



**THE BOARD OF DIRECTORS OF SAFILO GROUP S.P.A. APPROVES
THE FINANCIAL RESULTS FOR 2014**

LAYING THE FOUNDATION FOR SAFILO'S LONG-TERM SUSTAINABLE GROWTH

- **Group Revenues** at Euro 1,178.7 million for the full year, up +5.1% vs. 2013, and revenue growth in the fourth quarter of 2014 accelerating to 11.2% vs. the fourth quarter of 2013
- **Adjusted² EBITDA** at Euro 118.4 million, down 2.8% vs. 2013, reaching 10% of net sales
- **Adjusted² Group net profit** at Euro 44.5 million, up +14.1% vs. 2013
- **Group Net Debt** at Euro 163.3 million, down 10.5% vs. 2013 (Euro 182.5 million as at 31st December 2013), with adjusted² financial leverage at 1.4x.

Padua, March 5, 2015 - The Board of Directors of Safilo Group S.p.A. – the fully integrated Italian eyewear creator and worldwide distributor of quality and trust, listed on the Milan Stock Exchange – has today approved the Company's consolidated financial statements for the year ended 31 December 2014¹ and examined the separate financial statements for the year ended 31 December 2014¹, which will be submitted for approval by the shareholders at the Annual General Meeting to be held in a single call on 27 April 2014.

Safilo net sales in 2014 grew by 5.1% (+5.9% at constant exchange rates), continuing a sustained path of improvement compared to the previous year. The key enabler for sales and market share growth has been the step-change in Safilo's global commercial strategy and operations, with clear focus on quality of sales and sustainable distribution. Consistent with previous quarters, Q4 showed a continuation of improved top line momentum, up 11.2% with foreign exchanges leveraging a tailwind (+7.2% at constant exchange rates) with broad based growth across all key geographies, including healthy sales and market share growth in Western Europe.

2014 operating performance, with an adjusted² EBITDA margin at 10% and an overall flat gross margin vs. last year, reflects investments in future core capabilities of the Group which serve as foundations for competitive advantage. These include, on the capability side, the creation of a global brand building and corporate marketing function, a focused product creation department, and investments in our product design capabilities. On the brand side, we invested in the launch of our new brands Fendi and Bobbi Brown, and prepared the re-stage of Carrera.

At the end of December Group net debt totaled Euro 163.3 million, with the adjusted² financial leverage at 1.4x.

"2014 has been an important year for Safilo, as we invested significantly in the Company's leadership and operational strategies, towards long term sustainable growth", commented CEO Luisa Delgado. "We started to register the first tangible results - namely in topline growth acceleration in Germany, North Europe, UK, and Latin America through new strategic commercial focus and capabilities"

We invested in building new marketing capabilities, to leverage our proprietary brands' potential, with Polaroid and Smith recording excellent sales growth performance while we prepared the re-stage of Carrera.

Our licensed brand portfolio registered strong broad-based growth. We enhanced our product capabilities, strengthening design through an emerging global network of design studios, a new product creation organization for product development, research & innovation, and a new global product supply organization to lead the simplification and modernization of our supply network, with a renewed organization and IT enabled work standardization starting to build targeted competitive advantage."

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

Economic and financial highlights

Euro million	FY 2014	FY 2013	% change	% change (*)	Q4 2014	Q4 2013	% change	% change (*)
Net sales	1,178.7	1,121.5	+5.1%	+5.9%	311.2	279.7	+11.2%	+7.2%
Gross profit	718.6	683.7	+5.1%		178.0	166.8	+6.7%	
%	61.0%	61.0%			57.2%	59.6%		
EBITDA	110.7	111.7	-0.9%		27.4	30.4	-9.9%	
%	9.4%	10.0%			8.8%	10.9%		
Adjusted² EBITDA	118.4	121.8	-2.8%		32.1	33.1	-2.9%	
%	10.0%	10.9%			10.3%	11.9%		
Operating profit	75.3	74.7	+0.7%		18.1	20.6	-12.4%	
%	6.4%	6.7%			5.8%	7.4%		
Adjusted² Operating profit	83.0	84.8	-2.1%		22.8	23.3	-2.2%	
%	7.0%	7.6%			7.3%	8.3%		
Group net profit	39.1	15.5	n.s.		7.4	(6.3)	n.s.	
%	3.3%	1.4%			2.4%	-2.3%		
Adjusted² Group net profit	44.5	39.0	+14.1%		10.6	11.7	-9.1%	
%	3.8%	3.5%			3.4%	4.2%		
Group net debt	163.3	182.5	-10.5%					

(*) at constant exchange rates

Key economic and financial performance**FY 2014**

Full year 2014 revenues reached Euro 1,178.7 million, delivering a 5.1% growth compared to Euro 1,121.5 million total sales recorded in 2013 (+5.9% at constant currency).

Gross profit for the year grew by 5.1%, to Euro 718.6 million from Euro 683.7 million in 2013, with the margin stabilizing at 61% of revenues, driven mainly by positive product mix and improved quality of distribution.

2014 **adjusted² EBITDA** reached Euro 118.4 million, a 2.8% drop compared to the adjusted² result of Euro 121.8 million recorded in 2013. The adjusted² EBITDA margin for the year moved to 10.0% of sales from 10.9% in 2013 as strategic investments were carried out in order to build solid foundations in product creation and new business capabilities, in particular in the core marketing, product and commercial functions to support future growth.

Adjusted² EBIT for the full year amounted to Euro 83.0 million, down 2.1% compared to Euro 84.8 million in 2013, resulting in an adjusted² operating margin of 7.0%, from 7.6% the year before.

Total financial charges more than halved in 2014, to Euro 8.6 million from Euro 22.6 million in 2013, thanks to the effects of the fair value valuation of the option component embedded in the equity-linked bonds placed in May 2014, and to the decline of net interest expenses due to the more favorable mix of financing sources.

Safilo closed 2014 with an **adjusted² Group net profit** of Euro 44.5 million, marking a growth of 14.1% compared to Euro 39.0 million recorded in 2013.

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

4Q2014

In the fourth quarter of 2014, **Group total revenues** stood at Euro 311.2 million, up 11.2% compared to Euro 279.7 million recorded in the same quarter of 2013, benefitting from the progressive weakening of the Euro against the USD. At constant exchange rates, turnover in the quarter increased by 7.2%, in line with the pace of the previous two quarters of the year.

Fourth quarter gross profit equaled Euro 178.0 million, up 6.7% compared to Euro 166.8 million in the same period of 2013. The gross margin moved to 57.2% from 59.6% in the fourth quarter of 2013, impacted by our inventory situation. On the one hand, we have increased our obsolescence provision to prudently cover existing obsolescence risk. On the other hand, we have made targeted production interventions to slow down the creation of new inventory. Finally, in order to reduce the current stock of excess inventory, we began executing controlled sales of slow-moving or obsolete products.

In the fourth quarter, **adjusted² EBITDA** equaled Euro 32.1 million compared to Euro 33.1 million recorded in the same quarter of 2013. The quarterly **adjusted² EBITDA** margin moved to 10.3% of revenues from 11.9% in Q4 2013 driven by the factors previously described at the gross profit level.

In the same period, **adjusted² EBIT** totaled Euro 22.8 million, down 2.2% compared to Euro 23.3 million registered in 4Q2013. **Adjusted² EBIT** margin was equal to 7.3% compared to 8.3% in the fourth quarter of 2013.

In the fourth quarter of 2014, total financial charges dropped to Euro 2.3 million from Euro 5.9 million in the same period of 2013.

Adjusted² Group net profit for the fourth quarter of 2014 equaled Euro 10.6 million, down 9.1% compared to the **adjusted² net result** of Euro 11.7 million in 2013.

Key Cash Flow data

Euro million	FY 2014	FY 2013
Cash flow from operating activities before changes in working capital	68.2	51.1
Changes in working capital	(41.3)	17.5
Cash flow from operating activities	26.9	68.6
Cash flow for investment activities	(39.3)	(40.2)
Free Cash Flow	(12.4)	28.4

In 2014, **Free Cash Flow** was negative for Euro 12.4 million compared to a positive flow of Euro 28.4 million in 2013, as the total increase in inventories affected working capital management during the year. With regards to our priority to more efficiently manage our inventories, we are intervening both in the short-term via very prudent management and in the medium-term via significant business process interventions that are under way to tackle the underlying root causes. These are needed to systemically improve connection between sales planning, demand planning, sourcing and production planning. Along with ongoing, strictly controlled channels to sell slow-moving or obsolete stock. Encouragingly, in the fourth quarter we recorded an improvement in our inventory position vs. the peak of Q3 (-3.4% or Euro 8.7 million).

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178 recommendation published on 3rd November 2005.

At the end of December 2014, **Group net debt** stood at Euro 163.3 million, down 10.5% compared to Euro 182.5 million at the end of December 2013 and more or less in line with the position reported at the end of September 2014 of Euro 158.9 million.

Markets

2014 sales performance by market stood testimony to the new global commercial organization put in place by the Group during the year with the establishment of new key regions, new global channels and accounts, all under the core commercial strategy of business re-focus on sustainable quality sales and distribution.

North-America and Latin America were the key growth drivers in the year, with the latter up more than 40% in the last quarter and more than 20% in the year, benefiting from a dedicated multifunctional regional headquarter organization located in Miami to serve all customers and market distributors in Latin America, with locally tailor-made commercial partnerships across the different consumer segments in which Safilo plays with its portfolio.

In **Europe**, Safilo's brands net sales grew and gained market share in an overall weak market environment, with the turmoil in Russia being a headwind for the overall regional performance. The Iberian countries were Safilo's best-in-class market players consistently during the year, while the Italian business showed signs of improvement and market share gains starting from the second half resulting in net sales growth for the year. Full year sales recorded strong double-digit growth in Germany and the Nordic countries, two core business areas in Europe where Safilo was last year reorganized in order to tackle its historically low competitiveness and business relevance and develop the business to its full potential. For the year in general and in the fourth quarter in particular, the UK became a strong contributor to sales growth as new, long-term commercial agreements were developed with strategic market chains.

Safilo also strengthened its **presence in the Middle East markets** with the opening in September 2014 of a fully owned subsidiary in Dubai.

Americas

Full year 2014 sales in the American market rose 8.0% at current exchange rates and 9.2% at constant exchange rates, reaching Euro 494.7 million compared to Euro 457.9 million in 2013.

Revenues for the fourth quarter of 2014 grew by 23.2% at current exchange rates (+15.4% at constant exchange rates), to Euro 133.6 million compared to Euro 108.4 million in the same quarter of 2013 marking excellent performance across all key channels.

Europe

In 2014, turnover in Europe equaled Euro 486.8 million, up 3.4% (+3.7% at constant exchange rates) compared to Euro 470.8 million in 2013. In the fourth quarter of 2014, European revenues remained stable at Euro 118.6 million compared to Euro 119.1 million in the fourth quarter of 2013 (-0.4% at current exchange rates, -0.1% at constant exchange rates) due solely to declining sales in Russia while the balance of Europe delivered low-single digit sales growth.

Asia

In Asia, full year revenues stood at Euro 177.1 million, in line with the previous year of Euro 177.5 million (-0.2% at current exchange rates, +0.2% at constant exchange rates). 2014 was a year of redefining our Asian go-to-market strategy and organization, improving quality of sales, establishing China as a region in its own right, and putting new leadership in place. Encouragingly, fourth quarter revenues in the region grew by 10% (+3.4% at constant exchange rates) to Euro 51.9 million compared to Euro 47.1 million in the same period of 2013.

Brands

In 2014, Safilo developed a new portfolio strategy based on the five identified consumer segments which compose the relevant eyewear market, together with clear portfolio roles for each of its brands to address these segments. Sales performance by brand evidenced some important progress versus portfolio roles. **Dior** sales were very solid throughout the year, representing a continued benchmark for Safilo's most sophisticated product, selectivity, and communication projects. In 2014, Dior iconic collections continued to outperform across all the most prestigious and high quality eyewear channels.

Strong sales trends for **Boss** and **Tommy Hilfiger** confirmed their potential to become Safilo's future core brands. An opportunity the Group has started to work on also is **Max Mara** licenses, whose sales grew double digit in 2014, proving the rationale of Safilo's renewed focus on the brand.

Céline and **Jimmy Choo** sales grew significantly on the back of the brands' high appeal in eyewear, confirming their potential as high growth brands in Safilo's portfolio.

Fendi in its launch year was off to a good start, along with **Bobbi Brown**.

Finally, **Gucci** sales were broadly flat vs. year ago.

In the fast growing 'Mass Cool' segment, **Polaroid** confirmed its strong growth trajectory, with 2014 net sales up more than 20% for the second year in a row, gaining market share in core markets like Spain, Germany, and Russia, and initiating its worldwide expansion into Latin America, North America, and Asia.

In the attractive Sports-Outdoor segment, Safilo's proprietary brand **Smith** continued in the fourth quarter the double digit sales growth trends recorded in the first nine months. In 2014, Safilo initiated a strategic renewal and related restructuring of the brand's business and operational platform, to fully leverage its strengths and prepare it for success in its international expansion. Sales for **Carrera** declined in the year in sun, while frames were essentially flat worldwide, with the Group focused on preparing the brand's consumer-centered restage and growth strategy for the next 5 years, while maintaining distribution channels lean and clean, ready for the brand's re-stage in 2015.

Other information

The Board of Directors granted options of the Second Tranche of the Stock Option Plan 2014-2016, identifying, on the basis of the proposal of the Remuneration and Nomination Committee, the eligible beneficiaries. For any further information on the Stock Option Plan 2014-2016 we refer to the documentation made available to the public on the Company's website and any other documents that will be published according to the law, including the Report on the Remuneration.

During Safilo's Market Day on March 16th, 2015 the group will present its 2020 strategic plan

Finally, the Group announced today a new licensing agreement for the Givenchy eyewear collections of sunglasses and optical frames. The licensing contract will run from January 1, 2016 to December 31, 2021, renewable upon mutual agreement.

Notes:

¹ The consolidated and separate financial statements are currently being audited, a process that has yet to be completed.

²2014 *adjusted* economic results do not include the non-recurring expenses incurred in the second quarter of 2014, for Euro 3.0 million, related to the voluntary exit incentives signed with employees and trade unions, as the solidarity contracts come to an end, and to some reorganization costs. In the fourth quarter of 2014, non-recurring items related to both reorganization costs, including executive officer succession plans, and the estimated liability arising from the reorganization and relocation of the Smith Optics business for a total amount of Euro 4.7 million. Net of the fiscal effect, the total impact was equal to Euro 5.4 million for the full year and Euro 3.2 million in the fourth quarter.

Adjusted 2013 results do not include non-recurring costs recorded in the second quarter of 2013, amounting to €7.4 million, and in the fourth quarter, amounting to €16.7 million, for a total amount of €24.1 million (€23.4 million net of tax effect). Of these, €0.1 million are related to the CEO succession plan occurred in October 2013 and to some restructuring expenses in the European market while €14.0 million are related to a provision for fiscal risks related to litigations opened in Italy for years 2007-2011.

Statement by the manager responsible for the preparation of the company's financial documents

The manager responsible for the preparation of the company's financial documents, Mr. Gerd Graehsler, hereby declares, in accordance with paragraph 2 article 154 bis of the "Testo Unico della Finanza", that the accounting information contained in this press release corresponds to the accounting results, registers and records.

Disclaimer

This document contains forward-looking statements, relating to future events and operating, economic and financial results for Safilo Group. Such forecasts, due to their nature, imply a component of risk and uncertainty due to the fact that they depend on the occurrence of certain future events and developments. The actual results may therefore vary even significantly to those announced in relation to a multitude of factors

Alternative Performance Indicators

The definitions of the "Alternative Performance Indicators", not foreseen by the IFRS-EU accounting principles and used in this press release to allow for an improved evaluation of the trend of economic-financial management of the Group, are provided below:

- Ebitda (gross operating profit) is calculated by Safilo by adding to the Operating profit, depreciation and amortization;
- The net debt is for Safilo the sum of bank borrowings and short, medium and long-term loans, net of cash in hand and at bank;
- The net capital employed for Safilo is the sum of current assets and non-current assets net of current liabilities and non current liabilities, with the exception of the items previously considered in the net debt;
- The Free Cash Flow for Safilo is the sum of the cash flow from/(for) operating activities and the cash flow from /(for) investing activities.

Conference Call

Today, at 6.00pm CET (5.00pm GMT; 12.00pm EST) a conference call will be held with the financial community during which the results of the full year 2014 will be discussed.

It is possible to follow the conference call by calling +39 06 87500875, +44 203 4271912 o +1 646 2543363 (for journalists +39 06 87500874) and entering the access code 5816556.

A recording of the conference call will be available until March 7, 2015 on 39 06 45217196, +44 203 4270598 o +1 347 3669565 (access code: 5816556).

The conference call may be followed via webcast at www.safilo.com/it/investors.html. The presentation is available and may be downloaded from the Company's website.

Notice of the call of the Ordinary Shareholders' Meeting

In the coming days, the notice of the call of the Shareholders' Meeting will be available on the website www.safilo.com/it/investors.html and on the central storage of regulated information, where the Reports from the Directors to the Shareholders' Meeting on the proposals regarding the items on the agenda, will also be made available.

Sáfico Group S.p.A.*Consolidated income statement*

<i>(Euro/000)</i>	Financial Year			Fourth Quarter		
	2014	2013	Change %	2014	2013	Change %
Net sales	1,178,683	1,121,531	5.1%	311,138	279,762	11.2%
Cost of sales	(460,129)	(437,841)	5.1%	(133,180)	(112,912)	18.0%
Gross profit	718,554	683,690	5.1%	177,958	166,850	6.7%
Selling and marketing expenses	(479,367)	(451,828)	6.1%	(116,742)	(107,704)	8.4%
General and administrative expenses	(157,539)	(148,997)	5.7%	(40,137)	(38,011)	5.6%
Other operating income (expenses)	(6,382)	(8,141)	-21.6%	(3,005)	(514)	n.s.
Operating profit	75,266	74,724	0.7%	18,074	20,621	-12.4%
Share of income (loss) of associates	(1,800)	(2,093)	-14.0%	(952)	(653)	45.8%
Interest expenses and other financial charges, net	(8,603)	(22,569)	-61.9%	(2,265)	(5,912)	-61.7%
Profit before taxation	64,863	50,062	29.6%	14,857	14,056	5.7%
Income taxes	(25,409)	(34,089)	-25.5%	(7,303)	(20,226)	-63.9%
Net profit of the period	39,454	15,973	n.s.	7,554	(6,170)	n.s.
Non-controlling interests	424	452	-6.2%	228	126	81.0%
Net profit attributable to owners of the Parent	39,030	15,521	n.s.	7,326	(6,296)	n.s.
EBITDA	110,665	111,687	-0.9%	27,415	30,426	-9.9%
Basic EPS (Euro)	0.625	0.251		0.117	(0.102)	
Diluted EPS (Euro)	0.622	0.250		0.117	(0.101)	
Economic indicators pre non-recurring items						
EBIT pre non-recurring items	83,047	84,846	-2.1%	22,846	23,358	-2.2%
EBITDA pre non-recurring items	118,446	121,809	-2.8%	32,187	33,163	-2.9%
Net profit attributable to the Group pre non-recurring items	44,467	38,969	14.1%	10,589	11,651	-9.1%

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

Säfilo Group S.p.A.**Consolidated Balance sheet**

<i>(Euro/000)</i>	December 31, 2014	December 31, 2013	Change
ASSETS			
Current assets			
Cash in hand and at bank	88,552	82,608	5,944
Trade receivables, net	266,308	238,979	27,329
Inventory, net	247,617	212,780	34,837
Derivative financial instruments	1,594	54	1,540
Other current assets	49,619	59,760	(10,141)
Total current assets	653,690	594,181	59,509
Non-current assets			
Tangible assets	203,279	198,176	5,103
Intangible assets	54,806	48,703	6,103
Goodwill	583,130	536,075	47,055
Investments in associates	7,605	8,432	(827)
Available-for-sale financial assets	0	237	(237)
Deferred tax assets	92,498	77,168	15,330
Derivative financial instruments	0	34	(34)
Other non-current assets	2,897	2,631	266
Total non-current assets	944,215	871,456	72,759
Total assets	1,597,905	1,465,637	132,268
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings	75,319	73,874	1,445
Trade payables	210,775	204,934	5,841
Tax payables	33,041	18,210	14,831
Derivative financial instruments	68	1,673	(1,605)
Other current liabilities	52,149	43,518	8,631
Provisions for risks and charges	5,658	3,325	2,333
Total current liabilities	377,010	345,534	31,476
Non-current liabilities			
Long-term borrowings	176,493	191,230	(14,737)
Employees benefits liability	32,724	34,879	(2,155)
Provisions for risks and charges	13,707	34,593	(20,886)
Deferred tax liabilities	8,772	8,061	711
Derivative financial instruments	4,426	24	4,402
Other non-current liabilities	10,517	5,254	5,263
Total non-current liabilities	246,639	274,041	(27,402)
Total liabilities	623,649	619,575	4,074
Shareholders' equity			
Share capital	312,675	311,000	1,675
Share premium reserve	484,689	482,565	2,124
Retained earnings (losses) and other reserves	135,142	34,526	100,616
Cash flow reserve	0	(490)	490
Income attributable to the Group	39,030	15,521	23,509
Total shareholders' equity attributable to the Group	971,536	843,122	128,414
Non-controlling interests	2,720	2,940	(220)
Total shareholders' equity	974,256	846,062	128,194
Total liabilities and shareholders' equity	1,597,905	1,465,637	132,268

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178B recommendation published on 3rd November 2005.

Såfilo Group S.p.A.*Consolidated statement of cash flows*

<i>(Euro/000)</i>	Financial Year	
	2014	2013
A - Opening net cash and cash equivalents (net financial indebtedness - short term)	69,669	45,623
B - Cash flow from (for) operating activities		
Net profit for the period (including minority interests)	39,454	15,973
Depreciation and amortization	35,399	36,963
Other non-monetary items	(7,552)	(36)
Interest expenses, net	9,809	11,263
Income tax expenses	25,410	34,089
Income from operating activities prior to movements in working capital	102,519	98,252
(Increase) Decrease in trade receivables	(15,812)	30,828
(Increase) Decrease in inventory, net	(25,030)	(8,017)
Increase (Decrease) in trade payables	(1,812)	(2,207)
(Increase) Decrease in other current receivables	(172)	(20,090)
Increase (Decrease) in other current payables	1,560	16,967
Interest expenses paid	(5,882)	(11,944)
Income taxes paid	(28,457)	(35,181)
Total (B)	26,915	68,608
C - Cash flow from (for) investing activities		
Purchase of property, plant and equipment	(28,294)	(28,198)
Disposals of property, plant and equipment	1,011	634
Acquisition of minorities (in subsidiaries and associates)	(1,555)	(4,107)
(Acquisition) Disposal of investments and securities	237	-
Purchase of intangible assets	(10,650)	(8,508)
Total (C)	(39,251)	(40,179)
D - Cash flow from (for) financing activities		
Proceeds from borrowings	200,000	125,360
Repayment of borrowings	(226,529)	(134,541)
Share capital and reserves increase	3,799	3,702
Dividends paid	-	-
Total (D)	(22,731)	(5,480)
E - Cash flow for the period (B+C+D)	(35,066)	22,949
Translation exchange differences	4,891	1,097
Total (F)	4,891	1,097
G - Closing net cash and cash equivalents (net financial indebtedness - short term) (A+E+F)	39,494	69,669

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

Safilo Group S.p.A.*Consolidated net sales*

Net sales by geographical area (Euro in millions)	Financial Year					
	2014	%	2013	%	Change %	Change % (*)
Europe	486.8	41.3	470.8	42.0	+3.4	+3.7
Americas	494.7	42.0	457.9	40.8	+8.0	+9.2
Asia	177.1	15.0	177.5	15.8	-0.2	+0.2
Rest of the world	20.2	1.7	15.4	1.4	+31.0	+38.8
Total	1,178.7	100.0	1,121.5	100.0	+5.1	+5.9

Net sales by product (Euro in millions)	Financial Year					
	2014	%	2013	%	Change %	Change % (*)
Prescription frames	431.8	36.6	413.8	36.9	+4.4	+5.5
Sunglasses	653.3	55.4	623.7	55.6	+4.7	+5.4
Sport products	86.2	7.3	76.3	6.8	+13.0	+13.1
Other	7.4	0.6	7.8	0.7	-4.7	-4.5
Total	1,178.7	100.0	1,121.5	100.0	+5.1	+5.9

(*) at constant exchange rates

Net sales by geographical area (Euro in millions)	Fourth Quarter					
	2014	%	2013	%	Change %	Change % (*)
Europe	118.6	38.1	119.1	42.6	-0.4	-0.1
Americas	133.6	42.9	108.4	38.8	+23.2	+15.4
Asia	51.9	16.7	47.1	16.8	+10.0	+3.4
Rest of the world	7.1	2.3	5.1	1.8	+37.3	+39.9
Total	311.2	100.0	279.7	100.0	+11.2	+7.2

Net sales by product (Euro in millions)	Fourth Quarter					
	2014	%	2013	%	Change %	Change % (*)
Prescription frames	114.4	36.8	101.4	36.3	+12.8	+9.4
Sunglasses	163.3	52.5	149.4	53.4	+9.3	+5.0
Sport products	31.8	10.2	27.4	9.8	+15.8	+11.0
Other	1.7	0.5	1.4	0.5	+11.7	+11.3
Total	311.2	100.0	279.7	100.0	+11.2	+7.2

(*) at constant exchange rates

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

Safilo Group S.p.A.**Income statement**

<i>(Euro)</i>	Financial Year		
	2014	2013	Change %
Net sales	412,000	980,000	-58.0%
Gross profit	412,000	980,000	-58.0%
General and administrative expenses	(4,486,083)	(3,962,671)	13.2%
Other operating income (expenses)	(4,015)	(2,156,227)	-99.8%
Operating profit/(loss)	(4,078,098)	(5,138,898)	-20.6%
Financial charges, net	14,206,121	(1,566)	n.s.
Profit/(loss) before taxation	10,128,023	(5,140,464)	n.s.
Income taxes	452,328	(2,342,995)	n.s.
Net profit/(loss) for the year	10,580,351	(7,483,459)	n.s.

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

Sáfico Group S.p.A.*Balance sheet*

<i>(Euro)</i>	December 31, 2014	December 31, 2013	Change
ASSETS			
Current assets			
Cash in hand and at bank	175,824	3,221,399	(3,045,575)
Trade receivables, net	591,751	1,195,600	(603,849)
Other current assets	28,124,035	35,558,441	(7,434,406)
Total current assets	28,891,610	39,975,440	(11,083,830)
Non-current assets			
Investments in subsidiaries	902,745,443	749,313,759	153,431,684
Deferred tax assets	-	-	-
Other non-current assets	676,527	224,199	452,328
Total non-current assets	903,421,970	749,537,958	153,884,012
Total assets	932,313,580	789,513,398	142,800,182
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings	-	-	-
Trade payables and payables to subsidiaries	3,095,446	8,391,729	(5,296,283)
Tax payables	165,040	730,368	(565,328)
Other current liabilities	1,248,066	628,244	619,822
Total current liabilities	4,508,552	9,750,341	(5,241,789)
Non-current liabilities			
Long-term borrowings	127,904,930	-	127,904,930
Employees benefits liability	76,407	121,829	(45,422)
Provisions for Risks	996,297	173,563	822,734
Derivative financial instruments	4,425,927	-	4,425,927
Other non-current liabilities	487,244	436,503	50,741
Total non-current liabilities	133,890,805	731,895	133,158,910
Total liabilities	138,399,357	10,482,236	127,917,121
Shareholders' equity			
Share capital	312,674,825	310,999,825	1,675,000
Share premium reserve	484,688,914	482,564,934	2,123,980
Retained earnings (losses) and other reserves	(14,029,867)	(7,050,138)	(6,979,729)
Net profit (loss) of the year	10,580,351	(7,483,459)	18,063,810
Total shareholders' equity	793,914,223	779,031,162	14,883,061
Total liabilities and shareholders' equity	932,313,580	789,513,398	142,800,182

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

Säfilo Group S.p.A.*Statement of cash flows*

<i>(Euro)</i>	Financial Year	
	2014	2013
A - Opening net cash and cash equivalents (net financial indebtedness - short term)	3,221,399	195,443
B - Cash flow from (for) operating activities		
Net profit (loss) for the year	10,580,351	(7,483,459)
Amortization	-	-
Stock Options figurative cost	49,348	317,435
Net changes in the employees benefits liabilities	(22,724)	(21,883)
Net changes of provision for risks	822,734	173,563
Other non-monetary items	(20,377,274)	-
Interest expenses (income), net	3,532,180	(806)
Income tax expenses	(452,328)	2,342,995
Income (loss) from (for) operating activities prior to movements in working capital	(5,867,713)	(4,672,155)
(Increase) Decrease in trade receivables	603,849	(9,800)
(Increase) Decrease in other receivables	5,034,406	(3,726,593)
Increase (Decrease) in trade payables	(5,296,283)	7,949,918
Increase (Decrease) in other payables	218,686	(4,017,839)
Interests received	(937,500)	805
Income taxes paid	-	-
Total (B)	(6,244,555)	(4,475,664)
C - Cash flow from (for) investing activities		
(Investments) disinvestments in subsidiaries	(153,000,000)	-
Total (C)	(153,000,000)	-
D - Cash flow from (for) financing activities		
Proceeds from borrowings	150,000,000	-
Share capital increase	3,798,980	3,701,620
Dividends received	2,400,000	3,800,000
Total (D)	156,198,980	7,501,620
E - Cash flow for the period (B+C+D)	(3,045,575)	3,025,956
F - Closing net cash and cash equivalents (net financial indebtedness - short term) (A+E)	175,824	3,221,399

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

About Safilo Group

Safilo Group is the fully integrated Italian eyewear creator and worldwide distributor of quality and trust, leader in the premium sector for sunglasses, optical frames and sports eyewear. Design inspired and brand driven, Safilo translates extraordinary design into excellent products created thanks to a superior craftsmanship expertise dating back to 1878. Internationally present through 30 owned subsidiaries and exclusive distributors in key markets – in North and Latin America, Europe, Middle East and Africa, and Asia Pacific and China –, Safilo is committed to quality distribution in over 130 countries around the world. Safilo's portfolio encompasses proprietary brands – Carrera, Polaroid, Smith Optics, Safilo and Oxydo – and licensed brands Dior, Fendi, Gucci, Alexander McQueen, Banana Republic, Bobbi Brown, BOSS, BOSS Orange, Bottega Veneta, Céline, Fossil, HUGO, J.Lo by Jennifer Lopez, Jack Spade, Jimmy Choo, Juicy Couture, Kate Spade, Liz Claiborne, Marc Jacobs, Marc by Marc Jacobs, Max Mara, Max&Co., Pierre Cardin, Saint Laurent, Saks Fifth Avenue and Tommy Hilfiger.

Listed on the Italian Stock Exchange (ISIN code IT0004604762, Bloomberg SFL.IM, Reuters SFLG.MI), in 2014 Safilo recorded net revenues for Euro 1,178 billion.

Contacts:

Safilo Group Investor Relations

Barbara Ferrante

Ph. +39 049 6985766

www.safilo.com/en/investors.html

Safilo Group Press Office

Milano – Ph. +39 02 77807607

Padua – Ph. +39 049 6986021

Weber Shandwick / Advisory

Annamaria Ferrari

Ph. +39 02 00641102

aferrari@advisorywebershandwick.it

Lisa Nanu

Ph. + 39 02 00641103

lnanu@advisorywebershandwick.it