MARCOLIN GROUP

3rd QUARTER REPORT

September 30, 2014

Registered Office, Executive Management and Business Offices
Longarone (BL) – Z.I. Villanova, 4
Issued capital euro 32,312,475.00 fully paid in
R.E.A. n. 64334
Tax code and Companies Register n. BL 01774690273
VAT n. 00298010257

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CORPORATE BOARDS AND AUDITORS

BOARD OF DIRECTORS (1)

Vittorio Levi	Chairman
Giovanni Zoppas	C.E.O. and General Manager
Antonio Abete	Director
Francesco Capurro	Director
Cirillo Coffen Marcolin	Director
Roberto Ferraresi	Director
Violaine Odile Marie Grison	Director
Emilio Macellari	Director
Frédéric Jaques Mari Stévenin	Director
Franck Raymond Temam	Director
Raffaele Roberto Vitale	Director

BOARD OF STATUTORY AUDITORS (1)

David Reali	Chairman
Mario Cognigni	Acting Auditor
Diego Rivetti	Acting Auditor
Alessandro Maruffi	Alternate Auditor
Rossella Porfido	Alternate Auditor

INTERNAL AUDIT COMMITTEE (2)

Vittorio Levi	Chairman
Roberto Ferraresi	Internal Auditor
Cirillo Coffen Marcolin	Internal Auditor

SUPERVISORY BODY (2)

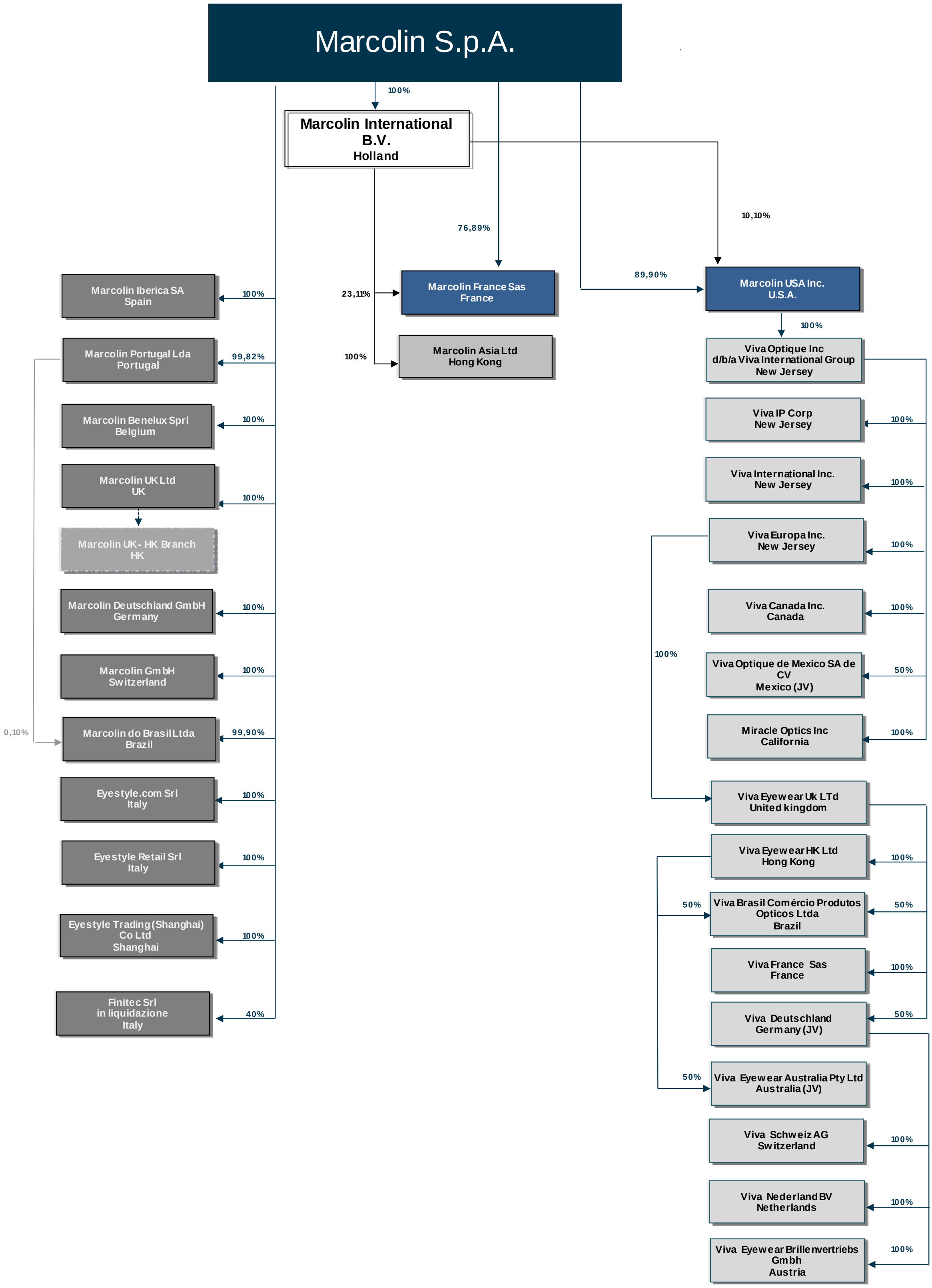
Federico Ormesani	Chairman
David Reali	Supervisor
Cirillo Coffen Marcolin	Supervisor

INDEPENDENT AUDITORS (3)

PricewaterhouseCoopers S.p.A.

(1) Term of office ends on the date of the Shareholders’ Meeting called to approve the annual financial statements for the year ended December 31, 2015 (according to Shareholders’ Resolution of April 30, 2013).
(2) Board of Directors' appointment of April 30, 2013.
(3) Term of engagement: 2013, 2014 and 2015 (according to Shareholders’ Resolution of April 30, 2013).

MARCOLIN GROUP STRUCTURE



MARCOLIN GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(euro/000)	Notes	9/30/2014	12/31/2013
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1	24.454	23.489
Intangible assets	1	41.522	34.655
Goodw ill	1	263.418	256.917
Investments in subsidiaries and associates	1	2.100	2.030
Deferred tax assets	1	23.551	24.326
Other non-current assets	1	850	870
Non-current financial assets	1	5.446	7.132
Total non-current assets		**361.341**	**349.418**
CURRENT ASSETS			
Inventories	2	88.994	72.907
Trade receivables	2	75.228	72.468
Other current assets	2	18.025	13.994
Current financial assets	2	1.913	1.759
Cash and bank balances	2	33.691	38.536
Total current assets		**217.851**	**199.664**
TOTAL ASSETS		**579.192**	**549.082**
EQUITY			
Share capital	3	32.312	32.312
Additional paid-in capital	3	151.994	151.994
Legal reserve	3	3.853	3.853
Other reserves	3	48.928	43.638
Retained earnings (losses)	3	(16.822)	(4.811)
Profit (loss) for the year	3	3.115	(12.011)
Non-controlling interests		-	-
TOTAL EQUITY		**223.379**	**214.975**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current financial liabilities	4	196.894	195.891
Non-current provisions	4	18.308	18.287
Deferred tax liabilities	4	4.037	2.987
Other non-current liabilities	4	4.513	3.954
Total non-current liabilities		**223.751**	**221.119**
CURRENT LIBILITIES			
Trade payables	5	76.577	64.711
Current financial liabilities	5	28.583	17.707
Current provisions	5	9.684	14.422
Current tax liabilities	5	3.886	4.640
Other current liabilities	5	13.331	11.508
Total current liabilities		**132.062**	**112.988**
TOTAL LIABILITIES		**355.813**	**334.106**
TOTAL LIABILITIES AND EQUITY		**579.192**	**549.082**

CONSOLIDATED INCOME STATEMENT

(euro/000)

	Notes	September 2014	%	September 2013	%
NET REVENUES	7	**272.165**	**100,0%**	**155.239**	**100,0%**
COST OF SALES	8	**(108.127)**	**(39,7)%**	**(61.084)**	**(39,3)%**
GROSS PROFIT		**164.038**	**60,3%**	**94.155**	**60,7%**
Distribution and marketing expenses	9	(129.075)	(47,4)%	(71.895)	(46,3)%
General and administration expenses	10	(22.789)	(8,4)%	(14.127)	(9,1)%
Other operating income expenses					
- other operating income		3.270	1,2%	1.977	1,3%
- other operating expenses		(1.135)	(0,4)%	(380)	(0,2)%
TOTAL OPERATING INCOME/EXPENSES	11	**2.135**	**0,8%**	**1.598**	**1,0%**
EFFECTS OF ACCOUNTING FOR ASSOCIATES					
OPERATING INCOME - EBIT		**14.309**	**5,3%**	**9.730**	**6,3%**
FINANCIAL INCOME AND COSTS					
Financial income		12.671	4,7%	1.107	0,7%
Finance costs		(21.103)	(7,8)%	(9.703)	(6,3)%
TOTAL	12	**(8.432)**	**(3,1)%**	**(8.597)**	**(5,5)%**
PROFIT BEFORE TAXES		**5.877**	**2,2%**	**1.133**	**0,7%**
Income tax expense		(2.763)	(1,0)%	(2.246)	(1,4)%
NET PROFIT/(LOSS) FOR THE YEAR		**3.115**	**1,1%**	**(1.113)**	**(0,7)%**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(euro/000)

	September 2014	September 2013
NET PROFIT FOR THE YEAR	**3.115**	**(1.113)**
Other items that will not subsequently be reclassified to profit or loss:	-	
Effect (actuarial gains/losses) on defined benefit plans, net of taxes	-	26
TOTAL OTHER ITEMS THAT WILL NOT SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS	-	**26**
Other items that will be subsequently reclassified to profit or loss		
Change in foreign currency translation reserve	5.580	(1.381)
TOTAL OTHER ITEMS THAT WILL BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS	**5.580**	**(1.381)**
TOTAL COSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR	**8.695**	**(2.468)**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(euro/000)

				Other reserves							
	Share capital	Additional paid-in capital	Legal Reserve	S.holders deposit in s/capital	Other reserves	Retained earnings/ (losses)	Profit/(loss) for the year	Period result	Capital and reserves net total	Non-controlling interests in equity	Total
Balance as of January 1, 2013	**1.200**	**159.660**	**-**	**-**	**-**	**-**	**-**	**(4.811)**	**156.049**	**-**	**156.049**
Capital increase of February 6,2013	-	-	-	27.300	-	-	-	-	27.300	-	**27.300**
Allocation of 2012 profit	-	-	-	-	-	-	(4.811)	4.811	-	-	**-**
Merger impact	31.112	(7.666)	3.853	(27.300)	-	-	-	-	-	-	**-**
Capital increase of November 29, 2013	-	-	-	24.000	-	-	-	-	24.000	-	**24.000**
Capital increase of December 3, 2013	-	-	-	22.108	-	-	-	-	22.108	-	**22.108**
- Period result	-	-	-	-	-	-	-	(12.011)	(12.011)	-	***(12.011)***
- Other components of comprehensive incom	-	-	-	-	(2.592)	122	-	-	(2.470)	-	***(2.470)***
Total comprehensive income	-	-	-	-	(2.592)	122	-	(12.011)	(14.481)	-	**(14.481)**
Balance as of December 31, 2013	**32.312**	**151.994**	**3.853**	**46.108**	**(2.592)**	**122**	**(4.811)**	**(12.011)**	**214.975**	**-**	**214.975**
Allocation of 2013 profit	-	-	-	-	-	(16.822)	4.811	12.011	**-**	-	**-**
Equity Adjustment	-	-	-	(290)	-	-	-	-	*(290)*	-	***(290)***
- Period result	-	-	-	-	-	-	-	*3.115*	*3.115*	-	***3.115***
- Other components of comprehensive income	-	-	-	-	5.580	-	-	-	***5.580***	-	***5.580***
Total comprehensive income	-	-	-	-	5.580	**-**	-	3.115	8.695	-	**8.695**
Balance as of September 30, 2014	**32.312**	**151.994**	**3.853**	**45.818**	**2.988**	**(16.700)**	**-**	**3.115**	**223.379**	**-**	**223.379**

Consolidated cash flow statement	09/30/2014	12/31/2013
(euro/000)		
Operating activities :		
Profit for the period	*3.115*	*(12.011)*
Depreciation and amortization	7.040	5.411
Provisions	(1.330)	(2.806)
Impairment losses	-	-
Income tax expense	2.763	201
Accrued interest expense	14.414	19.881
Adjustments to other non-cash items by operations	(12.807)	1.034
Cash generated by operations	*13.194*	*11.709*
(Increase) decrease in trade receivables	(3.187)	(1.300)
(Increase) decrease in other receivables	(4.010)	(88)
(Increase) decrease in inventories	(13.700)	3.717
(Decrease) increase in trade payables	8.027	(11.260)
(Decrease)/increase in other liabilities	2.382	(931)
(Use) of provisions	(972)	(3.574)
(Decrease)/increase in current tax liabilities	809	(1.383)
Income taxes paid	(3.148)	(1.938)
Interest paid	(9.037)	(17.452)
Cash used for current operations	*(22.836)*	*(34.209)*
Net cash from /(used in) operating activities	**(9.642)**	**(22.499)**
INVESTING ACTIVITIES		
(Purchase) of property, plant and equipment	(3.981)	(2.615)
Proceeds from the sale of property, plant and equipment	444	(30)
(Purchase) of intangible assets	(5.300)	(1.512)
Investments in subsidiaries and associates	-	
Net cash outflow on business combinations net of the liquidity acquired (Marcolin Group)	-	(53.619)
Net cash outflow on business combinations net of the liquidity acquired (Viva)	-	(74.126)
Net cash from /(used in) investing activities	**(8.838)**	**(131.902)**
Adjustments to other non-cash items	**2.901**	**5.524**
FINANCING ACTIVITES		
Loans granted		
- Increase	-	-
- Decrease	1.686	1.600
Net increase (decrease) in bank borrowings	(4.221)	1.934
Loans taken out		
- new loans	25.490	252.600
- repayments	(14.921)	(164.514)
Capital increase	-	51.300
Net cash from /(used in) financing activities	**8.034**	**142.920**
Net increase/(decrease) in cash and cash equivalents	**(7.545)**	**(5.958)**
Effect of foreign exchange rate changes	2.701	(707)
Cash and cash equivalents at beginning of year	**38.536**	**45.200**
Cash and cash equivalents at period end	**33.691**	**38.536**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

INTRODUCTION

Marcolin, a well-established company based in Longarone (Belluno) in the Italian eyewear district, is a designer, manufacturer and distributor of eyewear products.
A renowned leader in the global eyewear business, Marcolin stands out for its premium quality products, design concepts, production capabilities, attention to detail and first-rate distribution.

In 2013 the Marcolin Group sold an estimated 5.4 million pairs of eyeglasses and sunglasses worldwide, in more than 5,800 models, with sales exceeding euro 200 million.

At the end of 2013 Marcolin acquired the VIVA International group (hereafter also "Viva") by acquiring 100% of the capital of Viva Optique, Inc., one of the most prominent eyewear groups in the United States, and one that is particularly strong in the vision care segment. VIVA is based in New Jersey, and controls affiliates in major countries of strategic interest. In 2013 its sales were some US$ 190 million, with 8.5 million articles sold, 55% of which in the United States.

In 2013 combined with VIVA, the Marcolin Group had sales of euro 345 million and some 1,200 employees (including 300 from the VIVA Group), plus a widespread network of proven independent agents.

Thanks to VIVA's products and markets complementing those of the Marcolin Group, the acquisition of VIVA has improved Marcolin's standing as a highly global eyewear company in terms of its brand portfolio, products, geographic presence and markets.

The Marcolin Group has a strong brand portfolio, with a good balance between luxury and mainstream ("diffusion") products, men's and women's products, and eyeglasses and sunglasses.

The luxury segment includes glamorous fashion brands such as Tom Ford, Tod's, Balenciaga, Roberto Cavalli, Montblanc and now Zegna, Agnona and Pucci (the latter brands will be launched in 2015), and the diffusion segment includes Diesel, Swarovski, DSquared2, Just Cavalli, Timberland, Cover Girl, Kenneth Cole New York and Kenneth Cole Reaction.
Viva International Inc. has added to this portfolio the brands Guess, Guess by Marciano, Gant, Harley Davidson, and other brands targeted specifically to the U.S. market.
The house brands are WEB, National and Marcolin.

At the end of 2013 Marcolin acquired the VIVA International group (hereafter also "Viva") by acquiring 100% of the capital of Viva Optique, Inc., one of the most prominent eyewear groups in the United States, and one that is particularly strong in the vision care. VIVA is based in New Jersey, and controls affiliates in major countries of strategic interest. In 2013 its sales were some US$ 190 million, with 8.5 million articles sold, 55% of which in the United States.

Consistent with the growth strategy being pursued by Marcolin, the Viva acquisition has developed the Group into a true global player by expanding its scale, geographical presence, brand portfolio and product range.

The Viva Group has added to the diffusion portfolio the brands Guess, Guess by Marciano, Gant, Harley Davidson, and other brands targeted specifically to the U.S. market.
The diversity of the brands managed, the completion of the "diffusion" product range and the balance achieved between men's and women's products, and also between eyeglasses and sunglasses, are among the strategic factors behind this important acquisition.
Moreover, Viva's strong presence in the overseas market will enable Marcolin, which up to now has been concentrated in Europe, to become stronger in the United States by covering one third of the market, while continuing to focus on the Far East and Europe.

The Viva acquisition has especially boosted Marcolin's presence in the American market, where Marcolin used to have fewer operations.
Marcolin is now a wholesaler present in over 100 countries with a wide distribution network across five continents.

The complementary distinctive characteristics and specific expertise of the Marcolin Group and the Viva Group have given rise to a globally competitive eyewear company, to which Marcolin brings its know-how and background, enabling it to offer significant added value to the market in terms of both product range and global distribution.

The acquisition is bringing important synergies to the Marcolin Group in terms of organization, cost structure and sourcing (through common management and stronger bargaining power with some suppliers), thanks to opportunities arising from the integration of the sales, distribution networks and organizational structures.

Within the scope of the Viva U.K. integration, the International Distribution business unit was transferred to the parent company Marcolin Spa, and the Domestic Distribution business unit was transferred to Marcolin U.K. These operations has been successfully completed during the month of September 2014.

We also created on July 2014 the Marcolin UK Hong Kong Branch to serve the entire client base of VIVA and Marcolin in the Asia-Pacific region (APAC), and manage jointly the sourcing operations out of China.

A important stage of the integration process includes business restructuring of the US Companies (Marcolin U.S./VIVA Optique), to further enhance the consumer focus and align the brand portfolio to the market, to deliver greater efficiencies throughout the organization.
As part of this process, it has been decided to merge by March 2015 the current headquarters of Marcolin U.S. (Scottsdale) into the New Jersey operation, formerly the VIVA International Group headquarters. The combined headquarters in New Jersey will bring the company closer to its customers, reduce management layers and leverage efficiencies to increase speed-to-market advantages globally.

ACCOUNTING POLICIES AND BASIS OF CONSOLIDATION

Accounting policies

The financial statements for the nine months ended September 30, 2014 were prepared according to the accounting policies established by the International Accounting Standards/International Financial Reporting Standards (IAS/IFRS) adopted by the European Union, under the procedures set forth in Regulation no. 1606/2002, Article 6 of the European Parliament and European Council on July 19, 2002 concerning application of international accounting standards, and the enactment measures for Italian Legislative Decree no. 38/2005.

The consolidation policies adopted for the preparation of the financial statements for the nine months ended September 30, 2014 are consistent with those used to prepare the annual financial statements as at December 31, 2013, which may be referred to in this respect.

The Group elected to use the following types of financial statements, which are envisaged by International Accounting Standard (IAS) 1:

- the income statement that classifies costs by their nature. In addition, it was decided to present two distinct documents: the income statement and the statement of comprehensive income;
- the statement of financial position that presents separately current assets, non-current assets, current liabilities, non-current liabilities, assets held for sale and liabilities associated with assets held for sale;
- the statement of changes in equity that presents items in individual columns with reconciliation of the opening and closing balances of each item forming equity;

- the cash flow statement using the indirect method, which presents the cash flows by operating, investing and financing activities for the period.

The same financial statement format was used to prepare the annual consolidated financial statements as at December 31, 2013.
Since the figures are reported in thousands of euros, slight differences may emerge due to rounding off.

Consolidated companies

The Marcolin Group's financial statements for the nine months ended September 30, 2014 reflect the consolidated companies at that date, i.e. Marcolin S.p.A. (the Parent Company), its Italian and foreign subsidiaries and the companies over which it exercises a dominant influence, whether directly or indirectly.

The companies consolidated on a line-by-line basis and the companies consolidated throw Equity Method are set forth below, and there are no changes in respect to December 31, 2013.

COMPANY	HEADQUARTERS	CURRENCY	SHARE CAPITAL	CONSOLIDATION METHOD	% OWNERSHIP DIRECT	% OWNERSHIP INDIRECT
Marcolin Asia Ltd.	Hong Kong	HKD	1.539.785	Full	-	100,00%
Marcolin Benelux Sprl	Faimes, Benelux	EUR	280.000	Full	99,98%	-
Marcolin do Brasil Ltda	Jundiai, Brasil	BRL	9.575.240	Full	99,90%	0,10%
Marcolin (Deutschland) GmbH	Ludwigsburg, Germany	EUR	300.000	Full	100,00%	-
Marcolin GmbH	Fullinsdorf, Switzerland	CHF	200.000	Full	100,00%	-
Marcolin Iberica SA	Barcellona, Spagna	EUR	487.481	Full	100,00%	-
Marcolin International BV	Amsterdam, Olanda	EUR	18.151	Full	100,00%	-
Marcolin Portugal Lda	Lisbona, Portugal	EUR	420.000	Full	99,82%	-
Marcolin (UK) Ltd	Newbury, Uk	GBP	850.000	Full	99,88%	-
Marcolin UK Ltd - (HK Branch)	Hong Kong	HKD				
Marcolin Usa Inc	New York, Usa	USD	775.100	Full	89,90%	10,10%
Marcolin France Sas	Parigi,France	EUR	1.054.452	Full	76,89%	23,11%
Eyestyle Retail Srl	Milano, Italy	EUR	200.000	Full	100,00%	-
Eyestyle.com Srl	Longarone, Italy	EUR	150.000	Full	100,00%	-
Eyestyle Trading (Shanghai) Co., Ltd	Shangai, China	CNY	930.546	Full	100,00%	-
Finitec Srl in liquidazione	Longarone, Italy	EUR	54.080	Equity	40,00%	-
Viva Optique Inc.d/b/a Viva International Group	Somerville, Usa	USD	121.872.715	Full	100,00%	-
Viva Europa Inc.	New Jersey, USA	USD	-	Full	100,00%	-
Viva IP, Inc	New Jersey, USA	USD	10.000	Full	100,00%	-
Viva Brasil Comercio Produtos Opticos Ltda	Sao Paulo, Brasil	REAL	798.560	Full	-	100,00%
Viva Canada Inc.	New Brunswick, Canada	CAN$	347.640	Full	100,00%	-
Viva France Sas	Pontault Combault, France	EUR	37.000	Full	-	100,00%
Viva Eyewear Hong Kong Ltd	New Territories, Hong Kong	HKD	100	Full	-	100,00%
Viva Italia	Operations Ceased	EUR	93.600	Full	1,00%	99,00%
Joint Ventures						
Viva Optique de Mexico SA_de CV	Edo, Mexico	PESO	3.694.685	Equity	50,00%	-
Viva Deutschland	Schwaebisch Gmund, Germany	EUR	25.000	Equity	-	50,00%
Viva Eyewear Brillenvertriebs Gmbh	Mondsee, Austria	EUR	35.000	Equity	-	50,00%
Viva Nederland B.V.	Rijswijk, Netherlands	EUR	18.000	Equity	-	50,00%
Viva Schweiz AG Postfach 51	Wallis, Switzerland	CHF	50.000	Equity	-	50,00%
Viva Eyewear Australia Pty Ltd	Rosebery NSW, Australia	AUS$	1.000.000	Equity	-	50,00%

Comparability

The Viva acquisition had a significant impact on the Group's financial statement results, so the income statement results of the first nine months of 2014 are incomparable with those of the same period of 2013.

Italian tax consolidation

Marcolin S.p.A., together with its subsidiaries Eyestyle Retail S.r.l. and Eyestyle.com S.r.l., opted for the Italian tax consolidation regime regarding corporate income tax (IRES) for the three-year period from 2013 to 2015, which recognizes Marmolada S.p.A. as the parent company.

In June 2014 the indirect parent company, Tre Cime S.p.A., elected to use the IRES (corporate income tax) consolidation regime for subsidiaries Marmolada S.p.A, Marcolin S.p.A., Eyestyle Retail S.r.l. and Eyestyle.com S.r.l.

Exchange rates

The following table lists the exchange rates used for currency translation (the closing and average exchange rates refer to September 30, 2014 and January-to-September 2014, respectively):

Currency		Closing exchange rate			Average exchange rate		
		2014	2013	*Change*	2014	2013	*Change*
English Pound	GBP	0,777	0,836	(7,0)%	0,812	0,852	(4,7)%
Swiss Franc	CHF	1,206	1,223	(1,3)%	1,218	1,232	(1,1)%
USA Dollar	USD	1,258	1,351	(6,8)%	1,355	1,317	2,9%
Brazilian Real	BRL	3,082	3,041	1,4%	3,103	2,793	11,1%
Hong Kong Dollar	HKD	9,77	10,472	(6,7)%	10,507	10,218	2,8%

BUSINESS COMBINATIONS

Acquisition of Viva International Group

In December 2013 the Marcolin group, through Marcolin USA, Inc., acquired the Viva International group, one of the most important eyewear businesses in the U.S. market. The acquisition date was December 3, 2013. After carrying out the preliminary and preparatory activities, the acquisition, which received antitrust approval from the U.S. Federal Trade Commission, was completed by Marcolin USA, Inc., which thus was the owner of the entire share capital of Viva Optique, Inc. (Parent Company of the acquired Group) as at December 31, 2013.
According to IFRS 3, "Business Combinations", this acquisition consisted of a business combination, and as such was recognized for with the acquisition method. As permitted by IFRS 3, given the significance of the acquisition and the proximity to the 2013 reporting date, the initial entry for the business combination was determined only provisionally in the financial statements for the year ended December 2013, and goodwill was determined on the basis of provisional, partial identification of the fair values of the acquired assets, liabilities and contingent liabilities.
Within 12 months of the acquisition date, the business combination accounting will be finalized with the identification and valuation of the acquired assets and liabilities.
The business combination disclosures required by IFRS 3 are provided hereunder.

Combining entities

The combining entities are Marcolin USA, Inc., the acquirer, and the Viva International Group, the acquiree group of companies.
The following table sets forth the acquired companies and the percentage of equity instruments with voting rights acquired directly by Marcolin USA, Inc. in 2013:

Company	Registred Offices	Currency	Share capital	% ownership Direct	Indirect
Viva Optique, Inc. d/b/a Viva International Group	U.S. (New Jersey)	USD	121,872,715	100%	
Viva IP, Corp	U.S. (New Jersey)	USD	10,000		100%
Viva International, Inc. - in liquidazione	U.S. (New Jersey)	USD			100%
Viva Europa, Inc.	U.S. (New Jersey)	USD	-		100%
Viva Canada Inc.	Canada	CAD	347,640		100%
Viva Optique de México S.A. de C.V.	Messico	MXN	3,694,685		50%
Miracle Optics, Inc. - in liquidazione	U.S. (California)	USD			
Viva Eyewear UK Ltd.	UK	GBP	-		100%
Viva Italia S.r.l. - in liquidazione	Italia	EUR	93,600		100%
Viva Eyewear Hong Kong, Ltd.	Hong Kong	HKD	100		100%
Viva Brasil Comércio de Produtos Opticos Ltd	Brasile	BRL	798,560		100%
Viva France S.A.S.	Francia	EUR	37,000		100%
Viva Eyewear Australia Pty Ltd.	Australia	AUD	1,000,000		50%
Viva Schweiz AG	Svizzera	CHF	50,000		50%
Viva Netherlands B.V.	Paesi Bassi	EUR	18,000		50%
Viva Deutschland GmbH	Germania	EUR	25,000		50%
Viva Eyewear Brillenvertriebs	Austria	EUR	35,000		50%

Cost of the business combination

The cost of the business combination was euro 117.297 million, represented by the sum of acquiree equity instruments acquired.
It is detailed below (amounts in thousands of euros):

	EUR	USD
Corresponding amount paid by Marcolin USA Inc. at closing on Dec.3, 2013	85,689	116,348
Other corresponding amounts paid by Marcolin USA Inc. at closing on Dec.3,	1,841	2,500
Price paid though 3Cime SpA at closing on Dec.3, 2013	22,095	30,000
Deferred price to be paid to HVHC Inc. after Dec.31, 2013	7,672	10,417
Purchase price	**117,297**	**159,266**

Transaction costs were recognized in the income statement of the year they were incurred (in accordance with the applicable accounting standard).

Fair value of acquired assets, liabilities and contingent liabilities

As noted, given the significance of the acquisition and the proximity to the reporting date, it was not possible to determine the definitive net fair values of the assets and liabilities acquired in the Viva International group, so the allocation is based on the fair value determined provisionally as at the acquisition date.
The provisional fair value of the net acquired assets is euro 49.048 million, detailed as follows (in thousands of euros):

(euro/000)		Provisional Fair Value EUR	Provisional Fair Value USD	Carrying Value in Viva Goup Statements EUR	Carrying Value in Viva Goup Statements USD
ASSETS					
Non-current assets					
	Property, plant, and equipment	3,724	5,056	3,724	5,056
	Intangible assets	14,781	20,069	14,781	20,069
	Goodwill	-	-	65,793	89,334
	Investments	1,950	2,648	1,950	2,648
	Deferred tax assets	3,005	4,080	3,005	4,080
	Total non-current assets	**23,460**	**31,854**	**89,254**	**121,189**
Current assets					
	Inventories	25,865	35,119	25,865	35,119
	Trade and other receivables	23,114	31,384	23,114	31,384
	Other current assets	1,483	2,014	1,483	2,014
	Cash and bank balances	13,404	18,200	13,404	18,200
	Current financial assets	-	-	-	-
	TOTAL current assets	**63,866**	**86,717**	**63,866**	**86,717**
Total assets		**87,326**	**118,571**	**153,120**	**207,906**
LIABILITIES					
Non-current liabilities					
	Non-current financial liabilities	2,069	2,809	2,069	2,809
	Non-current provisions	184	250	184	250
	Deferred tax liabilities	2,215	3,007	1,939	2,632
	Other non-current liabilities	-	-	-	-
	Total non-current liabilities	**4,468**	**6,066**	**4,191**	**5,691**
Current liabilities					
	Trade payables	18,420	25,011	18,420	25,011
	Current financial liabilities	675	916	675	916
	Current liabilities	5,378	7,302	5,378	7,302
	Current tax liabilities	2,443	3,317	2,443	3,317
	Other current liabilities	6,895	9,362	6,895	9,362
	Total current liabilities	**33,811**	**45,908**	**33,811**	**45,908**
Total liabilities		**38,278**	**51,974**	**38,002**	**51,599**
Acquired net assets		**49,048**	**66,597**	**115,118**	**156,307**

Since the acquisition was completed on December 3, 2013, the Marcolin group's consolidated financial statements include the Viva International group's income statement data for the period from December 4, 2013 to December 31, 2013.
The impact of the business combination on the annual cash flow is a decrease in cash and bank balances of euro 74.126 million, equal to the price paid net of the cash and bank balances acquired from the Viva International group (euro 13.404 million on December 3, 2013), of the price paid through the indirect parent company, 3 Cime S.p.A., and of the deferred consideration.

Assuming an acquisition date corresponding to the beginning of the reporting period (i.e., January 1, 2013), as required by IFRS 3, the revenues and Ebitda of the surviving entity are euro 344.9 million and euro 26.8 million, respectively (excluding non-recurring income and costs).

Goodwill recognized pursuant to the business combination

Provisional goodwill of euro 68.249 million (as at December 3, 2013) emerged as the difference between the cost of the business combination and the acquirer's interest in the net fair value of the acquired assets and liabilities, as shown in the table below:

	EUR	USD
Net fair value at acquisition date	**49,048**	**66,597**
Minority interest	-	-
Net fair value acquisition date	**49,048**	**66,597**
Purchase price	117,297	159,266
Goodwill	**68,249**	**92,668**

Goodwill represents the future economic benefits arising from the business combination, due primarily to the Viva Group's legacy of expertise and know-how developed over the years; they form a potential contribution to future earnings and generation of cash flows deriving from the ability to satisfy customer demands, quantifiable in terms of higher profitability and cash flows. Future economic benefits are

assured by the Viva group's collective business strategies and information regarding licensor relationships, relationships with the distribution network in the American market, products distributed and customer demands, implemented in the past in order to gain prestige and win over new customers and markets. This intangible legacy of practical knowledge summarizes the business know-how of the group acquired.
As noted, the fair value of the net acquired assets was determined only provisionally, so the respective definitive values and value attributed to goodwill could differ, even considerably, from the values reported at this reporting date.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. Non-current assets

The composition of non-current assets is shown below:

NON-CURRENT ASSETS *(euro/000)*	**09/30/2014**	**12/31/2013**	**Increase (Decrease)**	
PROPERTY, PLANT AND EQUIPMENT	24.454	23.489	965	4,1%
INTANGIBLE ASSETS	41.522	34.655	6.867	19,8%
GOODWILL	263.418	256.917	6.502	2,5%
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	2.100	2.030	70	3,4%
DEFERRED TAX ASSETS	23.551	24.326	(774)	(3,2)%
OTHER NON-CURRENT ASSETS	850	870	(21)	(2,4)%
NON-CURRENT FINANCIAL ASSETS	5.446	7.132	(1.686)	(23,6)%
TOTAL NON-CURRENT ASSETS	**361.341**	**349.418**	**11.923**	**3,4%**

The value of non-current assets rose by euro 11.923 million from December 31, 2013.

The most significant changes refer to the following items:

- property, plant and equipment, which rose by euro 965 thousand as a result of new asset purchases of euro 3.981 million, less depreciation of euro 2.985 million and the sale of properties for euro 444 thousand. The new acquisitions refer to plant and machinery for euro 1.005 million, equipment for 738 thousand, increases for factory restructuring for euro 940 thousand, purchase of productive plant from the associated Finitec in liquidation, furniture, hardware, in addition to advances and tangible assets under construction;
- intangible assets, which rose by euro 6.867 million due to new acquisitions and annual amortization. The intangible assets include the lump sum paid by the Parent Company to some licensors in order to extend the licensing agreement periods. In addition, intangible assets under formation include Viva's ERP software change and the Parent Company's software and business application implementation;
- goodwill which roses by euro 6.502 million, due to the translation effect;
- deferred tax assets, which fell by euro 774 thousand, due mainly to the tax impact of provisions released by the Parent Company in the first half year of 2014;
- other non-current financial assets, which fell by euro 1.686 million. Nearly the entire decrease refers to the partial repayment of a loan granted by subsidiary Marcolin USA to a third party, on which interest accrues at market rates. As agreed, the loan shall be repaid with semi-annual installments from 2013 to 2015.

2. Current assets

The composition of current assets is shown below:

CURRENT ASSETS *(euro/000)*	**09/30/2014**	**12/31/2013**	**Increase (Decrease)**	
INVENTORIES	88.994	72.907	(16.086)	(22,1)%
TRADE RECEIVABLES	75.228	72.468	(2.760)	(3,8)%
OTHER CURRENT ASSETS	18.025	13.994	(4.030)	(28,8)%
CURRENT FINANCIAL ASSETS	1.913	1.759	(155)	(8,8)%
CASH AND BANK BALANCES	33.691	38.536	4.844	12,6%
TOTAL CURRENT ASSETS	**217.851**	**199.664**	**(18.187)**	**(9,1)%**

The total value of current assets rose by euro 18.187 million from December 31, 2013, mainly as a result of the combined effect of the changes listed below.
Most of these were affected by the turnover growth for the period (with a constant perimeter and at constant exchange rates, the sales as of September 2014 are 3.7% higher than September 2013).

The most significant differences from December 31, 2013 are due to:
- an increase in net inventories due to the above mentioned turnover increase, as well as the service level improvement;
- an increase in net trade receivables. Nearly the entire increase concerns non-overdue receivables, attributable to the sales increase of the period, and also to the seasonality curve of sales;
- an increase in other current assets, mainly due to the increase in receivables towards the Parent Company for the Tax Consolidation Agreement;
- a decrease in cash and bank balances, as reported in the Group's Consolidated Statement of Cash Flow.

Inventory is shown net of provision for inventory impairment, as well as receivables are shown net of the provision for doubtful debts.

3. Equity

The significant changes in equity refer to the allocation of the 2013 loss of euro 12.011 million to the reserve for retained earnings/(losses), and the recognition of the comprehensive income of euro 8.695 million for the period.

4. Non-current liabilities

The composition of non-current liabilities is shown below:

NON-CURRENT LIABILITIES (euro/000)	09/30/2014	12/31/2013	Increase (Decrease)	
NON-CURRENT FINANCIAL LIABILITIES	196.894	195.891	(1.003)	(0,5)%
NON-CURRENT PROVISIONS	18.308	18.287	(20)	(0,1)%
DEFERRED TAX LIABILITIES	4.037	2.987	(1.050)	(35,2)%
OTHER NON-CURRENT LIABILITIES	4.513	3.954	(559)	(14,1)%
TOTAL NON-CURRENT LIABILITIES	**223.751**	**221.119**	**(2.632)**	**(1,2)%**

Non-current liabilities rose by euro 2.632 million, mainly due to:

- an increase of non-current financial liabilities for euro 1.003 million, driven by the releases of the Bond amortized costs;
- an increase of deferred tax liabilities for euro 1.050 million, due to the tax adjustment regarding 2013 fiscal year.

The most significant loans, all of which were taken out by the Parent Company, are presented in detail below:

	CURRENCY	ORIGINAL AMOUNT	RESIDUAL AMOUNT	MATURITY DATE	INTEREST RATE	NOTES
BOND	euro	200.000.000	200.000.000	14 novembre 2019	8,5%	Bond issued the 14th November 2013 - Half-yearly interests on 15th of May and 15th of November
Intesa San Paolo S.p.A., Goldman Sachs International, IKB Deutsche Industrie Bank AG, Natixis S.A., Unicredit S.p.A.	euro	12.000.000	12.000.000	3 giugno 2019	*Euribor 1/2/3 mesi - spread 4%*	Super Senior RCF - Revolving facility agreement - Euro 25.000.000 - signed the 18th November 2013

5. Current liabilities

Current liabilities are set forth below:

CURRENT LIABILITIES *(euro/000)*	09/30/2014	12/31/2013	Increase (Decrease)	
TRADE PAYABLES	76.577	64.711	(11.866)	(18,3)%
CURRENT FINANCIAL LIABILITIES	28.583	17.707	(10.876)	(61,4)%
CURRENT PROVISIONS	9.684	14.422	4.738	32,9%
CURRENT TAX LIABILITIES	3.886	4.640	753	16,2%
OTHER CURRENT LIABILITIES	13.331	11.508	(1.823)	(15,8)%
TOTAL CURRENT LIABILITIES	**132.062**	**112.988**	**(19.074)**	**(16,9)%**

The current liabilities at September 30, 2014 show an increase of euro 19.074 million from December 31, 2013.

In particular, the following may be observed:

- the increase in trade payables is referring mainly to Marcolin S.p.A. The increase is primarily attributable to the turnover increase, and, to a lesser extent, to non-recurrent payables for the aforementioned extension of the licensing agreements;
- the increase in current financial liabilities is referring mainly to the use in the Parent Company of the Super Senior RCF for euro 12.000 million, in addition to the interest accrual related to the Bond, and reimbursement of short term loans (including in Marcolin USA the reimbursement of short term loan towards HVHC);
- the decrease in current provisions is due largely to the use of ordinary provisions allocated at the end of 2013 to cover potential returns and discounts for the year and other operational risks. The amount is the net balance of decreases refers to the Parent Company and Viva Optique;
- the increase in other current liabilities is mainly due to payables towards employees for related provisions.

6. Net financial position

The net financial position/(indebtedness) as at September 30, 2014 is set forth below in comparison with that of December 31, 2013:

NET FINANCIAL POSITION / (INDEBTEDNESS) *(euro/000)*	9/30/2014	12/31/2013	Increase (Decrease)	
Cash and cash equivalents	33.691	38.536	(4.844)	(12,6)%
Financial receivables	7.359	8.890	(1.531)	(17,2)%
Short-term borrow ings	(28.502)	(17.625)	(10.876)	61,7%
Current portion of long-term borrow ings	(81)	(81)	-	0,0%
Long-term borrow ings	(196.894)	(195.891)	(1.003)	0,5%
Total	**(184.426)**	**(166.172)**	**(18.255)**	**11,0%**

The net balance is indebtedness of euro 184.426 million, compared to the indebtedness of euro 166.172 million at December 31, 2013.

The euro 18.255 million increase in indebtedness is mainly due to non-recurring payments for the period (Bond expenses paid in 2014, the price adjustment paid to HVHC in January and one-off costs related to the Viva integration project), in addition to the payment of the Bond interests.

CONSOLIDATED INCOME STATEMENT

The Group's interim consolidated Income Statement at September 30, 2014 is summarized below against the reported interim results at September 30, 2013.

As noted in the introduction, the Viva acquisition had a significant impact on the Group's results, so the income statement results of the first nine months of 2014 are incomparable with those of the first nine months of 2013.

The September 2013 column of the tables below presents figures that include Cristallo's results, but exclude Viva's contribution.

The 2014 revenues to date are euro 272.165 million, compared to euro 155.239 million for the first nine months of 2013 (which exclude Viva).
The September 2014 Ebitda is euro 21.961 million, or 8.1% of sales, with an improvement from the September 2013 Ebitda of euro 13.879 million.
Ebit is euro 14.309 million, or 5.3% of sales. For the same period of 2013 the amount reported without Viva was euro 9.730 million.

CONSOLIDATED INCOME STATEMENT

(euro/000)	September 2014	%of revenue	September 2013	%of revenue
REVENUE	272.165	100,0%	155.239	100,0%
GROSS PROFIT	164.038	60,3%	94.155	60,7%
EBITDA	21.961	8,1%	13.879	8,9%
OPERATING INCOME - EBIT	14.309	5,3%	9.730	6,3%
FINANCIAL INCOME AND COSTS	(8.432)	(3,1)%	(8.597)	(5,5)%
PROFIT BEFORE TAXES	5.877	2,2%	1.133	0,7%
NET PROFIT	3.115	1,1%	(1.113)	(0,7)%

In order to provide a more meaningful presentation of the Group's performance in the period, the following notes describe the results of the first nine months of 2014 in comparison with results for the first nine months of 2013 that include Viva (in the following "pro-forma").

The 2013 "pro-forma" revenues are euro 267.850 million, meaning that the 2014 sales are approximately 1.6% higher than those of the same period of 2013. However, exchange rates were very significant, especially for the U.S. dollar and Brazilian Real. At constant exchange rates and with a constant perimeter, the like-for-like sales growth is 3.7%.

In both 2014 and 2013, the Group's results were influenced by non-recurring transactions, which in the first nine months of 2014 adversely impacted the reported EBITDA (in 2013 the same adverse effect included the costs of the absorbed company, Cristallo).

In order to better understand the business performance, those effects must be eliminated. They mainly refer to costs for reorganization, one-offs for business development, one-off costs for the Viva integration project in particular for 2014, and other non-recurring transactions that took place in the periods.

Excluding the effects of those transactions, the 2014 adjusted EBITDA is euro 29.504 million (10.8% of net sales), against the 2013 pro-forma adjusted EBITDA of euro 29.670 (11.1% of sales).

The adjusted EBITDA figure is in line with the previous year, although the acceleration of the current turnover trend will have a positive impact on economic performance in the last months of the year.

7. Revenue

The following table sets forth the net sales revenue by geographical area (destination markets):

NET SALES BY GEOGRAPHIC AREA	September 2014		September 2013		Increase (Decrease)	
(euro/000)	Turnover	% on total	Turnover	% on total		
- Europe	98.859	36,3%	67.323	43,4%	31.536	46,8%
- U.S.A.	107.335	39,4%	42.020	27,1%	65.316	155,4%
- Asia	21.117	7,8%	16.539	10,7%	4.578	27,7%
- Rest of World	44.853	16,5%	29.357	18,9%	15.496	52,8%
TOTAL	**272.165**	**100%**	**155.239**	**100%**	**116.926**	**75,3%**

In the first nine months of 2014 sales revenues were euro 272.165 million, an increase of euro 116.926 million (75.3%) from the same period of 2013.
As already mentioned, with the same consolidation perimeter, including Viva's results for the first nine months of 2013, the 2013 pro-forma net sales to date were euro 267.850 million, resulting in a 2014 increase of 1.6%.

Being strongly influenced by exchange rates, at constant exchange rates, revenues for the nine months ended September 30, 2014 are approximately 3.7% higher than those for the same period of 2013.

Sales in Europe rose by 2.9%, the U.S. sales rose by 1.5% (at constant exchange rate the increase was positive approximately 5,0%) and the combined sales of Asia and the Rest-of-World segment were in line with the same period of 2013.

8. Cost of sales

The following table shows a detailed breakdown of the cost of sales:

COST OF SALES *(euro/000)*	September 2014	September 2013	Increase (decrease)	
Purchase of materials and finished products	88.515	31.813	56.702	178,2%
Changes in inventories	(12.295)	6.505	(18.800)	(289,0)%
Cost of personnel	14.363	12.854	1.510	11,7%
Outsourced processing	7.133	4.900	2.233	45,6%
Amortization, depreciation and writedowns	1.538	1.655	(117)	(7,0)%
Other costs	8.872	3.358	5.515	164,2%
Total	**108.127**	**61.084**	**47.042**	**77,0%**

The cost of sales is euro 47.042 million higher than that of the first nine months of 2013, due to a different perimeter as a consequence of the Viva acquisition.

The “other costs” refer principally to transportation expenses and customs duties on purchases.

9. Distribution and marketing expenses

Below is the detailed breakdown of the distribution and marketing expenses (the 2013 column doesn’t consider the Viva Contribution):

DISTRIBUTION AND MARKETING EXPENSES (euro/000)	September 2014	September 2013	Increase (decrease)	
Cost of personnel	43.134	20.975	22.159	105,6%
Commissions	9.963	5.695	4.268	75,0%
Amortization	4.461	1.628	2.833	174,0%
Royalties	35.616	22.469	13.147	58,5%
Advertising and PR	18.555	12.040	6.515	54,1%
Other expenses	17.346	9.088	8.257	90,9%
Total	**129.075**	**71.895**	**57.179**	**79,5%**

At September 2014, the distribution and marketing expenses were 47.4% of net sales.

The “other expenses” refer principally to transportation expenses for sales, commercial travels, rents and other services.

10. General and administration expenses

The general and administrative expenses are set forth below (the information provided in the 2013 column is excluding Viva’s contribution):

GENERAL AND ADMINISTRATION EXPENSES (euro/000)	September 2014	September 2013	Increase (decrease)	
Cost of personnel	9.212	5.534	3.678	66,5%
Writedowns of receivables	424	260	164	62,9%
Amortization and writedowns	1.229	606	623	102,7%
Other expenses	11.925	7.727	4.198	54,3%
Total	**22.789**	**14.127**	**8.662**	**61,3%**

At September 2014, the general and administration expenses were 8.4% of sales.

"Other expenses" consist of expenses for general and staff departments (Executives, IT, Finance, HR) and consider mainly costs due to consulting fees, insurance costs, and other G&A services.

11. Other operating income and expenses

The other operating income and expenses are set forth below:

OTHER OPERATING INCOME AND EXPENSES	September 2014	September 2013	Increase (Decrease)	
(euro/000)				
Transport refund	2.370	951	1.419	149,1%
Release of provision	108	158	(50)	(31,6)%
Other income	792	868	(76)	(8,8)%
Total other income	**3.270**	**1.977**	**1.293**	**65,4%**
Losses on receivables	-	-	-	
Other expenses	(1.135)	(380)	(756)	199,0%
Total other expenses	**(1.135)**	**(380)**	**(756)**	**199,0%**
TOTAL	**2.135**	**1.598**	**537**	**33,6%**

"Other income" consists principally of transportation expenses and advertising material, incurred mainly by the Parent Company and Viva, re-charged to customers.
In addition, in the other incomes are included the share of profits of Viva subsidiaries accounted for with the equity method.

"Other expenses" consist principally of non-recurrent expenses accrued with regard to costs to be incurred in the last quarter for the Viva integration project.

12. Financial income and costs

Financial income and costs are presented below:

FINANCIAL INCOME AND COSTS	September 2014	September 2013	Increase (Decrease)	
(euro/000)				
Financial income	12.671	1.107	11.565	1045,2%
Financial costs	(21.103)	(9.703)	(11.400)	117,5%
Total	**(8.432)**	**(8.597)**	**165**	**(1,9)%**

As shown in the table, the net financial costs decreased by euro 165 million compared to the nine months of the previous year (as already explained, the September 2013 column presents figures that include Cristallo's results, but exclude Viva's contribution).

The composition of financial income and costs is shown below:

FINANCIAL INCOME	September 2014	September 2013	Increase (Decrease)	
(euro/000)				
Interest income	-	-	-	
Other income	543	368	175	47,5%
Gains on currency exchange	12.129	738	11.390	1542,4%
Total	**12.671**	**1.107**	**11.565**	**1045,2%**

FINANCIAL COSTS	September 2014	September 2013	Increase (Decrease)	
(euro/000)				
Interest expense	(15.094)	(7.592)	(7.502)	98,8%
Financial discounts	(1.396)	(639)	(756)	118,3%
Losses on currency exchange	(4.614)	(1.472)	(3.142)	213,5%
Total	**(21.103)**	**(9.703)**	**(11.400)**	**117,5%**

As shown in the tables above, the most significant changes refer to the following:

- interest expense, which rose by euro 7.502 million compared to the same period of 2013, due primarily to the greater interest expense on the Bond notes compared to the interest expense on the pre-existing bank loans;
- financial discounts, which rose by euro 756 thousand, nearly entirely attributable to Viva subsidiaries;
- gains and losses on currency exchange which signed a material fluctuation mainly due to unrealized exchange differences related to USD appreciation, with a net effect of euro 8.249 million in respect to September 2013.

OTHER INFORMATION

SUBSEQUENT EVENTS

Viva Integration

U.K. and Hong Kong operations are completed, as well as the U.S. sales force integration that is fully executed.

Reorganization of other foreign subsidiaries is still in progress, in particular for France and Brazil the integration activities are proceeding in line with the integration plans and are supposed to be completed by the end of this year.

In 25th September, 2014 Marcolin S.p.A. announced the next stage of the Marcolin USA/VIVA International Group integration execution, which includes the restructuring of its business to further enhance its consumer focus and drive the brand portfolio closer to market. This realignment will deliver greater efficiencies throughout the organization.
As part of this stream of the integration process, it has been decided to merge the current headquarters of Marcolin USA (Scottsdale) into the New Jersey operation, formerly VIVA International Group headquarters. Operations will be executed by the first quarter of 2015.

<u>Other events</u>

- on November 3, 2014 Marcolin S.p.A and Ginko Group, established player in the eyewear market of China, announced that it has formed a joint venture. The purpose of the operation is to improve the coverage in Mainland China, and strengthening the development of direct distribution of products Marcolin. This activity will be managed operationally by GINLIN Shanghai Optical Co. Ltd, a company based in Shanghai controlled equally by Marcolin Group and Ginko;

- the acquisition of a new 3.500 mq manufacturing facility in Longarone (Fortogna area), in the heart of the eyewear district. The new site, starting operations from mid-2015, will double Marcolin's in-house Made in Italy production: this is the answer to structural good sales' performance and, on top, to the opening of new directly managed markets mixed with new highly recognized brands in the portfolio;

- on October 8, 2014, the Roberto Cavalli and Just Cavalli licenses have been renegotiated, resulting in improved terms and conditions for the Group.

DISCLOSURE OF ATYPICAL, UNUSUAL AND RELATED-PARTY TRANSACTIONS

The information with respect to atypical and unusual transactions, and transactions with related parties, is provided below.

Significant non-recurring events and transactions

In the first nine months of 2014, there were no significant non-recurring events and/or transactions.

Atypical and unusual transactions

In the first nine months of 2014 there were no atypical and/or unusual transactions, including with other Group companies, nor were there any transactions outside the scope of the ordinary business activity that could significantly impact the financial position, financial performance or cash flows of Marcolin S.p.A. and the Group.

Transactions with related parties

In addition to the transactions between the consolidated companies, during the year transactions took place with equity-accounted associates and other related parties.
Intercompany and related-party transactions are of a trade nature and are conducted on an arm's length basis.
As previously noted, the Marcolin Group figures reflect the participation in the Italian tax consolidation regime with the Parent Company.

The transactions and outstanding balances with respect to related parties as at September 30, 2014 are shown below, as required by IAS 24:

Company *(euro/000)*	Expenses	Revenues	Payables	Receivables	Type
Related parties					
Tod's S.p.A	1.749	509	376	76	Related party
O.T.B. Group	1.359	8	3.068	25	Related party
Marmolada Spa	-	-	-	6.910	Related party
Other related parties	380	-	34	-	Related party
Total Other related parties	**3.488**	**517**	**3.478**	**7.011**	

Longarone; November 26, 2014

For the Board of Directors

The Chairman
Vittorio Levi