VIRGINIA RETIREMENT SYSTEM .		9.017
165	D		WELLPOINT MASTER TRUST		2.936
166	D		WEST VIRGINIA INVESTMENT MANAGEMENT BOARD		112.608
167	D		IRISH AIRLINES (PILOTS) SUPERANNUATION SCHEM		25.906
168	D		NATIONAL PENSIONS RESERVE FUND COMMISSION		3.120
169	D		CF DV ACWI EX-U.S. IMI FUND		520
170	D		ROGERSCASEY TARGET SOLUTIONS LLC.		1.949
171	D		ING PARAPLUFONDS I N.V.		3.000
172	D		CENTRICA COMBINED COMMON INVESTMENT FUND		21.953
			Totale azioni		12.491.856 19,975794
2			REALE DAVIDE GIORGIO		1 0,000002%
3			RAMPONI GABRIELE		0
1	D		MULTIBRANDS ITALY B.V.		26.073.783
			Totale azioni		26.073.783 41,694727

Elenco Intervenuti (Tutti ordinati cronologicamente)

Assemblea Straordinaria

Badge	Titolare	Tipo Rap.	Deleganti / Rappresentati legalmente	Straordinaria
			Totale azioni in proprio	1
			Totale azioni in delega	38.565.639
			Totale azioni in rappresentanza legale	0
			TOTALE AZIONI	38.565.640
				61,670523%
			Totale azionisti in proprio	1
			Totale azionisti in delega	173
			Totale azionisti in rappresentanza legale	0
			TOTALE AZIONISTI	174
			TOTALE PERSONE INTERVENUTE	3

Legenda:

D: Delegante

R: Rappresentato legalmente

ELENCO PARTECIPANTI

MINATIVO PARTECIPANTE DELEGANTI E RAPPRESENTATI	Parziale	Totale	PRESENTI ALLE VOTAZIONI Straordinaria	
			1	
SPOSITO MARCO PER DELEGA DI		0		
DUPONT DEFINED CONTRIBUTION PLAN TRUST AGENTE:NORTHERN TRUST -LO	28.891		-	
EMPLOYEES RET FUND - CITY OF DALLAS AGENTE:NORTHERN TRUST .LO	4.877		-	
UAW RETIREE MEDICAL BENEFITS TRUST AGENTE:STATE STREET BANK AND TRUST COMPANY	7.285		-	
DYNAMIC EUROPEAN VALUE FUND AGENTE:STATE STREET BANK AND TRUST COMPANY	130.000		-	
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION AGENTE:STATE STREET BANK AND TRUST COMPANY	6.950		-	
MARYLAND STATE RETIREMENT & PENSION SYSTEM AGENTE:STATE STREET BANK AND TRUST COMPANY	190		-	
CITY OF NEW YORK GROUP TRUST AGENTE:STATE STREET BANK AND TRUST COMPANY	49.270		-	
COPPER ROCK CAPITAL GLOBAL SMALL CAP FUND AGENTE:STATE STREET BANK AND TRUST COMPANY	187.851		-	
SUNSUPER SUPERANNUATION FUND AGENTE:STATE STREET BANK AND TRUST COMPANY	11.380		-	
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM AGENTE:STATE STREET BANK AND TRUST COMPANY	113.308		-	
CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM AGENTE:STATE STREET BANK AND TRUST COMPANY	21.107		-	
SOUTH CALIF UTD FOOD & COMM WK UN & FOOD EMPL JOINT PENS TR F AGENTE:STATE STREET BANK AND TRUST COMPANY	209		-	
1199 SEIU HEALTH CARE EMPLOYEES PENSION AGENTE:NORTHERN TRUST -LO	94.802		-	
WASHINGTON STATE INVESTMENT BOARD AGENTE:STATE STREET BANK AND TRUST COMPANY	8.977		-	
SSGA RUSSELL FD GL EX-US INDEX NONLENDING QP COMMON TRUST FUND AGENTE:STATE STREET BANK AND TRUST COMPANY	1.918		-	
SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL AGENTE:STATE STREET BANK AND TRUST COMPANY	30.909		-	
AXA WORLD FUNDS AGENTE:STATE STREET BANK AND TRUST COMPANY	330.000		-	
UBS ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	1.694		-	
ISHARES MSCI EAFE SMALL CAP ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	53.721		-	
ISHARES DEVELOPED SMALL-CAP EX NORTH AMERICA ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	1.530		-	
BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR AGENTE:STATE STREET BANK AND TRUST COMPANY	126.660		-	
ISHARES CORE MSCI EAFE ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	5.385		-	
BGI MSCI EAFE SMALL CAP EQUITY INDEX FUND B AGENTE:STATE STREET BANK AND TRUST COMPANY	11.889		-	
COLORADO PUBLIC EMPLOYEES RETIREMENT AGENTE:NORTHERN TRUST -LO	2		-	
BGI MSCI EMU IMI INDEX FUND B AGENTE:STATE STREET BANK AND TRUST COMPANY	1.886		-	
STATE OF ALASKA RETIREMENT AND BENEFITS PLANS AGENTE:STATE STREET BANK AND TRUST COMPANY	694		-	
COLLEGE RETIREMENT EQUITIES FUND AGENTE:STATE STREET BANK AND TRUST COMPANY	2.003		-	
REGIME DE RENTES DU MOUVEMENT DESJARDINS AGENTE:STATE STREET BANK AND TRUST COMPANY	42.995		-	
SPDR S&P INTERNATIONAL SMALL CAP ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	1.657		-	
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN AGENTE:STATE STREET BANK AND TRUST COMPANY	76.802		-	
SPDR MSCI EUROPE SMALL CAP UCITS ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	116		-	
MAJOR LEAGUE BASEBALL PLAYERS PENSION PLAN AGENTE:STATE STREET BANK AND TRUST COMPANY	115		-	
MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F AGENTE:STATE STREET BANK AND TRUST COMPANY	2.397		-	
SHARES VII PLC AGENTE:STATE STREET BANK AND TRUST COMPANY	40.673		-	

ELENCO PARTECIPANTI

MINATIVO PARTECIPANTE	Parziale	Totale	PRESENTI ALLE VOTAZIONI	
			Straordinaria	
			1	
DELEGANTI E RAPPRESENTATI				
KRAFT FOODS MASTER RETIREMENT TRUST AGENTE:JP MORGAN CHASE BANK	43.017		-	
BOILERMAKER BLACKSMITH NATIONAL PENSION AGENTE:JP MORGAN CHASE BANK	13.497		-	
NTGI-QM COMMON DAILY ALL COUNTRY WORLD E AGENTE:NORTHERN TRUST -LO	838		-	
NORGES BANK (CENTRAL BANK OF NORWAY) AGENTE:JP MORGAN CHASE BANK	27.983		-	
NEW YORK STATE COMMON RETIREMENT FUND AGENTE:JP MORGAN CHASE BANK	20.059		-	
GOVERNMENT OF NORWAY AGENTE:JP MORGAN CHASE BANK	1.282.628		-	
WYOMING RETIREMENT SYSTEM AGENTE:JP MORGAN CHASE BANK	814		-	
PETERCAM B FUND AGENTE:JP MORGAN CHASE BANK	26.000		-	
PETERCAM HORIZON B AGENTE:JP MORGAN CHASE BANK	15.000		-	
PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OH AGENTE:JP MORGAN CHASE BANK	73.876		-	
VANGUARD TOTAL INTERNATIONAL STOCK INDEX AGENTE:JP MORGAN CHASE BANK	174.833		-	
PEERLESS INSURANCE COMPANY AGENTE:JP MORGAN CHASE BANK	7.404		-	
FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR FULT INDEX FUND AGENTE:JP MORGAN CHASE BANK	2.113		-	
R.R.DONNELLEY E SONS RET BENEF PLAN AGENTE:NORTHERN TRUST -LO	4.422		-	
ALTRIA CORPORATE SERVICES MASTER RETIREM AGENTE:JP MORGAN CHASE BANK	27.554		-	
CANADA POST CORPORATION PENSION PLAN AGENTE:RBC INVESTOR SERVICE	16.646		-	
EUROPEAN WEALTH INVESTMENT FUND PLC AGENTE:HSBC BANK PLC	9.235		-	
IR EUROPEAN GROWTH TRUST PLC AGENTE:HSBC BANK PLC	292.023		-	
BNS CONNOR CLARK AND LUNN WHOLESAL FINANCIAL INC AGENTE:THE BANK OF NOVA SCOTIA	2.177		-	
MODDO ET CIE	136.903		-	
FCP ASTORG CROISSANCE MID CAP AGENTE:BNP PARIBAS 2S-PARIS	31.153		-	
PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO CRESCITA RICHIEDENTE:SCHAUMANN DANIEL	29.684		-	
PIONEER ASSET MANAGEMENT SA	14.432		-	
MODDO ASSET MANAGMENT	4.744		-	
UTAH STATE RETIREMENT SYSTEMS AGENTE:NORTHERN TRUST -LO	5.877		-	
LA FRANCAISE DES PLACEMENTS	7.550		-	
ACADIAN GLOBAL LEVERAGED MARKET NEUTRAL MASTER FUND RICHIEDENTE:J.P.MORGAN MARKETS LIMITED	7.039		-	
COMPASS OFFSHORE HTV PCC LIMITED RICHIEDENTE:MORGAN STANLEY AND CO. LLC	54		-	
COMPASS HTV LLC RICHIEDENTE:MORGAN STANLEY AND CO. LLC	70		-	
GOTHAM CAPITAL V LLC RICHIEDENTE:MORGAN STANLEY AND CO. LLC	749		-	
BRYN MAWR CAPITAL L.P. RICHIEDENTE:MORGAN STANLEY AND CO. LLC	184		-	
ROSEMONT OFFSHORE FUND LTD RICHIEDENTE:MORGAN STANLEY AND CO. LLC	137		-	
MFP MANAGERS SPC-BRYN MAWR SEGREGATED PORTFORLIO TRIKET SQUARE RICHIEDENTE:MORGAN STANLEY AND CO. LLC	43		-	
TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC CORPORATION SERVICE COMPANY RICHIEDENTE:MORGAN STANLEY AND CO. LLC	3.151		-	
HIGHMARK LIMITED - HIGHMARK US EQUITIES RICHIEDENTE:MORGAN STANLEY AND CO. LLC	84		-	
AMERICAN HONDA MOTOR CO RETIREMENT AGENTE:NORTHERN TRUST -LO	4.632		-	
TWO SIGMA EQUITY PORTFOLIO, LLC RICHIEDENTE:MORGAN STANLEY AND CO. LLC	1.655		-	
TWO SIGMA SPECTRUM PORTFOLIO LLC, RICHIEDENTE:MORGAN STANLEY AND CO. LLC	1.823		-	
FORWARD INTERNATIONAL SMALL COMPANIES FUND RICHIEDENTE:CITIBANK NA NEW YORK SA FWD INT SMALL COMPANIES FUND	105.284		-	
CONOMIA COUNTY EMPLOYEES RETIREMENT ASSOCIATION AGENTE:STATE STREET BANK AND TRUST COMPANY	248		-	

ELENCO PARTECIPANTI

MINATIVO PARTECIPANTE

DELEGANTI E RAPPRESENTATI

	Parziale	Totale
SCHWAB INTERNATIONAL SMALL-CAP EQUITY ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	838	
SCHWAB FUNDAMENTAL INTERNATIONAL SMALL COMPANY ETF AGENTE:STATE STREET BANK AND TRUST COMPANY	644	
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM AGENTE:STATE STREET BANK AND TRUST COMPANY	12.171	
INTERNATIONAL MONETARY FUND AGENTE:STATE STREET BANK AND TRUST COMPANY	196	
ARIZONA STATE RETIREMENT SYSTEM AGENTE:STATE STREET BANK AND TRUST COMPANY	42.896	
OBLATE INTERNATIONAL PASTORAL INVESTMENT TRUST AGENTE:STATE STREET BANK AND TRUST COMPANY	11.282	
		12.491.856
AMPONI GABRIELE PER DELEGA DI	0	
MULTIBRANDS ITALY B.V.	26.073.783	
		26.073.783
EALE DAVIDE GIORGIO	1	
		1

PRESENTI ALLE VOTAZIONI Straordinaria	
	1
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legenda:

1: Convertibilità p.o. e aumento capitale 2441 co 5 cc;

-: Presente; X: Assente alla votazione

N.ro	Totale	Titolare	Delegante	Gr.	Voti	Favorevole	Contrario	Astenuto
1	12.491.856	ESPOSITO MARCO			0			
1			1199 SEIU HEALTH CARE EMPLOYEES PENSION	SCHEDA 01	94.802	X		
2			ABU DHABI RETIREMENT PENSION FUND	SCHEDA 01	4.091	X		
3			ACADIAN GLOBAL LEVERAGED MARKET NEUTRAL MASTER FUND	SCHEDA 01	7.039	X		
4			ACADIAN INTERNATIONAL ALL-CAP FUND	SCHEDA 01	3.526	X		
5			ACADIAN INTERNATIONAL SMALL CAP FUND	SCHEDA 01	208.945	X		
6			ADVANCED SERIES TRUST AST GOLDMAN SACHS MULTI ASSET PORTFOLIO	SCHEDA 01	2.483	X		
7			ALASKA PERMANENT FUND CORPORATION	SCHEDA 01	5.460	X		
8			ALTRIA CORPORATE SERVICES MASTER RETIREM	SCHEDA 01	27.554	X		
9			AMERICAN HONDA MOTOR CO RETIREMENT	SCHEDA 01	4.632	X		
10			ARIZONA PSPRS TRUST	SCHEDA 01	5.780	X		
11			ARIZONA STATE RETIREMENT SYSTEM	SCHEDA 01	42.896	X		
12			ARROWSTREET GLOBAL EQUITY GBP	SCHEDA 01	11.199	X		
13			ASPIRANT RISK MANAGED GLOBAL EQUITY FUND	SCHEDA 01	1.703	X		
14			AXA WORLD FUNDS	SCHEDA 01	330.000	X		
15			BANQUE PICTET & CIE SANON RES EXEMPT GCT	SCHEDA 01	16.200	X		
16			BAYVKA 3 FONDS	SCHEDA 02	8.603	X	X	
17			BGI MSCI EAFE SMALL CAP EQUITY INDEX FUND B	SCHEDA 01	11.889	X		
18			BGI MSCI EMU IMI INDEX FUND B	SCHEDA 01	1.886	X		
19			BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	SCHEDA 01	325	X		
20			BLACKROCK INST TRUST CO NA INV FUNDSFOR	SCHEDA 01	126.660	X		
21			EMPLOYEE BENEFIT TR	SCHEDA 01	2.177	X		
22			BNS CONNOR CLARK AND LUNN WHOLESAL	SCHEDA 01	425	X		
23			FINANCIAL INC	SCHEDA 01	13.497	X		
24			BNY MELLON EMPLOYEE BENEFIT COLLECTIVE	SCHEDA 01	184	X		
25			INVESTMENT FUND PLAN	SCHEDA 01	3.210	X		
26			BOILERMAKER BLACKSMITH NATIONAL PENSION	SCHEDA 01	113.308	X		
27			BRYN MAWR CAPITAL L.P.	SCHEDA 01	21.107	X		
28			C&J CLARK PENSION FUND	SCHEDA 01	132.828	X		
29			CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	SCHEDA 01	305.000	X		
30			CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	SCHEDA 01	16.646	X		
31			CAMGESTION ACT. CROISS.	SCHEDA 01	21.953	X		
32			CAMGESTION EURO MID CAP	SCHEDA 01	520	X		
33			CANADA POST CORPORATION PENSION PLAN	SCHEDA 01	56.400	X		
34			CENTRICA COMBINED COMMON INVESTMENT FUND	SCHEDA 01	3.222	X		
35			CF DV ACWI EX-U.S. IMI FUND	SCHEDA 01	49.270	X		
36			CHURCH OF ENGLAND INV FD FOR PENSION	SCHEDA 01	2.003	X		
37			CITY OF LOS ANGELES FIRE POLICE PLAN	SCHEDA 01	2	X		
38			CITY OF NEW YORK GROUP TRUST	SCHEDA 01	128.280	X		
			COLLEGE RETIREMENT EQUITIES FUND	SCHEDA 01				
			COLORADO PUBLIC EMPLOYEES RETIREMENT	SCHEDA 01				
			COMGEST GROWTH PLC	SCHEDA 01				

39	COMMONWEALTH OF PENNSYLVANIA PUBLIC	SCHEDA 01	39.111	X	
40	SCHOOL EMPLOYEES RETIREMENT SYSTEM	SCHEDA 01	70	X	
41	COMPASS HTV LLC	SCHEDA 01	54	X	
42	COMPASS OFFSHORE HTV PCC LIMITED	SCHEDA 01	187.851	X	
43	COPPER ROCK CAPITAL GLOBAL SMALL CAP FUND	SCHEDA 01	4.418	X	
44	DOMINION RESOURCES INC. MASTER TRUST	SCHEDA 01	28.891	X	
45	DUPONT DEFINED CONTRIBUTION PLAN TRUST	SCHEDA 01	130.000	X	
46	DYNAMIC EUROPEAN VALUE FUND	SCHEDA 01	4.877	X	
47	EMPLOYEES' RET FUND - CITY OF DALLAS	SCHEDA 01	9.235	X	
48	EUROPEAN WEALTH INVESTMENT FUND PLC	SCHEDA 01	26.818	X	
49	EXELON CORPORATION PENSION MASTER RETIRE	SCHEDA 01	15.300	X	
50	FCP ASSURANCE DIVERSIFIEE	SCHEDA 01	31.153	X	
51	FCP ASTORG CROISSANCE MID CAP	SCHEDA 01	50.000	X	
52	FCP BEL VAL	SCHEDA 01	227.028	X	
53	FCP BNP PARIBAS SMALL CAP EUROLAND	SCHEDA 02	19.334	X	
54	FCP CIC EURO OPPORTUNITES	SCHEDA 01	1.210.000	X	
55	FCP CONTI.GESTION	SCHEDA 01	44.000	X	
56	FCP ECHIQUIER AGENOR	SCHEDA 01	1.018.300	X	
57	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	SCHEDA 01	200.000	X	
58	FCP GROUPAMA AVENIR EURO	SCHEDA 01	630.645	X	
59	FCP GROUPAMA PHARMA DIVERSIFIE	SCHEDA 01	90.703	X	
60	FCP ITHAQUE	SCHEDA 01	62.500	X	
61	FCP PATRIMOINE	SCHEDA 01	100.000	X	
62	FCP RSI EUROPE S	SCHEDA 01	15.623	X	
63	FCP ULYSSE	SCHEDA 01	529.938	X	
64	FCP UNION EUROPE GROWTH	SCHEDA 01	248.000	X	
65	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-	SCHEDA 01	2.113	X	
66	US FACTOR TILT INDEX FUND	SCHEDA 01	173.136	X	
67	FLORIDA RETIREMENT SYSTEM	SCHEDA 01	2.443	X	
68	FORD MOTOR COMPANY DEFINED BENEFIT	SCHEDA 01	154	X	
69	FORD MOTOR COMPANY OF CANADA	SCHEDA 01		X	
70	FORWARD INTERNATIONAL SMALL COMPANIES FUND	SCHEDA 01	105.284	X	
71	GLOBAL ALPHA EAFE SMALL CAP EQUITY FUND	SCHEDA 01	4.263	X	
72	GMO INTERNATIONAL SMALL COMPANIES FUND	SCHEDA 01	22.094	X	
73	GOTHAM CAPITAL V.LL.C	SCHEDA 02	749	X	
74	GOVERNMENT OF NORWAY	SCHEDA 01	1.282.628	X	
75	H.E.S.T. AUSTRALIA LIMITED	SCHEDA 01	165.800	X	
76	HENDERSON GARTMORE FUND	SCHEDA 01	141.887	X	
77	HENDERSON HORIZON FUND SICAV	SCHEDA 01	826.073	X	
78	HENDERSON UK EUROPE FUNDS BNP PARIBAS	SCHEDA 01	70.738	X	
79	SECURITIES SERVICES	SCHEDA 01	84	X	
80	HIGHMARK LIMITED - HIGHMARK US EQUITIES	SCHEDA 01	2.584	X	
81	IGS-ACTIONS EUROPE EVOLUTION	SCHEDA 01	1.190	X	
82	INDIANA PUBLIC EMPLOYEES RETIREMENT FUND	SCHEDA 01	3.000	X	
83	ING PARAPLUFONDS 1 N.V.	SCHEDA 01		X	

82	INTERNATIONAL MONETARY FUND	SCHEDA 01	196	X	
83	IRISH AIRLINES (PILOTS) SUPERANNUATION SCHEM	SCHEDA 01	25.906	X	
84	ISHARES CORE MSCI EAFE ETF	SCHEDA 01	5.385	X	
	ISHARES DEVELOPED SMALL-CAP EX NORTH AMERICA				
85	ETF				
86	ISHARES MSCI EAFE SMALL CAP ETF	SCHEDA 01	1.530	X	
87	ISHARES VII PLC	SCHEDA 01	53.721	X	
88	KRAFT FOODS MASTER RETIREMENT TRUST	SCHEDA 01	40.673	X	
89	LA FRANCAISE DES PLACEMENTS	SCHEDA 02	43.017	X	
90	LIBERTY MUTUAL RETIREMENT PLAN MASTER TRUST	SCHEDA 01	7.550	X	X
91	LOCKHEED MARTIN CORP MASTER TRUST	SCHEDA 01	8.424	X	
92	LOMBARD ODIER FUNDS	SCHEDA 01	8.407	X	
93	LOS ANGELES CITY EMPLOYEES RETIREM.	SCHEDA 01	333.684	X	
	LOS ANGELES COUNTY EMPLOYEES RETIREMENT		10.925	X	
94	ASSOCIATION	SCHEDA 01	6.950	X	
95	MAJOR LEAGUE BASEBALL PLAYERS PENSION PLAN	SCHEDA 01	115	X	
96	MARYLAND STATE RETIREMENT & PENSION SYSTEM	SCHEDA 01	190	X	
97	MFP MANAGERS SPC-BRYN MAWR SEGREGATED				
	PORTFOLIO CRICKET SQUARE	SCHEDA 01	43	X	
98	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	SCHEDA 01	2.397	X	
99	MT AGREEMENT BETWEEN PFIZER&NT COMPANY	SCHEDA 01	29.950	X	
100	MUNICIPAL EMPLOYEES ANNUITY AND BENEFIT FUND				
	OF CHICAGO	SCHEDA 01	3.886	X	
101	MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF				
	MICHIGAN	SCHEDA 01	76.802	X	
102	NATIONAL COUNCIL FOR SOCIAL SEC FUND	SCHEDA 01	2.926	X	
103	NATIONAL PENSIONS RESERVE FUND COMMISSION	SCHEDA 01	3.120	X	
104	NATIONAL RAILROAD INVESTMENT TRUST	SCHEDA 01	83.377	X	
105	NATIONAL WESTMISTER BANK AS TR BARING EU	SCHEDA 01	219.548	X	
106	NBT MAIN A C (NCB CLEARING SVCS)	SCHEDA 01	137.000	X	
107	NEW YORK STATE COMMON RETIREMENT FUND	SCHEDA 01	20.059	X	
108	NEW ZEALAND SUPERANNUATION FUND	SCHEDA 01	3.666	X	
109	NORGES BANK (CENTRAL BANK OF NORWAY)	SCHEDA 02	27.983	X	X
110	NT GLOBAL INVESTMENT COLL FUNDS	SCHEDA 01	27.714	X	
111	NTGI-QM COMMON DAILY ALL COUNTRY WORLD E	SCHEDA 01	838	X	
	OBLATE INTERNATIONAL PASTORAL INVESTMENT				
	TRUST				
112	ODDO ASSET MANAGEMENT	SCHEDA 02	11.282	X	
113	ODDO ET CIE	SCHEDA 01	4.744	X	
114	ONEPATH GLOBAL SHARES - SMALL CAP UNHEDGED)	SCHEDA 01	136.903	X	
115	INDEXPOOL	SCHEDA 02	54	X	
116	ONTARIO POWER GENERATION INC. PENSION PLAN	SCHEDA 01	25.514	X	X
	ONTARIO PUBLIC SERVICE EMPLOYEES UNION				
	PENSION PLAN TRUST FUND				
117	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	SCHEDA 01	153.400	X	
118		SCHEDA 01	12.171	X	

119	PEERLESS INSURANCE COMPANY	SCHEDA 01	7,404	X
120	PETERCAM B.FUND	SCHEDA 01	26.000	X
121	PETERCAM HORIZON B	SCHEDA 01	15.000	X
122	PICETET - SMALL CAP EUROPE	SCHEDA 01	366.717	X
123	PIONEER ASSET MANAGEMENT SA	SCHEDA 01	14.432	X
124	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO CRESCITA	SCHEDA 01	29.684	X
125	POWERSHARES FTSE RAFI DEVELOPED MARKETS	SCHEDA 01	2.364	X
126	EX-US SMALL PORTFOLIO	SCHEDA 01	2.148	X
127	POWERSHARES GLOBAL FUNDS IRELAND PLC	SCHEDA 01		X
128	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	SCHEDA 01	22.250	X
129	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OH	SCHEDA 01	73.876	X
130	R.R.DONNELLEY E. SONS RET BENEF PLAN	SCHEDA 01	4.422	X
131	REGIME DE RENTES DU MOUVEMENT DESJARDINS	SCHEDA 01	42.995	X
132	REUNICA EQUILIBRE ACTIONS DIV	SCHEDA 01	16.528	X
133	ROGERSCASEY TARGET SOLUTIONS LLC.	SCHEDA 01	1.949	X
134	ROSEMONT OFFSHORE FUND LTD	SCHEDA 01	137	X
135	SAINT LOUIS UNIVERSITY	SCHEDA 01	7.623	X
136	SCHWAB FUNDAM INTER SMALL- COMP INDEX FD	SCHEDA 01	5.145	X
137	SCHWAB FUNDAMENTAL INTERNATIONAL SMALL COMPANY ETF	SCHEDA 01	644	X
138	SCHWAB INTERNATIONAL SMALL-CAP EQUITY ETF	SCHEDA 01	838	X
139	SEI INST INVEST TRUST WORLD EQ EX-US FUN	SCHEDA 01	20.195	X
140	SEMPRA ENERGY PENSION MASTER TRUST SONOMA COUNTY EMPLOYEES RETIREMENT ASSOCIATION	SCHEDA 01	1.346	X
141	SOUTH CALIF UTD FOOD & COMM WK UN & FOOD EMPL	SCHEDA 01	248	X
142	JOINT PENS TR F	SCHEDA 01	209	X
143	SPDR MSCI EUROPE SMALL CAP UCITS ETF	SCHEDA 01	116	X
144	SPDR S&P INTERNATIONAL SMALL CAP ETF	SCHEDA 01	1.657	X
145	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	SCHEDA 01	30.909	X
146	SSGA RUSSELL FD GL EX-US INDEX NONLENDING QP	SCHEDA 01	1.918	X
147	COMMON TRUST FUND	SCHEDA 01		X
148	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	SCHEDA 01	694	X
149	STG PFDS V.D. GRAFISCHE	SCHEDA 01	8.043	X
150	SUNSUPER SUPERANNUATION FUND	SCHEDA 01	11.380	X
151	THE BOEING COMPANY EMPLOYEE RETIREMENT P	SCHEDA 01	17.001	X
152	THE CLEVELAND CLINIC FOUNDATION	SCHEDA 01	918	X
153	THE STATE OF CONNECTICUT ACTING THROUGH ITS TREASURER	SCHEDA 01	42	X
154	TR EUROPEAN GROWTH TRUST PLC	SCHEDA 01	292.023	X
155	TREASURER OF THE STATE OF NORTH CAROLINA EQUITY INVESTMENT FUND POOLED	SCHEDA 01	255	X



**REPORT OF THE DIRECTORS
FOR THE SHAREHOLDERS' MEETING OF
SAFILO GROUP S.p.A.
CALLED ON July 10th, 2014, IN SINGLE CALL**

Drafted pursuant to article 2441, paragraph 6, Italian Civil Code, article 125 *ter* of Legislative Decree No. 58 of February 24, 1998 and subsequent amendments, as well as article 72 of Regulation of the Italian Financial Conduct Authority (CONSOB) No. 11971 of May 14, 1999 and subsequent amendments and integrations, and pursuant to Schedule 3A - Scheme No. 2 of the same Regulation

EXTRAORDINARY SHAREHOLDERS' MEETING JULY 10th, 2014

AUTHORISATION OF THE CONVERTIBILITY OF THE *EQUITY LINKED BOND NAMED "SAFILO GROUP S.p.A. EURO 150 MILLION, 1.25 PER CENT GUARANTEED EQUITY-LINKED BONDS DUE 2019 AND CAPITAL INCREASE"*, PAYABLE AND IN A DIVISIBLE FORM, WITH THE EXCLUSION OF THE PRE-EMPTION RIGHT PURSUANT TO ARTICLE 2441, PARAGRAPH 5 OF THE ITALIAN CIVIL CODE, BY SERVING THE CONVERSION OF THE ABOVE-MENTIONED BOND UP TO A MAXIMUM OF EURO 150 MILLION, INCLUSIVE OF ANY POSSIBLE SHARE PREMIUM, BY ISSUING ORDINARY SAFILO GROUP S.p.A. SHARES WITH NOMINAL VALUE OF EURO 5,00 EACH; AMENDMENTS TO ARTICLE 5 OF THE ARTICLES OF ASSOCIATION; INHERENT AND CONSEQUENT RESOLUTIONS

Dear Shareholders,

The Board of Directors of Safilo Group S.p.A. ("**Safilo Group**", the "**Company**", or the "**Issuer**") called you to attend this Extraordinary General Meeting to resolve the proposal to authorise the conversion into Safilo Group ordinary shares of the *equity-linked* bond of nominal amount of Euro 150,000,000, due to expire on May 22nd, 2019, named "*Safilo Group S.p.A. Euro 150 million 1.25 per cent Guaranteed Equity-Linked Bonds due 2019*", issued on May 22nd, 2014 (the "**Bond**") and, as a consequence, the proposal to increase the share capital of Safilo Group, by serving the Bond, payable and in a divisible form, with exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, up to a maximum of Euro 150 million, inclusive of any possible share premium, to be issued at one or more times, by issuing Safilo Group ordinary shares, with nominal value of Euro 5.00 each, having the same characteristics of the outstanding ordinary shares (the "**Capital Increase**").

The proposed Capital Increase is therefore aimed at serving the conversion into Safilo Group ordinary shares granted to the bondholders (the "**Bonds**") as per the Bond.

This report is aimed at illustrating the reasons behind the proposal of the Capital Increase pursuant to article 2441, paragraph 6, of the Italian Civil Code, article 72 of the Consob Regulation No. 11971 of May 14th, 1999 and subsequent amendments and integrations (the "**Issuers' Regulation**"), as well as article 125 *ter* of Legislative Decree No. 58 of February 24th, 1998 and subsequent amendments (the "**TUF**").

1. Description of the transaction and the reasons thereof and scope of the Capital Increase, also in relation to the performance of the Company.

1.1. *Reasons thereof and scope of the Capital Increase*

The proposal of Capital Increase at issue is part of the refinancing transaction of Safilo Group and the issuing of the Bond as approved, *inter alia* and within its powers, by the Board of Directors on May 14th, 2014, as specified below.

1.2. *Characteristics and scope of the Bond*

The transaction was approved by the Board of Directors of Safilo Group on May 14th, 2014, which determined also the main terms and conditions of the Bond issue, pursuant to articles 2410 and following of the Italian Civil Code. The Bond and its final terms and conditions were resolved by the Chief Executive Officer on May 15, 2014, and minuted by the Notary Public Mr. Stefano Rampolla of Milan, rep. No. 50495, archive No.12432.

On the same date it was started and concluded, the placement of the Bond, by finalising the conditions of the same, with Italian and foreigners qualified investors, with the exclusion of any offer to the public or countries where this type of offer is not permitted.

The regulation of the transaction, by issuing of Bonds and the payment of the underwriting price by investors, occurred on May 22nd, 2014.

The total amount of the Bond is equal to Euro 150,000,000.

The placement of the Bond has been reserved only to qualified investors in order to promptly collect financial resources at favourable market conditions by an *equity-linked* financial instrument, which due to its complexity turns out to be not suitable to be placed with retail investors. The offer of the Bond to qualified investors has allowed collection, in a short time, of financial resources directly on the market and not through the banking system, exploiting the conditions offered by a favourable market context in terms of liquidity, interest rates and placing conditions deriving from the characteristics of the *equity-linked* Bond. The issue of the Bond allows the Company to obtain a greater diversification of the financing sources, extending the average maturity and optimizing the financial structure of the Company, also in terms of costs.

The collected sources shall be used, *inter alia*, for the refinancing of part of the Company indebtedness.

Due to the Group structure and scopes of the transaction, it has also been provided that the Bond shall be backed up with a personal guarantee, under English law, released by the subsidiary Safilo S.p.A., within the limits of what provided by the relevant agreements.

The issue is part of the refinancing of Safilo Group's indebtedness which arises *inter alia*, from the loan agreement signed by the subsidiaries Safilo S.p.A. and Safilo USA Inc. originally in 2006 and due to expire in June 2015. The Board of Directors, on May 14th, 2014, resolved to approve, within the powers of Safilo Group, the conditions of a *revolving credit facility* ("RCF") for a total amount up to a maximum of Euro 150 million, with a duration of 4 years, and shall be effective following the eventual approval of the Capital Increase by the Extraordinary General Meeting and the reimbursement and write-off of the *credit facility* currently existing, due to expire on June 30th, 2015.

Therefore, following the above-mentioned transactions, for a total amount equal to Euro 300 million, the Group will benefit from broad financial flexibility, postponing at the same time the due date of the debt to 2018-2019.

1.3. Characteristics and scope of the Capital Increase

The terms and conditions of the Bond (as defined in the so called *Terms & Conditions*, hereinafter also referred to as the "**Regulation of the Bond**") provide, *inter alia*, that:

- (i) in the event in which the Capital Increase with exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, to serve the conversion of the Bond shall not be approved by the shareholders' general meeting of the Company by September 30th, 2014 (the "**Long Stop Date**") and without prejudice to the event in which the Company shall exercise the so called *fair market call*, as described below, the Bondholders shall be entitled to ask for the early reimbursement in cash of their Bonds, to be exercised during a term starting from the Long Stop Date and by the 32^o day on which the market is open prior to the deadline of the Bond, or by the 7^o day on which the market is open prior to the deadline set by the Company for the early reimbursement of the Bond, for an amount determined, according to a mathematical formula, as defined by the Regulation of the Bond, which shall consider the market value of Safilo Group shares to which they would have been entitled in the event of conversion (so called **Cash Alternative Amount**), being understood that if the Shareholders' General Meeting will not approve the Capital Increase and the Bond will not be reimbursed, the settlement right shall apply to all;

- (ii) in the event in which the Capital Increase shall not be approved by the Shareholders' General Meeting of the Company by the Long Stop Date, the Company shall be entitled to the early reimbursement of the whole Bond by a set date, by cash, (the so called ***fair market call***), for an amount equal to the greater amount between 102% of the nominal amount of the Bond and 102% of the "market value" of the Bond, as determined by an independent financial advisor, in addition to accrued but not paid interests, as provided by the Regulation of the Bond;
- (iii) if the Shareholders' General Meeting approves, by the Long Stop Date the Capital Increase, the Company shall send to the bondholders a specific notice (the "***Physical Settlement Notice***"), which entitles the bondholders to convert the Bonds, starting from the so called ***Physical Settlement Date***, into newly issued ordinary shares of the Company, to be exercised within a certain period of time, as defined by the Regulation of the Bond and according to the conversion ratio as provided by the Regulation of the Bond and better specified below, without prejudice to the possibility for the Company, when converting, to deliver, if existing, also treasury shares.

Following the eventual resolution approving the Capital Increase, the bondholders shall be entitled to convert the Bonds into Safilo Group shares uninterruptedly, without prejudice to some periods provided by the Regulation of the Bond. However, the Company shall have in any event the right to pay by cash the conversion requests, paying to the bondholder an amount of cash equal to the so called *Cash Alternative Amount*, for whole or part – at the Company's discretion – of Safilo Group shares due to the bondholder as a consequence of having exercised the conversion right.

The eventual conversion of the Bonds into shares shall allow the Company to strengthen its capital structure and diversify its financial structure, by limiting the expected expenditure on the expiry date of the Bond.

1.4. Characteristics of the Bond

The Bond has the following main characteristics:

- total nominal amount of issue: Euro 150,000,000 (one hundred and fifty million);
- minimum denomination of Bonds: Euro 100,000.00 (one hundred point zero zero);
- term: 5 (five) years, due to expire on May 22nd, 2019;

- issue price: equal to the nominal value of the Bond;
- interest rate: fixed interest rate, with deferred payment, each semester starting from November 22nd, 2014 equal to annual 1.25% (one point twenty five per cent);
- initial conversion price: Euro 21.8623 (twenty one point eight thousand six hundred and twenty three) per share, subject to adjustments as per the Regulation of the Bond;
- date of availability: from the issue date;
- eventual conversion: starting from the *Physical Settlement Date* and for the entire duration set by the Regulation of the Bond, subject to the approval by the Shareholders' General meeting of the Capital Increase;
- reimbursement: upon expiry the capital shall be reimbursed in one instalment for an amount equal to 100% of the nominal value, without prejudice to early reimbursements;
- early reimbursement by the Company: the Company could exercise the right of early reimbursement in defined situations, according to the market practice, of *clean-up call*, *tax call* or *issuer's soft call*, possibly starting from a set date;
- early reimbursement by the bondholders: in addition to the above-mentioned fair market call described at the previous paragraph 1.3(ii) in the event the Capital Increase, by serving the Bond, shall not be approved by the general Shareholders' Meeting, the bondholders are entitled to ask the Company for the early reimbursement, at nominal value on top of accrued but not yet paid interests, in the event of: (a) a *change of control* of the Company, as defined by the Regulation of the Bond; or (b) the outstanding ordinary shares of the Company decreasing under 15% and remains under 15% for at least 5 days of open market for a term of 90 days of open market from the first day in which it decreased below the said threshold;
- cash alternative election: in addition to the above-mentioned fair market call described at the previous paragraph 1.3(i) in the event the Capital Increase, by serving the Bond, shall not be approved by the general Shareholders' Meeting, if a bondholder exercised the conversion right, the Company shall have in any event the right to pay by cash the conversion requests, paying to the bondholder an amount of cash equal to the so called *Cash Alternative Amount*, for whole or part – at the Company's discretion – of Safilo Group shares due to the bondholder as a consequence of having exercised the conversion right;

- governing law: English law, except for the issues which are mandatorily governed by Italian law.

1.5. Reasons to exclude the pre-emption right

The issue of the Bond, the Capital Increase and the approval of the convertibility of the Bonds into ordinary share are a sole transaction aimed at providing the Company with an instrument suitable to collect, in a short period and with significantly low expenses, resources from non-banking capital market. To this extent, to finalise the transaction, it is necessary to approve a capital increase to serve the Bond, with exclusion of the pre-emption right. The Board of Directors deems that the exclusion of the pre-emption right is required in the interest of the Company pursuant to article 2441 paragraphs 5 and 6 of the Italian Civil Code for the following reasons:

- a) the decision to reserve the underwriting of the Bond only to institutional/qualified investors, excluding therefore, the pre-emption right of the shareholders on the following Capital Increase, lies in the high level of complexity and characteristics of the financial instruments so called *equity linked*, which make them completely inadequate for retail investors (and therefore for the same offer to all shareholders of the Company). On the contrary, the *equity linked* instrument (and the particular structure and characteristics of the bond, offered, moreover, in units of Euro 100,000.00), addressed exclusively to qualified investors, are an effective means to collect non-banking financial resources at particularly convenient conditions, which is suitable for the current needs of the Company and allows an improvement of the financial situation and relevant costs, otherwise impossible to be obtained and in particular it cannot be obtained by traditional convertible Bonds offered to the shareholders with the pre-emptive right;
- b) the issue and placement of *equity linked* instrument presume an offer to the public in such a way and short time which are possible only in case of the exclusion of the pre-emption right and the consequently of the public offer procedure of the Bonds, which would require more onerous corporate fulfilments, longer time and, also, more expensive costs;
- c) the opportunity to convert the Bond would imply that the provisions of payment in cash shall no longer be applied to the Bondholders (so called settlement right), potentially stabilising the acquisition of the resources collected through the Bond;

- d) the eventual conversion of the Bonds into Safilo Group shares, would finally allow the Company (i) to strengthen its own capital structure and diversify its financial structure, by limiting, at the same time, the relevant cash expenditure relating to the financial charges and the possible reimbursement of the capital at the maturity date and (ii) to increase the number of its shareholders;
- e) there is a strategic need of the Company and of the Group to refinance, in a very short time, an overall amount of Euro 300 million committed credit facilities expiring in June 2015. The Bond, together with the new Euro 150 million RCF, negotiated by the Company with the same banks, that were the joint bookrunners of the Bond, has been considered by the Board of Directors the best solution to fulfill the above mention need, quickly and taking advantage of a favorable market window, clearly uncertain with reference to its duration.

1.6. *Terms and ways of conversion of the Bond into capital*

The initial conversion price, which is equal to the issue price of the new shares for the Capital Increase, is equal to Euro 21.8623, without prejudice to eventual adjustments to the conversion price as described below.

The nominal value of the Safilo Group shares to be issued in the event of eventual conversion shall not exceed the credit which would be due to the bondholders as reimbursement of the Bonds themselves in the event of non-conversion. The conversion price shall be imputed to capital for the nominal value of the newly issued ordinary shares and for the remaining part to share premium.

The number of shares to be issued or transferred to serve the conversion shall be determined by dividing the nominal amount of the Bonds by the conversion price at the time of the relevant conversion date, rounded down to the closer whole number of the ordinary shares. Portions of shares shall not be issued nor delivered and no cash payment or adjustment shall be executed instead of said portions.

On the basis of such parameters the conversion ratio of the Bond of Euro 150,000,000 shall be equal to the issue of a maximum No. of 6,861,126 ordinary shares.

The Regulation of the Bond provides that the conversion price as initially defined shall be subject to adjustments, in line with the market practice in force for that type of financial instruments, upon occurrence, among others, of the following events, including but not limited to: grouping or fractioning of outstanding ordinary shares; issue of ordinary shares free of charge; distribution of dividends in cash or in kind to

the ordinary shares; attribution to ordinary shareholders of rights or options which entitle to the right to underwrite ordinary shares at a price lower than the market price when those rights are not offered to the bondholders; issue of ordinary shares for an amount lower than the market price in favour of ordinary shareholders when those shares are not offered to the bondholders; issue of financial instruments convertible into ordinary shares in favour of ordinary shareholders when those instruments are not offered to the bondholders; issue of financial instruments convertible into ordinary shares, with the exclusion of pre-emption right at a value lower than the market value; amendments to financial instruments already issued which entitle to the conversion into ordinary shares such to allow the acquisition of ordinary shares at a price lower than the market price.

The Bonds offer a safeguard to the investor for the future dividends paid by the Company. Indeed, if the Company resolves to distribute dividends, for whatever amounts, to ordinary shares during the term of the Bond, the conversion price of the Bonds shall be adjusted on the basis of the formula provided by the Regulation of the Bond, in order to compensate the bondholders of the amount of the distributed dividends.

2. Structure of the short and medium term financial debt

The financial resources collected by the issue of the Bond, as said, shall permit a greater diversification of the financing sources, extending the average maturity and optimising the financial structure of the Company and of the Group.

In particular, the Bond, together with the new Euro 150 million RCF, allows to completely refinancing the current credit facilities, equal to Euro 300 million, that will expire on June 30th, 2015 and that were utilized for about Euro 200 million as at March 31st, 2014.

The pro-forma data in chart below, were elaborated adding to the consolidated net financial position as at March 31st, 2014, only the notional amount of the Bond.

	SAFILO GROUP CONSOLIDATED <i>(Euro/000)</i>	March 31 2014	March 31 2014 New Issue
A	Cash and cash equivalents	79,833	229,833
B	Cash and cash equivalents included as Assets held for sale	-	-
C	Current securities (securities held for trading)	-	-
D	Liquidity (A+B+C)	79,833	229,833
E	Receivables from financing activities	-	-
F	Bank overdrafts and short-term bank borrowings	(27,154)	(27,154)
G	Current portion of long-term borrowings	(24,980)	(24,980)

SAFILO GROUP CONSOLIDATED (Euro/000)		March 31 2014	March 31 2014 New Issue
H	Other short-term borrowings	(34,170)	(34,170)
I	Debts and other current financial liabilities (F+G+H)	(86,304)	(86,304)
J	Current financial position, net (D)+(E)+(I)	(6,471)	143,529
K	Long-term bank borrowings	(199,444)	(199,444)
L	"Equity linked" Bonds	-	(150,000)
M	Other long-term borrowings	(1,613)	(1,613)
N	Debts and other non current financial liabilities (K+L+M)	(201,057)	(351,057)
I	Net financial position (J)+(N)	(207,528)	(207,528)

SAFILO GROUP S.p.A. (Euro/000)		March 31 2014	March 31 2014 New Issue
A	Cash and cash equivalents	279	150,279
B	Cash and cash equivalents included as Assets held for sale	-	-
C	Current securities (securities held for trading)	-	-
D	Liquidity (A+B+C)	279	150,279
E	Receivables from financing activities	-	-
F	Bank overdrafts and short-term bank borrowings	-	-
G	Current portion of long-term borrowings	-	-
H	Other short-term borrowings	-	-
I	Debts and other current financial liabilities (F+G+H)	-	-
J	Current financial position, net (D)+(E)+(I)	279	150,279
K	Long-term bank borrowings	-	-
L	"Equity linked" Bonds	-	(150,000)
M	Other long-term borrowings	-	-
N	Debts and other non current financial liabilities (K+L+M)	-	(150,000)
I	Net financial position (J)+(N)	279	279

The data shown above have a mere indicative value as they are based on values that, at the date of the reimbursement of the Bond, may be varied, also in a significant way. Please do not consider such pro-forma chart as representing what will be the real and effective impact of the transaction on the economic and capital condition of the Company and of the Group, been represented at the notional amount.

3. Eventual underwriting and/or placement syndicates, their formation, ways and terms of involvement

There is no underwriting and/or placement syndicate in relation to the Capital Increase, since this latter is aimed at exclusively serving the eventual conversion of the Bonds.

It is noted, moreover, that the placement of the Bond has been administered by Banca IMI S.p.A., BNP Paribas and UniCredit Bank AG, Milan Branch as *Joint Bookrunner*.

4. Other provided forms of placement

Other forms of placement are not provided.

5. Criteria according to which the issue price of the new ordinary shares has been determined

The Board of Directors of the Company, considering the characteristics of the Bonds as well as the Capital Increase to serve the conversion of the Bond, has resolved to suggest to the General Meeting that the issue price of the conversion of shares deriving from the Capital Increase to be equal to the conversion price of the Bonds, without prejudice to the criteria provided by article 2441, paragraph 6, of the Italian Civil Code and therefore the issue price shall not be lower than the one determined on the basis of the value of the net assets of the company, considering also the stock prices on the Electronic Stock Market (*Mercato Telematico Azionario*) of the ordinary shares of the Company in the last six months.

The initial price of conversion of the Bonds – given the nature of the Bond, aimed at becoming convertible into ordinary shares subject to the approval of the extraordinary general meeting – has been determined, in compliance with the market practice for these financial instruments, the outcome of the placement of the Bond, on the basis of the market value of the ordinary shares of the Company, in addition to the quantity and quality of the express demand within the placement of the Bond. In particular, to the extent of determining the market value of the ordinary shares, the volume weighted average price of the ordinary share as registered on the Electronic Stock Market (*Mercato Telematico Azionario*) between the start of the placement and the end of the *bookbuilding*, equal to Euro 15.6159, has been used as benchmark. There has been applied to this market value a conversion premium of 40%, equal to the maximum of the interval between 32.5% (minimum premium set by the Board of Directors held on May 14th, 2014) and 40%, determined on the basis of the indications as provided by the selected banks for the performance of the role of *joint bookrunners*, of market conditions and practices in similar transactions performed also in the Italian market.

As pointed out in the chart below, this conversion price is much higher than any other conversion price that has usually been obtained with similar transactions in European market, from 2013 and, overall, the highest in 2014, until the date of the placement of the Bond.

Conversion price for convertible bonds issue on the European market during 2013-2014 (%)

	Tot.	2014	2013	Maturity < 4 years	Maturity 4 - 6 years	Maturity > 6 years
Average	31,2	30,7	31,4	30,0	31,3	32,0
=Euro 150 mln	26,8	27,5	26,0			
<Euro 150 mln	30,3	31,5	29,8			
>Euro 150 mln	32,0	30,5	32,4			
Median	32,0	30,0	32,5	31,0	32,5	31,0
Min	15,0	25,0	15,0	25,0	15,0	30,0
Max	42,5	35,0	42,5	33,8	42,5	35,0

This data were obtained by external providers (Bloomberg) based on a wide range (49 issues) of recent transaction with similar conditions.

On the basis of the above criteria, the initial conversion price of the Bonds into ordinary shares of the Company already issued and/or newly issued has been determined at Euro 21.8623.

Pursuant to article 2441, paragraph 6, of the Italian Civil code, with regard to the fixing of the issue price of new ordinary shares to serve the eventual Bonds conversion, the Board of Directors has considered, also, the value of the net equity of the Company on March 31st, 2014, equal to Euro 12.51 per share (on December 31st, 2013 that value was equal to Euro 12.52), as well as the arithmetic average of the market price of the ordinary shares in the month, in the quarter and in the six months prior to the approval of the Bond issue, equal to, respectively, Euro 15.87, 15.78 and 16.58. Therefore the issue price of the new shares, determined as described above, is higher than the market value of the Safilo Group stock, in all the above-mentioned periods, as well as higher of the value determined on the basis of the net capital of the Company.

It should be noted that, pursuant to the Regulation of the Bond, the initial conversion price can be subject to adjustments at the conversion date in compliance with the market practice for this kind of instruments, upon occurrence of such events, including but not limited to, in the above paragraph 1.6, to which please make reference.

An analysis on the fair value of the shares of the Company was carried out based on the target price evaluated by the major market analysts that publish research on the Company (so called *consensus*).

In particular, the research available before the issue of the Bond was analyzed, extracting recommendations and target prices.

In the chart below the results of this analysis are reported

Broker	Recommendation	Target Price
BANCA AKROS	Hold	18
BANCA ALETTI	In line	17
BANCA IMI	Hold	18,05
BANK OF AMERICA - MERRILL LYNCH	Underperform	16,5
BERENBERG	Buy	18,5
BRYAN GARNIER	Buy	19
CITI	Hold	16
DEUTSCHE BANK	Buy	20
EQUITA SIM SPA	Hold	18
FIDENTIIS	Buy	22,5
INTERMONTE	Neutral	17
KEPLER CHEUVREUX	Hold	16
MAIN FIRST	Outperform	22
MEDIOBANCA	Outperform	19,5
	average	18,43
	median	18,03

The value, identified on the basis of the target prices on the date of the approval of the Bond, is placed in a range equal to Euro 18-18.5.

As a confirmation of the adequacy of the conversion price of the Bonds, the Company carried out additional analysis, based on mathematical-financial models.

By means of these models the Company appraised the current value of the two implicit components in which a convertible bond is articulable: the debt and the option right to purchase the share.

The parameters used to estimate the current value of the debt and of the option right to purchase the share, even if based on subjective valuations, are justified by the Board of Directors in line with the general conditions imposed by the markets.

In particular, the following parameters are assumed:

These models confirm that the issued price of the Bond is in a balance on the basis of the following market inputs

- Credit spread: 325 - 375 bps;
- Volatility: 28% - 33%
- Reference swap 5 years rate: 0,75%
- Coupon: 1,25% - 1.75%
- Conversion price: 32.5% -40%

The proposed conditions for the issue of the Bond, on the basis of the mathematics-financial models, grant an estimate of the value of the two implicit components in which the instrument is articulated.

In consideration of the conducted analysis, the Board of Directors is of the opinion that the adopted criteria for the determination of the initial conversion price of the Bonds and therefore the issue price of the conversion shares (and of the related conversion ratio) are coherent with the criteria as per article 2441, paragraph 6, of the Italian Civil code and, hence, suitable to establish a price that preserves the capital interests of the Company's shareholders, in the case of the exclusion of the pre-emption right.

6. Shareholders who have expressed the willingness to underwrite, in proportion to the owned shares, the newly issued shares as well as the eventual not exercised pre-emption rights

As mentioned above, the Capital Increase is reserved exclusively to the eventual Bonds conversion into newly issued ordinary shares of Safilo Group.

Therefore, due to the above stated reasons, it has excluded the right of the shareholders to exercise their pre-emption rights pursuant to article 2441, paragraph 5, of the Italian Civil code.

7. Expected term for the implementation of the transaction

The implementation of the Capital Increase shall take place as a result of the eventual requests of Bonds conversion during the term of the Bond. It should be noted that, in the event that a bondholder has exercised the conversion right, the Company shall still have the right to replace the delivery of the shares with cash, paying to him the same amount equal to the so-called *Cash Alternative Amount* (that is the amount equivalent to the shares market value that he would have had right to

in the event of conversion pursuant to the Regulation of the Plan) and this is with regard to all or part – at the Company’s discretion – of the shares entitled to the bondholder due to the exercise of the conversion right.

In the event that in the last possible date of conversion, the Capital Increase is not completely underwritten, the share capital of the Company shall be increased by the amount resulting from the underwritings executed by that due date and since the underwritings.

8. Date of availability of the newly issued ordinary shares

The ordinary shares to be offered in conversion of the Bonds shall be regularly available and therefore they shall grant to their owners the same rights of the ordinary shares already outstanding at the time of the issue.

9. The pro-forma effects on the financial statements and financial effects suitable to represent the consequences of the transaction over the economic trend and balance sheet– Effects on the unitary value of the shares

Being this a capital increase transaction of a potentially significant amount (in terms of impact of the transaction amount on the net capital of the Company), below please find some information related to the proposed Capital Increase effects on the Company and Group’s economic-capital conditions as well as on the share value.

Considering the fact that, to the date of this report, neither the number of Bonds that will be object of a request for conversion, nor the moment in time nor the modalities with which the eventual conversion will take place are known, it is necessary, to the extent of representing the impact of the transaction of the economic performance and capital situation of the Company, to formulate the following hypothesis and assumptions, to be understood as non exhaustive of the possible scenarios:

- Number of Bonds converted: three different simulation scenarios; no conversions, 50% conversion; fully converted;
- Timetable of the conversion: at the maturity date of the Bond for the full amount;
- Pro-forma data used: net capital referred to is the Safilo Group consolidated net capital on the 31 March 2014.

Currency: Euro	Safilo Group Consolidated 31.03.2014	Safilo Group S.p.A. 31.03.2014
Group Shareholders' equity	857,883,963	779,057,730
Current number of shares	62,289,965	62,289,965
Current shareholders' equity per share	13.77	12.51
Subscription price per share	21.8623	21.8623
Amount subscribed	150,000,000	150,000,000
Current share capital	311,449,825	311,449,825

a) no conversion

Number of shares issued	-	-
Number of shares after the increase	62,289,965	62,289,965
Pro-forma projected shareholders' equity	857,883,963	779,057,730
Book value of the shareholders' equity increase	-	-
Pro-forma projected shareholders' equity per share	13.77	12.51
Projected share capital	311,449,825	311,449,825

b) 50% converted

Number of shares issued	3,430,563	3,430,563
Number of shares after the increase	65,720,528	65,720,528
Pro-forma projected shareholders' equity	932,883,963	854,057,730
Book value of the shareholders' equity increase	75,000,000	75,000,000
Pro-forma projected shareholders' equity per share	14.19	13.00
Projected share capital	328,602,640	328,602,640

c) fully converted

Number of shares issued	6,861,126	6,861,126
Number of shares after the increase	69,151,091	69,151,091
Pro-forma projected shareholders' equity	1,007,883,963	929,057,730
Book value of the shareholders' equity increase	150,000,000	150,000,000
Pro-forma projected shareholders' equity per share	14.58	13.44
Projected share capital	345,755,455	345,755,455

10. Amendments to the Company's Articles of Association

As a consequence of the Capital Increase purpose of this report, we propose, moreover, to modify article 5 of the Company's Articles of Association as follows (version in force and opposite version with integrations in **bold**):

<p>The capital is of Euro 311,974,825.00 (three hundred and eleven million, nine hundred and seventy four thousand eight hundred and twenty five/00) and it is divided in No. 62,394,965 (sixty two million three hundred and ninty four thousand nine hundred and sixty five) ordinary shares with nominal value of Euro 5,00 (five/00) each.</p>	
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<p>The pre-emption right could be excluded in relation to the capital increase, within the limit of the ten per cent of the pre-existing capital, upon condition that the issue price equals the market value and this shall be confirmed in a specific report of the audit firm, pursuant to article 2441, fourth paragraph, second sub-paragraph, of the Italian Civil Code.</p> <p>In light of the above, the extraordinary general meeting of November 5, 2010 has approved the capital increase by maximum nominal Euro 8,500,000.00 (eight million five hundred thousand/00) by means of issue of new ordinary shares equal to a maximum of No. 1,700,000 (one million seven hundred thousand) at nominal value of Euro 5,00 (five/00) each, each one to be offered to be underwritten to directors and/or employees of the Company and the subsidiaries of the Company.</p> <p>In light of the above, the extraordinary general meeting of April 15, 2014 has approved to increase the share capital by maximum nominal Euro 7,500,000.00 (seven million five hundred thousand/00) by means of the issue of new ordinary shares equal to a maximum of No. 1,500,000 (one million five hundred thousand) at nominal value of Euro 5,00 (five/00) each, each one to be offered to be underwritten to directors and/or employees of the Company and subsidiaries of the Company.</p>	
	<p>The extraordinary general meeting of July [10th], 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441,</p>

	<p>paragraph 5, of the Italian Civil Code, for a maximum amount of Euro 150,000,000 (one hundred and fifty million), inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value of Euro 5,00 (five/00) each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000 (one hundred and fifty million), with due date May 22nd, 2019, reserved to qualified investors, named <i>“Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019”</i>, it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30th, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten.</p>
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It should be specified that the proposals of amendment of the Company’s Articles of Association indicated in this report do not imply the right of withdrawal pursuant the applicable law.

A copy of this report shall be delivered to the audit firm Deloitte & Touche S.p.A., pursuant to article 158 TUF.

If you agree with what has been proposed, you are invited to resolve as follows: “The Shareholders’ general meeting of Safilo Group S.p.A., convened as an extraordinary meeting:

- considered the Report of the Board of Directors;
- acknowledged the main terms and conditions of the Bond, as reported in the Report of the Board of Directors;
- acknowledged the opinion on the adequacy of the issue price released by the audit firm Deloitte & Touche S.p.A.;
- acknowledged the opportunity to proceed to the extents and in the ways mentioned above;

resolves

- 1) to provide and authorise, pursuant to the provisions of the regulation, the convertibility of the *equity-linked* Bond of a nominal amount of Euro 150,000,000, with due date May 22nd, 2019, named “*Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019*”, and therefore to approve the proposal of the capital increase in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, by a maximum amount of Euro 150,000,000.00, inclusive of any possible share premium, to be issued in one or more times, by means of the issue of ordinary shares of the Company with a nominal value of Euro 5.00 each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the above-mentioned *equity-linked* Bond, pursuant to the terms of the related Regulation of the Bond, at a price per share (including the nominal value and the share premium) equal to Euro 21.8623, without prejudice to eventual adjustments to the conversion price as provided by the Regulation of the Bond. The number of shares available for the eventual conversion shall be determined by dividing the nominal value of the Bonds, in relation to which the conversion right shall be exercised, by the above-mentioned conversion price (or the one which, if the case, is in force on the relevant date of conversion), rounded down to the nearest whole number of ordinary shares and being understood the limit of the nominal value of the share. They shall not issue or deliver portions of shares and no payment in cash or adjustment shall be executed instead of such portions;

- 2) to approve to send by the Chairman and the Chief Executive Officer, also individually and with power of sub-delegation, a communication to the bondholders, as a consequence of which the right of conversion into ordinary shares of the Company which already exist and/or newly issued shall be granted to the bondholders;
- 3) to decide that the due date for the underwriting of the new ordinary shares is on June 30th, 2019, due date of the bond, "*Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019*" being understood that the capital increase is irrevocable until the deadline of the last due date for the Bonds conversion and that in the event that, on that date, the Capital Increase is not completely underwritten, the capital increase shall be, in any case, considered increased by an amount equal to the collected underwritings, and since the underwritings, provided that the following such underwritings are after the registration of this resolution at the Registry of Companies with express authorisation to the directors to issue new shares every time they are underwritten;
- 4) to modify consequently article 5 of the Company's Articles of Association adding the following: "*The capital is of Euro 311,974,825.00 (three hundred and eleven million, nine hundred and seventy four thousand eight hundred and twenty five/00)] and it is divided in No. 62,394,965 (sixty two million three hundred and ninety four thousand nine hundred and sixty five) ordinary shares with nominal value of Euro 5,00 (five/00) each.*

The pre-emption right could be excluded in relation to the capital increase, within the limit of the ten per cent of the pre-existing capital, upon condition that the issue price equals the market value and this shall be confirmed in a specific report of the audit firm, pursuant to article 2441, fourth paragraph, second subparagraph, of the Italian Civil Code.

In light of the above, the extraordinary general meeting of November 5, 2010 has approved the capital increase by maximum nominal Euro 8,500,000.00 (eight million five hundred thousand/00) by means of issue of new ordinary shares equal to a maximum of No. 1,700,000 (one million seven hundred thousand) at nominal value of Euro 5,00 (five/00) each, each one to be offered to be underwritten to directors and/or employees of the Company and the subsidiaries of the Company. In light of the above, the extraordinary general meeting of April 15, 2014 has approved to increase the share capital by maximum nominal Euro 7,500,000.00 (seven million five hundred thousand/00) by means of the issue of new ordinary shares equal to a maximum of No. 1,500,000 (one million five hundred thousand) at nominal value of Euro 5,00 (five/00) each, each one to be offered to be

underwritten to directors and/or employees of the Company and subsidiaries of the Company.

The extraordinary general meeting of July [10th], 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, for a maximum amount of Euro 150,000,000 (one hundred and fifty million), inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value of Euro 5,00 (five/00) each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000 (one hundred and fifty million), with due date May 22nd, 2019, reserved to qualified investors, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019", it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30th, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten.";

- 5) to authorise the Chairman of the Board of Directors and Chief Executive Officer, individually and with power of sub-delegation, to update the figures provided by article 5 of the Articles of Association, as amended, following the partial and/or total exercise of the conversion rights by the bondholders and the following partial and/or total capital increase to serve the Bond, providing also the relevant filings with the Registry of Companies;
- 6) to authorise the Board of Directors and, through it, the Chairman and the Chief Executive Officer, so that they individually and with power of sub-delegation, with all the powers, provide also by means of special attorneys, (i) to execute the resolutions, being also authorised to make amendments requested by the competent Authorities, as well as the eventual abolitions, extensions, amendments and integrations which may be requested to register with the Registry of Companies, providing also for the filing of the updated Company's Articles of Associations following the approval of the transaction, and also (ii) to implement everything requested, necessary and useful for the total fulfilment of what has been resolved".

Padua, June 6th, 2014

**p. the Board of Directors
Robert Polet
The Chairman**

**AUDITORS' REPORT ON THE ISSUE PRICE
OF THE SHARES RELATED TO THE SHARE CAPITAL INCREASE
EXCLUDING SHAREHOLDER PRE-EMPTION RIGHTS PURSUANT
TO ART. 2441, FIFTH AND SIXTH PARAGRAPH OF THE ITALIAN CIVIL CODE, AND
ART. 158, FIRST PARAGRAPH OF LEGISLATIVE DECREE 58/1998**

**To the Shareholders of
SAFILO GROUP S.p.A.**

1. SCOPE OF THE ASSIGNMENT

In connection with the proposed share capital increase excluding Shareholders pre-emption rights pursuant to art. 2441, fifth paragraph, Civil Code and art. 158, first paragraph of Legislative Decree 24 February 1998, no. 58 (Consolidated Act on Financial Intermediation or "TUIF"), described below, we have received the report issued by the Board of Directors of Safilo Group S.p.A. (hereinafter referred to as "Safilo" or "Safilo Group," or the "Company") on 6 June 2014 prepared pursuant to art. 2441, sixth paragraph, Civil Code (hereinafter the "Directors' Report" or the "Report"), which illustrates and justifies the above-mentioned transaction (hereinafter the "Transaction").

The proposal of the Company's Board of Directors, as illustrated in the Report, relates to the authorization to convert into shares of the Company, pursuant to art. 2420-*bis*, paragraph 1, Civil Code, the *equity-linked* notes of Euro 150 million 5-year reserved to qualified investors, named "*Safilo Group S.p.A. Euro 150 million 1.25 per cent Guaranteed Equity-Linked Bonds due 2019*", placed on 15 May 2014 (hereinafter the "Notes"). Therefore, in order to convert the Notes, a share capital increase in instalments for cash, excluding pre-emption rights pursuant to art. 2441, fifth paragraph, Civil Code, will be proposed to the Extraordinary Shareholders' Meeting for up to a total maximum amount of Euro 150,000,000.00 (including the premium), to be authorized in one or more tranches by issuing ordinary shares of the Company ranking *pari passu* with existing ordinary shares (hereinafter the "Capital Increase"), at a price per share equal to Euro 21.8623 of which Euro 5.00 to be allocated to share capital and Euro 16.8623 as premium (hereinafter, the "Issue Price"). The proposed Capital Increase is therefore to allow the Company to convert the Notes, if authorized by the Shareholders, into newly issued shares.

The proposed Capital Increase will be submitted for approval to the Shareholders at the Extraordinary Meeting of the Company convened for 10 July 2014, on a single call.

Pursuant articles 2441, fifth and sixth paragraphs, Civil Code and 158, first paragraph of the TUIF, the Board of Directors of the Company has appointed us to express an opinion on the adequacy of the criteria proposed by the Directors for the purposes of determining the issue price of the above-mentioned shares.

2. OVERVIEW OF THE TRANSACTION

In order to provide a useful framework of the overall context of the proposed Capital Increase, the following is an outline of the information contained in the Directors' Report in this regard.

The proposed Capital Increase as illustrated in the Report, is part of the bonds stemming from the Notes (hereinafter the "Bonds"), reserved for qualified investors, both Italian and foreign, with the exception of the United States of America, Canada, Japan, Australia or any other jurisdiction where the offer or sale of Bonds is subject to authorization by local authorities or otherwise prohibited by law. The issue of the Notes was approved by the Board of Directors on 14 May 2014, at a pricing determined by the Chief Executive Officer on 15 May 2014, considering the weighted average market price of the ordinary shares of the Company registered on the Mercato Telematico Azionario on 15 May 2014, date of *bookbuilding*, and more precisely between the start and the end of the *bookbuilding* process, plus a conversion premium of 40%, subject to the provisions of art. 2441, sixth paragraph 6, Civil Code.

As described in the Directors' Report, the Transaction concerns the issue of the Notes, for a total nominal amount of Euro 150 million, with a duration of 5 years, reserved to qualified investors, named "*Safilo Group S.p.A. Euro 150 million 1.25 per cent Guaranteed Equity-Linked Bonds due 2019*", and subsequent divisible Capital Increase in instalments for cash, excluding Shareholder pre-emption rights pursuant to art. 2441, fifth paragraph, Civil Code, for a total maximum amount of Euro 150,000,000.00 (including the premium), to be paid in one or more instalments through the issue ordinary shares of the Company having the same characteristics of the outstanding ordinary shares.

On 14 May 2014, the Board of Directors approved the issuance of the Notes and the related main terms and conditions, and the placement was started and completed on 15 May 2014. The Transaction was executed on 22 May 2014 through the issuance of securities with a maturity of 22 May 2019.

The deadline for subscription of newly-issued shares to repay the Notes is set for 30 June 2019 and it is expected that, in the event that at that date the Capital Increase is not fully subscribed, the same will be considered however increased by an amount equal to the subscriptions received.

The terms and conditions of the Notes (hereinafter the "Terms and Conditions") provides that the Bonds may be converted into ordinary shares of the Company if the Extraordinary Shareholders' Meeting authorizes the convertibility of the Bonds and approves the related capital increase. In case of non-approval by the Shareholders by 30 September 2014 (so-called *Long Stop Date*), the Company may, within 10 business days from the *Long Stop Date*, issue a notice to bondholders (so-called *Shareholder Event Notice*) and opt to early redeem the entire Bonds (so-called *Fair Market Call*), by paying a cash amount equal to the greater between 102% of the principal amount, and 102% of the market price of the Bonds, as determined by an independent financial advisor, plus accrued interest.

If, in the event the Shareholders do not approve the Capital Increase within the *Long Stop Date*, the Company has not issued the *Shareholder Event Notice*, each bondholder may request the early cash repayment of its Bonds, under the terms established in the Terms and Conditions. In such event, the Company shall pay an amount in cash equal to the market value, determined on the basis of a formula, defined in the Terms and Conditions, which takes into account the market value of the Safilo Group shares to which the Bondholder would have been entitled if he/she had exercised the right for conversion (so-called *Cash Alternative Amount*).

According to the Report, the Directors indicate that the Transaction is part of a more comprehensive refinancing of Safilo Group's indebtedness aiming to provide the Company with a wide financial flexibility, at the same time extending the debt duration. In fact, on the same date, 14 May 2014 the Directors, resolved to approve the conditions of a *revolving credit facility* ("RCF") for a total amount up to a maximum of Euro 150 million, with a duration of 4 years, which shall be effective following the eventual approval of the Capital Increase by the Extraordinary General Shareholders' Meeting and the reimbursement and write-off of the credit facility currently existing, due to expire on 30 June 2015.

The main advantages of the Transaction presented by the Board of Directors also include:

- the raising of funds on favorable terms also having regard to the "equity linked" characteristics of the Bonds
- the diversification of funding sources;
- the possibility to benefit from favorable market conditions through quick placement towards qualified national and international investors;
- the opportunity to early refinance existing credit facilities for a total amount of Euro 300 million, expiring June 2015.

As indicated by the Directors, the issue of the Notes and the consequent possible Capital Increase constitute a single transaction which enabled the Company to provide a rapid mean of funding to obtain, in the short term and at favorable conditions, resources from the market of non-bank capital. Therefore, in light of the characteristics, timing and purposes of the transaction, considered globally, the Board of Directors resolved to propose a share capital increase pursuant to art. 2441, fifth paragraph, Civil Code.

Main features of the Notes

Pursuant to the resolution of the Chief Executive Officer of 15 May 2014, the main features of the Notes are the following:

- Total nominal amount: Euro 150,000,000.00 (one hundred and fifty million);
- Offered to: underwriting of the Notes was reserved to qualified investors Italian and foreign, excluding USA, Australia, Canada and Japan. Institutional private placement pursuant to Regulation S of US Securities Act dated 1933, as modified;
- Minimum denomination of Bonds: Euro 100,000.00 (one hundred thousand) for each Bond;
- Term: 5 years
- Issue Price: equal to the nominal value of the Bond;
- Interest rate: fixed rate, equal to annual 1.25%;
- Interest payments: every six months in arrears. First coupon due on 22 November 2014;
- Date of availability: from the issue date;
- Listing: the Bonds are expected to be admitted to trading on a regulated market or an MTF by 30 September 2014;
- Reimbursement: principal shall be repaid in a single instalment equal to the nominal value at Notes maturity, without prejudice to early reimbursements;

- Early reimbursement by the Company: the Company could exercise the right of early reimbursement of the Notes in the following circumstances:
 - in the event the Capital Increase should not be approved by the Company's Shareholders within the *Long Stop Date*, the Company would have the right, within a defined term, to early repay in full the Notes, in cash (so-called *fair market call*), for an amount equal to the higher of 102% of the nominal amount, and 102% of the "market value" of the Bond, as determined by an independent financial advisor, in addition to accrued unpaid interests, as provided by the Terms and Conditions of the Bond;
 - the Company could also opt to early redeem in other situations defined in the Terms and Conditions of the Bond according to the market practice;
- Early reimbursement by the bondholders: the bondholders would have the right of ask for early reimbursement of the Bonds in the following circumstances:
 - in the event the Capital Increase serving the Bond should not be approved by the general Shareholders' Meeting within the *Long Stop Date*, and without prejudice to the Company's right to the above described *fair market call*, the bondholders are entitled to ask the Company, starting from the *Long Stop Date* and by the 32^o day on which the market is open prior to the deadline of the Bond, or by the 7^o day on which the market is open prior to the deadline set by the Company for the early reimbursement of the Bond, for an amount determined, according to a mathematical formula, as defined by the Terms and Conditions of the Bond, which shall consider the market value of Safilo Group shares to which they would have been entitled in the event of conversion (so-called *Cash Alternative Amount*);
 - in addition, the bondholders may ask for early reimbursement, at nominal value on top of accrued unpaid interests, in the event of: (a) a change of control of the Company, as defined by the Terms and Conditions of the Bond; or (b) the outstanding ordinary shares of the Company decreasing under 15% and remains under 15% for at least 5 days of open market for a term of 90 days of open market from the first day in which it decreased below the said threshold;
- Cash alternative election: if a bondholder exercised the conversion right, the Company shall have in any event the right to pay by cash the conversion requests, paying to the bondholder an amount of cash equal to the *Cash Alternative Amount*, for whole or part – at the Company's discretion – of Safilo Group shares due to the bondholder as a consequence of having exercised the conversion right;
- Conversion right: the Terms and Conditions provide that, if the Company's Shareholders' General Meeting, by the Long Stop Date, authorizes bond convertibility and approves, as a result, a Capital Increase with the exclusion of shareholders' pre-emption right, serving Bond conversion, the Company shall issue a specific notice to the bondholders (the "*Physical Settlement Notice*"), following which the latter shall be awarded from the date indicated in the *Physical Settlement Notice* (the "*Physical Settlement Date*"), the right to request conversion of the Bonds into the Company's newly issued shares for said Capital Increase to be exercised in the term specified in the Terms and Conditions of the Bond and on the basis of the conversion ratio provided in such Terms and Conditions, without prejudice to the possibility for the Company, when converting, to deliver, if existing, treasury shares instead.

The Directors determined the initial conversion price on the Bonds on 15 May 2014 in Euro 21.8623. Such price include a conversion premium of 40%, determined and approved by the Chief Executive Officer on 15 May 2014, in addition to the volume weighted average price of the ordinary share as registered on the Electronic Stock Market (*Mercato Telematico Azionario*) on 15 May 2014, day in which the *bookbuilding* took place and, more precisely, between the start of the placement and the end of the *bookbuilding*, as experienced in market practice for placements of such convertible bonds and of similar financial instruments, without prejudice to the criteria provided by article 2441, paragraph 6, of the Italian Civil Code.

- Possible adjustments: the initial conversion price shall be subject to adjustments in accordance with market practice applicable for this type of instrument, upon the occurrence, among others, of the following events: grouping or fractioning of outstanding ordinary shares; issue of ordinary shares free of charge; distribution of dividends in cash or in kind to the ordinary shares; attribution to ordinary shareholders of rights or options which entitle to the right to underwrite ordinary shares at a price lower than the market price when those rights are not offered to the bondholders; issue of ordinary shares for an amount lower than the market price in favour of ordinary shareholders when those shares are not offered to the bondholders; issue of financial instruments convertible into ordinary shares in favour of ordinary shareholders when those instruments are not offered to the bondholders; issue of financial instruments convertible into ordinary shares, with the exclusion of pre-emption right at a value lower than the market value; amendments to financial instruments already issued which entitle to the conversion into ordinary shares such to allow the acquisition of ordinary shares at a price lower than the market price.
- Governing law: English law, except for the issues which are mandatorily governed by Italian law.

3. NATURE AND SCOPE OF THIS REPORT

The Board of Directors of the Company, taking into account the characteristics of the Bonds and the Capital Increase for the conversion of the Notes, resolved to propose to the Shareholders' Meeting that the issue price of the new shares resulting from the Capital Increase would be equal to the conversion price of the Bonds, provided that the price shall be determined according to the criteria of art. 2441, sixth paragraph, Civil Code and, therefore, considering the equity value of the Company and the performance of the Safilo Group shares on the *Mercato Telematico Azionario* in the last six months.

This fairness opinion, issued pursuant to articles 2441, sixth paragraph, Civil Code, and 158, first paragraph, TUIF, aims to re-enforce the information available to the Shareholders excluded from the pre-emption rights, pursuant to article 2441, fifth paragraph, Civil Code, about the criteria adopted by the Directors to determine the Price for the shares for the purpose of the proposed Capital Increase.

This report therefore illustrates the criteria adopted by the Directors to determine the issue price of the new shares and as well as valuation difficulties encountered by them, if any, and includes our considerations on the appropriateness of those criteria, in terms of their being reasonable and non-arbitrary, in the circumstances, as well as on their correct application.

In the execution of our engagement we did not perform any valuation of the Company, which is beyond the scope of this engagement.

The purpose of this report is not express, thus does not express, an opinion on the financial or strategic reasons of the Transaction.

4. DOCUMENTATION USED

In performing our work, we obtained directly from the Company, or through the Company, the documents and information we considered useful in the circumstances.

Specifically, we analysed the following documentation:

- I. minutes of the meeting of the Board of Directors of 14 May 2014, which approved the main terms and conditions of the Notes, and authorized the Chief Executive Officer to precisely define the same terms and conditions as a result of the pricing on the Transaction;
- II. notary minutes of the Chief Executive Officer decision dated 15 May 2014, which approved the terms and conditions of the Notes, including the Issue Price of the newly issued shares;
- III. Report issued by the Board of Directors on 6 June 2014 for the proposed increase in the Company's share capital;
- IV. detailed documentation on the valuation prepared by the Directors, as well as the criteria and procedures for determining the Price of the newly issued Safilo Group shares;
- V. *"New Issue Pricing Term Sheet"* of the Notes;
- VI. The stock market prices trend of the Safilo Group shares the Mercato Telematico Azionario of Borsa Italiana (Italian Stock Exchange) over the period defined by the Directors (6 months prior to 14 May 2014 and 6 months prior to 6 June 2014, which also reflected the share listings in the period following the issuance of the Notes) and other information such as share volatility and average daily volumes;
- VII. *equity research* on the Safilo Group shares available to the Company at 14 May 2014, as well as those subsequently made available;
- VIII. Current By-laws of the Company, for the purposes referred to herewith;
- IX. Press releases on the Company relating to the Transaction;
- X. financial statements and consolidated financial statements of the Company for the period ended 31 December 2013 audited by others and related audit reports issued on 19 March 2014;
- XI. Safilo Group interim report for the period ended 31 March 2014.

We also obtained specific and express representation, by letter issued by the Company on 16 June 2014 that, to the best knowledge of the Directors of Safilo, there were no changes to the data and information taken into account in the course of our analysis that would result in the need to make updates to the assessments prepared by the Directors.

5. VALUATION METHODS ADOPTED BY THE DIRECTORS TO DETERMINE THE SHARE PRICE

In circumstances where Shareholders' pre-emption rights are excluded pursuant to art. 2441, fifth paragraph, of the Civil Code, the sixth paragraph of the same article provides that the share price shall be determined by the Directors "*based on the value of net equity, taking into account, for listed shares, also the share prices in the last six months*".

As indicated in their Report, the Directors, in consideration of the features of both the Bonds and the Capital Increase for purpose of the conversion of the Notes, resolved to propose to the Shareholders to set the Price for newly issued shares in the Capital Increase to the initial conversion price of the Bonds, provided, however, that the price would not be lower than the price based on the Company's net equity and taking into account the performance of the Safilo share on the Mercato Telematico Azionario in the last six months. The Chief Executive Officer, on 15 May 2014, also determined the initial conversion price of the Bonds, based on the criteria used in comparable transactions, and in line with market practices for such debt securities.

The Issue Price, determined as equal to the conversion price of the Bonds, has been subject to further review by the Directors also through an estimate of the fundamental value of the Company based on target prices set by the main equity analysts covering Safilo.

More specifically, the Directors have carried out the following analyses:

- A. definition of the Issue share Price on the basis of the market price of the Safilo share and the conversion premium, estimated on the basis of comparable transactions on the market, as well as consistency analysis of the optional component of the Notes *vis à vis* the debt component;
- B. analysis of market prices of the Safilo share at different periods of observation, compared to the precise value determined on the day of the *bookbuilding*;
- C. analysis of the fundamental value of the Company by applying the target prices set by equity analysts for the Safilo share.

Below is a summary of the analyses made by the Board of Directors.

A. Definition of the Issue share Price of the shares on the basis of the market price of the Safilo share and the conversion premium

The initial conversion price, given the nature of the financial instrument - which will become convertible into shares upon the fulfilment of the conditions of the Notes and, in any case, subject to the authorization of the conversion and approval of the Capital Increase by the Shareholders - was determined on completion of the launch of the Transaction based on the stock market price of the Safilo shares, as well by applying a conversion premium of 40%, defined by the Chief Executive Officer on 15 May 2014.

In order to determine the market value of the shares the Directors considered the Volume Weighted Average Price for Safilo shares recorded on the Mercato Telematico Azionario on 15 May 2014, between the start of *bookbuilding* and the pricing of the Transaction, equal to Euro 15.6159, in line with market practice experienced for the issuance of "*equity linked*" bonds both in Italy and on international financial markets.

The conversion premium was estimated by the Directors with reference to comparable transactions observed in the market and is higher, as illustrated in the Report, than the average conversion premium applied in recent comparable issues of convertible bonds carried out in Italy and in Europe.

The following table illustrates a summary of premiums granted on convertible bonds issued in Europe in 2013 and 2014 until the placement of the Notes.

	Tot.	2014	2013	Maturity < 4 years	Maturity 4 - 6 years	Maturity > 6 years
Average	31.2	30.7	31.4	30.0	31.3	32.0
=Euro 150 mln	26.8	27.5	26.0			
<Euro 150 mln	30.3	31.5	29.8			
>Euro 150 mln	32.0	30.5	32.4			
Median	32.0	30.0	32.5	31.0	32.5	31.0
Min	15.0	25.0	15.0	25.0	15.0	30.0
Max	42.5	35.0	42.5	33.8	42.5	35.0

Applying the criteria considered above, that is taking into account the Volume Weighted Average Price of the Safilo shares recorded on the Mercato Telematico Azionario between the start of *bookbuilding* and the pricing of the transaction, amounting to Euro 15.6159, plus a conversion premium of 40%, the Price of the new shares issued for the conversion of the Notes, assumed by the Directors equal to the conversion price of the Notes, amounts to Euro 21.8623 per share.

To support the identification of the conversion premium, the Company has conducted further analyses based on financial and mathematical models. Based on such models, the Company have estimated the fair value of the two components of the convertible bonds: the debt component and the call option for subscribing Safilo shares. Though the parameters used for the estimate of the current value of the debt and the call option are based on subjective valuations, these parameters were considered by the Directors to be in line with the market general conditions. In particular, the following main parameters were considered:

- Credit Spread: 325 - 375 bps;
- Volatility: 28% - 33%;
- 5 years Swap Rate: 0.75%
- Coupon Rates: 1.25% - 1.75%
- Conversion Premium: 32.5% - 40%

On the basis of mathematical-financial models analysis, the Board of Directors have verified that the value of the two implicit components of the convertible bond loan is coherent with the Issue Price of the Notes.

B. Analysis of market prices of the Safilo share at different periods of observation

For the purposes of compliance with the criteria referred to in article 2441, sixth paragraph, Civil Code and to support the share market value used as a reference for the issue price of the shares, as described above, the Board has also performed analyses on the performance of Safilo shares in the last six months, according to art. 2441, sixth paragraph, Civil Code, which provides that the Issue Price of the new shares must be determined "*based on the value of net equity, taking into account, for listed shares, also the share prices in the last six months*".

The value identified by the Directors as the average market price of the Safilo shares over the six months period before 14 May 2014 (date of approval by the Directors of the issuance of the Notes) is equal to Euro 16.58 per share.

For a more comprehensive analysis, the Directors also determined the value identified as the average market price of the Safilo shares in the month and in three months preceding 14 May 2014. The value in these most recent periods lies between Euro 15.87 (average last month) and 15.78 (average last three months) per share.

The Issue Price of the shares, as determined above, equal to Euro 21.8623 per share, is therefore higher than the average of market prices in each period mentioned above and higher than the value determined on the basis of the book value of Company's shareholders' equity as of 31 March 2014, equal to Euro 12.51 per share.

C. Analysis of the Company's fundamental value of the basis of target prices set by equity analysts for the Safilo share

The Directors have performed an analysis of the fundamental value of Safilo shares based on the target prices estimated by the main market analysts covering Safilo. In particular, the Directors analysed researches available at the date of issue, extracting recommendations and target prices as detailed in the table below.

Broker	Recommendation	Target Price
BANCA AKROS	Hold	18
BANCA ALETTI	In line	17
BANCA IMI	Hold	18,05
BANK OF AMERICA - MERRILL LYNCH	Underperform	16,5
BERENBERG	Buy	18,5
BRYAN GARNIER	Buy	19
CITI	Hold	16
DEUTSCHE BANK	Buy	20
EQUITA SIM SPA	Hold	18
FIDENTIIS	Buy	22,5
INTERMONTE	Neutral	17
KEPLER CHEUVREUX	Hold	16
MAIN FIRST	Outperform	22
MEDIOBANCA	Outperform	19,5
	average	18,43
	median	18,03

The value identified by the Directors on the basis of the target prices on the date of approval of the issuance of the Notes lies between Euro 18.03 and 18.43 per share (respectively average and median of the target prices).

As a result of analyses performed, as described above, the Directors believe that the criteria adopted for the determination of the initial conversion price of the Bonds and, therefore, the Issue Price of the shares (and related conversion ratio) are consistent with the criteria laid down in art. 2441, sixth paragraph, Civil Code. and, therefore, appropriate to identify a price that would preserve the equity interests of the shareholders of the Company, in consideration of the exclusion of their pre-emption rights.

6. VALUATION DIFFICULTIES ENCOUNTERED BY THE BOARD OF DIRECTORS

In the Report the Board of Directors did not identify difficulties encountered in the valuations described in the preceding paragraph.

7. RESULTS OF THE ASSESSMENT PERFORMED BY THE BOARD OF DIRECTORS

Based on the analyses carried out by the Board of Directors, the Directors determined the Issue Price of the new Safilo shares as part of the Capital Increase in Euro 21.8623 per share, or equal to the conversion price of the Bonds identified pursuant to the Terms and Conditions.

8. ACTIVITY PERFORMED

For the purpose of our assignment, we carried out the following main activities:

- examined the minutes of the Board of Directors' Meeting of May 14;
- examined the notary minutes of the Chief Executive Officer's decision dated 15 May 2014;
- performed an in-depth review of the Directors' Report and, in particular, of the valuation methods adopted by the Directors, in order to identify their adequacy, in terms of reasonableness and non-arbitrariness;
- collected and examined the information needed to identify that these methods were technically adequate, in the specific circumstances, in terms of reasonableness and non-arbitrariness, for determination of the Issue Price of the shares;
- verified the completeness and non-contradictory nature of the reasons provided by the Board of Directors regarding the choice of the value mentioned above;
- for the purposes referred to herewith, examined the by-laws of the Company;
- verified the consistency of the data used with reference sources, including the documentation used, as described in paragraph 4 above, and verified the arithmetic accuracy of the calculations;
- carried out checks on the performance of market prices of the Company's shares in the month and in the 3 and 6 months preceding 14 May 2014, consistent with the considerations made by the Directors;
- collected and examined data on conversion premiums observed with reference to comparable transactions executed in Italy and in Europe in 2013 and in 2014;
- performed independent valuation analysis to support the theoretical analyses carried out;
- collected, through interviews with Company's Management, information about events that occurred after the launch of the Transaction, with respect to any facts or circumstances that could have a significant effect on the data and information considered in the course of our analyses, as well as on the results of the assessments;
- received formal representation by the legal representatives of the Company on the valuation elements made available to us and that, to the best of their knowledge, at the date of our opinion, there are no significant changes to be made to the reference data of the Transaction and the other elements taken into account that would result in the need to make updates to the assessments prepared by the Directors.

9. COMMENTS AND CLARIFICATIONS ON THE ADEQUACY OF VALUATION METHODS ADOPTED BY THE DIRECTORS FOR THE DETERMINATION OF THE ISSUE PRICE OF SHARES

First of all, it is worth reminding that this fairness opinion concerns the Capital Increase serving the Notes.

As explained in the Directors' Report, the issuance of the Notes, the Capital Increase and the conversion of the Bond into convertible Bonds constitute a single transaction which allows to the Company to make use of a mean of funding required to collect, in the short term and at favourable conditions, resources on the non-banking capital market. The Directors' report describes the characteristics of the instrument of the Notes and the Directors rationale in determining the terms and conditions of the Capital Increase serving Bonds conversion.

In this context, as described in the Directors' Report, the underlying reasons for the methodology choices made by the Directors for the determination of the Issue Price of the new shares under the proposed Capital Increase and the logical process followed are a direct consequence of identified Terms and Conditions.

Therefore, the considerations below about the reasonableness and non-arbitrariness, in the circumstances, of the methodological approach adopted by the Directors for the determination of the Issue Price of the Safilo new shares as part of the Capital Increase, also take into account the specific characteristics of the overall structure of the Transaction and its negotiation component on the basis of the elements and the objective conditions of both the market and the Company, as identified at the time of placement of the Bonds, that is in May 2014.

- The Chief Executive Officer identified the Issue Price of the new shares as part of the Capital Increase in an amount corresponding to the conversion price of the Bonds, equal to Euro 21.8623. The conversion price was determined by the Chief Executive Officer on 15 May 2014, date of the *bookbuilding* of the Notes, based on a methodology that included the use of the weighted average price on the market of the Safilo share identified between the start and the conclusion of the orders collection process, amounting to Euro 15.6159. The Issue Price also incorporates a conversion premium of 40%.
- Pursuant to art. 2441, sixth paragraph, Civil Code, the issue price of the shares, in the case of exclusion of the Shareholder pre-emption rights, must be determined "*on the basis of the value of the net equity, taking into account, for shares listed on regulated markets, even the market price in the last six months.*"
- The criterion of the market prices used as a reference by the Directors for the determination of the Issue Price is commonly accepted and used both nationally and internationally and is in line with constant behavior in professional practice in similar transactions.
- In the present case, also in consideration of the specific destination of the Capital Increase, which aims to make available the necessary additional shares for the possible conversion of the Notes, the Directors' decision is, on the whole, reasonable regarding the initial reference to a "direct" methodology of the market, such as market prices. Following the approval of the Capital Increase and the conversion of the Bonds into convertible Bonds, the Transaction consists of collecting new risk capital that, in the current market scenario, must take into account the market conditions at the time of placement of the Notes. In view of the above, the adoption of the method of share prices appears well-founded and, in the circumstances, reasonable and non-arbitrary since it is consistent with the overall structure of the Transaction and the purpose of the Capital Increase for the conversion the Notes.
- The method of the market prices, as a basis for determining the Issue Price, appears reasonable also considering that since no updated Safilo Group business plan is available, the Directors did not consider appropriate to develop alternative valuations based on analytical methodologies.

- With regard to the time frame taken into account for the determination of the Issue Price of the new shares, the Chief Executive Officer has chosen to use the Volume Weighted Average Price of the Safilo share recorded on the Mercato Telematico Azionario between the start and the conclusion of the *bookbuilding* on 15 May 2014, amounting to Euro 15.6159. In the specific circumstances, taking into account the purposes of the Transaction, the criterion chosen by the Directors is deemed allowing the identification of an Issue Price of the shares representing the current value of the Company updated at the time of issue of the financial instrument.
- As already described above, in the context of the methodology of the market prices, the Directors have also performed further analysis of the price of the Safilo share in different observation periods, by calculating the arithmetic average of the share price in the month, three and six months preceding the date of approval of the issue of the Notes (14 May 2014). Such analysis showed values (Euro 15.87 in the month prior to 14 May 2014, Euro 15.78 and Euro 16.58 in the three and six months prior to 14 May 2014 respectively) that are slightly higher (in particular 1.63%, 1.05% and 6.17% respectively) than the value identified by the Directors on the day of *bookbuilding*, equal to Euro 15.6159. Considering the volatility recently experienced by the Safilo share, such differences appear by the way reflecting fluctuations of ordinary nature.
- The methodological choice made by the Board of Directors, which involved the identification of an exact price as recorded on the Mercato Telematico Azionario on a single trading day, is in line with the established national and international market practice for the issuance of "*equity-linked*" bond notes. Such methodology, that is not the one normally experienced in the established practice for capital increases with exclusion of pre-emption rights not involving issuance of convertible bonds, in the specific circumstances provides an Issue Price, inclusive of the 40% premium, higher than average values of the share observed in preceding periods.
- The Directors' decision to incorporate in the determination of the Issue Price a conversion premium with respect to the aforementioned weighted average price of the Safilo share registered on the day of the *bookbuilding* is also in line with the established practice for this type of transaction. The conversion premium identified by the Chief Executive Officer i.e. 40%, appears to be one of the highest for the issuance of convertible bonds in Europe in 2013 and in early 2014 and however ranks in the higher end of the range found in the market for similar transactions. To support the choices adopted with reference to the identification of the value of the conversion premium, lastly the Directors conducted further analyses in order to verify the consistency of the issue price of the bonds with the fair value of the debt and of the optional component, making use of mathematical-financial models.
- However, it should be noted that the Safilo shares, following the issuance of the Notes, showed an increase in prices. We have therefore developed a sensitivity analysis based on averages measured at different time frames (6 months, 3 months, 1 month) preceding not only the date of 14 May 2014, date of approval of issuance of the Notes, but also the more recent date, 5 June 2014. The analysis developed by us with respect to the time frames indicated above show average values lower than the Issue Price inclusive of premium identified by the Directors.
- The accuracy analysis, even mathematical, of the market methodology used and the calculation of the Issue Price confirms the reasonableness and non-arbitrariness of the results achieved by the Directors.

- The values per share resulting from the analysis of the averages of share prices have been subject to further verification by the Directors with the target prices indicated in the equity researches transmitted by the main market analysts to the Company prior to the date of approval for issuance of the Notes. The analysis showed lower than the value identified by the Directors for the Issue Price of the shares equal to Euro 21.8623. It should also be noted that the target price method, though it provides only an indication of the value of a listed company, it is grounded on external estimates, considering growth expectations, relevant inherent risks and key valuation parameters, and is therefore significant compared to analytical valuation methods, performed independently and in detail by management, which better represent the company's fundamental value. Furthermore, the target prices method, which represent the analysts sentiment on the basis of a number of assumptions and subjective hypothesis, normally developed with different levels of detail, is less important also with respect to market criteria, used primarily by the Directors in this specific case, which, on the contrary, fully represent the exchange value of the share, since grounded on objective variables, such as prices resulting from the match of supply and demand.
- As part of the independent valuation and sensitivities carried out by us, application of the financial and the income method, developed on the basis of the equity research for the period 2014-2016, has led to a value per share lower than the Issue Price.
- In light of the above considerations, the overall methodological approach adopted by the Directors for the determination of the Issue Price and for the further analyses carried out for its fairness, taking into account the characteristics of the issue of the Notes and of the fact that an updated Safilo Group business plan is not available to develop analytical independent valuation, is overall reasonable and non-arbitrary.

The aspects discussed above have been taken into due consideration for the issuance of this fairness opinion.

10. SPECIFIC LIMITATIONS, VALUATION ISSUES AND OTHER SIGNIFICANT ASPECTS ENCOUNTERED BY THE AUDITORS IN CARRYING OUT THE ASSIGNMENT

- i) With regard to the difficulties and limitations encountered in the performance of our assignment, we note the following:
 - valuations based on methods that use market variables and parameters, such as the method of market prices, are subject to the performance of financial markets themselves. The performance of financial and share markets, both Italian and international, showed a tendency to significant fluctuations in the course of time, especially in relation to the uncertainty of the overall economic scenario. Speculative pressures in one sense or another may also influence the performance of the shares, completely unrelated to the economic and financial prospects of individual companies. The application of the method of market prices, being the method selected by the Directors, may therefore identify even significantly different values, depending on the time in which the assessment is carried out;
 - the absence on an updated business plan on which analytical valuation could have been based, prevented detailed analyses and sensitivities on the fundamental value of the Safilo share, which could also represent a control method on the valuation determined on the basis of market or analysts' *consensus* methods;
 - the target prices method, which the Directors used, together with the method of market prices, may, in principle, provide purely an indication, for the reasons already described in preceding paragraph 9.

ii) Reference is also made to the following matters:

- The Terms and Conditions provide that, if the general Shareholders' Meeting of the Company authorizes Bond convertibility and approves, as a result, the Capital Increase for the conversion, which is the subject of this fairness opinion, the Company shall issue a *Physical Settlement Notice* to the bondholders, as a result of which the latter shall be awarded from the *Physical Settlement Date*, with the right to request conversion of the Bonds into the Company's newly issued shares deriving from the mentioned Capital Increase, to be exercised in the time frame specified in the Terms and Conditions of the Notes and on the basis of the conversion ratio defined in the same document without prejudice to the Company's right to also deliver treasury shares instead or to satisfy the conversion requests in cash, paying the *Cash Alternative Amount*. In this regard it should be noted that, as reported by the Company to the market on 15 May 2014, the shareholder Multibrands Italy B.V., which globally holds 41.8% of Company's shares, represented to Safilo its intention to express a vote in favour of the Capital Increase at the meeting and not to underwrite any bond;
- the Terms and Conditions provides furthermore that the Company shall be entitled to settle any conversion by payment in cash of an amount equal to the *Cash Alternative Amount* (that is the amount equivalent to the shares market value that the bondholder would have had right to in the event of conversion pursuant to the Terms and Conditions of the Notes) with regard to all or part – at the Company's discretion – of the shares entitled to the bondholder due to the exercise of the conversion right;
- in their Report, the Directors report that the conversion price equal to Euro 21.8623 may be subject to any adjustment in accordance with market practice in force for this type of debt instrument, upon the occurrence, among other things, of the following events: grouping or fractioning of outstanding ordinary shares; issue of ordinary shares free of charge; distribution of dividends in cash or in kind to the ordinary shares; attribution to ordinary shareholders of rights or options which entitle to the right to underwrite ordinary shares at a price lower than the market price when those rights are not offered to the bondholders; issue of ordinary shares for an amount lower than the market price in favour of ordinary shareholders when those shares are not offered to the bondholders; issue of financial instruments convertible into ordinary shares in favour of ordinary shareholders when those instruments are not offered to the bondholders; issue of financial instruments convertible into ordinary shares, with the exclusion of pre-emption right at a value lower than the market value; amendments to financial instruments already issued which entitle to the conversion into ordinary shares such to allow the acquisition of ordinary shares at a price lower than the market price;
- our engagement does not include any consideration about the determinations of the Directors regarding the structure of the Transaction in the context of the objectives of the Company, related fulfilments, the timing of initiation and execution of the Transaction;
- the Report does not include any restrictions on time availability for the newly-issued shares and therefore the Bondholders will be fully entitled, following the delivery by the Company of the new shares, of trading such shares on the market.

11. CONCLUSIONS

Based on the documentation examined and the procedures set forth above, and considering the nature and scope of our work, as reported in this fairness opinion, subject to the matters described in paragraph 10, we believe that the methodological approach adopted by the Directors is appropriate, as reasonable and non-arbitrary in the circumstances, and that the valuation methods have been properly applied for the determination of the Issue Price of Euro 21.8623 for each new share of Safilo Group S.p.A. as part of the Capital Increase excluding Shareholder pre-emption rights for the conversion of the Notes.

DELOITTE & TOUCHE S.p.A.

Signed by
Giorgio Moretto
Partner

Treviso, Italy
June 16, 2014

*This report has been translated into the English language
solely for the convenience of international readers.*

ARTICLES OF ASSOCIATION OF SAFILO GROUP S.P.A.

ESTABLISHMENT - REGISTERED OFFICE - DURATION

Article 1)

A joint stock company is hereby established under the name of "SAFILO GROUP S.p.A."

Article 2)

The Company's registered office is in Pieve di Cadore (Belluno-Italy) and its secondary headquarters are in Padua. Under the terms of law the Company may:

- (a) Establish and close down secondary offices, branches and agencies both in Italy and abroad;
- (b) Move the operating headquarters elsewhere and change the address of the registered office.

Article 3)

The duration of the Company is established up to 31 (thirty first) December 2100 (twenty one hundred) and can be amended by resolution of the Extraordinary Shareholders' Meeting.

BUSINESS PURPOSE

Article 4)

The Company's business purpose is:

- a) The direct and indirect management, through shareholdings in companies and entities, of activities in Italy and abroad for the creation, realization, production and marketing of prescription frames and sunglasses, sports eyewear, lenses, machinery and equipment for the eyewear trade and any other accessories for optical use, equipment and items for sport and leisure;
- (b) The assumption, negotiation and management of shareholdings in companies which operate directly or through subsidiary companies, in the sectors specified in a) above, or connected or complementary thereto; the Company may perform financial transactions, finance companies in which it has directly or indirectly invested and make financial agreements for the technical and financial coordination of the same; all activities defined in law as being financial ones shall be conducted solely in respect of group companies and not in respect of the general public;
- (c) The provision of assistance in developing economic, administrative, organizational and commercial planning of entire

market segments or restructuring of individual companies, feasibility studies for company acquisitions, and in managing programmes for developing economic and commercial relationships abroad and in managing industrial and commercial companies in the sectors listed in a) above, or connected or complementary thereto.

The Company may perform all commercial, industrial, real estate and securities transactions that its governing body considers fit or necessary for achieving its business purpose and for improving management of its resources, particularly financial ones; the Company may receive loans from shareholders and make and receive intragroup loans; the Company may grant endorsements, sureties and any other type of guarantee, including to third parties; the Company may become an agent for Italian or foreign companies; the Company may directly or indirectly undertake shareholdings and interests in other companies, consortia, associations and enterprises whose business purpose is similar, related or nonetheless associated with the Company's own.

The Company may not conduct any activities defined in law as financial ones with the general public.

The Company may not perform any deposit-taking activities or any other legally controlled activities. Restricted professional activities are likewise excluded.

SHARE CAPITAL - SHARES - BONDS - SHAREHOLDERS

Article 5)

Share capital amounts to Euro 312,674,825.00 (three hundred twelve million six hundred seventy-four thousand eight hundred twenty five/00) divided into no. 62,534,965 (sixty-two million five hundred thirty-four thousand nine hundred sixty-five) ordinary shares of a par value of Euro 5.00 (five/00) each.

Option rights may be excluded, in respect of the capital increase, up to the limit of ten per cent of existing capital, on the condition that the issue price corresponds to the market value and this is confirmed in a report by the Company's auditors, pursuant to article 2441, paragraph 4, point 2, of the Italian Civil Code.

By virtue of what has been specified, the extraordinary meeting of November 5, 2010 resolved to increase the share capital by a maximum nominal value of Euro 8.500.000,00 by issuing new ordinary shares for an amount up to a maximum of no n. 1.700.000, par value Euro 5,00 (five/00) each, to be offered for

subscription to directors and/or employees of the Company and its subsidiaries.

By virtue of what has been specified above, the extraordinary meeting of April 15th, 2014 resolved to increase the share capital by a maximum nominal value of Euro 7,500,000.00 (seven million five hundred thousand/00) by issuing new ordinary shares for an amount up to a maximum of no. 1,500,000 (one million five hundred thousand/00) of a par value Euro 5,00 (five/00) each, to be offered for subscription to directors and/or employees of the Company and its subsidiaries.

The extraordinary general meeting of July [10th], 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, for a maximum amount of Euro 150,000,000 (one hundred and fifty million), inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value of Euro 5,00 (five/00) each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000 (one hundred and fifty million), with due date May 22nd, 2019, reserved to qualified investors, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019", it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30th, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten.

Article 6)

Shares are registered and indivisible and can be freely transferred. Likewise convertible bonds issued by the Company are registered and indivisible and may be converted into its shares.

Article 7)

The right to withdrawal may be exercised in those cases established by binding legal provisions and in the manner set out in law.

The right of withdrawal may not be exercised for resolutions to prolong the Company's duration or to introduce, amend or remove constraints on the circulation of shares.

SHAREHOLDERS' MEETINGS

Article 8)

Shareholders' Meetings are called in accordance with applicable law and regulations by the Company's Board of Directors at the Company's registered office or elsewhere, provided in Italy, in the place indicated in the meeting's notice.

The Directors call without delay the Shareholders' Meetings when so requested by the shareholders in accordance with applicable law and regulations. The shareholders requesting the call of the Shareholders' Meetings prepare and submit to the Board of Directors, contextually with their request, a report on the proposals concerning the items to be discussed at such Shareholders' Meetings. The Board of Directors makes available to the public the aforesaid report along with its own evaluations thereon simultaneously with the publication of the notice of call of the relevant Shareholders' Meetings in accordance with applicable law and/or regulations.

Shareholders' Meetings are convened, pursuant to the provisions of law, through a notice of call containing an indication on the date, time, place and agenda of each such Shareholders' Meeting, as well as any other information required pursuant to applicable law and regulation, to be published on the website of the Company and through the additional modalities which may be provided for pursuant to applicable law and regulations.

Article 9)

Shareholders' Meetings can be held in either ordinary or extraordinary session.

An Ordinary Shareholders' Meeting must be called at least once a year within 120 days of the end of the Company's financial year. When so entitled by law, the annual Shareholders' Meeting can be convened within 180 days of the end of the Company's financial year; in this case the Directors outline the reasons of the delay in the directors' report accompanying the annual financial statements.

Shareholders' Meetings are convened in one single call, unless, with respect to a specific Shareholders' Meeting, the Board of Directors has resolved to fix a date for the second and,

eventually, the third call, informing the shareholders of such circumstance in the relevant notice of call.

Shareholders who, alone or jointly with others, represent at least 2.5% (two point five percent) of share capital may request in writing, within 10 (ten) days of publication of the notice convening the Shareholders' Meeting, or the different term set forth by law within the limits and in accordance with the modalities provided by applicable law and regulations, that additional items be placed on the agenda, specifying in such request the additional proposed topics for discussion. Any additions to the meeting's agenda following requests of this kind shall be published in the manner and terms established by the applicable law.

Within the deadline for the presentation of their request to integrate the items on the agenda, the requesting shareholders submit to the Board of Directors a report on such additional items. The Board of Directors makes available to the public the aforesaid report along with its own evaluations thereon simultaneously with the notice of integration of the agenda through the above mentioned modalities.

No integrations to the Shareholders' Meetings' agenda are permitted with respect to those items on which, by operation of law, same Shareholders' Meetings are called to resolve by the Board of Directors or on the basis of a plan or report prepared by same Board of Directors, other than the reports which are ordinarily prepared by the Board on the items of the agenda.

Article 10)

Each share carries the right to one vote.

The entitlement to attend and vote at the Shareholders' Meetings is attested by an apposite certificate delivered to the Company by an authorized intermediary in accordance with its accounting books, issued in favour of the individual/entity which is entitled to vote on the basis of the participation owned by his/her/it at the end of the seventh trading day preceding the date of single call or first call of the concerned Shareholders' Meeting or at the different term set forth by applicable law or regulations.

The above mentioned certificate shall be delivered to the Company by the authorized intermediary within the deadlines set forth by law.

The individuals/entities entitled to vote may be represented in the relevant Shareholders' Meetings by written proxy, in the cases and to the extent allowed by applicable law and

regulations. The proxy may be submitted to the Company in an electronic way, through a certified email account (PEC) or any other technical modalities which may be contemplated by applicable law or regulations.

The Company, availing itself of the possibility set forth by law, elect not to appoint the representative provided for by article 135-undecies of the Decree 58/1998.

Article 11)

Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors or, if absent or unable, by another individual selected by majority vote of those attending the Shareholders' Meeting.

The Chairman is assisted by a secretary, who need not be a shareholder, designated by the Meeting or by a notary in the cases established by law or when so decided by the meeting's Chairman. A secretary is not necessary when the minutes of the meeting are prepared by a notary.

The Chairman confirms that the meeting has been properly called and that the individuals/entities in attendance are entitled to take part thereto; he directs and controls the debate and establishes the methods of voting.

Article 12)

The provisions of law apply to both ordinary and extraordinary Shareholders' Meetings, both as regards their proper formation and the validity of the resolutions adopted.

Article 13)

Shareholders' Meetings are conducted in accordance with a specific set of procedures, approved by resolution of the Ordinary Shareholders' Meeting.

BOARD OF DIRECTORS

Article 14)

The Company shall be managed by a Board of Directors consisting of between six and fifteen members, who need not be shareholders. The size of the Board of Directors shall be determined by the Shareholders' Meeting.

Members of the Board of Directors shall remain in office for three financial years and are eligible for re-election.

The directors must satisfy the requirements of eligibility, experience and integrity established by law and other applicable

regulations. At least one of the members of the Board of Directors, or two if the Board has more than seven members, must satisfy the independence requirements applying to statutory auditors under current legislation.

In accordance with the provisions of article 147-ter of the Legislative Decree no. 58 of 24 February 1998:

(i) to the purpose of ensuring that minority shareholders are represented by one member on the Board of Directors, the Board of Directors is appointed on the basis of lists presented by shareholders containing a maximum of 15 candidates, all listed with a sequential number; and

(ii) to the additional purpose of ensuring the balanced representation of genders (masculine or feminine) within the Board of Directors, the mechanism for the election of the Board of Directors set forth in this Article 14 ensures that the underrepresented gender (masculine or feminine) shall obtain at least one third (the "**Full Quota**") or, if applicable, one fifth (the "**Reduced Quota**"), of the elected Directors.

A) Presentation of lists

Lists may be presented only by those shareholders who own, alone or together with others, at the time of presenting the list, at least a percentage of share capital, consisting of shares with voting rights at Ordinary Shareholders' Meetings, set forth by applicable law or regulations governing the directors' appointments. This percentage shall be specified in the notice convening the Shareholders' Meeting called to resolve on the appointment of the Board of Directors. The outgoing Board of Directors can also present a list of its own.

No individual/entity attending the meeting, none of the shareholders belonging to a shareholder syndicate relating to the Company's shares as defined by article 122 of Decree 58/1998, nor the parent company, subsidiaries or companies under common control pursuant to article 93 of Decree 58/1998, may present or vote for more than one list, including through a third party or trust companies. No candidate may appear in more than one list, otherwise they will be disqualified.

If the above rules are not observed by one or more individuals/entities entitled to attend and vote at the Shareholders' Meetings, their vote for any of the lists presented is discounted.

The lists presented must be filed at the Company's registered office at least 25 (twenty-five) days in advance of the date set for the single call or first call of the Shareholders' Meeting or within the different deadline set forth by applicable law in

force from time to time. This requirement must be mentioned in the notice convening the meeting, without prejudice to any other form of publicity established by legislation in force from time to time.

Each list must be signed by those presenting it and filed within the term specified above at the Company's registered office, accompanied by (i) the professional curricula of the candidates, and (ii) statements by each individual candidate accepting their candidacy and confirming, under their own responsibility, that they are in possession of the requirements envisaged by prevailing statutory and regulatory provisions for members of the Board of Directors and the absence of any reasons for incompatibility and/or ineligibility contained in law.

Candidates for whom the above rules are not observed are disqualified.

The lists presented are made available to the public at the Company's office, on its website and through the other modalities provided for by applicable law and regulations, at least 21 (twenty-one) days before the date of single call or first call of the Shareholders' Meeting convened to resolve on the appointment of the Board of Directors or within the different deadline provided for by applicable law and regulations in force from time to time.

Shareholders presenting a list of candidates must also provide the Company, within the deadline for presentation of the list, with the information concerning their own identity and percentage of shares held. The certificate attesting the ownership of at least the minimum shareholding required to present a list of candidates, determined having regard to the amount of shares registered in favour of the concerned shareholders on the same day when the lists are deposited with the Company, can be delivered to same Company also after the deposit of the lists, provided that such certificate is delivered at least 21 (twenty-one) days before the date of first call of the relevant Shareholders' Meeting or within the different deadline provided for by the applicable law in force from time to time.

In compliance with the current legislative and regulatory provisions as well as the latest version of the Corporate Governance Code issued by the Corporate Governance Committee, each list shall contain a number of candidates who satisfy the independence requirements for statutory auditors established in article 148, paragraph 3, of the Legislative Decree no. 58 of 24 February 1998, specifying such candidates clearly.

If and until expressly provided by mandatory law and/or regulatory provisions, each list, except for those containing less than three candidates, shall be composed of a number of candidates belonging to the underrepresented gender (masculine or feminine) so that, should such list result as the Directors Majority List (as defined below), from such list a number of Directors belonging to the underrepresented gender are elected equal to, at least, the Full Quota, or, if applicable, the Reduced Quota.

Lists for which the above provisions are not observed shall be treated as if they had not been presented.

B) Voting

The vote of each entitled individual/entity shall refer to the list and hence all the candidates appearing therein, without the possibility of making any changes, additions or exclusions.

Once the Shareholders' Meeting has decided the number of directors to be elected, the procedures are as follows:

1) all the Directors requiring election, but one, shall be elected from the list obtaining the highest number of votes ("Directors Majority List"), in the sequential order in which they appear on that list;

2) one Director shall be elected, in compliance with statutory provisions, from the list obtaining the second highest number of votes ("Directors Minority List"), which shall not be associated in any way, even indirectly, with the individuals/entities who presented and/or voted for the Majority List; the Director elected in this case shall be the candidate at the head of this list. However, if not even one independent Director is elected from the Directors Majority List, then the first independent Director appearing on the Directors Minority List shall be elected in place of the candidate at the head of this list.

In the event of a tie, the entire Shareholders' Meeting will vote again until an unequivocal result is achieved.

The Chairman of the Board of Directors shall be the first candidate appearing on the Directors Majority List.

No account is taken of lists that obtain a percentage of votes corresponding to less than half of that required by this article for their presentation.

If only one list is presented, or admitted to voting, the Shareholders' Meeting shall vote on this. If this list obtains the required majority vote, the number of directors established by the Shareholders' Meeting shall be elected from it in the sequential order in which the candidates appear therein and subject to compliance, if and until expressly provided by

mandatory law and/or regulatory provisions, with the required balance between genders (masculine or feminine) within the Board of Directors.

The Directors Majority List or the only list (as the case may be) shall ensure compliance with the Full Quota or, where applicable, the Reduced Quota. In particular, if the composition of the managing body, determined on the basis of the sequence numbers assigned to the candidates of such list, does not include a sufficient number of components of the underrepresented gender (masculine or feminine) - taking also into account, in case of the Directors Majority List, the gender (masculine or feminine) of the candidate elected by the Directors Minority List -, candidates having the lowest sequence number, belonging to the mainly represented gender (masculine or feminine) will be automatically replaced by candidates of the underrepresented gender (masculine or feminine) with the highest sequence number, until the Full Quota, or the Reduced Quota, if applicable, of directors to be elected has been reached.

If no list is presented or the list(s) presented contain(s) a number of candidates (also in terms of underrepresented gender, masculine or feminine) not sufficient to elect the entire managing body, the Board of Directors or, as appropriate, the additional Directors to be elected in order to reach the number of members of the Board of Directors established by the Shareholders' Meeting, shall be appointed by same Shareholders' Meeting with the voting majorities required by law. In each case, it shall be carefully ensured the presence within the Board of Directors of the necessary number of members having all the requirements set forth by applicable laws and regulations, who shall also be selected in such a way as to ensure the presence in the Board of Directors of the Full Quota, or, where applicable, the Reduced Quota, of components belonging to the underrepresented gender (masculine or feminine).

Article 15)

If one or more directors should vacate office during the year, the following procedures shall be adopted for their replacement in accordance with article 2386 of the Italian Civil Code:

a) the Board of Directors shall appoint replacements by way of co-option of individuals belonging to the same list of the resigned Directors; the next Shareholders' Meeting shall vote with the legally required majorities, in compliance with the same principle and nonetheless ensuring that the Board of Directors contains the correct number of directors qualifying as independent required by current statutory and regulatory

provisions. If and until expressly provided by mandatory law and/or regulatory provisions, the Board of Directors shall appoint replacements of the same gender (masculine or feminine) of the ceased Directors, so to ensure the compliance with the Full Quota or, if applicable, the Reduced Quota of Directors belonging to the underrepresented gender (masculine or feminine), having also care to ensure that the Board of Directors contains the correct number of Directors having the independency requirements set forth by current statutory and regulatory provisions.

The Shareholders' Meeting, in confirming/replacing the coopted Directors or, in the absence of co-option, in directly proceeding with the appointment of replacements, resolves with the voting majorities set forth by law, having however care of complying with the same principles referred above;

b) if the list no longer contains previously unelected candidates, the Board of Directors shall make the replacement without observing the procedure set out in point (a) above. Similarly, the related vote by the next Shareholders' Meeting, again with the legally required majorities, shall nonetheless ensure that the Board of Directors contains the correct number of Directors qualifying as independent required by current statutory and regulatory provisions and, if and until expressly provided by mandatory law and/or regulatory provisions, the required number of Directors belonging to the underrepresented gender (masculine or feminine).

If two or more Directors resign or leave the Board of Directors for any other reason, the entire Board will be considered replaced from the date on which the new Board takes office.

Article 16)

If no list has been presented and if the Shareholders' Meeting has not already done so, the Board of Directors shall appoint its own Chairman.

The Board can appoint one or more Vice Chairmen, and one or more Chief Executive Officers, who also have deputizing functions to the Chairman.

The Board shall appoint a Secretary, who does not have to be one of its members.

Article 17)

The Board of Directors shall meet whenever the Chairman considers it appropriate, or at the request of at least two directors, or

one of the Chief Executive Officers, or at least one member of the Board of Statutory Auditors.

The Chairman or whoever is deputizing for him shall convene the Board of Directors at the registered office or elsewhere in Italy or abroad in any Country (even if it is not a member of the European Union), by sending a notice containing the meeting's date, time, place and agenda; such notice shall be sent at least seven days before the date of the meeting via letter, fax, e-mail or any other method that guarantees proof of receipt, to the domicile of each director and standing statutory auditor. In the event of having to convene the Board urgently, the notice may be sent in the same manner at least two days before the date of the meeting.

Board meetings are valid even when they are held by teleconference or videoconference, provided that all participants can be identified by the Chairman and all the others attending, and they are able to follow the discussion or intervene in real time, and that all the proceedings are recorded in the minutes. If these conditions are met, the meeting is considered as being held in the place where the Chairman and Secretary are both located for the purposes of preparing the minutes.

Board meetings are valid even when not duly convened provided all the directors and statutory auditors in office are present, including in teleconference or videoconference.

Article 18)

Board meetings are chaired by the Chairman or, if absent, by a Vice Chairman or Chief Executive Officer or, if absent, by another director as appointed by the Board.

Article 19)

The majority of directors in office must be present for Board resolutions to be valid.

Board resolutions are adopted by majority vote of the directors in attendance. Should the Board of Directors consist of an even number of members, the Chairman shall have the casting vote in the event of a tie.

Article 20)

The Board of Directors is invested with the widest possible powers for the ordinary and extraordinary administration of the Company, excluding only those powers that by law are the prerogative of the Shareholders' Meeting.

The Board of Directors is also assigned responsibility for decisions concerning mergers in the cases envisaged by articles 2505 and 2505-*bis* of the Italian Civil Code, demergers in the case of article 2505-*bis* mentioned in article 2506-*ter* of the Italian Civil Code, the opening or closure of secondary headquarters, the reduction of share capital in the event of shareholder withdrawal, amendments to the Articles of Association to update them for statutory and regulatory requirements and the transfer of the Company's registered office within Italy.

The Board of Directors, or its members invested with specific powers, shall comply with all legal reporting requirements, informing the Board of Statutory Auditors of its activities and of the more important economic, financial and equity operations carried out by the Company or its subsidiaries; they specifically report on transactions in which they have an interest, on their own account or that of third parties, or which are influenced by any body exercising direction and coordination of the Company; this report is made at least every three months during meetings of the Board of Directors.

Article 21)

In compliance with article 2381 of the Italian Civil Code, the Board of Directors can delegate its powers to an executive committee, and to one or more of the directors.

The notice of call, the meetings and resolutions of the executive committee, when appointed, are governed by the same provisions as in articles 17, 18 and 19 above.

The Board of Directors shall be responsible for making and annulling the appointment of the Company's Financial Reporting Officer, in compliance with the provisions of article 154-*bis* of Decree 58/1998. Such appointment and annulment shall be made by the Board of Directors after having sought the compulsory but not binding opinion of the Board of Statutory Auditors on this matter. The Board of Directors shall ensure that the Financial Reporting Officer has suitable powers and resources for carrying out the duties entrusted under current legislation and shall establish the term in office and related remuneration. The Financial Reporting Officer shall be chosen from persons in possession of professional qualifications involving specific expertise and long experience in the accounting and financial field and any other requirements established by the Board of Directors and/or current legislation.

The Board of Directors also has the right to appoint proxies, who may be permanent or temporary, for individual deeds or transactions or for categories of deed or transaction.

Article 22)

Except for authority otherwise granted, the Chairman of the Board of Directors and each of the Chief Executive Officers, if appointed, shall be entitled to sign jointly or severally on the Company's behalf, as decided by the Board of Directors which appointed them and established their powers and duties.

Article 23)

The directors and the members of the executive committee shall receive such remuneration as determined by the Shareholders' Meeting.

Directors invested with special office will also receive the remuneration established by the Board of Directors, after having consulted with the Board of Statutory Auditors.

Alternatively, the Shareholders' Meeting may determine a global amount for the remuneration of all Directors, including the executive ones, to be allocated to each single Director through a resolution to be taken by the Board of Directors after having consulted with the Board of Statutory Auditors.

RELATED-PARTY TRANSACTIONS

Article 24)

The Company approves any related-party transactions in accordance with the provisions of law or regulations in force from time to time, as well as pursuant to the provisions of these by-laws and the internal procedures and rules adopted by the Company in connection therewith.

Article 25)

The internal procedures adopted by the Company on related-party transactions can provide for the possibility of the Board of Directors to approve related-party transactions of major relevance notwithstanding the advice of the independent directors to the contrary, provided that the implementation of such transactions is previously authorized by the Shareholders' Meeting pursuant to article 2364, paragraph 1, number 5), of the Italian Civil Code.

In the above circumstance the Shareholders' Meeting may give its authorization to the transaction resolving with the majorities

set forth by law, unless, should the non-related shareholders in attendance to the meeting represent at least 10% of the share capital with voting right, the majority of the non-related shareholders voting at such meeting expresses its vote against the transaction.

Article 26)

Within the limits set forth by applicable provisions of law and regulations, the internal procedures adopted by the Company on related-party transactions can provide for an exemption to their application in relation to urgent transactions, even if such transactions should be submitted to the competence of the Shareholders' Meeting.

**BOARD OF STATUTORY AUDITORS - LEGAL AUDITING OF THE COMPANY'S
ACCOUNTS**

Article 27)

The Board of Statutory Auditors shall consist of three standing members and two alternate members, who remain in office for three financial years and are eligible for re-election. Current laws shall apply to statutory auditors' requirements for eligibility, integrity, experience and independence, to their duties, the determination of their remuneration and their term in office; more specifically, with regard to the experience requirements under article 1 of Ministry of Justice Decree 162 dated 30 March 2000, activities that are considered strictly pertinent to those of the Company are those matters concerning commercial or tax law, economics or corporate finance and the sectors of activity listed in article 4 above and the sectors of fashion, luxury goods, manufacturing industry, finance, banking and insurance.

The Board of Statutory Auditors shall be appointed by the Shareholders' Meeting on the basis of lists presented by shareholders, with the procedures described below, so as to: (a) allow the minority to appoint one standing member and one alternate member, and (b) ensure the balance between genders (masculine and feminine) represented within the Board of Statutory Auditors.

The number of candidates appearing in the lists may not exceed the number of members up for election. Each candidate shall be listed with a sequential number. Furthermore, if and until expressly provided by mandatory law and/or regulatory provisions, each list, except for those containing less than three candidates, shall be composed of a number of candidates belonging

to the underrepresented gender (masculine or feminine) so that, should such list result as the Statutory Auditors Majority List (as defined below), from such list a number of statutory auditors belonging to the underrepresented gender are elected equal to, at least, the Full Quota, or, if applicable, the Reduced Quota.

No candidate may appear in more than one list, otherwise they will be disqualified.

A) Presentation of lists

Lists may be presented only by those shareholders who own, alone or together with others, at the time of presentation of the list, at least the percentage of share capital consisting of shares with voting rights at Ordinary Shareholders' Meetings, set forth by applicable law or regulations governing the appointment of the Board of Statutory Auditors. Details of this percentage and of the appointment procedures shall be provided in the notice convening the Shareholders' Meeting.

No individual/entity attending the meeting, none of the shareholders belonging to a shareholder syndicate as defined by article 122 of Decree 58/1998, nor the parent company, subsidiaries and companies under common control pursuant to article 93 of Decree 58/1998, may present or vote for more than one list, either directly or through a third party or trust company.

If the above rules are not observed by one or more individuals/entities entitled to attend and vote at the Shareholders' meeting, their vote for any of the lists presented is discounted.

The lists, containing the names of the candidates for the office of standing statutory auditor and alternate statutory auditor, prepared in compliance with the Full Quota or, if applicable, the Reduced Quota of Statutory Auditors to be elected, shall be signed by the shareholders presenting them and filed at the Company's registered offices at least 25 (twenty-five) days in advance of the date set for the single call or first call of the related Shareholders' Meeting or within the different deadline set forth by applicable law in force from time to time, without prejudice to any other form of publicity established by applicable legislation. The lists must be accompanied by:

(i) information on the identity of the shareholders who have presented the lists, specifying their overall percentage interest in share capital, and a certificate confirming them as the owners of such interest. The certificate attesting the ownership of at least the minimum shareholding required to present a list of candidates, determined having regard to the amount of shares

registered in favour of the concerned shareholders on the same day when the lists are deposited with the Company, can be delivered to same Company also after the deposit of the lists, provided that such certificate is delivered at least 21 (twenty-one) days before the date of first call of the relevant Shareholders' Meeting or within the different deadline provided for by the applicable law in force from time to time;

(ii) a statement by the shareholders, other than those who individually or jointly own a controlling or majority interest, confirming the absence of relationships connecting them to the latter, as defined by article 144-*quinquies* of the regulations implementing Decree 58/1998;

(iii) comprehensive details on the personal characteristics and experience of the candidates;

(iv) a statement by the candidates themselves confirming that they are in possession of the requirements envisaged by law, that there are no reasons of ineligibility and incompatibility against them holding office and that they meet the requirements of integrity and experience established by law for members of the Board of Statutory Auditors;

(v) statements by the candidates in which they accept their candidacy and provide details of the number of their appointments as directors or statutory auditors in other companies, with the undertaking to update this list at the date of the Shareholders' Meeting.

(vi) any other information required by current statutory and regulatory provisions.

Lists for which the above provisions are not observed shall be treated as if they had not been presented.

The lists presented are made available to the public at the Company's office, on its website and through the other modalities provided for by applicable law and regulations, at least 21 (twenty-one) days before the date of single call or first call of the Shareholders' Meeting convened to resolve on the appointment of the Board of Statutory Auditors or within the different deadline provided for by applicable law and regulations in force from time to time.

B) Voting

Every shareholder entitled to vote may vote for only one list, including through a third party or trust company.

Two standing members and one alternate member shall be elected from the list that obtains the highest number of votes ("Statutory Auditors Majority List") in the sequential order in which they appear on this list.

The third standing member and the second alternate member shall be taken from the list obtaining the second highest number of votes and presented and voted by entitled individuals/entities who are not associated with the majority shareholders as defined by par. 2, article 148 of Decree 58/1998 ("Statutory Auditors Minority List"). The first and second candidates appearing on this list shall be elected in the sequential order in which they appear therein.

In the event of a tied vote, further ballots shall be taken involving the entire Shareholders' Meeting in order to obtain an unequivocal result.

The Shareholders' Meeting shall appoint the standing member elected on the Statutory Auditors Minority List as the Chairman of the Board of Statutory Auditors.

Without prejudice to the above, the provisions of law and regulations in force from time to time apply to the presentation, deposit and publication of the lists, including in the cases where only one list is presented, or the lists are presented by shareholders associated one with the others as per par. 2 of article 148 of Decree 58/1998.

In any event, even if only one list has been presented or admitted to voting, the candidates on this list shall be appointed as standing statutory auditors, in compliance, if and until expressly provided by mandatory law and/or regulatory provisions, with the required balance between genders (masculine or feminine, and alternate statutory auditors in accordance with the sequential number in which they appear in the respective sections of this list.

The Statutory Auditors Majority List or the only list (as the case may be) shall ensure compliance with the Full Quota or, where applicable, the Reduced Quota of statutory auditors to be elected. In particular, if the composition of the controlling body, determined on the basis of the sequence numbers assigned to the candidates of such list, does not include a sufficient number of candidates of the underrepresented gender (masculine or feminine) - taking also into account, in case of the Statutory Auditors Majority List, the gender (masculine or feminine) of the candidate elected by the Statutory Auditors Minority List -, candidates having the lowest sequence number, belonging to the mainly represented gender (masculine or feminine), will be automatically replaced by candidates of the underrepresented gender (masculine or feminine) with the highest sequence number, until the Full Quota, or the Reduced Quota, if applicable, of statutory auditors to be elected has been reached.

If no list is presented or if it is not possible to appoint one or more statutory auditors using the list voting system, the Shareholders' Meeting shall decide with the majorities required by law and ensuring, in any case, the presence of the required number of members belonging to the underrepresented gender (masculine or feminine) between the standing members of the Board of Statutory Auditors, such as to comply with the Full Quota, or, where applicable, the Reduced Quota, of statutory auditors to be elected.

C) Replacement

In the event of having to replace a statutory auditor, the replacement shall be an alternate statutory auditor belonging to: (i) the same list and (ii) if and until it is necessary in order to ensure the proportion between genders (masculine and feminine) within the Board of Statutory Auditors in compliance with the Full Quota or, if applicable, the Reduced Quota, of statutory auditors belonging to the underrepresented gender (masculine or feminine), the same gender as the ceased statutory auditor, in the order specified therein.

This is without prejudice to other replacement procedures established by current statutory or regulatory provisions.

The Shareholders' Meeting called under par. 1, article 2401 of the Italian Civil Code shall make the appointment or replacement in compliance with the principle of having the required minority representation and, if and until it is necessary, in order to ensure the balance between genders (masculine and feminine) within the Board of Statutory Auditors, in compliance with the Full Quota or, if applicable, the Reduced Quota, of statutory auditors belonging to the underrepresented gender (masculine or feminine).

The powers, duties and term in office of the statutory auditors are those established by law.

The statutory auditors may, individually or jointly, request the Board of Directors to provide details and explanations about the information they have received and about general business trends or specific transactions, and may carry out inspections and controls at any time.

Members of the Board of Statutory Auditors may not hold similar appointments in more than five companies that are quoted on the stock exchange. The statutory auditors shall comply with the limits on the number of appointments as a director or statutory auditor established by article 148-bis of Decree 58/1998 and related regulations for its implementation.

No standing or alternate statutory auditor may be a director or employee of companies or entities that control the Company; this is without prejudice to the other limitations on the number of appointments that may be held under current statutory or regulatory provisions.

Meetings of the Board of Statutory Auditors may be held via teleconference or videoconference, in accordance with the terms stated in article 17.

Article 28)

The legal auditing of the Company's accounts is made by an auditing firm, whose appointment, duties, powers and responsibilities are governed by the provisions of specific laws.

FINANCIAL STATEMENTS AND PROFITS

Article 29)

The Company's financial year runs from 1 January to 31 December of each year. The financial statements are prepared by the Board of Directors as required by current legislation.

Article 30)

Five percent of net income resulting from the financial statements approved by the Shareholders' Meeting must be allocated to the legal reserve until this equals one-fifth of share capital. The remainder of net income may then be allocated in the manner decided by the Shareholders' Meeting.

The Board of Directors may resolve to distribute interim dividends, if the legal requirements and conditions exist.

Dividends not collected within a five-year period from their payment date shall become statute-barred and be reaccredited to the legal reserve.

WINDING-UP AND LIQUIDATION

Article 31)

In the event the Company is wound up, the Extraordinary Shareholders' Meeting shall determine how the liquidation will be conducted, appoint one or more liquidators, determine their powers and fix their remuneration.

APPOINTMENT OF AN HONORARY CHAIRMAN

Article 32)

Should the Board of Directors consider it necessary, and insofar as the Ordinary Shareholders' Meeting has not made provisions there for, the Board of Directors can nominate an Honorary Chairman, who will not be a member of the Board of Directors, and who will only attend meetings of the Board of Directors upon invitation by the Chairman of the Board. The Honorary Chairman does not have the right to vote in the meetings of the Board of Directors.

The Honorary Chairman shall carry out the duties assigned from time to time by the Board of Directors.

The Honorary Chairman shall serve the same term as the Board of Directors in office at the time. The Honorary Chairman can be re-elected.

The Board of Directors shall determine the remuneration of the Honorary Chairman.