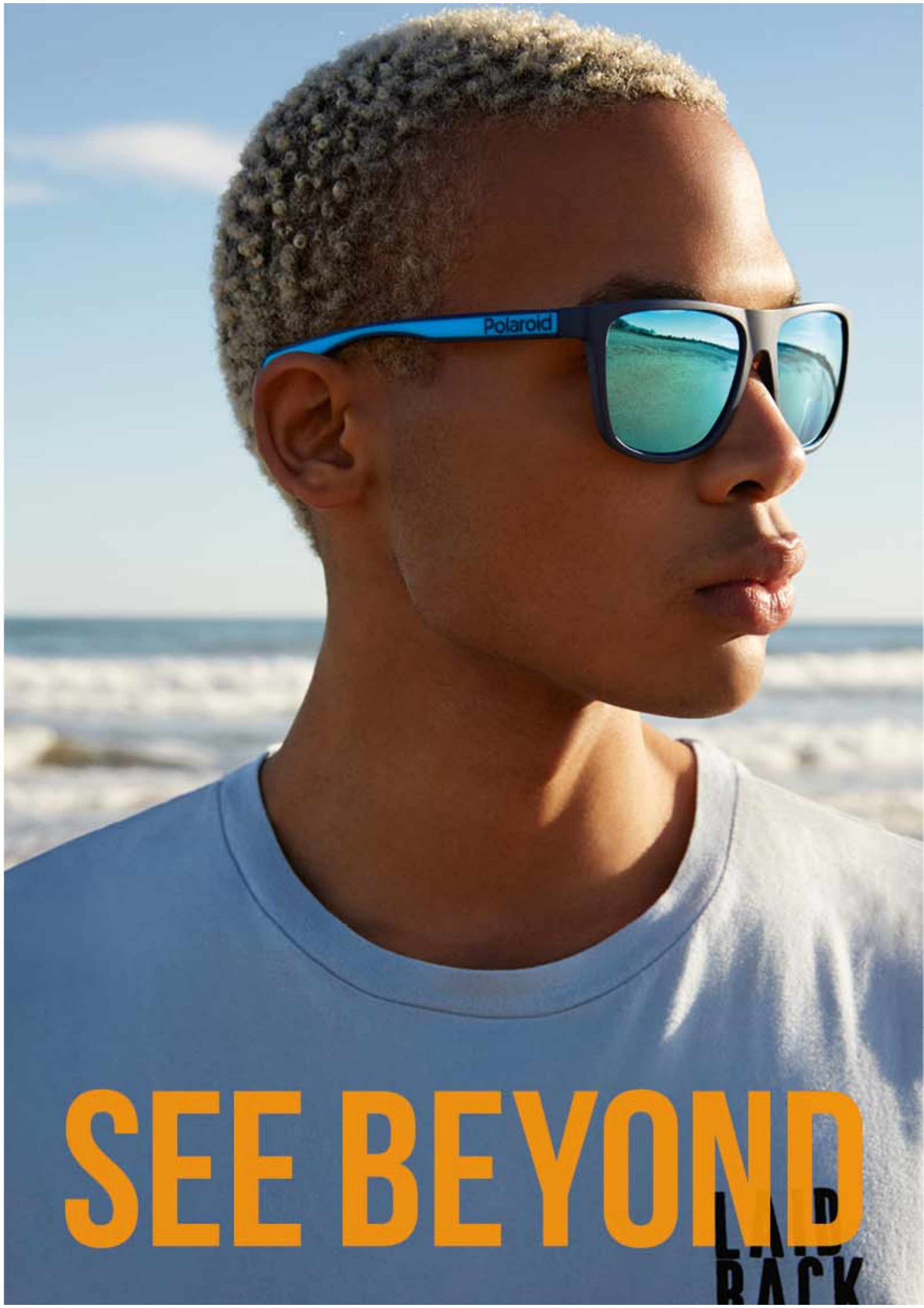
Q1 2019 TRADING UPDATE

May 9, 2019

Safilo GROUP



DISCLAIMER

This presentation may contain forward looking statements based on current expectations and projects of the Group in relation to future events. Due to their specific nature, these statements are subject to inherent risks and uncertainties, as they depend on certain circumstances and facts, most of which being beyond the control of the Group. Therefore actual results could differ, even to a significant extent, with respect to those reported in the statements.

Q1 2019 BUSINESS AND ECONOMIC HIGHLIGHTS

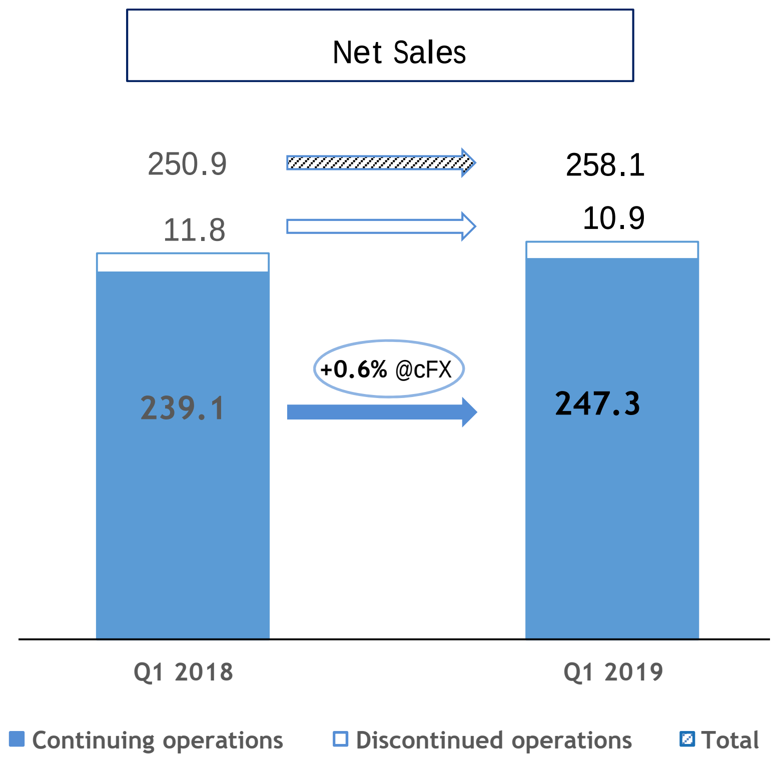
DURING 2019:

- Group's comments are provided on Continuing Operations, excluding Solstice retail operations now held for sale
- Key economic and financial indicators are commented on a pre-IFRS 16 basis in order to allow proper comparison with the previous periods

Q1 2019 BUSINESS AND ECONOMIC HIGHLIGHTS

Moderate growth of **Net Sales from Continuing Operations** to Euro 247.3 million

- +3.4% vs Q1 2018
  - +2.8% Forex impact mainly from USD appreciation
  - +0.8% revenues of wholesale business[1] reflecting:
    - gradual improvement of core European markets and stabilization of North America, supported by progress in customer service. Emerging markets mixed
    - Polaroid, Smith, Kate Spade and Dior key drivers
    - positive momentum in prescription frames and e-commerce business
  - -0.2% product supply business

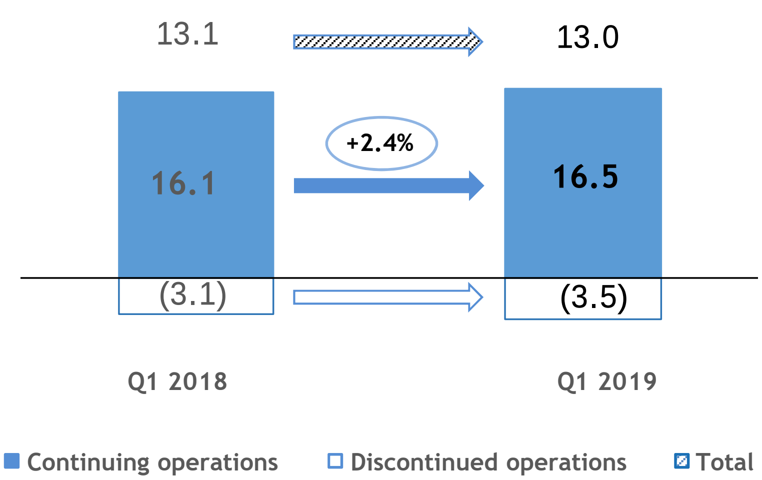


Q1 2019 BUSINESS AND ECONOMIC HIGHLIGHTS

Significant operational improvement of **adjusted[2] EBITDA from Continuing Operations** to Euro 16.5 million, 6.7% of sales

- +2.4% vs Q1 2018:
  - Improvement of Gross profit and margin up 200 bps following product supply efficiencies and healthier stock management
  - Ongoing progress on overheads cost savings program benefitting operational leverage
  - Q1 2019 operational improvements fully recovered last year Euro 9.8 million compensation for early termination of Gucci license

Pre-IFRS 16 adjusted[2] EBITDA

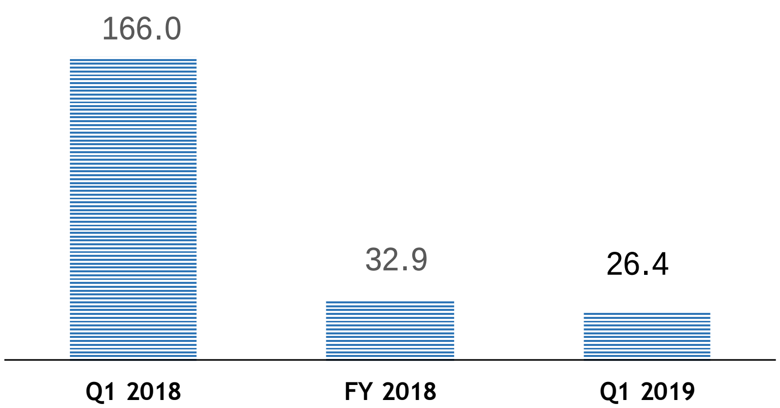


Q1 2019 FINANCIAL HIGHLIGHTS

Improvement of total **Group Net Debt** to Euro 26.4 million

- -19.7% vs FY 2018:
  - Euro 17.7 million remaining proceeds of the share capital increase, received on January 2, 2019
  - Improved economic performance and lower seasonal cash absorption from net working capital

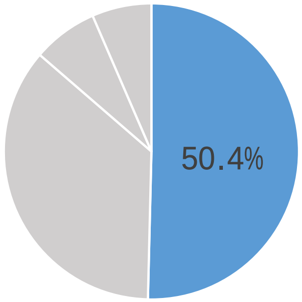
Pre-IFRS 16 total Group Net Debt



Q1 2019 NET SALES PERFORMANCE BY GEOGRAPHY

Europe off to a positive start, at Euro 124.6 million

- +0.8% vs Q1 2018
  - -0.5% Forex effect
  - Continuing positive trends in the Italian market, driven by fashion luxury, Polaroid, Hugo Boss, Tommy Hilfiger, Max Mara and havaianas
  - Sequential business improvement in North Europe mainly behind key accounts



% change vs Q1 2018

Q1 2019

+1.3% @cFX

+1.8% wholesale business[1]

FY 2018

-0.1% @cFX

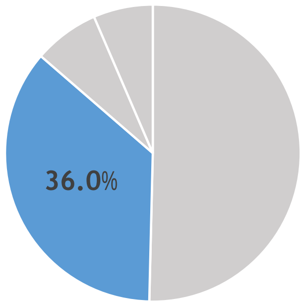
-4.0% wholesale business[1]

Q1 2019 NET SALES PERFORMANCE BY GEOGRAPHY

North America wholesale Continuing Operations stabilizing, at Euro 88.9 million

- +7.1% vs Q1 2018
  - +7.7% Forex effect
  - Progress on customer service and renewed commercial model starting to build momentum, despite persisting softness of 3Os business
  - Key positive performers: Smith, underpinned by continuing positive momentum of its e-commerce business, Kate Spade and Tommy Hilfiger

% change vs Q1 2018



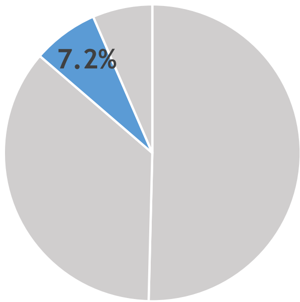
Q1 2019
-0.6% @cFX

FY 2018
-6.6% @cFX

Q1 2019 NET SALES PERFORMANCE BY GEOGRAPHY

Asia Pacific recovering momentum, at Euro 17.7 million

- +23.8% vs Q1 2018
  - +6.4% Forex effect
  - Strong travel retail business in South Korea and Greater China
  - Fashion luxury, Max Mara, Tommy Hilfiger best performers. Smith growing in Australia



% change vs Q1 2018

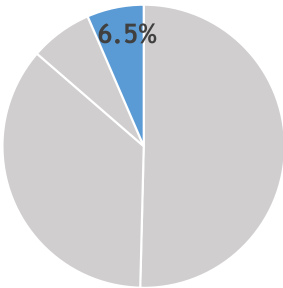
Q1 2019
+17.4% @cFX

FY 2018
+2.1% @cFX

Q1 2019 NET SALES PERFORMANCE BY GEOGRAPHY

Rest of world still to be turned around, at Euro 16.1 million

- -11.8% vs Q1 2018
  - +0.2% Forex effect
  - Subdued business in the IMEA markets, still to be reinforced after the recent change in commercial leadership
  - Positive trends in Latin America key chains



% change vs Q1 2018

Q1 2019

-12.0% @cFX

FY 2018

-8.6% @cFX

FIRST ADOPTION OF IFRS 16

- The Group elected to implement IFRS 16, applying the **modified retrospective approach**, whereby the cumulative effect of adopting the standard has been recognized at its relevant effective date on January 1st 2019, **without the restatement of 2018 comparative information**;

- IFRS 16 has a significant impact on the Group's consolidated balance sheet side due to the right of use assets and lease liabilities that are now recognized for contracts in which the Group is a lessee;

- In the consolidated statement of income the majority of the current operating rental costs is now presented as depreciation of right to use assets and interest expenses on the lease liabilities, with a significant positive impact in terms of EBITDA and a minor effect on EBIT and net income.

IFRS 16 impact on Q1 2019

(Euro in millions)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS (SOLSTICE RETAIL BUSINESS)	TOTAL
Income Statement impact on Q1 2019			
Reduction of operating rental expenses (additional EBITDA)	3.4	2.9	6.4
Increase in depreciation expenses	(3.4)	(2.7)	(6.1)
Increase in interest expenses	(0.3)	(0.3)	(0.7)
Reduction of net result	(0.2)	(0.2)	(0.4)
Net Financial Position impact as at March 31, 2019			
Increase of lease liabilities	(38.5)	(40.9)	(79.3)

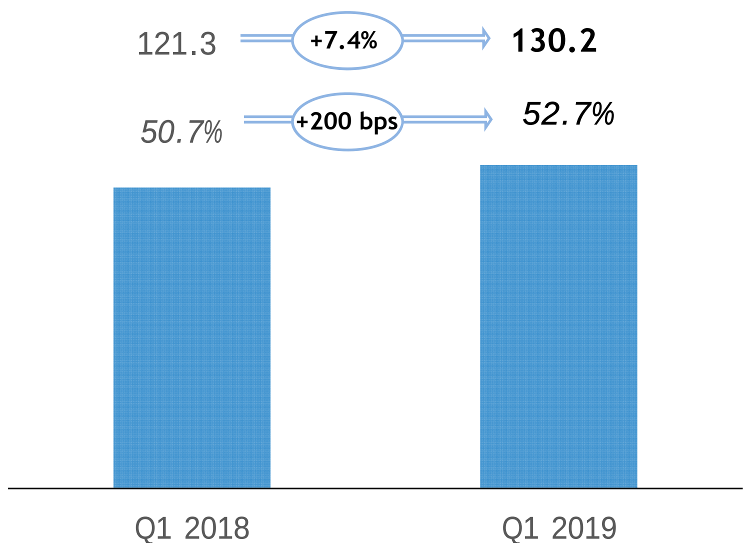
GROSS PROFIT PERFORMANCE

in millions of Euro and % on total net sales

Operations at **COGS level** showed positive performance thanks to plant efficiency programs as per 2020 plan

- +200 bps vs Q1 2018:
  - Plant efficiencies supported by manufactured volumes
  - Favourable mix effect
  - Lower obsolescence costs

Pre-IFRS 16 Gross Profit



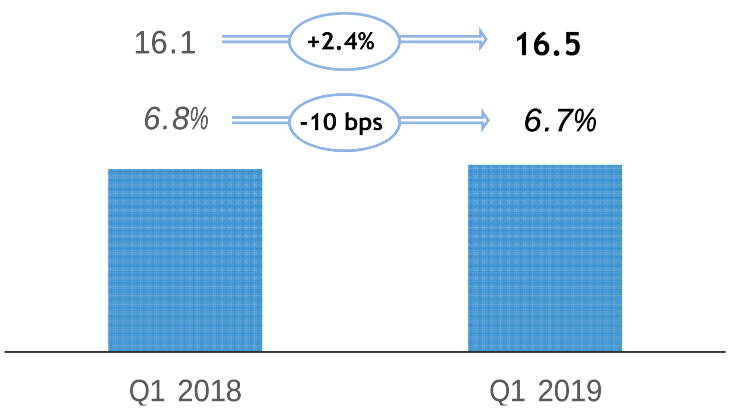
ADJUSTED² EBITDA PERFORMANCE

in millions of Euro and % on total net sales

Operations at **Opex level** show progress on overheads saving program as per 2020 plan, supporting the overall adjusted² EBITDA recovery

- +200 bps Opex improvement vs Q1 2018:
  - ca 3-4 million for overheads cost savings
  - higher marketing investments in own core brands
- -9.8 million in Other Incomes vs Q1 2018:
  - from 2019 no accounting compensation for the early termination of the Gucci license

Pre-IFRS 16 adjusted² EBITDA



AMONG THE MOST FEATURED EYEWEAR WORLDWIDE

Appendices

Notes to the presentation

[1] The wholesale business excludes the business of the production agreement with Kering, reported within the geographical area of Europe.

[2] In Q1 2019, the adjusted EBITDA excludes non-recurring costs for Euro 1.1 million, due to restructuring expenses related to the ongoing cost saving program.

In Q1 2018, the adjusted EBITDA excluded non-recurring costs for Euro 1.7 million, mainly related to the CEO succession plan, and it included an income of Euro 9.8 million, as pro-rata portion of the accounting compensation for the early termination of the Gucci license, equal to Euro 39 million for the full year 2018.

Net Sales by geographic area of the Continuing operations

(Euro in millions)	Q1 2019	%	Q1 2018	%	% Change reported	**% Change at constant Forex**
Europe	124.6	50.4%	123.5	51.7%	+0.8%	**+1.3%**
North America	88.9	36.0%	83.0	34.7%	+7.1%	**-0.6%**
Asia Pacific	17.7	7.2%	14.3	6.0%	+23.8%	**+17.4%**
Rest of the world	16.1	6.5%	18.2	7.6%	-11.8%	**-12.0%**
Total	**247.3**	**100.0%**	**239.1**	**100.0%**	+3.4%	**+0.6%**

Economic highlights of the Continuing operations

(Euro in millions)	Q1 2019 reported	Q1 2019 pre-IFRS 16	Q1 2018	% Change pre-IFRS 16
Net sales	247.3	247.3	239.1	+3.4%
Gross profit	130.2	130.2	121.3	+7.4%
% on net sales	*52.7%*	*52.7%*	*50.7%*	
EBITDA	18.9	15.4	14.5	+6.6%
% on net sales	*7.6%*	*6.2%*	*6.1%*	
Adjusted EBITDA[2]	20.0	16.5	16.1	+2.4%
% on net sales	*8.1%*	*6.7%*	*6.8%*	

Economic highlights of the Discontinued operations

Solstice retail business

(Euro in millions)	**Q1 2019** reported	**Q1 2019** pre-IFRS 16	**Q1 2018**	**% Change** pre-IFRS 16	**% Change** at constant Forex
Net sales	10.9	10.9	11.8	-7.8%	-14.8%
Gross profit	5.6	5.6	6.2	-10.3%	
% on net sales	*51.2%*	*51.2%*	*52.6%*		
EBITDA	(0.6)	(3.5)	(3.1)	+14.2%	
% on net sales	*(5.3%)*	*(32.3%)*	*(26.1%)*		

Economic highlights of the Continuing and Discontinued operations

(Euro in millions)	Q1 2019 reported	Q1 2019 pre-IFRS 16	Q1 2018	% Change pre-IFRS 16	% Change at constant Forex
Net sales	258.1	258.1	250.9	+2.9%	-0.1%
Gross profit	135.8	135.8	127.5	+6.5%	
% on net sales	*52.6%*	*52.6%*	*50.8%*		
EBITDA	18.3	11.9	11.4	+4.6%	
% on net sales	*7.1%*	*4.6%*	*4.5%*		
Adjusted EBITDA[2]	19.4	13.0	13.1	-0.4%	
% on net sales	*7.5%*	*5.0%*	*5.2%*		

Exchange Rates

Currency	Code	As of March 31, 2019	As of December 31, 2018	As of (Appreciation)/ Depreciation %	Average for March 31, 2019	Average for March 31, 2018	Average for (Appreciation)/ Depreciation %
US Dollar	USD	1.1235	1.1450	-1.9%	1.1358	1.2292	-7.6%
Hong-Kong Dollar	HKD	8.8195	8.9675	-1.7%	8.9116	9.6216	-7.4%
Swiss Franc	CHF	1.1181	1.1269	-0.8%	1.1324	1.1653	-2.8%
Canadian Dollar	CAD	1.5000	1.5605	-3.9%	1.5102	1.5540	-2.8%
Japanese Yen	YEN	124.4500	125.8500	-1.1%	125.0835	133.1662	-6.1%
British Pound	GBP	0.8583	0.8945	-4.1%	0.8725	0.8834	-1.2%
Swedish Krown	SEK	10.3980	10.2548	1.4%	10.4187	9.9712	4.5%
Australian Dollar	AUD	1.5821	1.6220	-2.5%	1.5944	1.5632	2.0%
South-African Rand	ZAR	16.2642	16.4594	-1.2%	15.9206	14.7102	8.2%
Russian Ruble	RUB	72.8564	79.7153	-8.6%	74.9094	69.9291	7.1%
Brasilian Real	BRL	4.3865	4.4440	-1.3%	4.2775	3.9887	7.2%
Indian Rupee	INR	77.7190	79.7298	-2.5%	80.0720	79.1264	1.2%
Singapore Dollar	SGD	1.5214	1.5591	-2.4%	1.5388	1.6210	-5.1%
Malaysian Ringgit	MYR	4.5838	4.7317	-3.1%	4.6466	4.8239	-3.7%
Chinese Renminbi	CNY	7.5397	7.8751	-4.3%	7.6635	7.8154	-1.9%
Korean Won	KRW	1,276.4600	1,277.9300	-0.1%	1,278.5949	1,317.6456	-3.0%
Mexican Peso	MXN	21.6910	22.4921	-3.6%	21.8057	23.0372	-5.3%
Turkish Lira	TRY	6.3446	6.0588	4.7%	6.11018	4.6899	30.3%
Dirham United Emirates	AED	4.1261	4.205	-1.9%	4.17112	4.51429	-7.6%

Brand Portfolio

Safilo GROUP

SAFILO MADE IN ITALY DAL 1934	DIOR	ELIE SAAB	BOSS HUGO BOSS	havaianas
	GIVENCHY PARIS	kate spade NEW YORK	MARC JACOBS	BANANA REPUBLIC
CARRERA	DIOR HOMME	FOSSIL	MOSCHINO	rag & bone NEW YORK
	FENDI	TOMMY HILFIGER	LOVE MOSCHINO	Juicy Couture
Polaroid	REBECCA MINKOFF	MISSONI*	swatch the eyes	LIZ claiborne
	MaxMara	Levi's*	MAX&Co.	Saks Fifth Avenue
SMITH	JIMMY CHOO	M MISSONI*	pierre cardin PARIS	HUGO HUGO BOSS

*** From 2020**