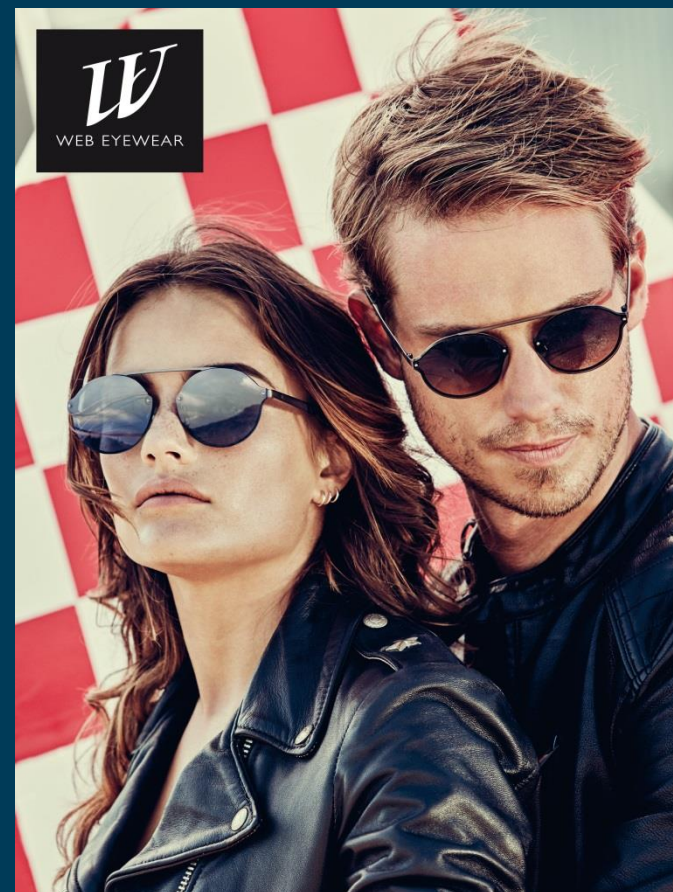
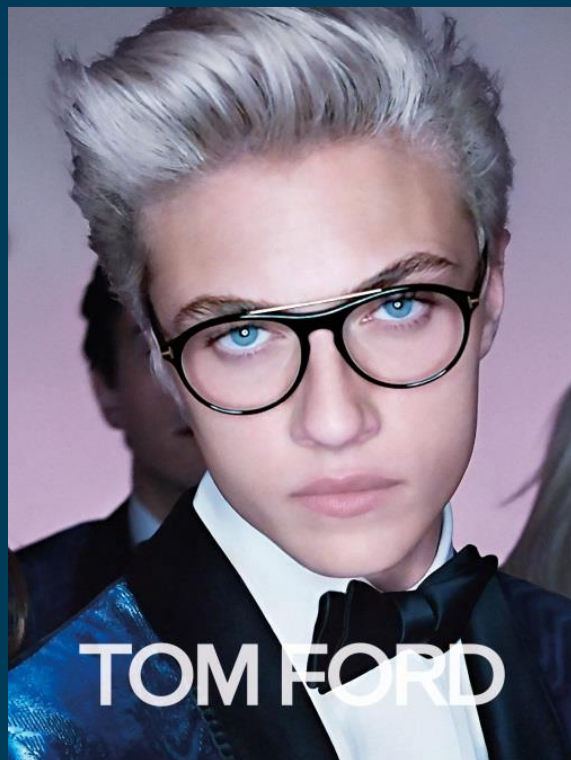


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# Investors presentation

Annual Report December 31, 2016

March 20, 2017

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# Agenda



- **Key consolidated financials: FY 2016**
- Appendix

## Key consolidated financials

### Sales

Consolidated Net sales increased +1.6% vs. PY; **+2.6% at constant FX**.  
Mainly driven by TF (+15.8%), SK (+24.2%), BA (+12.8%), WE (+51.9%).

**441.9**

Million EUR

**446.3**

@ Constant FX

**434.8**

Million EUR in 2015

### EBITDA

FY 2016 EBITDA Reported is **€ 46.4** (€ 39.7m PY), **+ 16.9%** vs. PY.  
FY 2016 Adjusted EBITDA\* (excluding one-offs) is **€ 49.7m** or **11.3%** (€50.2m PY).

**49.7** **11.3%**

Million EUR

On Net sales

**50.2**

Million EUR in 2015

**11.5%**  
On Net sales

### Net Debt

Consolidated Net Debt as of December 31, 2016 is **€ 204.8m** (€ 213,0m end of December 2015), slightly decreasing vs. PY by **€ 8.2m** mainly due to positive inflows from trade working capital management.  
The ratio Net financial Position\*\* to Adjusted EBITDA is **4.07**.

**204.8**

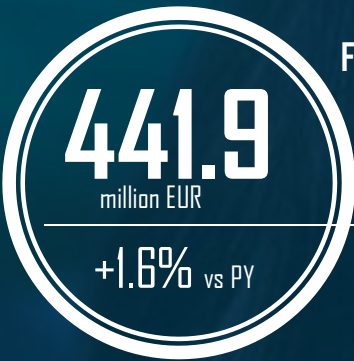
Million EUR

**4.07**

NFP /  
Adj LTM  
Ebitda

\* EBITDA is affected by few extraordinary items. For this reason it has been adjusted to restate the one-off effects as represented in "Consolidated Adjusted EBITDA" on Appendix section.

\*\* Excluding Bond accrued Interests.

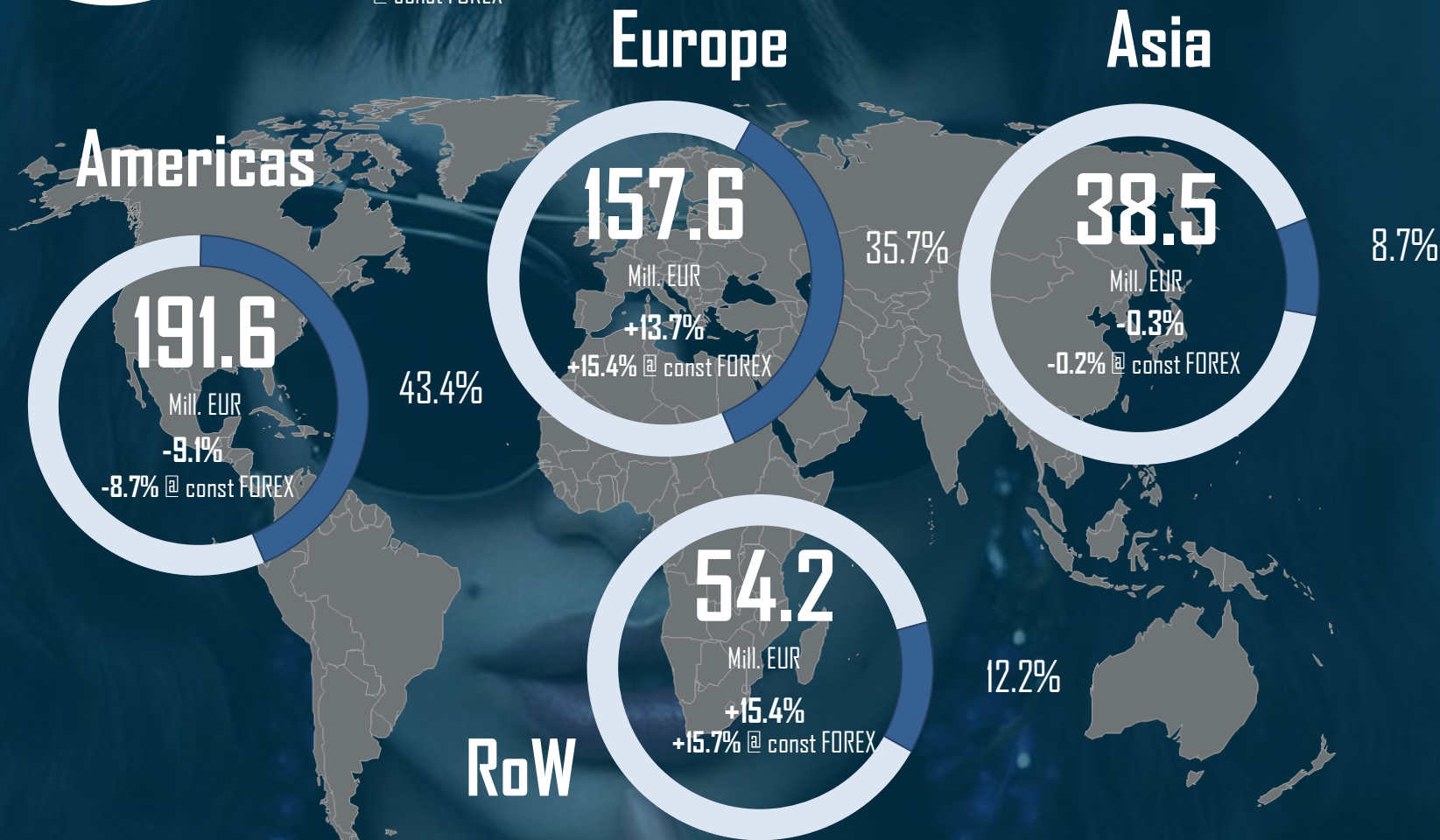


FY 2016

**Global sales**

By market destination

**446.3** mill EUR +2.6% vs PY  
@ const FOREX



PY like-for-like perimeter

## FY 2016 P&L Executive Summary

- **Net Sales** performance is positive: +€7.1m (+1.6%) above last year, driven by Italy that continues to grow of some +19.5%, Rest of Europe (+12.4%), strong performance of Rest of the World (+15.4%), flat in Asia market (around -0.3%), partially offset by pressure in Americas (around -9.1%).

In terms of brands, best performers are TF (+15.8%), SK (+24.2%), BA (+12.8%) and WE (+51.9%).

- **Net Sales** @ constant FX increased by +€11.5m or +2.6% vs. PY.
- **GM** in 2016 is at the same level as previous year, totaling €255.7m (or 57.9%) compared to €255.9m (or 58.8%) in FY 2015. GM % decrease is driven by a different sales mix both in distribution channel and destination market compared to the previous period, substantially recovered on EBITDA line by savings on other operating expenses (mainly commercial and logistics) driven by such different mix.
- **EBITDA Reported** in 2016 is €46.4m vs. €39.7m last year (respectively 10.5% vs. 9.1% of Net sales).
- **EBITDA Adjusted**, excluding one-off items, would be €49.7m vs. last year € 50.2m (respectively 11.3% vs. 11.5% of Net sales).
- **Net Financial Costs** of €16.1m in 2016 include €17.0m for Bond interests (both P&L and cash impact).

# Consolidated Profit & Loss

FY 2016

(EURm)	Actual 16 Reported	Actual 16 Reported %NS	Actual 15 Reported	Actual 15 Reported %NS
<b>Net sales</b>	<b>441,9</b>	<b>100,0%</b>	<b>434,8</b>	<b>100,0%</b>
Cost of sales	(186,1)	-42,1%	(179,0)	-41,2%
<b>-- Gross Margin</b>	<b>255,7</b>	<b>57,9%</b>	<b>255,9</b>	<b>58,8%</b>
Selling and marketing costs	(195,5)	-44,3%	(199,6)	-45,9%
General and administrative expenses	(30,7)	-6,9%	(32,0)	-7,4%
Other operating income and expenses	1,9	0,4%	3,9	0,9%
<b>-- OPERATING PROFIT (EBIT)</b>	<b>31,5</b>	<b>7,1%</b>	<b>28,1</b>	<b>6,5%</b>
Net finance costs	(16,1)	-3,6%	(20,5)	-4,7%
<b>-- Profit before taxes</b>	<b>15,4</b>	<b>3,5%</b>	<b>7,6</b>	<b>1,7%</b>
Income tax expense	(3,2)	-0,7%	(10,1)	-2,3%
<b>-- Net Result</b>	<b>12,2</b>	<b>2,8%</b>	<b>(2,5)</b>	<b>-0,6%</b>
<b>-- EBITDA</b>	<b>46,4</b>	<b>10,5%</b>	<b>39,7</b>	<b>9,1%</b>
<b>-- EBITDA ADJUSTED</b>	<b>49,7</b>	<b>11,3%</b>	<b>50,2</b>	<b>11,5%</b>

# Consolidated Cash Flow Statement (Net Debt)

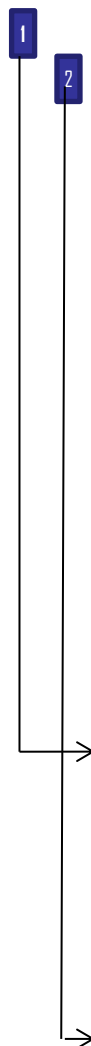
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Key financials: FY 2016





# Net Financial Position



(EURm)	Dec 2016	Dec 2015
Current financial liabilities	51,7	58,2
Non current financial liabilities	205,0	207,3
<b>Financial Liabilities</b>	<b>256,7</b>	<b>265,6</b>
Cash and cash equivalents	42,2	40,4
Current, Non Current financial assets and Amortized Fees	9,7	12,2
<b>Financial Assets</b>	<b>51,9</b>	<b>52,6</b>
<b>Net Financial Position</b>	<b>204,8</b>	<b>213,0</b>
Revolving Credit Facility	25,0	25,0
Short term borrowings from Banks	8,3	13,2
Current Financial Loan	15,5	14,9
Vendor Loan (HVHC) - Current portion	0,0	2,6
Bond accrued interests	2,5	2,3
Current Financial lease	0,4	0,3
<b>Current financial liabilities</b>	<b>51,7</b>	<b>58,2</b>
Senior Secured bonds	200,0	200,0
Non Current Financial Loan	4,2	6,3
Vendor Loan (HVHC) - Non current portion	0,0	0,1
Non Current Financial lease	0,8	0,9
<b>Non Current financial liabilities</b>	<b>205,0</b>	<b>207,3</b>

# Agenda



- Key consolidated financials: FY 2016
- **Appendix**

# Consolidated Adjusted Ebitda

in € Mln, except percentages

	FY 2016	FY 2015
<b>EBITDA pre-adjustment</b>	<b>46,4</b>	<b>39,7</b>
Costs of discontinued operations	0,7	2,8
<b>Pro-Forma EBITDA</b>	<b>47,1</b>	<b>42,5</b>
Senior management changes	2,5	0,6
Cost related to VIVA Integration	0,0	7,1
Other	0,1	0,0
<b>Total adjustments</b>	<b>2,6</b>	<b>7,7</b>
<b>EBITDA ADJUSTED</b>	<b>49,7</b>	<b>50,2</b>
<b>Net Sales</b>	<b>441,9</b>	<b>434,8</b>
<b>% on Net Sales</b>	<b>11,3%</b>	<b>11,5%</b>

# Consolidated Cash Flow Statement (Net Debt)

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Appendix

(EURm)	FY 2016
<b>Adjusted EBITDA</b>	<b>49,7</b>
Movements in Trade working capital	10,6
Other operating elements	(5,3)
<b>CASH FLOW FROM (FOR) OPERATING ACTIVITIES (1)</b>	<b>55,1</b>
Investments in property, plant and equipment, net of disposal	(3,0)
Investments in intangible assets, net of disposal	(19,7)
Investments and Others in other subsidiaries (Equity Method)	0,9
<b>CASH FLOW FROM (FOR) INVESTING ACTIVITIES (2)</b>	<b>(21,7)</b>
Interest expenses (3)	(21,9)
<b>CASH FLOW (1+2+3)</b>	<b>11,5</b>
Non recurring income (expenses)	(3,3)
<b>CHANGES IN NET FINANCIAL POSITION</b>	<b>8,2</b>
<b>Net Financial Position at the beginning of the period</b>	<b>(213,0)</b>
Changes in Net Financial Position	8,2
<b>Net Financial Position at the end of the period</b>	<b>(204,8)</b>

# Investor relation

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