MARCOLIN EYEWEAR

MARCOLIN GROUP

1ST QUARTER REPORT

March 31, 2015

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

MARCOLIN
EYEWEAR

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GENERAL INFORMATION

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]

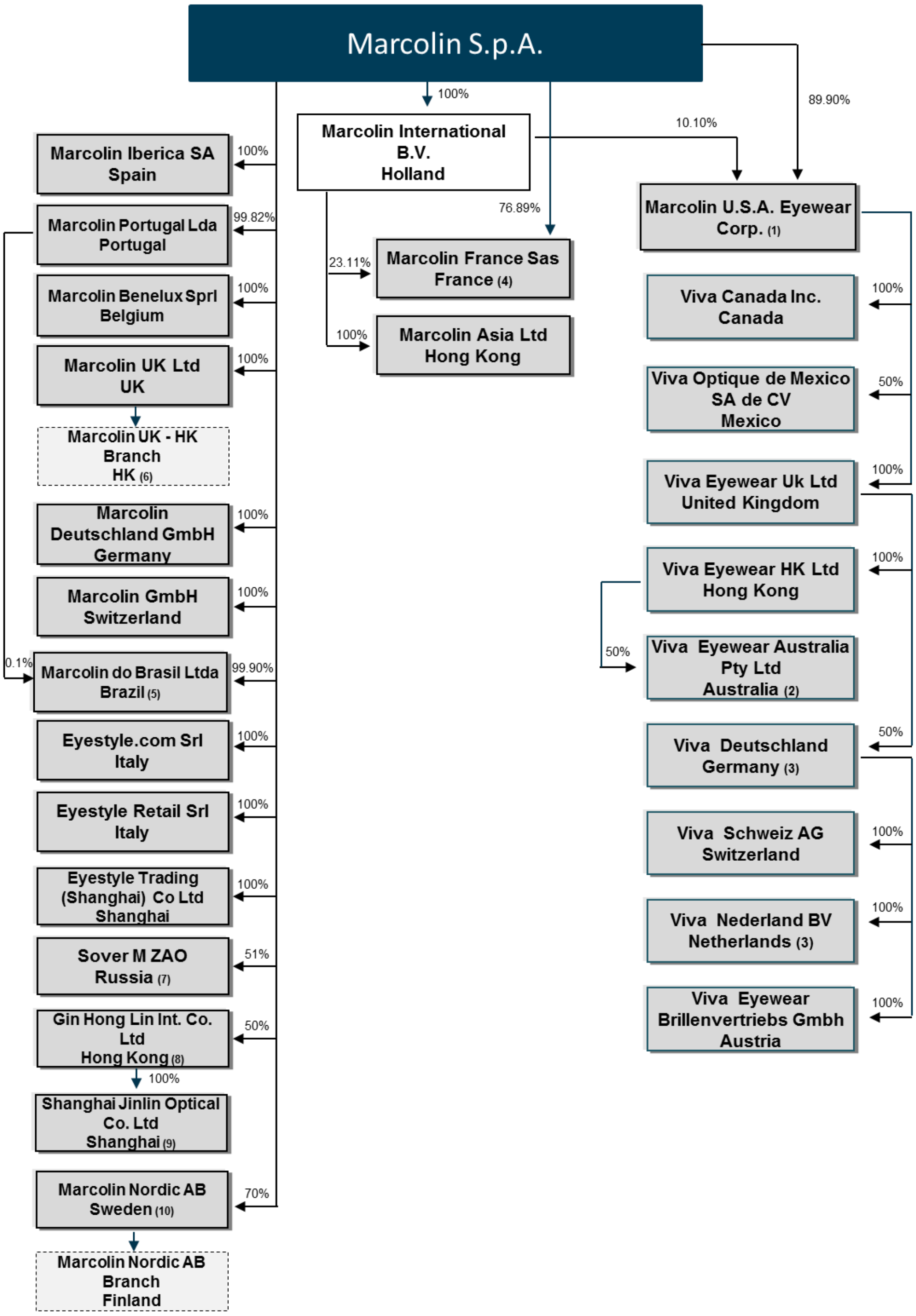
PricewaterhouseCoopers S.p.A.

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



NOTES:
(1) Viva IP, Viva International, Miracle Optics, Viva Europe, merged in Viva Optique on January 1, 2015. The new company resulting from the merge is called Marcolin USA Eyewear Corp.
(2) Company in liquidation starting from February 5, 2015 .
(3) JV and distribution agreement extended till December 31, 2015, for the whole sub-group (except for the Netherlands entity which will be dissolved).
(4) Viva France is merged into Marcolin France on January 1,2015.
(5) Viva Brasil is merged into Marcolin Brasil on January 1,2015.
(6) Established on July 1, 2014.
(7) Purchased on December 15, 2014.
(8) Established on November 3, 2014.
(9) Purchased on January 20, 2015.
(10) Purchased on January 19, 2015.

MARCOLIN GROUP 1ST QUARTER CONSOLIDATED FINANACIAL STATEMENT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(euro/000)	Notes	03/31/2015	12/31/2014
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1	26,292	24,657
Intangible assets	1	38,061	37,213
Goodwill	1	289,187	278,010
Investments in subsidiaries and associates	1	2,068	1,877
Deferred tax assets	1	38,281	38,536
Other non-current assets	1	808	846
Non-current financial assets	1	5,480	5,455
Total non-current assets		**400,177**	**386,593**
CURRENT ASSETS			
Inventories	2	109,422	100,075
Trade receivables	2	101,970	80,576
Other current assets	2	15,581	14,099
Current financial assets	2	986	2,042
Cash and bank balances	2	27,427	36,933
Total current assets		**255,387**	**233,725**
TOTAL ASSETS		**655,564**	**620,318**
EQUITY			
Share capital	5	32,312	32,312
Additional paid-in capital	5	151,994	151,994
Legal reserve	5	4,077	3,853
Other reserves	5	59,613	50,447
Retained earnings (losses)	5	(16,903)	(17,086)
Profit (loss) for the year	5	4,218	407
Non-controlling interests	5	894	886
TOTAL EQUITY		**236,205**	**222,813**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current financial liabilities	3	201,067	199,152
Non-current provisions	3	9,325	8,919
Deferred tax liabilities	3	7,675	7,387
Other non-current liabilities	3	5,529	4,742
Total non-current liabilities		**223,596**	**220,200**
CURRENT LIBILITIES			
Trade payables	4	102,408	102,322
Current financial liabilities	4	53,069	41,353
Current provisions	4	15,561	14,799
Tax liabilities	4	5,480	5,004
Other current liabilities	4	19,244	13,827
Total current liabilities		**195,763**	**177,305**
TOTAL LIABILITIES		**419,359**	**397,505**
TOTAL LIABILITIES AND EQUITY		**655,564**	**620,318**

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

(euro/000)	Notes	03/31/2015	%	03/31/2014	%
NET REVENUES	7	**114,902**	**100.0%**	**98,702**	**100.0%**
COST OF SALES	8	**(46,614)**	**(40.6)%**	**(39,721)**	**(40.2)%**
GROSS PROFIT		**68,289**	**59.4%**	**58,981**	**59.8%**
DISTRIBUTION AND MARKETING EXPENSES	9	**(53,367)**	**(46.4)%**	**(44,647)**	**(45.2)%**
GENERAL AND ADMINISTRATION EXPENSES	10	**(9,869)**	**(8.6)%**	**(7,834)**	**(7.9)%**
Other operating income / expenses:					
- other operating income		963	0.8%	989	1.0%
- impairement / reversals of equity investments		161	0.1%	176	0.2%
- other operating expenses		(214)	(0.2)%	(190)	(0.2)%
TOTAL OPERATING INCOME / EXPENSES	11	**910**	**0.8%**	**975**	**1.0%**
OPERATING INCOME - EBIT		**5,962**	**5.2%**	**7,476**	**7.6%**
Financial income and costs:					
- financial income		16,901	14.7%	995	1.0%
- financial costs		(15,472)	(13.5)%	(6,135)	(6.2)%
TOTAL FINANCIAL INCOME AND COSTS	12	**1,429**	**1.2%**	**(5,140)**	**(5.2)%**
PROFIT BEFORE TAXES		**7,391**	**6.4%**	**2,336**	**2.4%**
Income tax expense		(3,165)	(2.8)%	(2,058)	(2.1)%
Profit attributable to non-controlling interests		-	0.0%	-	0.0%
NET PROFIT FOR THE YEAR		**4,226**	**3.7%**	**278**	**0.3%**

(euro/000)	03/31/2015	03/31/2014
NET PROFIT FOR THE YEAR	**4,226**	**278**
Other items that will not subsequently be reclassified to profit or loss:	-	-
Effect (actuarial gains/losses) on defined benefit plans, net of taxes of euro 90 thousand	-	-
Other effects	-	-
TOTAL OTHER ITEMS THAT WILL NOT SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS	**-**	**-**
Other items that will be subsequently reclassified to profit or loss	-	-
Change in foreign currency translation reserve	8,437	221
TOTAL OTHER ITEMS THAT WILL BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS	**8,437**	**221**
TOTAL CONSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR	**12,663**	**499**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

				Other reserves								
(euro/000)	**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 Group result**	**Group capital and reserves net total**	**Minority interest**	**Total**
December 2013	**32,312**	**151,994**	**3,853**	**46,108**	**(2,592)**	**122**	**(4,811)**	**(12,011)**	**214,975**	**-**	**214,975**
Allocation of 2013 profit	-	-	-	-	-	-	(12,011)	12,011	-	-	**-**
Change in consolidation perimeter	-	-	-	-	-	-	-	-	-	886	**886**
- Period result	-	-	-	-	-		-	407	*407*	-	*407*
- Other components of comprehensive income	-	-	-	-	*7,045*	*(236)*	*(265)*	-	*6,544*	-	*6,544*
Total comprehensive income	-	-	-	-	7,045	*(236)*	(265)	407	6,952	-	**6,952**
December 2014	**32,312**	**151,994**	**3,853**	**46,108**	**4,454**	**(114)**	**(17,086)**	**407**	**221,926**	**886**	**222,813**
									-	-	**-**
Allocation of 2014 profit	-	-	224	-	-	-	183	(407)	-	-	**-**
Other movements	-	-	-	251	478	-	-	-	729	-	**729**
- Period result	-	-	-	-	-		-	*4,218*	*4,218*	*8*	*4,226*
- Other components of comprehensive income	-	-	-	-	*8,288*		-	-	*8,288*	*149*	*8,437*
Total comprehensive income	-	-	-	-	8,288	-	-	4,218	12,506	157	**12,663**
March 2015	**32,312**	**151,994**	**4,077**	**46,359**	**13,220**	**(114)**	**(16,903)**	**4,218**	**235,161**	**1,043**	**236,205**

CONSOLIDATED STATEMENT OF CASH FLOW

(euro/000)	Notes	03/31/2015	12/31/2014
OPERATING ACTIVITIES			
Profit for the period		*4,226*	*407*
Depreciation and amortization	1	*2,830*	8,958
Provisions		*2,824*	2,216
Impairment losses		-	-
Income tax expense		3,165	6,695
Accrued interest expense		(1,429)	12,830
Adjustments to other non-cash items		(876)	(8,914)
Cash generated by operations		*10,740*	*22,192*
(Increase) decrease in trade receivables	2	(22,051)	(10,553)
(Increase) decrease in other receivables	2	(1,490)	(2,653)
(Increase) decrease in inventories	2	(9,397)	(27,821)
(Decrease) increase in trade payables	4	86	33,787
(Decrease)/increase in other liabilities	3,4	6,203	3,113
(Use) of provisions	3,4	(1,024)	(6,892)
(Decrease)/increase in current tax liabilities		(24)	-
Adjustments to other non-cash items		500	(2,492)
Income taxes paid		(69)	(3,609)
Interest paid		(405)	(18,253)
Cash used for current operations		*(27,670)*	*(35,373)*
Net cash from /(used in) operating activities		**(16,930)**	**(13,181)**
INVESTING ACTIVITIES			
(Purchase) of property, plant and equipment	1	(2,394)	(6,179)
Proceeds from the sale of property, plant and equipment	1	48	755
(Purchase) of intangible assets	1	(643)	(6,742)
Net cash outflow on business combinations net of the liquidity acquired (Marcolin Group)		-	-
Net cash outflow on business combinations net of the liquidity acquired (Viva)		-	(4,958)
Net cash outflow on business combinations net of the liquidity acquired (SoverM)		-	(1,530)
Net cash from /(used in) investing activities		**(2,990)**	**(18,655)**
FINANCING ACTIVITIES			
Loans granted			
- Increase		-	-
- Decrease	1,2	(24)	1,676
Net increase (decrease) in bank borrowings		14,040	(7,448)
Loans taken out	3,4		
- new loans		10,449	47,190
- repayments		(15,595)	(14,921)
Net cash from /(used in) financing activities		**8,870**	**26,497**
Net increase/(decrease) in cash and cash equivalents		**(11,051)**	**(5,338)**
Effect of foreign exchange rate changes		1,545	3,736
Cash and cash equivalents at beginning of year		**36,933**	**38,536**
Cash and cash equivalents at end of year		**27,427**	**36,933**

NOTES TO THE 1ST QUARTER CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

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

In 2014 the Marcolin group sold an estimated 15 million pairs of eyeglasses and sunglasses worldwide, with sales exceeding euro 360 million.

At the end of 2013 Marcolin acquired the Viva International group (hereinafter also “Viva”), one of the most important international eyewear groups, by acquiring from the American group HVHC Inc. a 100% stake in Viva Optique, Inc. (the group's parent company based in New Jersey, with branches in New York and Miami).
The Viva International group, with some 8.5 million eyewear items sold, 300 employees and sales of nearly $190 million dollars (55% of which in the United States), was the ninth largest eyewear company in the world and the second largest in the United States, where it had an especially strong position in the “vision” segment.
With a network of more than 160 agents operating on the American market and a brand portfolio that included Guess, Guess by Marciano, Gant, Harley Davidson, and other brands targeted specifically to the U.S. "diffusion" market, Viva controlled affiliates in major countries of strategic interest (with subsidiaries in France, the United Kingdom, Hong Kong and Brazil, and partnerships in Mexico, Australia and Germany).

In 2014 Marcolin successfully moved forward with the Viva integration plan, which entailed reorganizing distribution networks on an international scale, reviewing logistic flows, improving the efficiency of business structures in the countries present, and consequentially revising the cost structures. Those activities were completed according to schedule in the initial months of 2015; currently the rationalization of the corporate structure is being completed, after which the Group's structure will be definitive.

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

In 2014, combined with Viva, the Marcolin group had sales exceeding euro 360 million and some 1,500 employees (including 570 in the American affiliates), plus a widespread, well-structured network of independent agents.

Today Marcolin has a strong brand portfolio, with a good balance between luxury and mainstream ("diffusion") products, men's and women's products, and eyeglass frames and sunglasses.
The luxury segment includes glamorous fashion brands such as Tom Ford, Tod’s, Balenciaga, Roberto Cavalli, Montblanc and the recent additions Zegna, Agnona and Pucci (whose distribution will commence in 2015); the diffusion segment includes Diesel, Swarovski, DSquared2, Just Cavalli, Timberland, Cover Girl, Kenneth Cole New York and Kenneth Cole Reaction.
Viva International 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.

The Viva acquisition has bolstered Marcolin’s distribution capacity on the American market. The Group is now present in all major countries across the world through direct affiliates, partnerships (joint ventures) and exclusive distribution agreements with major players.

ACCOUNTING POLICIES AND BASIS OF CONSOLIDATION

Accounting policies

The financial statements for the three months ended March 31, 2015 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 three months ended March 31, 2015 are consistent with those used to prepare the annual financial statements as at December 31, 2014, 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, 2014.
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 three months ended March 31, 2015 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.

Company *Local Currency*	Headquarters	Currency	Share capital	Consolidation method	% ownership	
					Direct	Indirect
Marcolin Asia HK Ltd	Hong Kong	HKD	1,539,785	Full		100.00%
Marcolin Benelux Sprl	Faimes, Benelux	EUR	280,000	Full	100.00%	
Marcolin do Brasil Ltda	Barueri - SP, 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	100.00%	
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	2,917,723	Full	100.00%	
Marcolin USA Eyewear Corp.	Somerville, Usa	USD	121,472,262	Full		100.00%
Viva Canada Inc	New Brunswick, Canada	CAD	347,640	Full		100.00%
Viva Eyewear Hong Kong Ltd	New Territories, Hong Kong	HKD	486,369	Full		100.00%
Viva Italia Srl	Operations Ceased	EUR	845,600	Full		100.00%
Viva Eyewear UK Ltd	North Yorkshire, UK	GBP	0	Full		100.00%
Joint Ventures						
Viva Optique de Mexico SA de CV	Edo, Mexico	MXN	3,694,685	Equity		50.00%
Viva Deutschland Gmbh	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	Wallis, Switzerland	CHF	100,000	Equity		50.00%
Viva Eyewear Australia Pty Ltd	Rosebery NSW, Australia	AUD	1,000,000	Equity		50.00%
Sover - M ZAO	Moscow, Russia	RUB	306,000	Full	51.00%	
Gin Hong Lin Intenational Co Ltd	Hong Kong	HKD	19	Full	50.00%	
Marcolin Nordic AB	Solna, Stockholm	SEK	50,000	Full	70.00%	

Italian tax consolidation

Marcolin S.p.A., together with the parent company, Cristallo S.p.A. (absorbed through a reverse merger) and its subsidiaries Eyestyle Retail S.r.l. and Eyestyle.com S.r.l., had opted for the Italian tax consolidation regime for IRES (corporate income tax) purposes for 2013, 2014 and 2015, which recognized Marmolada S.p.A. as the parent company.
On June 13, 2014, pursuant to the Italian Income Tax Code ("TUIR"), Presidential Decree no. 917, Article 117 *et seq* of December 22, 1986, the ultimate parent company, 3 Cime S.p.A. notified the Italian Revenue Office of its adoption of the Italian tax consolidation regime with its subsidiaries, including Marcolin S.p.A., for 2014, 2015 and 2016. Accordingly, the tax consolidation in effect in 2013 was replaced with an identical agreement with 3 Cime S.p.A., which involved terminating the previous agreement and stipulating a new agreement for the three-year period.
The tax consolidation regime will enable each participant (including the Company), by way of partial recognition of the group's tax burden, to optimize the financial management of corporate income tax (IRES), for example by netting taxable income and tax losses within the tax group.

Exchange rates

The following table lists the exchange rates used for currency translation (the closing and average exchange rates refer to March 31, 2015 and January-to-March 2015, respectively):

Currency	Symbol	Closing exchange rate			Average exchange rate		
		03/31/2015	12/31/2014	*Change*	03/31/2015	03/31/2014	*Change*
Australian Dollar	AUD	1.415	1.483	(4.6)%	1.431	1.527	(6.3)%
Brasilian Real	BRL	3.496	3.221	8.5%	3.224	3.240	(0.5)%
Canadian Dollar	CAD	1.374	1.406	(2.3)%	1.396	1.511	(7.6)%
Swiss Franc	CHF	1.046	1.202	(13.0)%	1.072	1.224	(12.4)%
Remimbi	CNY	6.671	7.536	(11.5)%	7.023	8.358	(16.0)%
English Pound	GBP	0.727	0.779	(6.6)%	0.743	0.828	(10.2)%
Hong Kong Dollar	HKD	8.342	9.417	(11.4)%	8.734	10.629	(17.8)%
Japanese Yen	JPY	128.950	145.230	(11.2)%	134.121	140.798	(4.7)%
Mexican Pesos	MXN	16.512	17.868	(7.6)%	16.827	18.130	(7.2)%
Russian Rublo	RUB	62.440	72.337	(13.7)%	70.961	48.043	47.7%
Corona Svedese	SEK	9.290	9.393	(1.1)%	9.380	8.857	5.9%
USA Dollar	USD	1.076	1.214	(11.4)%	1.126	1.370	(17.8)%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. Non-current assets

The composition of non-current assets is shown below:

Non-current assets *(euro/000)*	**03/31/2015**	**12/31/2014**	**Increase/decrease**	
			euro	**%**
Property, plant and equipment	26,292	24,657	1,636	6.6%
Intangible assets	38,061	37,213	849	2.3%
Goodwill	289,187	278,010	11,177	4.0%
Investments in subsidiaries and associate:	2,068	1,877	191	10.2%
Deferred tax assets	38,281	38,536	(255)	(0.7)%
Other non-current assets	808	846	(38)	(4.5)%
Non-current financial assets	5,480	5,455	24	0.4%
Total non-current assets	**400,177**	**386,593**	**13,584**	**3.5%**

The value of non-current assets rose by euro 13.584 million from December 31, 2014.

The most significant changes refer to the following items:

- capital expenditure in property, plant and equipment over the period is primarily relate to the maintenance and replacement of production plant and machinery, it also refer to the new plant in Fortogna;
- intangible assets, which rose by euro 0.849 million mainly related to software and business application implementation;
- goodwill which roses by euro 11.177 million, due to the translation effect.

2. Current assets

The composition of current assets is shown below:

Current assets *(euro/000)*	**03/31/2015**	**12/31/2014**	**Increase/decrease**	
			euro	**%**
Inventories	109,422	100,075	9,347	9.3%
Trade receivables	101,970	80,576	21,394	26.6%
Other current assets	15,581	14,099	1,482	10.5%
Current financial assets	986	2,042	(1,056)	(51.7)%
Cash and bank balances	27,427	36,933	(9,506)	(25.7)%
Total current assets	**255,387**	**233,725**	**21,662**	**9.3%**

The total value of current assets rose by euro 21.662 million from December 31, 2014, mainly as a result of the combined effect of the changes listed below:

- an increase in net inventories compared to the previous year (also impacted by U.S. dollar appreciation). The increase in closing inventories is attributable to an increase in “current” finished product inventories, due to the higher sales and management's decision to improve customer service by reducing delivery time and investing in supplies of continuing products (to be “never out of stock”). In comparison with previous year, the inventory increase is also attributable to the discontinuity represented by products with new brands, particularly Zegna and Pucci, which have been recently launched;
- an increase in net trade receivables, largely affected by the increased sales, and particularly by the acceleration of business at the end of the first quarter of 2015, due to a concentration of deliveries in the period. Credit quality remained consistent with that of recent past. In 2015 the recent improvement in the average collection period, or "days sales outstanding" (DSO), lost momentum, but the extreme emphasis on credit management and client selection made it possible to keep the

Group's twelve-month average days sales outstanding (DSO) at March 31, 2015 under control even with difficult markets and rising sales (up by 5 days);
- a decrease in current financial asset, mainly due to partially reimbursement of the loan granted by Marcolin USA to third party;
- 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 net income of euro 4.226 million and the recognition of the comprehensive income of euro 8.437 million for the period.

4. Non-current liabilities

The composition of non-current liabilities is shown below:

Non- current liabilities *(euro/000)*	**03/31/2015**	**12/31/2014**	**Increase/decrease**	
			euro	**%**
Non-current financial liabilities	201,067	199,152	1,915	1.0%
Non-current provisions	9,325	8,919	406	4.5%
Deferred tax liabilities	7,675	7,387	289	3.9%
Other non-current liabilities	5,529	4,742	786	16.6%
Total non-current liabilities	**223,596**	**220,200**	**3,396**	**1.5%**

Non-current liabilities rose by euro 3.396 million, mainly due to:

- an increase of non-current financial liabilities for euro 1.915 million, driven by a new long term bank borrowings and the releases of the Bond amortized costs ;
- an increase of deferred tax liabilities for euro 0.289 million, due to the effect of temporal tax adjustment in the period;
- an increase of other non-current liabilities for euro 0.786 million, mainly due to translation effect.

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

	Currency	Original amount (euro)	Residual amount (euro)	Maturity date	Interest rate	Notes
Ministry of productive activities (technological innovation)	euro	793,171	165,087	06.26.2016	1.012%	Subsidized loan obtained under the law 46/82, repayable in 10 annual installments from June 26, 2007
BOND	euro	200,000,000	200,000,000	11.14.2019	8.5%	Bond issued the 14th November 2013 - Half-yearly interests in 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	20,000,000	20,000,000	06.03.2019	*Euribor 1/2/3 months + spread 4%*	Super Senior RCF - Revolving facility agreement - Euro 25.000.000 - signed the 18th November 2013
Unicredit S.p.A.	euro	5,000,000	5,000,000	12.31.2018	*Euribor 3 months + spread*	Loan guaranteed by SACE, granted on December 18, 2014, repayable in 16 quarterly installments from March 31, 2015
Banca Popolare FriulAdria S.p.A.	euro	3,000,000	3,000,000	04.03.2018	*Euribor 3 mesi - spread 2,3%*	Loan guaranteed granted on March 4, 2015, repayable in 12 quarterly installments from June 4, 2015.

5. Current liabilities

Current liabilities are set forth below:

Current liabilities *(euro/000)*	**03/31/2015**	**12/31/2014**	**Increase/decrease**	
			euro	**%**
Trade payables	102,408	102,322	86	0.1%
Current financial liabilities	53,069	41,353	11,717	28.3%
Current provisions	15,561	14,799	762	5.2%
Tax liabilities	5,480	5,004	476	9.5%
Other current liabilities	19,244	13,827	5,417	39.2%
Total current liabilities	**195,763**	**177,305**	**18,458**	**10.4%**

The current liabilities at March 31, 2015 show an increase of euro 18.458 million from December 31, 2014.

In particular, the following may be observed:

- the improvement in the Group's days payables outstanding (DPO) shown at the end of 2014 and due to the adjustment of payment terms for suppliers shared by Marcolin and Viva to the longest time period between the two, is decreased at March 31, 2015. In fact Trade Payables balance is strongly influences by seasonality and to the concentration of payments of supply in the first quarter of the year, a fact that has produced a substantially stable balance despite the turnover increase;
- the increase in current financial liabilities is referring mainly to Parent Company and related to bank overdraft and new short term financing;
- the increase in current provisions is largely due to the increase of the turnover and the related ordinary provisions to cover potential returns and discounts for the year and other operational risks;
- the increase in other current liabilities is partially due to payables towards employees for severance costs accrued in France, for dismissed employees in addition to costs due for the change in status of the Sales Reps from "VRP" to "Attaché Commercial", and in U.S to be paid to the employees of the discontinued Arizona plant.

6. Net financial position

The net financial position/(indebtedness) as at March 31, 2015 is set forth below in comparison with that of December 31, 2014:

Net financial position / (indebtedness)	03/31/2015	12/31/2014	Increase/decrease	
(euro/000)			euro	%
Cash and cash equivalents	27,427	36,933	(9,506)	(25.7)%
Financial receivables	6,466	7,497	(1,031)	(13.8)%
Short-term borrowings	(53,069)	(41,353)	(11,717)	28.3%
Long-term borrowings	(201,067)	(199,152)	(1,915)	1.0%
Total	**(220,244)**	**(196,074)**	**(24,170)**	**12.3%**

The net balance is indebtedness of euro 220.244 million, compared to the indebtedness of euro 196.074 million at December 31, 2014.

The higher cash absorption shown in 2015 is primarily attributable to financial needs related to the investment in working capital, as explained above.

CONSOLIDATED INCOME STATEMENT

The Group's interim consolidated Income Statement at March 31, 2015 is summarized below against the reported interim results at March 31, 2014.

The 2015 revenues to date are euro 114.902 million, compared to euro 98.702 million for the first three months of 2014.
The March 2015 Ebitda is euro 9.038 million, compared to 9.797 million for the three months of 2014.
Ebit is euro 5.962 million, compared to 7.476 million for the three months of 2014.

Consolidated income statement	**03/31/2015**		**03/31/2014**	
(euro/000)	**euro**	**% of revenue**	**euro**	**% of revenue**
Net revenues	114,902	100.0%	98,702	100.0%
Gross profit	68,289	59.4%	58,981	59.8%
Ebitda	9,038	7.9%	9,797	9.9%
Operating income - Ebit	5,962	5.2%	7,476	7.6%
Financial income and costs	1,429	1.2%	(5,140)	(5.2)%
Profit before taxes	7,391	6.4%	2,336	2.4%
Net profit for the year	4,226	3.7%	278	0.3%

The Group’s results were influenced by non-recurring transactions, which adversely impacted the reported EBITDA both for the three-month period ended March 31, 2015 and for the three-month period ended March 31, 2014.

In order to better understand the business performance, those effects must be eliminated. They refer to one-off charges for discontinued Arizona operation, other extraordinary items related to Viva integration project and other non-recurring expenses incurred in the development of Fortogna project.

Excluding the effects of those transactions, the 2015 adjusted EBITDA is euro 15.213 million (13.2% of net sales), against the 2014 adjusted EBITDA of euro 11.400 (11.5% of sales).

The adjusted EBITDA figure marks a consistent improvement in respect to previous year.

7. Revenue

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

Net Sales by geographical area	**03/31/2015**		**03/31/2014**		**Increase (decrease)**	
(euro/000)	**Turnover**	**% on total**	**Turnover**	**% on total**	**Turnover**	**Change**
Italy	*5,670*	*4.9%*	*5,235*	*5.3%*	*435*	*8.3%*
Rest of Europe	*27,020*	*23.5%*	*26,801*	*23.3%*	*219*	*0.8%*
Europe	32,690	28.5%	32,037	32.5%	653	2.0%
U.S.A.	52,193	45.4%	39,640	40.2%	12,553	31.7%
Asia	10,039	8.7%	9,365	9.5%	674	7.2%
Rest of World	19,980	17.4%	17,660	17.9%	2,320	13.1%
Total	**114,902**	**100.0%**	**98,702**	**100.0%**	**16,200**	**16.4%**

In the first three months of 2015 sales revenues were euro 114.902 million, an increase of euro 16.200 million (16.4%) from the same period of 2014.

Italy
Sales in the domestic (Italian) market rose 8.3% during the first months of 2015. Diffusion brands, led by Guess and our house brand Web, had a double digit growth. Average unit prices increased thanks to an increase in the price points of the diffusion brands, that in turn helped also the net sales performance.

Rest of Europe
Revenue from the rest-of-Europe market was slightly better compared to previous year first quarter, totaling euro 27.0 million. Also the sales mix of luxury and diffusion brands remained similar to the one of 2014. The sunglasses segment growth (+5%) was partially offset by the slowdown of sales in prescription frames segment (-2%).
The market was characterized by a stagnant economy and heavily impacted by France's recent sales force integration between Viva and Marcolin, offset by good sales from other Countries (ie. Spain gaining market shares and the new Russian subsidiary) and large International chains.

North America
In the U.S. market, revenues grew by 31.7%, or 7% at constant exchange rates, once again showing the great impact of exchange rate fluctuations. Nevertheless, the performance is highly positive mainly thanks to luxury brands, helped by the increase of consumer confidence and positive dynamic of the U.S. economy.
The American market increased its portion of total Group sales to 45.4%, and it represents the Group's main market. Retail department stores and independent opticians are the most important channels in the U.S. market and in the quarter they both grew significantly.

Asia
The Asian Far East market experienced a high single digit growth at +7.2%. This result is attributable entirely to fashion brands, which performed extremely well especially in the Chinese market. Revenue from luxury sunglasses had the best performance, growing by 64% from previous year.

Rest of World
From a geographical standpoint, "Rest of the World" includes the Middle East, Central and South America, Africa and Oceania. The revenue produced in this market rose by 13.1%, or 5% at constant exchange rates, in the first quarter of 2015, totaling euro 19.9 million.
The largest increases came from the Middle East and Central America, while Oceania and Brazil had a slower start of the year. Revenue growth was driven by luxury brands (+36%).

8. Cost of sales

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

Cost of sales *(euro/000)*	**03/31/2015**	**% on revenues**	**03/31/2014**	**% on revenues**	**Increase/decrease** euro	**%**
Purchase of materials and finished products	37,419	32.6%	24,769	25.1%	12,650	51.1%
Changes in inventories	(3,422)	(3.0)%	4,696	4.8%	(8,118)	n.a
Cost of personnel	5,312	4.6%	4,834	4.9%	478	9.9%
Outsourced processing	3,145	2.7%	2,127	2.2%	1,018	47.9%
Amortization, depreciation and writedowns	559	0.5%	500	0.5%	59	11.7%
Other costs	3,600	3.1%	2,795	2.8%	805	28.8%
Total	**46,614**	**40.6%**	**39,721**	**40.2%**	**6,892**	**17.4%**

The costs of sales amounted to euro 46.614 million for the three months ended March 31, 2015, an increase of euro 6.892 million or 17.4% from the euro 39.721 million for the three months ended March 31, 2014. The cost of sales as a percentage of revenue is 40.6% for the three months ended March 31, 2015 compared to 40.2% for the three months ended March 31, 2014.

The March 2015 Gross profit is euro 9.308 million higher than that of the previous year, growing from 58.981 million (or 59.8%) up to 68.289 (or 59.4%) in 2015.

The increase in Gross margin are influenced by a price/volume effect: it was a management decision to selectively reduce prices for certain product lines to accommodate specific market demands.
Such price reduction was however more than balanced by a corresponding increase in the volumes, especially in Domestic and Key Accounts Channels, which also triggered a positive variance in the brand mix (as growth was generated by higher-margin brands).

9. Distribution and marketing expenses

Below is the detailed breakdown of the distribution and marketing:

Distribution and marketing expenses					**Increase/decrease**	
(euro/000)	**03/31/2015**	**% on revenues**	**03/31/2014**	**% on revenues**	**euro**	**%**
Cost of personnel	18,044	15.7%	15,020	15.2%	3,024	20.1%
Commissions	3,968	3.5%	3,259	3.3%	710	21.8%
Amortization	1,569	1.4%	842	0.9%	727	86.3%
Royalties	14,079	12.3%	12,946	13.1%	1,132	8.7%
Advertising and PR	8,349	7.3%	7,198	7.3%	1,151	16.0%
Other costs	7,358	6.4%	5,381	5.5%	1,977	36.7%
Total	**53,367**	**46.4%**	**44,647**	**45.2%**	**8,721**	**19.5%**

The distribution and marketing expenses reported amounted to euro 53.367 million for the three months ended March 31, 2015, an increase of euro 8.721 million or 19.5% from the euro 44.647 million for the three months ended March 31, 2014.
The increase is due to the general rise in the variable costs strongly linked to Turnover growth.
Personnel costs includes one-off expenses related to the Group reorganization.
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:

General and administration expenses					**Increase/decrease**	
(euro/000)	**03/31/2015**	**% on revenues**	**03/31/2014**	**% on revenues**	**euro**	**%**
Cost of personnel	4,418	3.8%	3,214	3.3%	1,204	37.5%
Writedowns of receivables	204	0.2%	157	0.2%	47	29.8%
Amortization and writedowns	744	0.6%	822	0.8%	(78)	(9.5)%
Other costs	4,503	3.9%	3,641	3.7%	862	23.7%
Total	**9,869**	**8.6%**	**7,834**	**7.9%**	**2,035**	**26.0%**

At March 2015, the general and administration expenses were 8.6% of sales.
The main increase of G&A expenses is due to personal costs which includes one-off costs strongly impacted by the Group reorganization, and to currencies translation effect.

"Other costs" 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 *(euro/000)*	03/31/2015	% on revenues	03/31/2014	% on revenues	Increase/decrease	
					euro	%
Transport refund	911	0.8%	844	0.9%	67	7.9%
Release of provision	59	0.1%	38	0.0%	21	55.9%
Other income	154	0.1%	283	0.3%	(129)	(45.6)%
Total other income	**1,124**	**1.0%**	**1,165**	**1.2%**	**(41)**	**(3.5)%**
Other expenses	(214)	-0.2%	(190)	-0.2%	(25)	12.9%
Total other expenses	**(214)**	**-0.2%**	**(190)**	**-0.2%**	**(25)**	**12.9%**
Total operating income and expenses	**910**	**0.8%**	**975**	**1.0%**	**(65)**	**(6.7)%**

"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 after the reporting period.

12. Financial income and costs

Financial income and costs are presented below:

Financial income and costs *(euro/000)*	03/31/2015	03/31/2014	Increase/decrease	
			euro	%
Financial income	16,901	995	15,906	1599.0%
Financial costs	(15,472)	(6,135)	(9,337)	152.2%
Total	**1,429**	**(5,140)**	**6,569**	**(127.8)%**

As shown in the table, the net financial costs improved by euro 6.569 million compared to the three months of the previous.

The most significant items refer to the following:

- interest expense, Bond accruals and financial discounts that are in line in respect to March 2014;
- gains and losses on currency exchange, which signed a material fluctuation mainly due to unrealized exchange differences related to period end translation adjustments.

OTHER INFORMATIONS

SUBSEQUENT EVENTS

- on May 20 2015 Marcolin inaugurated the new plant of of a 3.500 mq manufacturing facility in Longarone (Fortogna area), in the heart of the eyewear district. The new site 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 April 30, 2015, Marcolin U.S.A. Eyewear Corp. and Iconix executed amendments to renew the Candie’s license for five years through 2020 and the Bongo and Rampage license for two years through 2017. Key business terms were re-negotiated to significantly reduce minimum guaranteed royalties for Candie’s and to eliminate all minimum guaranteed royalties for Bongo and Rampage.

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 three months of 2015, there were no significant non-recurring events and/or transactions.

Atypical and unusual transactions

In the first three months of 2015 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 March 31, 2015 are shown below, as required by IAS 24:

Company *(euro/000)*	**Expenses**	**Revenues**	**Payables**	**Receivables**	**Type**
Other related parties					
Tod's S.p.A	564	372	1	372	Related party
Pai Partners Sas	-	-	60	-	Related party
Coffen Marcolin Family	137	-	85	-	Related party
O.T.B. Group	632	219	3,669	267	Related party
3 Cime S.p.A.	-	-	-	2,598	Consolidating
Total	**1,333**	**590**	**3,815**	**3,236**	

Longarone; May 28, 2015

For the Board of Directors

C.E.O
Giovanni Zoppas

MARCOLIN
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