MOLESKINE

Interim Financial Statements

as of June 30, 2015

CONTENTS

Company information 3
Board of directors and of auditors 4
Group structure 5
Group organization chart 6
Distribution network 7

INTERIM MANAGEMENT REPORT
Group operations 9
Performance of the Group as of June 30, 2015 20
Analysis of revenues 24
– Revenues by geographical area 24
– Revenues by distribution channel 26
– Revenues by product line 28
Operating results 31
Analysis of depreciation, amortization, net finance expense, taxes and net income 33
Analysis of financial position 35
– Net working capital 35
– Capital expenditures 36
– Net financial indebtedness 37
– Shareholders' equity 38
Economic and financial indicators 39
Information on corporate governance 40
Significant events after the reporting period 42
Business outlook 43
Related party transactions 44
Financial risk management 45

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2015
Consolidated statement of financial position 47
Consolidated statement of comprehensive income 48
Consolidated statement of cash flows 49
Consolidated statement of changes in shareholders' equity 50
Explanatory notes 51

CERTIFICATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2015
Pursuant to Article 81-ter of CONSOB regulation no. 11971 of May 14, 1999, as amended 88

INDEPENDENT AUDITORS' REPORT 89

COMPANY INFORMATION

REGISTERED OFFICE OF THE GROUP HOLDING COMPANY

Moleskine S.p.A.
Viale Stelvio 66 – 20159 Milan

LEGAL INFORMATION OF THE GROUP HOLDING COMPANY

Approved share capital Euro 2,121,802.05
Subscribed and fully paid-up share capital Euro 2,121,802.05

Milan Company Register no. 07234480965
Milan Economic Administrative Index no. 1945400
Tax code and VAT no. 07234480965
Company website www.moleskine.com

BOARD OF DIRECTORS AND OF AUDITORS

Board of Directors	Marco Ariello	Chairman
	Arrigo Berni	Chief Executive Officer
	Philippe Claude Sevin	Director
	Giuseppe Zocco	Director
	Daniele Raynaud	Director
	Fabio Brunelli	Independent director
	Daniela Della Rosa	Independent director
	Claudia Parzani*	Director
	Orna Ben Naftali*	Director
Control and Risk Committee	Fabio Brunelli	Chairman
	Daniela Della Rosa	
	Marco Ariello	
Remuneration Committee	Daniela Della Rosa	Chairman
	Fabio Brunelli	
	Marco Ariello	
Board of Statutory Auditors	Paola Maiorana	Chairman
	Rocco Santoro	Statutory Auditor
	Roberto Spada	Statutory Auditor
	Sabrina Pugliese	Alternate Auditor
	Cristiano Proserpio	Alternate Auditor
Independent auditors	PricewaterhouseCoopers S.p.A.	
Executive officer in charge of the Financial Reports	Alessandro Strati	

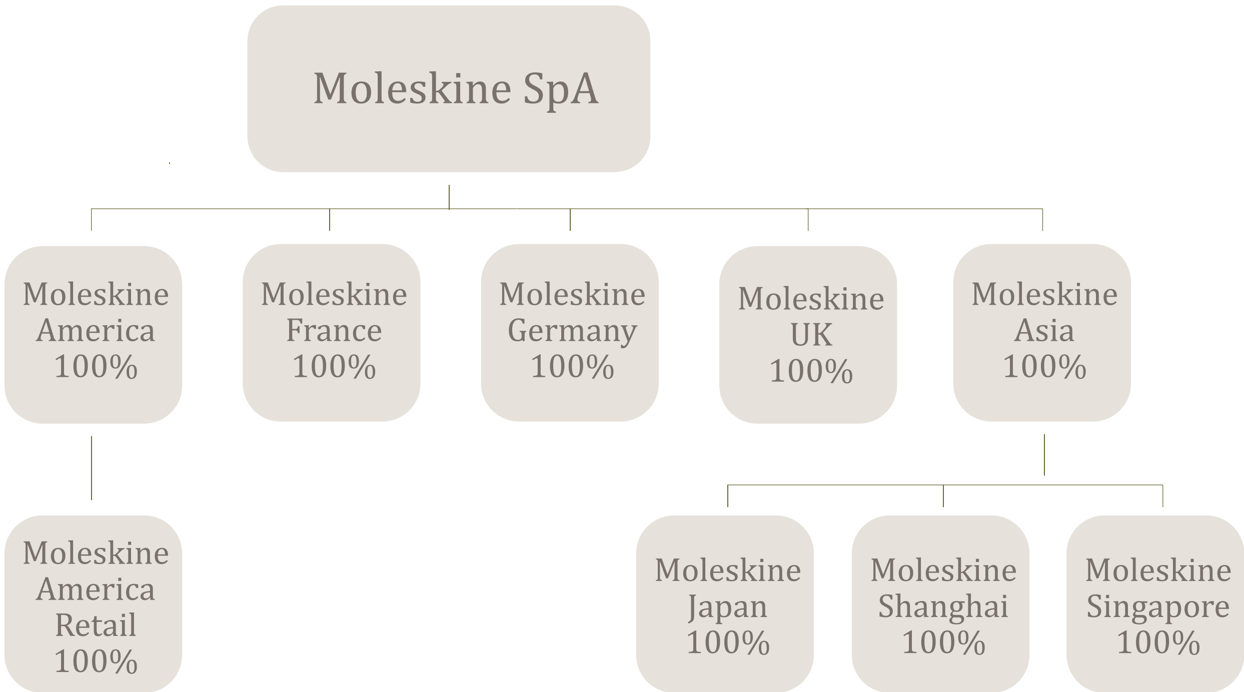
(*) As of March 11, 2015, following the resignation of Director Claudia Parzani, the shareholders at their meeting held on April 15, 2015 confirmed the proposal made by the Board of Directors on March 11, 2015 to appoint Orna Ben Naftali, who was co-opted on the same date.

GROUP STRUCTURE

The Group includes the Holding Company Moleskine S.p.A. ("**Moleskine**" or the "**Company**"), Moleskine America, Inc. ("**Moleskine America**"), a wholly owned direct subsidiary headquartered in New York (210 Eleventh Avenue, Suite 1004), Moleskine America *Retail* LLC ("**Moleskine America *Retail***"), organized in accordance with the laws of the state of the Delaware, and a wholly-owned subsidiary of Moleskine America; it also includes **Moleskine Asia** Ltd ("**Moleskine Asia**"), headquartered in Hong Kong (Suite 3202A, 32/F, The Centrium) wholly owned by the Company, Moleskine Trade and Commerce Shanghai Co. Ltd ("**Moleskine Shanghai**"), with registered offices in Shanghai (Unit 3506, Tower 2, Grand Gateway Center, No. 3, Hong Qiao Road, Xuhui District), Moleskine Singapore Pte Ltd ("**Moleskine Singapore**"), headquartered in Singapore (6001 Beach Road HEX 13-04 Golden Mile Tower), and Moleskine Japan K. K. ("**Moleskine Japan**"), headquartered in Tokyo (5-4-35-1301 Minami Aoyama, Minato-ku). These last three companies are wholly owned by Moleskine Asia.

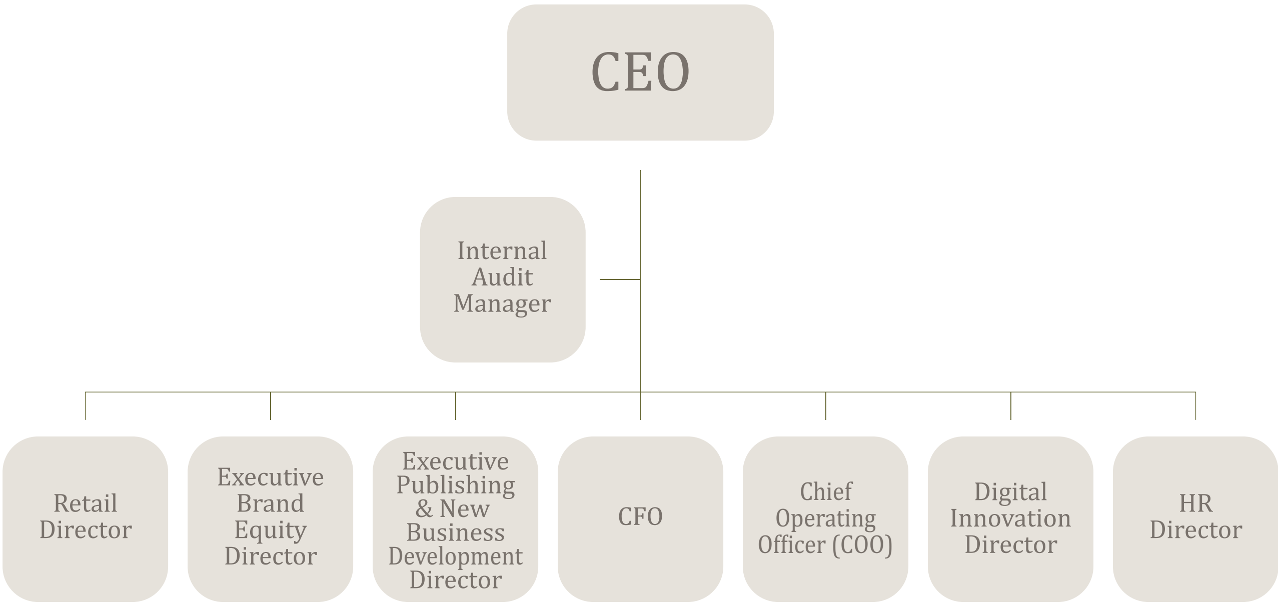
Companies also included within the Group are Moleskine France S.à.r.l ("**Moleskine France**"), headquartered in Paris (39, rue Beauregard), Moleskine Germany Gmbh ("**Moleskine Germany**"), based in Cologne (Spichernstrasse 73), and Moleskine UK Ltd ("**Moleskine UK**"), with registered offices in London (Second floor, Cardiff House, Tilling Road), all of which are wholly owned by the Group holding company, Moleskine.

The following chart shows the structure of the Group and Moleskine's subsidiaries along with the percentages held.



GROUP ORGANIZATION CHART

The Group organization chart as of June 30, 2015, is shown below:



DISTRIBUTION NETWORK

The Group markets its products through various distribution channels. From the perspective of the consumer, the Group is present on the market through:

- the *Retail* distribution channel, i.e. the direct distribution channel (*Retail*) in which the Group relies on stores managed either by third-parties or directly, the latter of which are referred to as Directly Operated Stores (DOSs);
- the *Wholesale* channel, i.e. the channel which makes use of intermediaries to sell to consumers, in which case the Group's customers are these intermediaries
- the B2B channel, aimed at the direct sale of customized Moleskine products to businesses, institutions and a variety of organizations by way of a combined direct and indirect model;
- the *e-Commerce* channel, i.e. online product sales through our own websites, which also includes the sale of digital products such as software applications with built-in capabilities for mobile devices.

Interim management report

01

GROUP OPERATIONS

INTRODUCTION

With reference to the six months ended June 30, 2015, the figures given in this report, together with the associated remarks, are meant to give an overview of Group's financial performance and standing, the changes that occurred during the period under review, and any significant events that affected these results.

OPERATING CONDITIONS AND BUSINESS DEVELOPMENT

Moleskine is the brand through which the Group develops, distributes and sells a family of products for the modern-day nomad: notebooks, journals, diaries, bags, writing instruments and reading accessories inspired by our mobile identity, products that embody personal flair and sophistication in both the real and the digital worlds.

The Group sells two lines of products and services:

i) paper collections ("***Paper* Collections**"), such as notebooks, agendas, other home-office products, and gifts; This line also includes analog/digital products and services, namely belonging to the "ADA-Analog-Digital-Analog" category, working as a "continuum" between analog and digital dimensions.

   Several examples of the products included in this category are the Smart Notebook line developed together with Evernote, a notebook designed to work with Livescribe smartpens, as well as the notebook developed in partnership with Adobe, the leader in digital marketing and digital media solutions. This category of products now also includes a calendar app recently launched on the market called iOS Timepage.

ii) writing, travel and reading accessories (the "***WTR* Collections**"), such as pens and pencils, bags, eyewear, and reading lights.

The Group distributes its products to 113 countries:

i) indirectly through a network of 74 distributors (i.e. the *Wholesale* channel), which serve bookshops, department stores, stationers, museums and other specialty stores (i.e. retailers); and

ii) a) through a mixed direct and indirect model for the custom editions designed for our business customers (i.e. B2B); b) through our *e-Commerce* site; and c) through our *Retail* network of 43 single-brand stores (16 in China, 2 in Singapore, 2 in Hong Kong, 8 in Italy, 3 in the U.K., 4 in France, 2 in Germany and 6 in the U.S.).

ACTIVITIES CARRIED OUT BY THE GROUP TO INCREASE BRAND AWARENESS

The activities carried out in the course of the six months ended June 30, 2015, to support brand awareness have continued along the main lines pursued in 2014, following a strategy geared toward quality storytelling, with inspirational text, photos and videos conveyed through official channels and amplified by the media and fans:

- **Limited editions and special cult editions.** For the younger crowd, two new Limited Edition Notebooks were launched, featuring world-renowned icons: **Alice in Wonderland**, a literary classic, and **Batman**, one of the most popular superheroes. Marketing support for new product launches also included adding new titles to the **Inspiration and Process in Architecture** collection dedicated to Kengo Kuma, Michael Graves and Marcio Kogan of Studio MK27. Also worth mentioning is the limited edition notebook, **Skyline Milano**, dedicated to exploring the city through its iconic sites. In support of the brand's cultural positioning, the promotional efforts of the **Moleskine Publishing** division are continuing with three new books dedicated to the creative world: **I am Milan**, the first book of a new collection of illustrated books dedicated to cities, illustrated and written by Carlo Stanga, **Vivienne Westwood**, a book dedicated to the work of the legendary British designer and part of the Fashion Unfolds series, and a book developed together with 24ore Cultura dedicated to the famous Dutch designer **Bob Noorda**, winner of 4 Compasso d'Oro industrial design awards.

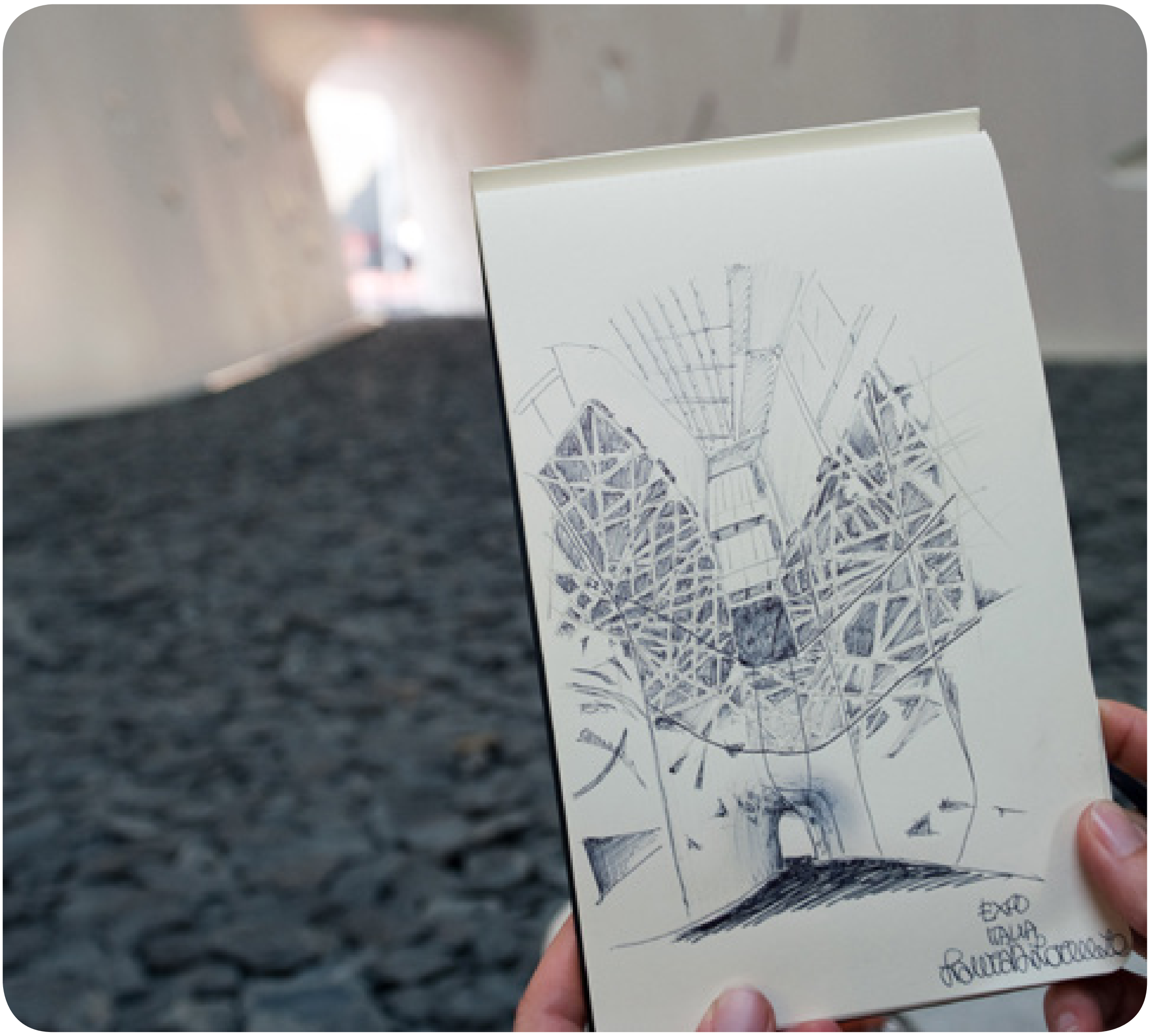
Alice Adventures in Wonderland

Batman collection

- **Events.** Among the most important initiatives we would like to mention the partnership with **TED** (Technology, Entertainment and Design), an international leader in events exploring technology, creativity and innovation, at their conference held in Vancouver in March. Moleskine handed out personalized Classic backpacks, notebooks and pens to all 2,550 participants. A designated area was set up for Moleskine, featuring an experiential learning table open to all participants to give them the opportunity to try out Moleskine products, including the analog/digital collections, covers and pens. Moleskine also played the role of media partner, collecting the ideas presented at the TED conference using analog and digital tools, raising interest through digital PR channels. Another important event during the six-month period under review was the **Documentation Centre for design innovation** created in collaboration with Ventura Lambrate, one of the most important and innovative design districts in the world. With the Moleskine Smart Notebook, Creative Cloud Connected in hand, a team of young designers roamed the former industrial warehouses and streets of Ventura-Lambrate documenting the most compelling objects, materials and technological solutions as well as its installations, portraits, people and spaces. Their drawings, captured with the special app and directly uploaded in Adobe Creative Cloud, were then processed in Photoshop live on a screen at the documentation centre in Via Ventura 14. The final works were exhibited to the public in analog form at the documentation centre and in digital form in online galleries published by a number of design magazines.

Another major event during the six-month period was that Moleskine became a member of **Altagamma Foundation**, an organization bringing together almost 90 of the best Italian luxury firms. Established in 1992, it has an aggregate turnover of 18 billion euro, mostly from sales abroad. As a founding member, Moleskine will participate in the initiatives sponsored by the Foundation, bringing its contribution and using the services that Altagamma provides exclusively to its members. In a contemporary era where knowledge is created and spread in non-traditional ways, ideas are generated on the move and the analog and digital realm tend to intertwine, Moleskine, through its nomadic objects, provides open platforms for creativity, a value that unites all brands that are part of Altagamma.

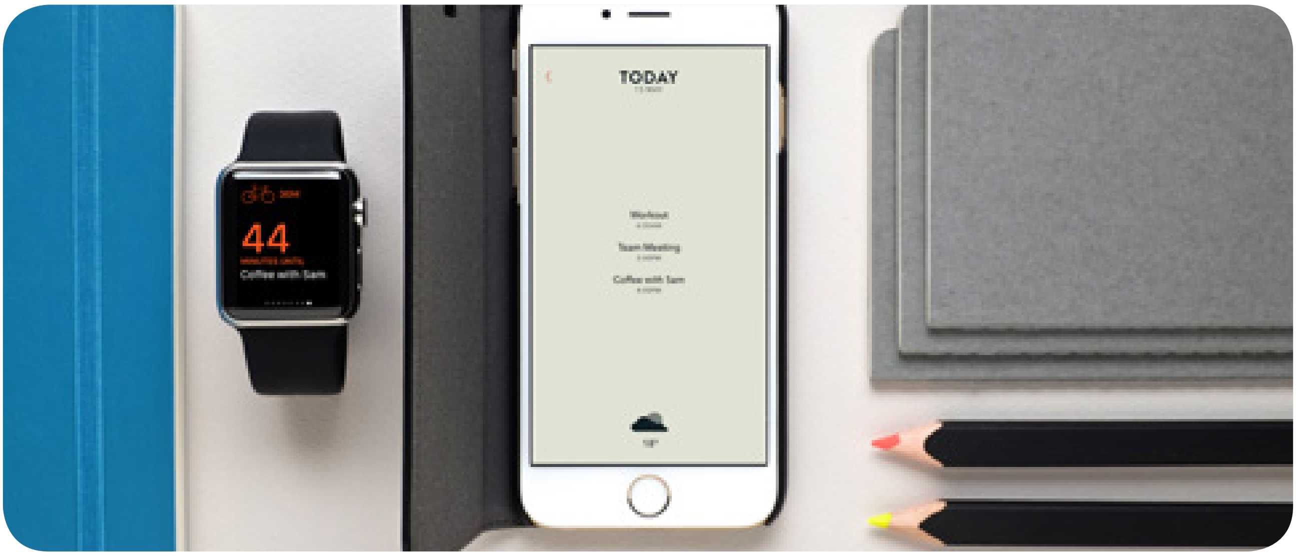
Moleskine partnered with the **Hong Kong International Film Festival**, one of Asia's largest film events, for the fourth time and created a special edition notebook by Sylvia Chang; also worth mentioning is our participation at the **Biennale Internationale Design Saint-Etienne**, one of the most important international events for the world of industrial design, where we showed our collection of Classic Bags and pens designed by Giulio Iacchetti. Lastly, for the **EXPO 2015** in Milan, Moleskine organized an event together with the association **Sketchmob**, inviting sketchers to draw and sketch the pavilions and installations at the Expo. These works were then digitalized and shared online through social networks and the media.

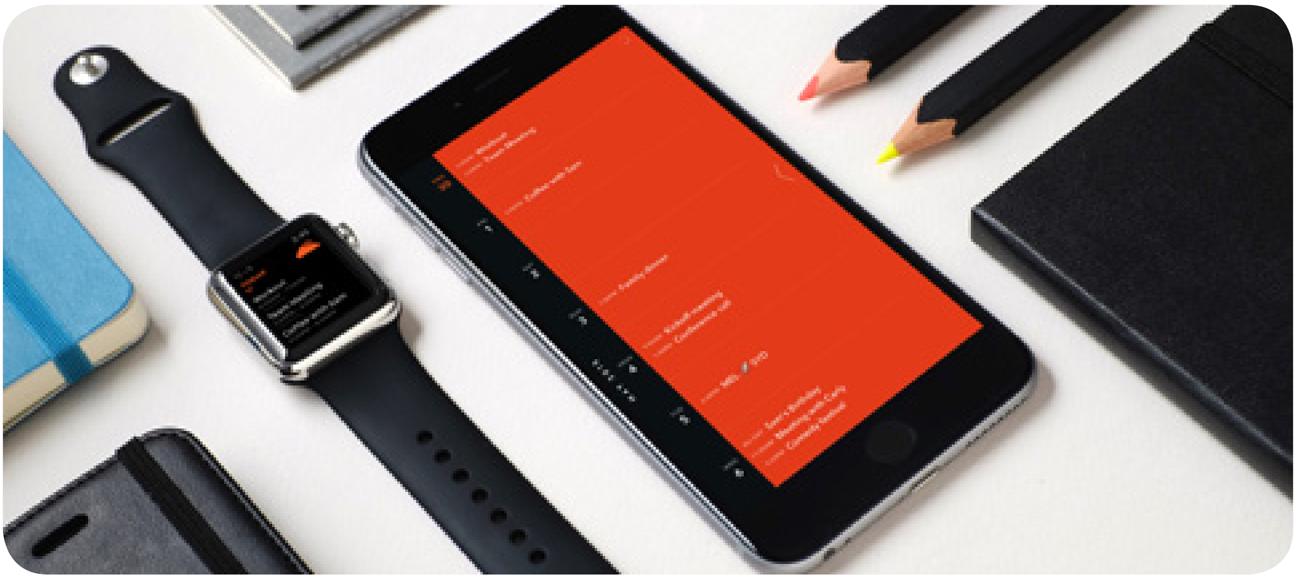


Sketchmob Expo

- **Communication campaigns to support new product launches.** In the first half of 2015, several new collections were launched for the public, including **Moleskine Chapters Journals.** Divided into chapters, these journals keep your daily lists, notes and ideas organized and the slim new sizes fits perfectly in your pocket. We also unveiled the new book series, **Fashion Unfolds**, on the world of fashion where each books unfolds the creative process of a leading international designer. New colors have been introduced for **Tool Belt**, an accessory designed to wrap around Moleskine notebooks. We also launched click pens and clip pens, new models of the **myCloud** series (the *Small Backpack*, the *Briefcase* and the *Briefcase Curve*), along with new covers designed for iPhone 6 and 6 plus.

  Among the PR activities to support the launch of new products, we would like to mention the campaign to support the *Timepage* application that contributed to positioning it in the higher-end segment for apps in the productivity category, at the top of AppStore rankings.





Timepage App

EXPANSION OF BRAND DISTRIBUTION

In line with the strategy for augmenting brand distribution, the Group has increased the number of points of sale served by the *Wholesale* channel and has also intensified its presence and visibility within the top retailers, while continuing to invest in trade marketing and visual merchandising through Ateliers and other displays for a total of 191 installations worldwide as of June 30, 2015 (vs. 188 installations as of March 31, 2015).

The new installations during the period under review include Ateliers at Feltrinelli in Milan (Piazza Duomo), Payot in Geneva, Switzerland, UCSD in San Diego, California, Culture in Paris, and Incube in Fukuoka, Japan; the Atelier at Selfridge department store in London and the Thalia department store in Hamburg have been updated by revamping and improving the structure, position and assortment.

The activities carried out during the first six months of 2015 to support this pillar of our growth strategy, i.e. the opening of direct, single-brand stores, included 9 new stores: in the EMEA area, stores in Rome (Via Frattina) and at the Terminal 2 of Frankfurt airport (Temporary Store), in the United States at Union Station in Washington D.C., in China at MixC in Quingdao, Shanghai K11, Xiamen Paragon and Dalian Pavilion, in Singapore at the Westgate store and in Hong Kong at the Eslite store (in this case passing from a *Wholesale* channel to the *Retail* channel). During the first six months of 2015, four temporary stores (Spietafield, Boxpark and Old Street in London and Saint Honoré in Paris) were closed due to the expiration of the contract as agreed. Three permanent stores closed: Shorthills in the US, Takashimaya in Asia and Naples, the last two were due to the expiration of the contract as agreed.

Union Station, Washington D.C. USA

Shanghai – Store inside K11 mall

EXPANSION OF THE PRODUCT LINE

The 2015 strategy for Moleskine collections involves expanding the current range, with the aim to ramp up capacity to meet the needs of our target audience thanks to innovative offerings, along with re-launching our existing offerings.

The 2016 planners campaign includes 18 month planners, available in a wide range of designs and formats, such as planners for university students and professors, limited editions dedicated to Star Wars, Le Petit Prince and the Peanuts.


18 months Planners

18 months academic diaries

Le Petit Prince 18 month planners

Peanuts 18 month planners

In the *Travelling* line, the *myCloud* Bag Series has been expanded with two new offerings, always combining high functionality with Moleskin's iconic design. Geared toward business customers, the new products include two *Briefcase* models: one for men and one for woman, and two color variations for the *Small Backpack*.

Mycloud Bag Series

The new models of *myCloud* bags, the perfect solution for staying organized at work, have transformed the concept of the “myanalog cloud” into reality; in other words, all of the things that the contemporary nomad –Moleskine’s primary target - chooses to carry every day and which is right at home in these bags.

Moleskine has stepped into a new market with its two models of *Device Bags*, built to transport and protect digital devices on a daily basis: these handy and versatile bags can be used as a shoulder bag or backpack.

Two of the most popular models of the Classic Bags collection, Backpack and Messenger, were updated with improved materials and characteristics, while keeping the powerful and iconic design and the underlying concepts.

Classic Reporter Bag

Moleskine has expanded the *Writing* collection to include 6 new pen body colors for the Classic Pen collection; to complete the existing offering, so as to meet the various preferences in writing methods of its users, the pens are available in cap-and-roller and click/ball-point versions: a new palette in line with the entire Moleskine collection, retaining the original rectangular shape, which ensures that the pen is a perfect match for our notebooks thanks to the specially designed clip.

With the aim to strengthen the link between the *Paper* and *WTR* collections, leveraging the core offer, we have expanded the Toolbelt, a handy accessory for notebooks/diaries that physically integrates analog and digital tools, allowing you to transport your things safely, since it fits perfectly on notebooks and has zippered pockets to hold digital media: two new colors have been added to the existing colors in large format together with the pocket format in the classic colors Payne’s Grey and Red.

The Journals category, today ruled by Moleskine, with two distinct offerings of journals for everyday notes, has been identified as having the potential to attract new targets and increase the frequency of purchasing: with the aim to grow in size and importance for the target, we introduced the new Chapters Collection: the perfect journals to organize ideas and notes anytime and anywhere because they are divided into numbered chapters that can be personalized, and fit in your pocket thanks to the slim style. Characterized by a distinctive design with coptic binding, the new Chapters journals - in three colors, three sizes and two layouts- are available as a single sales unit, completing the Volant collection, a set of two journals in two shades of the same color, and the Cahier collection, a set of 3 journals with cardboard covers that can be personalized and decorated.

As concerns the latest digital offering, Moleskine recently launched **Moleskine Timepage**. This application supports all iPhone-compatible calendars (e.g. Exchange, Outlook, Office365, Facebook, AOL, Yahoo, Google, iCloud) through an interface that allows you to easily see your appointments day by day, while at the same time encouraging seamless integration with the real world (weather forecast, estimated travel time, driving directions and Uber).

New colors and sizes have been added to the **Evernote Smartbook** line from the business Notebook by Moleskine collection.

For the younger crowd, two new licenses were granted for Limited Edition Notebooks featuring world-renowned icons: Alice in Wonderland, a literary classic, and Batman, one of the most popular superheroes. Four items for each license of the two themes as limited editions with a fixed number of products produced, available only on official Moleskine *e-Commerce* and *Retail* sites.

Alice adventures in Wonderland

PERFORMANCE OF THE GROUP AS OF JUNE 30, 2015

The following tables show i) the condensed consolidated statement of comprehensive income as of June 30, 2015, compared to the same period of the previous year, ii) the reclassified sources and uses of funds statement as of June 30, 2015, compared to December 31, 2014, and iii) capital expenditures for the first six months of 2015 compared to the figures recorded as at June 30, 2014.

In addition to the conventional financial statements and indicators required under IFRS, this document also presents some reclassified statements and some alternative performance indicators in order to better assess the Group's financial performance. Nonetheless, these statements and indicators should not be considered replacements for the conventional ones required by the IFRSs.

Please note that, although the Group business does not undergo significant seasonal or cyclical changes in overall annual sales, it is influenced by different distributions of revenue and expenses across the various months of the year. For this reason, an analysis of financial standing and performance for the period under review should not be considered a fully proportionate share of the entire year.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Period ended June, 30				**Changes**	
In thousands of Euro and percentage of revenues	**2015**	**%**	**2014**	**%**	**2015 vs 2014**	**%**
Revenues	53,843	100.0%	41,077	100.0%	12,766	31.1%
EBITDA (1)	13,980	26.0%	10,557	25.7%	3,423	32.4%
Operating profit	11,546	21.4%	8,716	21.2%	2,830	32.5%
Net profit	7,755	14.4%	5,129	12.5%	2,626	51.2%
Adjusted revenues (2)	53,805	100.0%	41,023	100.0%	12,782	31.2%
Adjusted EBITDA (3)	15,146	28.1%	11,711	28.5%	3,435	29.3%
Adjusted operating profit (3)	12,712	23.6%	9,870	24.1%	2,842	28.8%
Adjusted net profit (3)	8,584	16.0%	5,931	14.5%	2,653	44.7%

(1) The Group defines EBITDA as operating income (EBIT) before depreciation, amortization and impairment of non-current assets. EBITDA is not recognized as a measure of financial performance or liquidity under IFRS; therefore, it should not be considered an alternative measure for assessing the performance of Group operating income. Since the method for calculating EBITDA is not governed by reference accounting standards, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.

(2) *Adjusted* revenues represent revenues from the statement of comprehensive income net of revenues generated by the sale of displays and by other income.

(3) *Adjusted* EBITDA, *Adjusted* EBIT, and *Adjusted* net income are net of non-recurring transactions and *special items.*

RECLASSIFIED SOURCES AND USES OF FUNDS STATEMENT

In thousands of Euro	As of June 30,	As of December 31,	As of June 30,
Sources and Uses	**2015**	**2014**	**2014**
Uses			
Inventories	24,115	15,785	17,482
Trade receivables	27,833	22,798	22,393
Trade payables	(19,430)	(17,754)	(13,946)
Net commercial working capital (A)	**32,518**	**20,829**	**25,929**
Other current assets	2,135	1,798	1,449
Income tax payables	(4,956)	-	(1,154)
Income tax receivables	-	2,081	-
Other current liabilities	(5,711)	(4,520)	(3,512)
Other components of net working capital (B)	**(8,532)**	**(641)**	**(3,217)**
Net working capital (A + B)	**23,986**	**20,188**	**22,712**
Property, plant and equipment	6,161	6,306	5,193
Goodwill and trademarks	76,830	76,859	76,850
Other intangible assets	4,324	4,236	3,690
Other non-current assets	2,273	2,127	1,345
Non-current assets	**89,588**	**89,528**	**87,078**
Net deferred tax	(10,206)	(13,615)	(13,041)
Current - Non-current provision for risks and charges	(787)	(450)	(669)
Post-employment and other employee benefits	(1,540)	(1,802)	(1,593)
Other non-current liabilities	(52)	(170)	-
Current and Non-current liabilities	**(12,585)**	**(16,037)**	**(15,303)**
Net invested capital	**100,989**	**93,679**	**94,486**
Sources			
Net Equity	90,373	89,060	77,060
Net financial indebtedness	10,616	4,619	17,426
Total sources of financing	**100,989**	**93,679**	**94,486**

OTHER INFORMATION

	As of	
In thousands of Euro	**30 June, 2015**	**30 June, 2014**
Capital expenditure [(4)]	2,022	1,927

(4) Capital expenditures refer to gross investments in property, plant and equipment and in intangible assets, net of the decreases of the period.

* * *

The tables below show how certain adjusted indicators used to represent the Group's operating performance, net of non-recurring income/expenses and of *special items* identified by management in order to present a comparable figure net of the effects of non-recurring transactions, are calculated.

The Group has calculated *Adjusted* revenues as follows:

In thousands of Euro	Period ended June, 30	
	2015	**2014**
Revenues	53,843	41,077
Revenues from display	(58)	(77)
Other income	20	23
***Adjusted* revenues**	**53,805**	**41,023**

Adjusted EBITDA is the net profit gross of amortization of intangible assets, depreciation of property, plant and equipment, impairments, finance income and expense and income tax, gross of non-recurring transaction and *special items* including, but not limited to:

i) severance costs and other costs related to company reorganizations;

ii) legal fees and other costs related to extraordinary transactions (e.g. changes in distribution models, the termination of agreements with distributors or suppliers, lump-sum and other types of costs paid in settlements with third parties, etc.);

iii) costs related to fiscal disputes;

iv) other one-off costs not associated with ordinary operations (e.g. costs related to recalls, costs for adaptations to applicable domestic and/or international laws and regulations, etc .);

v) extraordinary and non-recurring income (e.g. insurance settlement in the event of a warehouse fire, etc.)

The Group has calculated *Adjusted* EBITDA as follows:

In thousands of Euro	Period ended June 30,	
	2015	**2014**
EBITDA	13,980	10,557
Management incentive plan (Stock Grant)	-	32
Total non-recurring transactions (A)	**-**	**32**
Management incentive plan (Stock Option)	194	140
Ancillary costs related to the IPO process	-	176
Change in the business models (5)	399	733
Other consulting fees	-	3
Other costs	-	11
Incentives for employees (6)	573	59
Totale *special items* (B)	**1,166**	**1,122**
Total non-recurring transactions and *special items* (A+B)	**1,166**	**1,154**
***Adjusted* EBITDA**	**15,146**	**11,711**

(5) Included in the income statement under services costs in the amount of Euro 223 thousand and in other operating expenses in the amount of Euro 176 thousand.
(6) Included in the income statement under personnel costs in the amount of Euro 545 thousand, service costs in the amount of Euro 15 thousand and in other operating costs in the amount of Euro 13 thousand.

The Group has calculated *Adjusted* EBIT as follows:

In thousands of Euro	Period ended June, 30	
	2015	**2014**
Operating profit (EBIT)	11,546	8,716
Total non-recurring transactions and *special items* (7)	1,166	1,154
***Adjusted* EBIT**	**12,712**	**9,870**

(7) See the reconciliation of *Adjusted* EBITDA

The Group has calculated *Adjusted* net income as follows:

In thousands of Euro	Period ended June, 30	
	2015	**2014**
Net income	7,755	5,129
Total non-recurring transactions and *special items*	1,166	1,154
Income tax effect	(337)	(352)
***Adjusted* Net profit (8)**	**8,584**	**5,931**

(8) *Adjusted* net income is therefore calculated net of the effects of non-recurring expenses and the *special items* and related tax effect.

ANALYSIS OF REVENUES

Revenues increased Euro 12,766 thousand, or 31.1%, from Euro 41,077 thousand in the first six months of 2015, to Euro 53,843 thousand in the first six months of 2015. *Adjusted* revenues went from Euro 41,023 thousand in the first six months of 2014 to Euro 53,805 thousand in 2015, for an increase of 31.2%; at constant exchange rates, this increase compared with the same period last year would be 17.5%.

The growth in sales revenue is mainly due to the increase in volumes related to the development of the multichannel strategy, the change in the German, Canadian and Nordic countries business models, and the positive effect of the appreciation of the US dollar and associated exchange rate, mainly concerning the Hong Kong dollar.

REVENUES BY GEOGRAPHICAL AREA

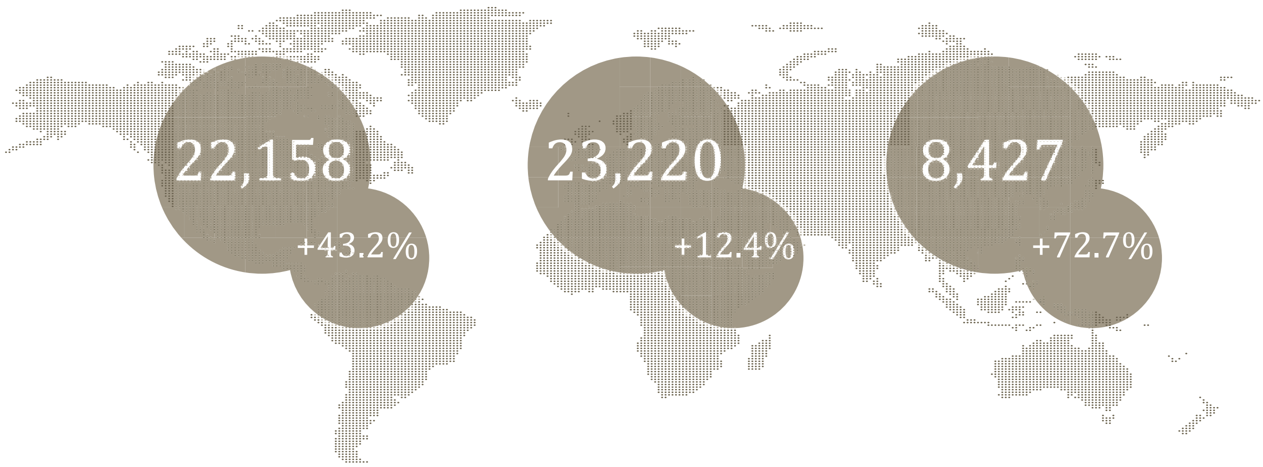
The following tables show the breakdown by geographical area of revenues and *Adjusted* revenues for the six months ended June 30, 2015 and 2014.

In thousands of Euro	**Period ended June, 30**				**Changes**	
Revenues by geographical area	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
EMEA (Europe, Middle East, Africa)	23,243	43.1%	20,733	50.5%	2,510	12.1%
Americas (USA, Canada, Latin America)	22,158	41.2%	15,478	37.7%	6,680	43.2%
APAC (Asia Pacific)	8,442	15.7%	4,866	11.8%	3,576	73.5%
Revenues	**53,843**	**100.0%**	**41,077**	**100.0%**	**12,766**	**31.1%**

ADJUSTED REVENUES BY GEOGRAPHICAL AREA

AMERICAS 41.2% | EMEA 43.1% | APAC 15.7%

In thousands of Euro



In thousands of Euro	Period ended June, 30				Changes	
***Adjusted* revenues by geographical area**	**2015**	**%**	**2014**	**%**	**2015 vs 2014**	**%**
EMEA (Europe, Middle East, Africa)	23,220	43.1%	20,665	50.4%	2,555	12.4%
Americas (USA, Canada, Latin America)	22,158	41.2%	15,478	37.7%	6,680	43.2%
APAC (Asia Pacific)	8,427	15.7%	4,880	11.9%	3,547	72.7%
Total *Adjusted* Revenues	**53,805**	**100.0%**	**41,023**	**100.0%**	**12,782**	**31.2%**

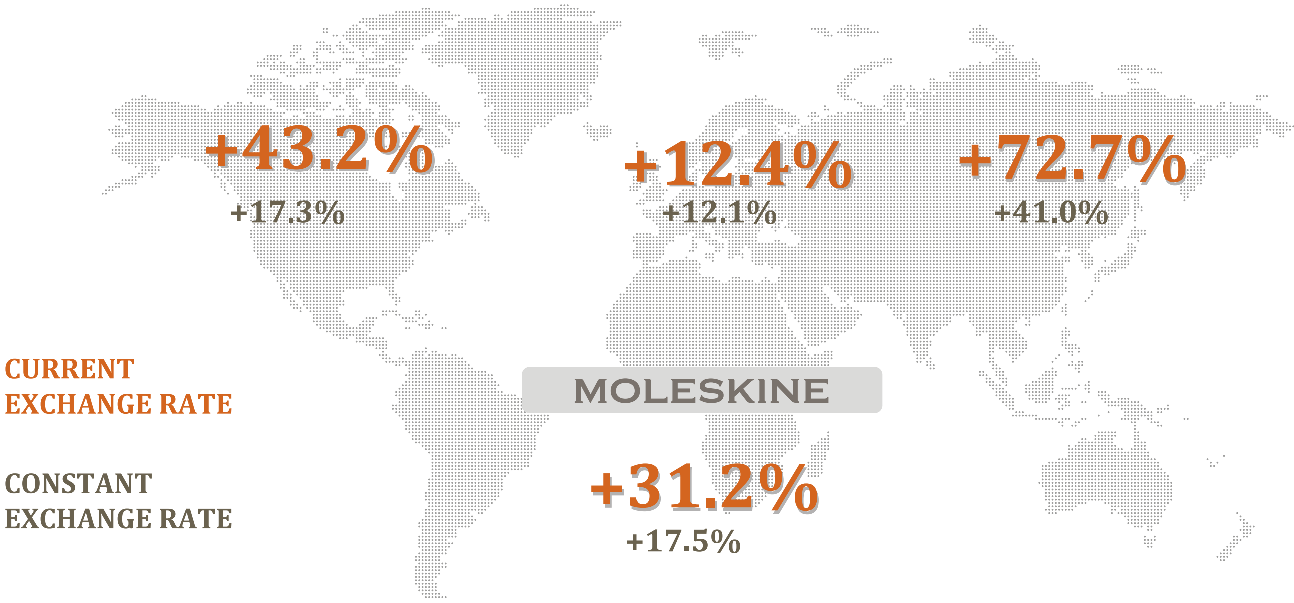
Revenues in the EMEA area came to Euro 23,243 thousand in the first half of 2015 (vs. Euro 20,733 thousand in the first half of 2014), up Euro 2,510 thousand (+12.1%) compared to the same period of the previous year, while considering the adjusted figure, the growth in revenues would rise to 12.4%. This growth was mainly driven by an increase in sales volumes for all channels and the change in the distribution model, including mainly the German model.

Sales in the Americas area increased by Euro 6,680 thousand (+43.2%) compared to the previous period. This increase, which would have been 17.3% at constant exchange rate, is mainly due to the growth in sales volumes across all channels and the change in the Canadian distribution model.

Finally, the APAC area posted an increase of Euro 3,576 thousand (73.5%) which, net of the adjusted figure, would have been 72.7%. Net of the exchange rate effect, this growth would have been 41.0% driven primarily by B2B, but also by a large project in Korea and by *Retail*.

The *Retail* channel recorded a strong increase in volumes tied to the revenues generated mainly from the new stores opened in the second half of 2014.

The following is a breakdown of *Adjusted* revenues at current and constant exchange rates by geographical area.



REVENUES BY DISTRIBUTION CHANNEL

The following tables show the breakdown by distribution channel of revenues and *Adjusted* revenues for the six months ended June 30, 2015 and 2014.

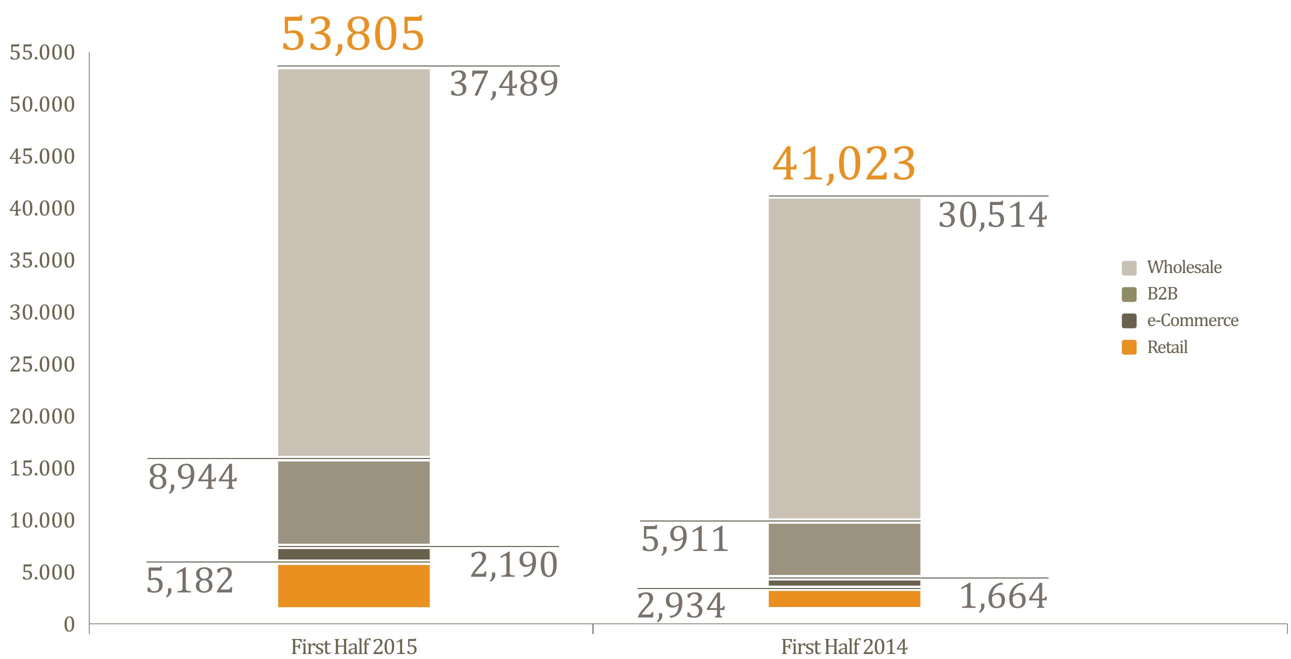
In thousands of Euro	Period ended June, 30				Changes	
Revenues by distribution channel	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Wholesale (*)	37,561	69.8%	30,579	74.5%	6,982	22.8%
B2B	8,944	16.6%	5,911	14.4%	3,033	51.3%
e-Commerce (**)	2,156	4.0%	1,653	4.0%	503	30.4%
Retail	5,182	9.6%	2,934	7.1%	2,248	76.6%
Total Revenues	**53,843**	**100.0%**	**41,077**	**100.0%**	**12,766**	**31.1%**

(*) Revenues from royalties, amounting to Euro 148 thousand as of June 30, 2015, were included in the *Wholesale* channel, and were not present in the first half of 2014.
(**) Revenues for digital products, amounting to Euro 72 thousand as of June 30, 2015, were included in the *e-Commerce* channel, and were not present in the first half of 2014.

In thousands of Euro	Period ended June, 30				Changes	
***Adjusted* Revenues by distribution channel**	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Wholesale (*)	37,489	69.7%	30,514	74.3%	6,975	22.9%
B2B	8,944	16.6%	5,911	14.4%	3,033	51.3%
e-Commerce (**)	2,190	4.1%	1,664	4.1%	526	31.6%
Retail	5,182	9.7%	2,934	7.2%	2,248	76.6%
Total *Adjusted* Revenues	**53,805**	**100.0%**	**41,023**	**100.0%**	**12,782**	**31.2%**

(*) Revenues from royalties, amounting to Euro 148 thousand as of June 30, 2015, were included in the *Wholesale* channel, and were not present in the first half of 2014.
(**) Revenues for digital products, amounting to Euro 72 thousand as of June 30, 2015, were included in the *e-Commerce* channel, and were not present in the first half of 2014.

ADJUSTED REVENUES BY DISTRIBUTION CHANNEL



Revenues through the *Wholesale* channel increased by Euro 6,982 thousand (+22.8%), from Euro 30,579 thousand in the first half of 2014 to Euro 37,561 thousand in the first half of 2015. Net of *special items*, the increase was 22.9%. This increase, experienced in all markets, was helped by the strategic initiatives implemented in 2014 to strengthen the distribution platform and the favorable trend in Euro/USD and Euro/HKD exchange rates.

Revenues through the B2B channel increased by Euro 3,033 thousand (+ 51.3%), from Euro 5,911 thousand in the first half of 2014 to Euro 8,944 thousand in the first half of 2015, also net of *special items*.

This increase, concerning all regions, is mainly due to good performance in the APAC area and the positive effect of the aforementioned exchange rates.

Revenues through the *e-Commerce* channel increased by 30.4%, from Euro 1,653 thousand in the first half of 2014 to Euro 2,156 thousand in the first half of 2015. Net of *special items*, the increase was 31.6%. This increase is primarily attributable to the positive effects resulting from the new provider in the EMEA area becoming fully operational as well as the positive effect of the exchange rates referred to above.

Revenues through the *Retail* channel increased by Euro 2,248 thousand (+ 76.6%), from Euro 2,934 thousand in the first half of 2014 to Euro 5,182 thousand in the first half of 2015, also net of *special items*.

The key driving force behind the growth in this channel was the further expansion of stores through the 2 new "net" openings taking place during the first quarter of 2015 (9 openings and 7 closings including 4 temporary stores used to test the new *concept stores*).

REVENUES BY PRODUCT LINE

The following tables show the breakdown by product line of revenues and *Adjusted* revenues for the six months ended June 30, 2015 and 2014.

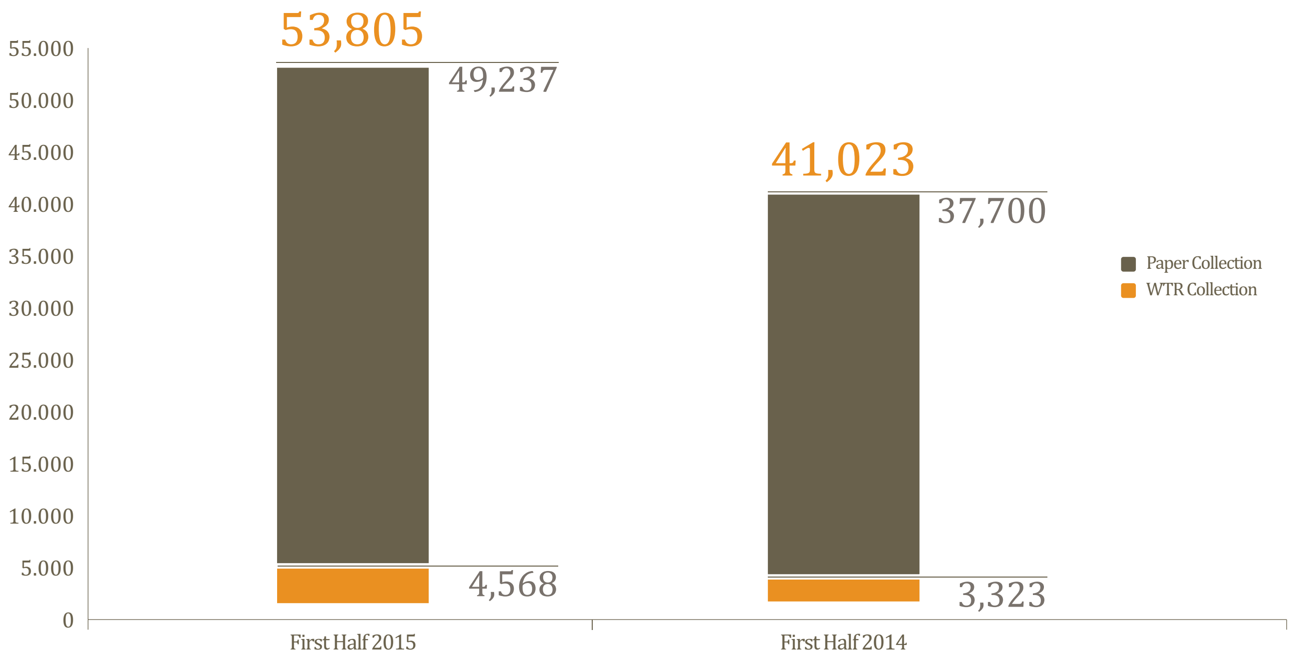
In thousands of Euro	**Period ended June, 30**				**Changes**	
Revenues by product line	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Paper collection (*)	49,272	91.5%	37,749	91.9%	11,523	30.5%
WTR collection (**)	4,571	8.5%	3,328	8.1%	1,243	37.4%
Total Revenues	**53,843**	**100.0%**	**41,077**	**100.0%**	**12,766**	**31.1%**

(*) Revenues for digital products, amounting to Euro 72 thousand as of June 30, 2015, were included in the *Paper* Collection , not present in the first half of 2014.
(**) Revenue from royalties, amounting to Euro 148 thousand as of June 30, 2015, were included in the *WTR* Collections, not present in the first half of 2014.

In thousands of Euro	**Period ended June, 30**				**Changes**	
***Adjusted* Revenues by product line**	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Paper collection (*)	49,237	91.5%	37,700	91.9%	11,537	30.6%
WTR collection (**)	4,568	8.5%	3,323	8.1%	1,245	37.5%
Total *Adjusted* Revenues	**53,805**	**100.0%**	**41,023**	**100.0%**	**12,782**	**31.2%**

(*) Revenues for digital products, amounting to Euro 72 thousand as of June 30, 2015, were included in the *Paper* Collection , not present in the first half of 2014.
(**) Revenue from royalties, amounting to Euro 148 thousand as of June 30, 2015, were included in the *WTR* Collections, not present in the first half of 2014.

ADJUSTED REVENUES BY PRODUCT LINE



During the first half of 2015, the Group continued developing the *Paper* Collection with the launch of new products and, in particular, the new Chapters Collection.

Revenues generated by the *Paper* Collections increased by 30.5%, while net of *special items*, the increase in revenues was 30.6%.

With regard to the *WTR* collection, in the first half of 2015, the Group expanded its range of *myCloud* bags and entered a new segment by launching two models of Device Bags designed to transport digital tools.

In the first semester of 2015, the revenues generated by the *WTR* Collections rose by 37.4% (37.5% net of *special items*), recording significant growth despite the fact that the first half of 2014 benefited from the launch of the *myCloud* bags and Writing collections.

OTHER OPERATING INCOME

Other operating income, in the amount of Euro 2,785 thousand as of June 30, 2015, consists primarily of realized and unrealized foreign currency gains resulting from fluctuations in exchange rates that affect the operations metrics of the Group, mainly those related to trade working capital, and which, as at June 30, 2015, came to Euro 2,655 thousand.

This positive effect, followed by that of the *embedded* derivatives, in the amount of Euro 296 thousand as of June 30, 2015, confirms the volatility in the euro exchange rate trends against the US dollar and the currencies pegged to it. It is partially offset by the effect of the exchange rate included in the intragroup margin offsets included in the warehouses of subsidiaries and recognized in the costs for finished products, raw materials and consumables, which management has estimated to be Euro 1,973, as well as by the realized and unrealized foreign exchange losses, recognized in the other operating expenses in the amount of Euro 676 thousand.

Therefore the “net” positive effect of fluctuations in exchange rates reflected on the Group’s Statement of Comprehensive Income is Euro 300 thousand.

OPERATING RESULTS

The following table provides a breakdown of the operational profitability indicators EBITDA and EBIT and their respective adjusted figures.

In thousands of Euro and percentage of revenues	**Period ended June, 30**	
	2015	**2014**
Operating profit (EBIT)	11,546	8,716
+ Depreciation, amortization and impairments	2,434	1,841
EBITDA (*)	13,980	10,557
+ Total non-recurring transactions and *special items*	1,166	1,154
Adjusted EBITDA	15,146	11,711
As % of *Adjusted* revenues	28.1%	28.5%
Adjusted Operating profit (EBIT)	12,712	9,870
As % of *Adjusted* revenues	24%	24%

(*) The Group defines EBITDA as operating income (EBIT) before depreciation, amortization and impairment of non-current assets. EBITDA is not recognized as a measure of financial performance or liquidity under IFRS; therefore, it should not be considered an alternative measure for assessing the performance of Group operating income. Since the method for calculating EBITDA is not governed by reference accounting standards, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.

EBITDA grew 32.4%, from Euro 10,557 thousand in the first half of 2014 to Euro 13,980 thousand in the first half of 2015.

Adjusted EBITDA came to Euro 15,146 thousand, equal to 28.1% of the *Adjusted* revenues, up 29.3% from the same period last year and down 0.4% in percentage points in terms of impact on the *Adjusted* revenues compared to the first half of 2014.

The growth in *Adjusted* EBITDA in absolute terms is driven by the increase in sales and by the optimization of overhead costs.

Operating income (EBIT), affected by the above factors, as well as by the negative effect of the increase in depreciation and amortization in the first half of 2015, related to the investments made to support growth, went from the Euro 8,716 thousand in the first half of 2014 to Euro 11,546 thousand in the first half of 2015. Net of *special items*, *Adjusted* EBIT came to Euro 12,712 thousand in the first half of 2015 (vs. Euro 9,870 thousand in the first half of 2014).

Below is a combined analysis of costs for finished products, raw materials and consumables and the costs for external processing for the six months ended June 30, 2015 and 2014. This approach is used for a better understanding of the dynamics through which these costs accrue and their impact.

In thousands of Euro and percentage of revenues	**Period ended June, 30**				**Changes**	
	2015	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Finished products, raw materials and consumables	(11,097)	(20.6%)	(8,999)	(21.9%)	(2,098)	23.3%
Processing costs	(678)	(1.3%)	(708)	(1.7%)	30	(4.2%)
Total finished products, raw materials and consumables	**(11,775)**	**(21.9%)**	**(9,707)**	**(23.6%)**	**(2,068)**	**21.3%**

Considering the trend of the two cost items together, they had a smaller impact on revenues compared to the previous period (23.6% in 2014 and 21.9% in 2015). This impact benefits from the positive effect on the channel mix resulting from the greater weight of the direct channels as well as the benefit resulting from the change in the distribution models in the *Wholesale* channel mentioned above. These effects more than offset the negative impact of exchange rates on sales costs.

ANALYSIS OF DEPRECIATION, AMORTIZATION, NET FINANCE EXPENSE, TAXES AND NET INCOME

In thousands of Euro	Period ended June, 30				Changes	
	2015	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Depreciation, amortization and impairments	2,434	4.5%	1,841	4.5%	593	32.2%
Net finance expense	(27)	(0.1%)	1,061	2.6%	(1,088)	(102.5%)
Income tax expense	3,818	7.1%	2,526	6.1%	1,292	51.1%
Net income	7,755	14.4%	5,129	12.5%	2,626	51.2%

Depreciation, amortization and impairments came to Euro 2,434 thousand in the six month period ended June 30, 2015, posting an increase of Euro 593 compared to the same period of last year, in line with the investments made by the Group starting in 2014.

The positive net finance expense totaled Euro 27 thousand as at June 30, 2015, including finance expense of Euro 547 thousand and finance income of Euro 574 thousand, the latter of which are mainly attributable to realized foreign currency gains on current accounts in foreign currency. The impact of net finance expense on revenues from sales improved significantly compared to the same period in 2014, from 0.1% of net financial income in 2015 compared to 2.6% of net financial expenses in 2014.

This result reflects the refinancing operation regarding the outstanding structured debt owed to credit institutions as of December 31, 2013, started in the second half of 2014 and continued in 2015, which led to the renegotiation of the terms and conditions of the agreement, not only of the amounts, but also of the loans outstanding as of December 31, 2014, with a view to optimizing its financial structure.

In particular, on April 28, 2015, the Group Holding Company entered into a medium term loan agreement with Banca Nazionale del Lavoro for a total sum of Euro 20 million, to replace the Euro 6 million line of credit previously used, which was closed on the same date of the new line granted.

On May 13, 2015, the Group Holding Company reached an agreement with Mediobanca for the application of better interest rates than those contained in the loan agreement signed on July 10, 2014. On June 4, 2015, the Euro 10 million loan outstanding with Banca Intesa was repaid and replaced by a new loan, for the same amount, but with a better maturity and interest rates.

Please see note 6.11 “ Current and non-current financial liabilities” for details on outstanding loans.

In addition to the interest expense on loans, financial expenses also include Euro 86 thousand for ancillary costs previously recorded as a reduction of debt which, in compliance with IAS 39 based on the application of the amortized cost method, was recognized in the statement of comprehensive income as a result of the repayment to Banca Intesa described above.

In light of the above, net profit for the period came to Euro 7,755 thousand, or 14.4% of revenues, compared to Euro 5,129 thousand during the same period in 2014. Net of the effect of *special items* and relative tax effects, net income for the period would have been Euro 8,584 thousand, or 15,9% of revenues, up in terms of their ratio to total revenues by 1.5 percentage points compared to the same period of the previous year.

The improvement in net income is mainly due to the growth factors highlighted above in the analysis on the operating results in addition to the positive financial impact of exchange rates. In addition, borrowing costs have dropped due to improvements in the contractual conditions related to the refinancing operations in 2014 and 2015.

ANALYSIS OF FINANCIAL POSITION

NET WORKING CAPITAL

The table below shows a breakdown of the Group's net working capital as of June 30, 2015, December 31, 2014 and June 30, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**	**As of June 30,**
Sources and Uses	**2015**	**2014**	**2014**
Uses			
Inventories	24,115	15,785	17,482
Trade receivables	27,833	22,798	22,393
Trade payables	(19,430)	(17,754)	(13,946)
Net commercial working capital (A)	**32,518**	**20,829**	**25,929**
Other current assets	2,135	1,798	1,449
Income tax payables	(4,956)	-	(1,154)
Income tax receivables	-	2,081	-
Other current liabilities	(5,711)	(4,520)	(3,512)
Other components of net working capital (B)	**(8,532)**	**(641)**	**(3,217)**
Net working capital (A + B)	**23,986**	**20,188**	**22,712**

The cyclical nature should be taken into consideration to better understand the main changes in net working capital. Therefore, the remarks comparing the figures at June 30, 2015, and at the same date of 2014 are provided below.

The impact of individual items on sales in the past 12 months should also be considered in an analysis of trade working capital trends as shown below.

In thousands of Euro	**As of June 30,**		**As of June 30,**	
Sources and Uses	**2015**	**%**	**2014**	**%**
Uses				
Inventories	24,115	22%	17,482	20%
Trade receivables	27,833	25%	22,393	25%
Trade payables	(19,430)	(17%)	(13,946)	(16%)
Net commercial working capital (A)	**32,518**	**29%**	**25,929**	**29%**

With reference to the individual items making up net working capital, it should be noted that:

i) the value of inventories as of June 30, 2015, was greater than that as at December 31, 2014 and that of June 30, 2014, by Euro 8,330 thousand (+53%) and by Euro 6,633 thousand (+38%), respectively. The increase compared to the end of the previous year was affected by the seasonality of mid-year inventories characterized by the assortment of new products and the diaries to be launched during the second half of the year.

   With regard to the change from June 30, 2014, the increase in the value of inventories was due the combination of two effects, namely a business factor tied to the increase in stocks needed to respond to the expected growth in sales during the third quarter of the year and a factor of change in the product mix to meet the additional sales in relation to the existing order book.

ii) trade receivables increased by Euro 5,035 thousand (+22%) compared to December 31, 2014, and by Euro 5,440 thousand (+24%) compared to June 30, 2014. The increase from June 30, 2014, was mainly due to growth in business, as shown by the bearing of trade receivables compared to sales in the last twelve months, equivalent to 22% at both reporting dates.

iii) trade payables as at June 30, 2015, increased in relation to December 31, 2014 (up Euro 1,676 thousand, or 9%) and June 30, 2014 (up Euro 5,484 thousand, or 39%), due to growth in business, with a margin of sales basically in line with that of the same period of last year and with average payment days in line with June 30, 2014.

Please the relevant section in this report for more information on the financial indicators.

CAPITAL EXPENDITURES

Net capital expenditure in the first half of 2015 amounted to Euro 2,022 thousand (vs. Euro 1,927 thousand in the first half of 2014).

Net capital expenditures on tangible assets for the six months ended June 30, 2015, in the amount of Euro 1,073 thousand, relate primarily to the investments in the *Retail* channel and to support growth of the organization structure.

Net capital expenditures on intangible assets for the six months ended June 30, 2015, in the amount of Euro 949 thousand, relate primarily to the implementation plans for a new ERP (SAP ECC.) system, with more functions and to better meet the Group's needs, a new *Customer Relationship Management Software* (CRM) currently being deployed, as well as the continuation of the *Datawarehouse* and *Business Intelligence* project started in 2014.

NET FINANCIAL INDEBTEDNESS

The following table shows a breakdown of net financial indebtedness as of June 30, 2015 and December 31, 2014, calculated in accordance with CONSOB Regulation No. 6064293 of July 28, 2006, and the ESMA/2013/319 Recommendations.

	In thousands of Euro	**As of June 30,**	**As of December 31,**
	Net financial indebtedness	**2015**	**2014**
A.	Cash and cash equivalents	18,249	17,353
B.	Other cash equivalents	12,000	6,000
C.	Available-for-sales financial assets	-	-
D.	**Cash (A) + (B) + (C)**	**30,249**	**23,353**
E.	**Short term financial receivables**	**-**	**-**
F.	Short term loans	-	-
G.	Long term loans (current portion)	(3,834)	(4,856)
H.	Other current financial payables	(351)	(169)
I.	**Current financial position (F) + (G) + (H)**	**(4,185)**	**(5,025)**
J.	**Net current financial indebtedness (I) + (E) + (D)**	**26,064**	**18,328**
K,	Long term loans (non current portion)	(36,680)	(22,947)
L,	Issued bonds	-	-
M.	Othe non-current financial payables	-	-
N.	**Non current financial position (K) + (L) + (M)**	**(36,680)**	**(22,947)**
O.	**Net financial indebtedness (J) + (N)**	**(10,616)**	**(4,619)**

The term "net financial indebtedness" refers to gross financing net of cash, bank deposits and other liquid assets, which includes government notes and other highly liquid, publically listed securities, as set forth in the financial statements for the respective periods;

By "gross financing" we mean any financial obligation, even if not yet liquid and payable and even if only contingent, that concerns:

i) the repayment of principal obtained for financing purposes (including discounting and factoring, advances against invoices, and bank collection orders) regardless of the form of such obligations and the type of the relationship between the parties and including the payment of interest and other finance costs;

ii) the principal and interest on bonds or other such securities;

iii) finance leases (as defined by IAS 17).

Net financial indebtedness, as of June 30, 2015, increased by Euro 5,997 thousand compared to December 31, 2014.

Gross of dividends, which were paid on April 22, 2015, in the amount of Euro 7 million, the net financial indebtedness would have been Euro 3,616 thousand, with an improvement of roughly Euro 1 million compared to the end of the previous year.

With reference to the change in net financial indebtedness the following table shows its impact in relation to *Adjusted* EBITDA in the last twelve months.

In thousands of Euro	Period ended as of	
	June 30, 2015	**December 31, 2014**
Net financial indebtness	10,616	4,619
Adjusted EBITDA LTM	37,161	33,726
Net financial indebtness/*Adjusted* EBITDA LTM	**28.6%**	**13.7%**

SHAREHOLDERS' EQUITY

The table below shows a breakdown of Shareholders' equity as of June 30, 2015 and December 31, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**
Equity	**2015**	**2014**
Share capital	2,122	2,122
Share premium reserve	90,406	90,406
Other reserves	(9,910)	(19,993)
Net profit	7,755	16,525
Total Equity	**90,373**	**89,060**

For a full description of changes in Shareholders' equity, please see the related statement and note 6.10 of the notes to the condensed consolidated financial statements as of June 30, 2015.

ECONOMIC AND FINANCIAL INDICATORS

PROFIT RATIOS

The table below shows the value of the main profit ratios for the periods ended June 30, 2015. Figures are net of the abovementioned *special items*. The ratios shown in the table are calculated based on economic parameters referred to a 12-month period, from July 1, 2014 to June 30, 2015.

	June 30, 2015 (*)
Return on Investment (ROI) – EBIT/Average net invested capital	33.5%
Return on Investment (ROIC) – EBIT/Average net invested capital (**)	43.4%
Return on Sales (ROS) – EBIT/Revenues	29.4%
Return on Assets (ROA) – Net income/Total assets	12.4%

(*) Figures are calculated on adjusted results
(**) ROIC is calculated in the same way as ROI except for the exclusion of goodwill in calculating the average net capital invested in the period

FINANCIAL RATIOS

The table below shows the value of the main financial indicators for the period ended June 30, 2015. The ratios shown in the table are calculated based on economic parameters referred to a 12-month period, from July 1, 2013 to June 30, 2014.

	June 30, 2015 (*)
DSO - Average trade receivables payment days	91.1
DPO - Average trade payables payment days	95.8
DSI - Average number of days of inventory	324.7

(*) Figures are calculated on adjusted results

INFORMATION ON CORPORATE GOVERNANCE

PROFILE

The Company is organized based on the traditional model of administration and control as defined by Articles 2380-bis et. seq. of the Italian civil code, which calls for a body of shareholders, a board of directors and a board of statutory auditors.

The Company has adopted the Corporate Governance Code of Borsa Italiana S.p.A. and follows the principles contained therein.

BOARD OF DIRECTORS

The Company's Board of Directors in office as of the date of this Report has eight members, seven of whom are non–executive and two of whom are independent. They were appointed by the Ordinary Shareholders' Meeting on November 28, 2012, with additional directors being appointed by the Ordinary Shareholders' Meeting on March 7, 2013.

The Board was appointed from the single list of candidates submitted by the shareholder Appunti S.à.r.l., in compliance with article 13.3 of the Articles of Association.

This Board took office as of the date on which trading of the Issuer's shares on the MTA began, i.e., April 3, 2013.

The Board so appointed will remain in office for three financial years, until the date of the Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2015.

In consideration of the above, the majority of the Board consists of non-executive directors who, due to their number and authority, are able to significantly influence the Issuer's board decisions.

COMMITTEES

The Board committees are the Remuneration Committee and the Control and Risk Committee. The Control & Risks Committee also provides for the functions of the committee for related party transactions.

INTERNAL CONTROLS AND RISKS MANAGEMENT

The system of internal control and risk management establishes that the Board of Directors is responsible for defining this system's policies, understood as the set of processes implemented to monitor the effectiveness of company transactions, the reliability of financial reporting, compliance with laws and regulations as well as the articles of association and internal procedures, and the protection of the company's assets.

In this regard, the Board relies on the collaboration of a director responsible for overseeing the functioning of the system of internal control and risk management and of the Control & Risk Committee.

At the proposal of the director responsible for the internal control and risk management system, and after consulting with the Control & Risks Committee and the Board of Statutory Auditors, the Board of Directors appointed an internal audit manager, who is responsible for verifying that the internal control and risk management system operates properly and is adequate, and has ensured that this manager is provided with means suited to the role, including in terms of the operating structure and internal organizational procedures for access to the information required for the role.

BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors in office as of the date of this Report was unanimously appointed by the shareholders at their ordinary meeting held on November 28, 2012. This board took office on the date on which the Issuer's shares began being traded on the MTA, i.e. April 3, 2013.

The Board of Statutory Auditors so appointed will remain in office for three financial years, until the date of the Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2015.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Please see Note 16 “Significant events after June 30, 2015” of the notes to the Condensed interim consolidated financial statements as of June 30, 2015, for details.

BUSINESS OUTLOOK

Based on first half result and solid current trading, the Group projects for the full year 2015 revenues and *Adjusted* EBITDA at the high end of the guidance range i.e. revenues of Euro 117-120 million and Euro 38 million *Adjusted* EBITDA at constant exchange rates.

The Group expects major growth drivers for the year to include improved brand visibility, product innovation and continued development of the multi-channel distribution platform.

RELATED PARTY TRANSACTIONS

For a detailed description of transactions with related parties in the first half of 2015, please see the notes to these condensed interim consolidated financial statements as of June 30, 2015.

In compliance with the regulation on related party transactions adopted by way of CONSOB Resolution no. 17221 of March 12, 2010, as amended, Moleskine S.p.A. has adopted a procedure governing such transactions (the "**Related Party Procedure**").

The Moleskine S.p.A. Board of Directors approved the procedure on April 3, 2013 with the approval of the independent directors and it became effective on the same date (April 3, 2013), corresponding to the first day of trading of Moleskine shares on the MTA.

The aim of the procedure is to ensure transparency and substantive and procedural fairness in transactions conducted with related parties. It is posted on the Company website, www. moleskine.com, under "Documents" in the "Corporate Governance" section.

FINANCIAL RISK MANAGEMENT

Details on financial risk management are provided in note 14 “Financial risk management” in the notes to the condensed interim consolidated financial statements for the period ended June 30, 2015.

Condensed interim consolidated financial statements as of June 30, 2015

02

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As of June 30,		As of December 31,	
In thousands of Euro	**Note**	**2015**	**of which with related parties**	**2014**	**of which with related parties**
Property, plant and equipment	6.1	6,161		6,306	
Goodwill and trademarks	6.2	76,830		76,859	
Other intangible assets	6.3	4,324		4,236	
Other non-current assets	6.4	2,273		2,127	
Deferred tax assets	6.5	6,884		3,487	
Total non-current assets		**96,472**		**93,015**	
Inventories	6.6	24,115		15,785	
Trade receivables	6.7	27,833		22,798	
Income tax receivables		-		2,081	
Other current assets	6.8	2,135		1,798	
Cash and cash equivalents	6.9	30,249		23,353	
Total current assets		**84,332**		**65,815**	
TOTAL ASSETS		**180,804**		**158,830**	
Share capital		2,122		2,122	
Other reserves		80,496		70,413	
Net income		7,755		16,525	
TOTAL NET EQUITY	**6.10**	**90,373**		**89,060**	
Non-current financial liabilities	6.11	36,680	49	22,947	65
Other non-current liabilities		52		170	103
Deferred tax liabilities	6.12	17,090		17,102	
Post-employment and other employee benefits	6.13	1,540	253	1,802	438
Non-current provisions for risks and charges	6.14	-		-	
Total non-current liabilities		**55,362**		**42,021**	
Trade payables	6.15	19,430	47	17,754	
Income tax payables	6.16	4,956		-	
Current financial liabilities	6.11	4,185	31	5,025	31
Current provisions for risks and charges	6.14	787		450	
Other current liabilities	6.17	5,711	165	4,520	175
Total current liabilities		**35,069**		**27,749**	
TOTAL LIABILITIES		**90,431**		**69,770**	
TOTAL LIABILITIES AND EQUITY		**180,804**		**158,830**	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of Euro		Period ended June, 30					
	Note	2015	of which with related parties	of which non–recurring	2014	of which with related parties	of which non–recurring
Revenues	7.1	53,843			41,077		
Other income	7.2	2,785			364		
Finished products, raw materials and consumables	7.3	(11,097)			(8,999)		
Service costs	7.4	(19,473)	(67)		(12,846)	(32)	
Personnel costs	7.5	(9,946)	(1,375)	-	(8,007)	(1,386)	(32)
Other operating expenses	7.6	(2,132)	(53)		(1,032)	(75)	
Depreciation, amortization and impairments	7.7	(2,434)			(1,841)		
Operating income		**11,546**			**8,716**		
Finance expense	7.8	(547)	(47)		(1,079)	(48)	
Finance income	7.8	574			18		
Income before taxes		**11,573**			**7,655**		
Income tax expense	7.9	(3,818)			(2,526)		
Net income		**7,755**			**5,129**		
EARNINGS PER SHARE							
Basic (euro)	7.10	0.037			0.024		
Diluted (euro)	7.10	0.036			0.024		
Other comprehensive income							
- items that may be reclassified subsequently to profit or loss:							
Fair value cash flow hedge derivatives		-			196		
Fair value cash flow hedge derivatives - tax effect		-			(54)		
Foreign exchange from the translation of fin stat in currencies other than Euro		349			17		
Total items that may be reclassified subsequently to profit or loss		**349**			**159**		
- items that will not be reclassified to profit or loss:							
Actuarial gain/losses on post-employment and other employee benefits		135			(65)		
Actuarial gain/losses on post-employment and other employee benefits-tax effect		(42)			18		
Total items that will not be reclassified to profit or loss		**93**			**(47)**		
Other comprehensive income		**442**			**112**		
Total comprehensive income for the period		**8,197**			**5,241**		

CONSOLIDATED STATEMENT OF CASH FLOWS

	Period ended June 30,			
In thousands of Euro	**2015**	**of which with related parties**	**2014**	**of which with related parties**
Profit before income tax	11,573		7,655	
Adjustments for:				
Depreciation and amortization of intangible assets and property, plant and equipment	2,434		1,841	
Accruals to provisions for risks and charges and post-employment and other employee benefits	873		546	
Accruals to provision for doubtful receivables	545		133	
Accruals to provision for inventory obsolescence	1,016		1,250	
Net finance expense	(27)		1,061	
Other non monetary changes	(2,357)		182	
Cash flow from operating activities before movements in working capital	**14,057**		**12,668**	
Changes in working capital:				
- Change in inventories	(8,011)		(3,142)	
- Change in trade receivables and other receivables	(5,112)		(5,356)	
- Imposte diff e anticipate				
- Change in trade and other payables	2,465	(734)	(2,233)	(1,141)
- Change in post-employment and other employee benefits and in provisions for risks and charges	(420)		(359)	
Cash flow absorbed from movements in working capital	**(11,078)**		**(11,090)**	
Income tax paid	(213)		(175)	
Cash flow from operating activities	**2,766**		**1,403**	
Cash flow used in investing activities				
Investments:	(2,022)		(1,927)	
- Investments in intangible assets	(949)		(474)	
- Investments in property, plant and equipment	(1,073)		(1,453)	
Disposals of property, plant and equipment and intangible assets			32	
- Disposals in intangible assets				
- Disposals in property, plant and equipment			32	
Cash flow used in investing activities	**(2,022)**		**(1,895)**	
Cash flow from financing activities				
Change in long-term loans	29,938			
Change in short-term loans			4,390	
Repayment of medium/long-term loans	(17,333)		(6,136)	
Repayment of shareholders' financial liabilities				
Payment of ancillary costs				
Change in shareholders' equity				
Payment net financial expenses	(123)		(648)	
Altre variazioni di passività finanziarie				
Dividends	(7,000)			
Cash flow used in financing activities	**5,482**		**(2,394)**	
Change in cash and cash equivalents	**6,226**		**(2,886)**	
Cash and cash equivalents at the beginning of the year	23,353		5,750	
Exchange differences in cash and cash equivalents	670		(12)	
Cash and cash equivalents at the end of the period	30,249		2,852	

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousands of Euro	Note	Share capital	Share premium reserve	Currency Translation Reserve	Cash Flow Hedge Reserve	Other reserves	Net Profit	Total Equity
As of December 31, 2013	**6.10**	**2,120**	**90,406**	**(120)**	**(142)**	**(32,633)**	**11,913**	**71,544**
Profit for the period							5,129	5,129
Currency translation reserve				17				17
Cash flow hedge reserve changes					142			142
Actuarial gain/losses on post–employment and other employee benefits						(47)		(47)
Comprehensive income for the period		**-**	**-**	**17**	**142**	**(47)**	**5,129**	**5,241**
Allocation of net profit 2014						11,913	(11,913)	-
Share Capital Increase		2				(2)		-
Incentives for management						275		275
As of June, 30 2014	**6.10**	**2,122**	**90,406**	**(103)**	**-**	**(20,494)**	**5,129**	**77,060**

In thousands of Euro	Note	Share capital	Share premium reserve	Currency Translation Reserve	Cash Flow Hedge Reserve	Other reserves	Net Profit	Total Equity
As of December 31, 2014	**6.10**	**2,122**	**90,406**	**338**	**-**	**(20,331)**	**16,525**	**89,060**
Profit for the period							7,755	7,755
Currency translation reserve				349				349
Cash flow hedge reserve changes								
Actuarial gain/losses on post–employment and other employee benefits						93		93
Comprehensive income for the period		**-**	**-**	**349**	**-**	**93**	**7,755**	**8,197**
Allocation of net profit 2014						9,525	(9,525)	-
Dividend distribution							(7,000)	(7,000)
Share Capital Increase								-
Incentives for management						116		116
As of June, 30 2015	**6.10**	**2,122**	**90,406**	**687**	**-**	**(10,597)**	**7,755**	**90,373**

EXPLANATORY NOTES

1. GENERAL INFORMATION

Moleskine S.p.A. (hereinafter also the "**Company**" or "**Moleskine**" or "**Group Holding Company**") is a company incorporated and domiciled in Italy and governed by the laws of the Italian Republic. Its registered office is located in Milan (Viale Stelvio 66), Italy.

Moleskine and its subsidiaries (the "**Group**") develop, distribute and sell a range of products under the Moleskine brand, such as notebooks, agendas, portfolios, handbags, writing tools, reading accessories, and services and applications for the digital world. The products distributed are organized into two lines, as follows:

i) paper collections ("***Paper* Collections**"), such as notebooks, agendas, other home-office products, and gifts; This line also includes analog/digital products and services, namely belonging to the "ADA-*Analog-Digital-Analog*" category, working as a "continuum" between the analog and digital dimensions.

   Several examples of the products included in this category are the Smart Notebook line developed together with Evernote, a notebook designed to work with Livescribe smartpens, as well as the notebook developed in partnership with Adobe, the leader in digital marketing and digital media solutions. Recently launched on the market, the calendar application for *iOS Timepage* is included in this product line.

ii) writing, travel and reading accessories (the "***WTR* Collections**"), such as pens and pencils, bags, eyewear, and reading lights.

The Group distributes its products:

i) indirectly through a network of 74 distributors (i.e. the *Wholesale* channel), which serve bookshops, department stores, stationers, museums and other specialty stores (i.e. retailers);

ii) a) through a mixed direct and indirect model for the custom editions designed for our business customers (i.e. B2B); b) through our *e-Commerce* site; and c) through our *Retail* network of 43 single-brand stores (16 in China, 2 in Singapore, 2 in Hong Kong, 8 in Italy, 3 in the U.K., 4 in France, 2 in Germany and 6 in the U.S.).

The Group has a well-developed presence in Europe, the United States and Asia.

On the date on which these condensed consolidated financial statements were prepared, the ordinary shares of the Group Holding Company (Moleskine S.p.A.) were listed on the Milan Stock Exchange – MTA - STAR Segment.

These condensed consolidated financial statements were approved by the Board of Directors on August 4, 2015.

These condensed consolidated financial statements have been limited audited by PricewaterhouseCoopers S.p.A., the auditors of the Company.

2. SUMMARY OF ACCOUNTING PRINCIPLES AND MEASUREMENT CRITERIA

2.1 Basis of preparation

The condensed interim consolidated financial statements as of June 30, 2015, have been prepared in accordance with IAS 34, concerning interim financial reporting. IAS 34 permits a significantly lower amount of information to be included in condensed financial statements than what is required by International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and approved by the European Union (EU-IFRSs) if the entity has prepared complete financial statements and notes compliant with the IFRSs for the previous financial year. The condensed interim consolidated financial statements as of June 30, 2015 has been prepared in summary form and should therefore be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2014, prepared in accordance with IFRSs.

The condensed interim consolidated financial statements as of June 30, 2015 were prepared on a going concern basis and comprise the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in shareholders' equity and the explanatory notes.

2.2 Form and content of the financial statements

As regards the form and content of the financial statements, the Group has made the following choices:

i) the statement of financial position is presented by showing the current and non-current assets and liabilities separately;

ii) the statement of comprehensive income is presented by nature of revenue and expense;

iii) the statement of cash flows is presented using the indirect method;

iv) the statement of changes in shareholders' equity is presented stating separately the profit of the year and all income and expense not recognized in the statement of comprehensive income, but recognized directly in shareholders' equity on the basis of specific accounting standards.

The Group has chosen to present one statement of comprehensive income which presents not only the profit for the period, but also changes in equity that are recognized directly to equity through other comprehensive income, as expressly permitted by international accounting standards.

The statements used, as specified above, are those which best represent the Group's financial performance and standing.

These condensed consolidated financial statements have been prepared in Euros, which is the Company's functional currency.

The amounts shown in the condensed consolidated financial statements and in the tables included in the notes are expressed in thousands of Euros, unless otherwise indicated.

2.3 Scope of and changes in consolidation

The consolidated financial statements as of June 30, 2015, include the financial statements of the Group Holding Company Moleskine S.p.A. (the "**Company**"), and those of its subsidiaries, jointly referred to as the Moleskine Group.

The table below lists the name and registered office of the subsidiaries and the Moleskine Group's direct and indirect holdings in those companies as of June 30, 2015.

				Percentage of control	
Name of company	**Headquarters**	**Currency**	**Share Capital**	**Direct**	**Indirect**
Moleskine America Inc.	New York, 210 Eleventh Avenue	US Dollar	100,100	100%	
Moleskine Asia Ltd	Hong Kong, 32/F, The Centrium, 60 Wyndham Street, Central	HK Dollar	20,730,622	100%	
Moleskine Trade & Commerce Shanghai Co. Ltd	Shanghai, Unit 3506, Tower 2, Grand Gateway Center, No. 3 , Hong Qiao Road , Xuhui District	Renminbi (Yuan)	17,033,997		100%
Moleskine France S.à.r.l.	Paris, 39 Rue Beaureguard	Euro	310,000	100%	
Moleskine Germany GmbH	Colonia, Spichernstraße 73	Euro	25,000	100%	
Moleskine Singapore Pte Ltd	6001 BEACH ROAD 13-04 Golden Mile Tower Singapore (199589)	SG Dollar	725,000		100%
Moleskine UK Limited	London, Second floor, Cardiff House, Tilling Road	Pound	300,000	100%	
Moleskine Japan K.K.	Tokyo, 5-4-35-1301 Minami Aoyama, Minato-ku	Yen	6,010,000		100%
Moleskine America Retail LLC	2711 Centerville Road, Suite 400, in the City of Wilmington, Delaware	US Dollar	10		100%

2.4 Accounting standards and consolidation principles

The scope of consolidation includes the subsidiaries for which it is possible to exercise control as defined in IFRS 10, which provides that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The investments in associates (over which the company has significant influence, pursuant to IAS 28) are accounted for using the equity method while joint arrangements (i.e. an arrangement of which two or more parties have joint control in accordance with IFRS 11) are accounted for applying the equity method, if it qualifies as a joint venture, or accounting for assets, liabilities, revenues and expenses if it qualifies as a joint operation.

Subsidiaries are fully consolidated from the date on which the Group obtained control over the entity up to the date on which control is transferred to a third party. The interim financial statements within the scope of consolidation are those prepared for the six months ended June 30, 2015, and have been adjusted, where necessary, in order to ensure compliance with the Group's accounting standards.

Subsidiaries are fully consolidated on a line by line basis as follows:

- the assets and liabilities, revenues and costs of the subsidiaries are consolidated line by line and the proportionate share of shareholders' equity and net profit are allocated to non-controlling interests where applicable; equity and net profit attributable to non-controlling interests are reported separately in shareholder's equity and the statement of comprehensive income;
- the Group applies the acquisition method to business combinations. Under this method, the consideration transferred in a business combination is measured at fair value, calculated as the sum of the fair value of the assets transferred and of the liabilities assumed by the Group on the date of acquisition and the equity instruments issued in exchange for control of the company acquired. Costs related to the acquisition are generally recorded in the statement of comprehensive income as incurred. The identifiable assets acquired and the liabilities assumed are recognized at fair value on the acquisition date, except for the following items which are recognized in accordance with their relevant accounting principle:
  i) deferred tax assets and liabilities;
  ii) employee benefit assets and liabilities;
  iii) liabilities and equity-based instruments relating to share-based payments of the company acquired or to payments based on the shares of the Group, issued to replace contracts of the company acquired;
  iv) assets held for sale and discontinued operations;
- gains and losses, with the related tax effects, arising from transactions made between fully consolidated entities, and not yet realized with third parties, are eliminated, unless the transaction provides evidence of impairment of the asset transferred. Intercompany payables and receivables, costs and revenues, and financial income and expenses are also eliminated if significant.

Accounting standards, amendments and interpretations applied as of January 1, 2015

The new or revised principles of the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC) which must be applied beginning on January 1, 2015, are indicated below.

Description	Endorsed by the EU at the date of the financial statements	Effective date
Annual improvements cycles 2011-2013	February 2015	Financial years beginning on or after January 1, 2015

The adoption of the accounting standards, amendments and interpretations shown in the table above had not significant effects on the Group's financial position or result.

New accounting standards, interpretations and amendments not yet applicable or not yet adopted by the Group.

The table below shows the international accounting standards, interpretations, amendments to existing accounting standards and interpretations, or specific provisions included in standards or interpretations of the IASB, with an indication of those which have and have not been adopted for use in Europe at the date of these financial statements.

Description	Endorsed by the EU at the date of the financial statements	Effective date
Amendment to IAS 19 regarding defined benefit plans	Yes	Financial years beginning on or after February 1, 2015
Annual improvements cycles 2010-2012	Yes	Financial years beginning on or after February 1, 2015
Amendment to IAS 16 'Property, plant and equipment' and IAS 38 'Intangible assets'	No	Financial years beginning on or after January 1, 2016
Amendment to IFRS 11, 'Joint arrangements' on acquisition of an interest in a joint operation	No	Financial years beginning on or after January 1, 2016
IFRS 14 'Regulatory deferral accounts'	No	Financial years beginning on or after January 1, 2016
Amendment to IAS 16, 'Property, plant and equipment', and IAS 41, 'Agriculture', regarding bearer plants	No	Financial years beginning on or after January 1, 2016
Annual improvements 2012-2014	No	Financial years beginning on or after January 1, 2016
Amendments to IAS 27, 'Separate financial statements' on the equity method	No	Financial years beginning on or after January 1, 2016
Amendments to IFRS 10, 'Consolidated financial statements' and IAS 28, 'Investments in associates and joint ventures'	No	Financial years beginning on or after January 1, 2016
Amendment to IAS 1, 'Presentation of financial statements' on the disclosure initiative	No	Financial years beginning on or after January 1, 2016
Amendment to IFRS 10 and IAS 28 on investment entities applying the consolidation exception	No	Financial years beginning on or after January 1, 2016
IFRS 15 'Revenue from contracts with customers'	No	Financial years beginning on or after January 1, 2017
IFRS 9 'Financial instruments'	No	Financial years beginning on or after January 1, 2018

The Group did not early adopt any accounting standards and/or interpretations whose application is obligatory for periods commencing subsequent to June 30, 2015.

The Group is assessing the effects of the application of the new standards and amendments above, which are currently not considered to be material.

Translation of the financial statements of foreign entities

The financial statements of subsidiaries are prepared in the currency of the primary economic environment in which they operate. The following rules are applied for the translation of the company's financial statements into Euro:

- assets and liabilities are translated using the exchange rates at the balance sheet date;
- revenues and costs are translated using the average exchange rate for the period;
- the translation reserve, which is recorded in the statement of comprehensive income includes both the difference generated by translating income statement items at a different exchange rate from the period end rate and the differences generated by translating opening shareholders' equity amounts at a different exchange rate from the period-end rate;
- goodwill, where applicable, and fair value adjustments from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

The subsidiaries included in the scope of consolidation which do not have the euro as their functional currency are Moleskine America and Moleskine America *Retail* (USD), Moleskine Asia (HKD), Moleskine Shanghai (CNY), Moleskine UK (GBP), Moleskine Singapore (SGD), and Moleskine Japan K.K. (JPY).

The table below shows the exchange rates used for the translation of the above financial statements prepared in foreign currency.

	As of	
Currency	**June 30,2015**	**December 31,2014**
USD	1.119	1.214
HKD	8.674	9.417
CNY	6.937	7.536
GBP	0.711	0.779
JPY	137.010	145.230
SGD	1.507	1.606

	Avarage of period ended June 30,	
Currency	**2015**	**2014**
USD	1.116	1.370
HKD	8.652	10.630
CNY	6.941	8.452
GBP	0.732	0.821
JPY	134.165	n.a.
SGD	1.506	1.728

3. ESTIMATES AND ASSUMPTIONS

Please see the consolidated financial statements as of December 31, 2014, for details on the use of accounting estimates.

4. SEASONALITY

Although the Group business does not undergo significant seasonal or cyclical changes in overall annual sales throughout the year, it is influenced by the different distribution of revenue and expenses across the various months of the year. For this reason, an analysis of financial standing and performance for the period under review should not be considered a fully proportionate share of the entire year.

5. SEGMENT REPORTING

IFRS 8 “Operating Segments” defines an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the entity’s chief operating decision maker; and
- for which discrete financial information is available.

For the purposes of IFRS 8 “Operating Segments”, the activity in which the Group engages may be classified into a single operating segment.

The Group’s structure, organized by product lines, distribution channels and geographical areas, identifies a strategic, unitary vision of the business. Such representation is consistent with the manner in which the management makes decisions, allocates resources and defines the communication strategy, thus rendering a possible split of the business into segments inefficient.

In the interest of full disclosure, a breakdown of revenues by product line, distribution channel and geographical area is presented in note 7.1 “Revenues”.

In accordance with the requirements of IFRS 8, paragraph 33, the following is a breakdown of property, plant and equipment and intangible assets by geographical area. Assets have been allocated according to the country in which each asset operates, with the exception of trademarks and goodwill, the values of which have been included in the line “Non-allocated.”

In thousands of Euro	**As of June 30,**	**As of December 31,**
Fixed assets by geographical area	**2015**	**2014**
EMEA	6,877	6,995
USA	2,350	2,345
Asia	1,258	1,202
Not allocable	76,830	76,859
Total tangible and intangible fixed assets	**87,315**	**87,401**

5.1 Major customers

Considering the Group’s business model, which relies largely on indirect sales through distributors, the revenues earned by the Group through one distributor, operating exclusively in the US market, accounted for 27% and 25% of total revenues in the six months ended June 30, 2015 and June 30 2014, respectively.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

6.1 Property, plant and equipment

Property, plant and equipment totaled Euro 6,161 thousand as of June 30, 2015 (vs. Euro 6,306 thousand as of December 31, 2014). The balance of this item decreased given that capital expenditures for the period net of divestments (in the amount of Euro 1,073 thousand) was lower than the amount of depreciation and impairment (in the amount of Euro 1,515 thousand). Capital expenditures mainly concerned the setting up of 9 new stores opened during the period, the installation of in-store display structures, the purchase of hardware components and molds used in the manufacture of new *WTR* products.

6.2 Goodwill and trademarks

Goodwill and trademarks came to Euro 76,830 thousand as of June 30, 2015 (vs. Euro 76,859 thousand as of December 31, 2014) and includes the Moleskine trademark in the amount of Euro 54,540 thousand and goodwill in the amount of Euro 22,290 thousand. Goodwill mainly represents the difference between the contribution paid for the acquisition of Modo & Modo S.p.A. in October 2006 and the net fair value of the assets acquired and liabilities assumed.

In line with IAS 36, as of June 30, 2015, the Company deemed that the conditions were met to confirm the value of goodwill and of the trademark given that the analyses conducted did not point to any indications of impairment.

6.3 Other intangible assets

Other intangible assets amounted to Euro 4,324 as of June 30, 2015(vs. Euro 4,236 thousand as of December 30, 2014). The balance of item under review increased by Euro 88 thousand due to the difference between amortization and impairment and the investments made during the six months under review The above investments relate primarily to the implementation plans for a new ERP system, the new customer relationship management (CRM) software and the continuation of the datawarehouse and business intelligence project started in 2014.

The implementation plans for the new ERP systems and CRM software respond to the need to accompany the upcoming business expansion with the congruent development of suitable ITC architecture. These projects will make it possible to streamline and simplify company processes and are scheduled to go live during the first half of 2016.

6.4 Non-current assets

The following table shows a breakdown of non-current receivables as of June 30, 2015 and as of December 31, 2014.

In thousands of Euro	As of June 30,	As of December 31,
Other non-current assets	**2015**	**2014**
Security deposits	1,210	1,025
Advance to personnel	27	24
Tax receivables	34	34
Other	1,002	1,044
Total other non-current assets	**2,273**	**2,127**

Security deposits include the amounts paid for outstanding lease agreements. The increase for the period includes Euro 102 thousand to Moleskine Asia concerning deposits paid for the stores to be opened at the K11 Hong Kong and Elite TST shopping malls, as well as the deposit paid for the tendering procedure, later won, for the opening of POS at Hong Kong International Airport; Euro 68 thousand to Moleskine Shanghai for the stores opened at the K11 Shanghai, Dalian Pavilion, Xiamen Paragon and Qingdao shopping malls, and Euro 10 thousand for the deposit paid by Moleskine America for the store opened in San Francisco at KyoYa Hotels and Resorts.

Taxes receivable refers to the refund for which the Group Holding Company has applied in accordance with the provisions set out in the "Anti-Crisis Decree" (Article 6, paragraph 1, of Law Decree No. 185 of 11/29/2008) with respect to overpayment of corporate income tax (IRES) and non-deduction of the Italian regional business tax (IRAP) during tax periods from 2004 to 2007.

Other receivables include the non-current portion of prepayments and accrued expenses in the amount of Euro 70 thousand (mainly related to insurance costs) and the sums paid to the owners of the *Retail* channel stores (i.e. Key money) due after the next 12 months, in the amount of Euro 492 thousand (including Euro 231 thousand for periods beyond 5 years). The item also includes, for the portion recoverable within the next 12 months, in the amount of Euro 425 thousand, the receivable generated from the sale of products to a contractual counter party to be purchased on the basis of a purchase plan prepared by management, involving different types of products primarily related to trade marketing and *Retail* installations.

6.5 Deferred tax assets

Deferred tax assets amounted to Euro 6,884 thousand as of June 30, 2015 (vs. Euro 3,487 thousand as at December 31, 2014) and refers mainly to the elimination of intragroup earnings in inventory.

6.6 Inventories

The following table shows a breakdown of "Inventories" as of June 30, 2015 and December 31, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**
Inventories	**2015**	**2014**
Finished products, raw materials and semi-finished products	26,313	17,079
Advance payments to suppliers	75	93
Provision for inventory obsolescence	(2,273)	(1,387)
Total inventories	**24,115**	**15,785**

The inventory increase as of June, 30th 2015 with respect to the end of December 2014 is mainly referred to the half-year seasonality effect due to new products and diaries launches planned for the second half of the year.

As of June 30, 2015, no inventories were pledged as guarantees. As of the same date, the Group had goods held by third parties amounting to Euro 21,034 thousand.

The following table shows the changes in the provision for inventory write-down for the six months ended June 30, 2015.

In thousands of Euro	**As of June 30,**
Provision for inventory obsolescence	**2015**
Opening balance	1,387
Accruals	1,016
Uses/Releases	(130)
Final value provision for inventory obsolescence	**2,273**

"Uses" of the provision for inventory write-down include the disposal of products (particularly agendas) as well as the pulping of products that can no longer be sold.

Allocations were made to cover the risk of obsolescence calculated on the basis of the Group's accounting policy.

6.7 Trade receivables

The following table shows a breakdown of "Trade receivables" as of June 30, 2015 and December 31, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**
Trade receivables	**2015**	**2014**
Trade receivables from customers	28,757	23,097
Invoices to be issued	150	12
Credit notes	(407)	(181)
Provision for doubtful receivables	(667)	(130)
Total trade receivables	**27,833**	**22,798**

The rise in trade receivables was mainly associated with the brilliant performance in terms of sales recorded during the six-month period under review, which recorded an increase of 31.1% compared to the same period in 2014.

The following table shows the changes in the provision for doubtful receivables during the first half of 2015.

In thousands of Euro	**As of June 30, 2015**
Provision for doubtful receivables	
Opening balance	130
Accruals	545
Uses/Releases	(8)
Final value provision for doubtful receivables	**667**

The increase for the period under review relates primarily to two outstanding receivables for which the Group is making arrangements for specific repayment plans.

There are no receivables due in more than five years as of the reporting dates.

6.8 Other current assets

The following table shows a breakdown of "Other current assets" as of June 30, 2015 and December 31, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**
Other current assets	**2015**	**2014**
Tax receivables	338	442
Prepayments to suppliers	314	322
Prepayments and accrued expenses	919	529
Other receivables	564	505
Total Other current assets	**2,135**	**1,798**

Taxes receivable in the amount of Euro 388 thousand includes:

- Euro 172 thousand for VAT receivable related to the monthly payment of Moleskine France for the considerable investments made to open new stores in France, still with modest levels of sales and related VAT payable;
- Euro 166 thousand credit for corporate income taxes (IRES) paid as a result of not deducting the Italian regional business tax (IRAP) on employee-related costs in previous fiscal years (in particular 2007 to 2011) and is calculated net of the deductions of Legislative Decree no 446/97, Article 11, comma 1, letter a), 1-bis, 4-bis and 4-bis1. This receivable originates from the provisions of Article 2 of the "Salva Italia" decree (Law Decree No. 201/11) and reimbursement was requested on March 12, 2013, according to the approved methods communicated in a specific measure issued by the Italian Tax Authority.

Prepayments and accrued expenses in the amount of Euro 919 thousand mainly relates to the current portion of the costs that do not apply to the first half of 2015, mainly for insurance premiums, trade fares, association fees and rents and the amounts paid to the owners of the *Retail* stores (i.e. key money).

Other receivables, in the amount of Euro 425 thousand for the portion recoverable within the next 12 months, include the receivable generated from the sale of products to a contractual counter party to be purchased on the basis of a purchase plan prepared by management, involving different types of services and products primarily related to trade marketing and *Retail* installations.

6.9 Cash and cash equivalents

Cash and cash equivalents" (Euro 30,249 thousand as of June 30, 2015 and Euro 23,353 thousand as of December 31, 2014) mainly includes current account (Euro 18,234 thousand) and deposit account (Euro 12,000 thousand) balances with leading banks. It also includes Euro 15 thousand cash on hand related almost entirely to the Group's stores.

6.10 Shareholders' equity

Changes in shareholders' equity reserves are presented in these financial statements.

Share capital amounts to Euro 2,122 thousand as of June 30, 2015, is fully paid-in and consists of 212,180,205 shares with no nominal value per share.

As of June 30, 2014, shareholders' equity amounted to Euro 90,373 thousand (vs. Euro 89,060 thousand as of December 31, 2014).

The share premium reserve totaling Euro 90,406 thousand is posted net of listing costs incurred, allocated to shareholders' equity based on the ratio between the number of new shares issued and the number of shares existing subsequent to the IPO, and is not changed with respect of December 2014 closing.

The changes in shareholders' equity during the half-year under review were the result of total profit for the period and the management incentive schemes recognized in compliance with IFRS 2. Please refer to note 7.5 "Personnel costs" for additional information.

Among the significant events having an impact on the composition of net shareholders' equity as of June 30, 2015, we would like to mention that the shareholders of the parent, at their meeting held on April 15, approved the separate financial statements of Moleskine S.p.A. as of December 31, 2014, and resolved to allocate the profit for the year, in the amount of Euro 17,970,946 as follows:

- Euro 360 as legal reserve;
- Euro 2,114,650 as unrealized exchange gains;
- Euro 7,000,00 as dividends;
- Euro 8,855,936 as retained earnings.

The shareholders therefore approved the distribution of a gross dividend of Euro 0.033 per share for a total of Euro 7,000,000.00. The ex-dividend date was April 20, 2015, with record date on April 21, 2015 and the payable date on April 22, 2015.

During this meeting, the shareholders also approved the authorization for the purchase and disposal of treasury shares, pursuant to Articles 2357 and 2357 ter of the Italian Civil Code and Article 132 of Legislative Decree 58/1998 and the related implementing provisions.

Under this authorization, the Group Holding Company signed a liquidity contract in relation to the ordinary shares of Moleskine S.p.A. Please see the section on significant events after June 30, 2015 for details on the issue.

6.11 Current and non-current financial liabilities

The following table shows a breakdown of current and non-current financial liabilities as of June 30, 2015 and December 31, 2014.

In thousands of Euro	As of June 30, 2015		As of December 31, 2014	
Current and non-current financial liabilities	**Current**	**Non-current**	**Current**	**Non-current**
Long term loans (current portion)	3,834	36,680	4,856	22,947
Accrued interests	351		169	-
Total current and non-current financial liabilities	**4,185**	**36,680**	**5,025**	**22,947**

As of June 30, 2015, the Group does not have any outstanding loans in currencies other than the euro.

The following table shows a breakdown of current and non-current financial liabilities as of June 30, 2015 and December 31, 2014.

In thousands of Euro	As of June 30, 2015							
Current and non-current financial liabilities	**Interest rate**	**Notional amount**	**Commence-ment date**	**Maturity date**	**Book value**	**Maturing in 1 year**	**Maturing in 2-5 years**	**Maturing over 5 years**
Mediobanca Loan	*	12,000	2014	2019	10,667	2,667	8,000	-
Intesa Loan	Euribor 6 m + spread 1.10%	10,000	2015	2019	10,000	1,225	8,775	-
BNL Loan	Euribor 6 m + spread 0.85%	20,000	2015	2020	20,000	-	20,000	-
Borrowing costs					(153)	(58)	(95)	-
Accrued interest					351	351	-	-
Total financial liabilities (current and non-current)					**40,865**	**4,185**	**36,680**	**-**

(*) The interest rate is calculated on the basis of the related period of interest and is:
Euribor 12 months based on the length of the interest period + spread 2.25% (until July 15, 2015);
Euribor 6 months based on the length of the interest period + spread 1.75 % (from July 16 to December 31, 2015);
Euribor 6 months based on the length of the interest period + spread 1.50% (from January 1, 2016).

In thousands of Euro	As of December 31, 2015							
Current and non-current financial liabilities	**Interest rate**	**Notional amount**	**Commence-ment date**	**Maturity date**	**Book value**	**Maturing in 1 year**	**Maturing in 2-5 years**	**Maturing over 5 years**
Mediobanca Loan	*	12,000	2014	2019	12,000	2,666	9,334	-
Intesa Loan	Euribor 6 m + 225bp	10,000	2014	2019	10,000	2,222	7,778	-
BNL Loan	**	10,000	2014	2016	6,000		6,000	-
Borrowing costs					(197)	(32)	(165)	-
Accrued interest					169	169	-	-
Total financial liabilities (current and non-current)					**27,972**	**5,025**	**22,947**	**-**

(*) The interest rate is calculated based on the length of the related interest period and is equal to 12-month Euribor + 225bp for the period running from the date of origination to the date of the first payment scheduled for June 30, 2015, and 6-month Euribor + 225 bp for the subsequent half-yearly installments

(**) The interest rate is calculated as 3/6 month average Euribor +200bp

During the first half of 2015, as already reported in the Management Report, the parent implemented a refinancing plan to support growth, aimed at optimizing its financial leverage.

To that end, the parent renegotiated the terms and conditions of loans with the same financial institutions to which it was exposed as of December 31, 2014, repaying ahead of time several lines of credit and opening new ones.

In particular, on April 28, 2015, Moleskine S.p.A. entered into a medium term loan agreement with Banca Nazionale del Lavoro for a total sum of Euro 20 million, to replace the Euro 6 million line of credit previously used, which was closed on the same date as the new loan. On May 13, 2015 an agreement was reached with Mediobanca for the application of better interest rates than those contained in the loan agreement signed on July 10, 2014. Lastly, on June 4, 2015, the Euro 10 million loan outstanding with Banca Intesa was repaid and replaced by a new loan, for the same amount, but with a better maturity and interest rates.

The main conditions of each of three loans and the changes resulting from the renegotiations are reported below.

Mediobanca Loan

The loan with Mediobanca S.p.A., signed on July 10, 2014 for a total amount of Euro 12,000 thousand with maturity on June 30, 2019, includes a repayment schedule with repayment of the loan in nine deferred half-yearly installments of constant capital (in the amount of Euro 1,333 thousand) starting on June 30, 2015. The interest rate is calculated on the basis of the related period of interest, applying a variable rate equal to the 12-month Euribor increased by an annual fixed nominal rate of 2.25 percentage points for the first year and the 6-month Euribor increased by an annual fixed nominal rate of 2.25 percentage points for the subsequent half-yearly rates.

The improved conditions in terms of spread granted by Mediobanca are reported below, confirming the significant decrease of interest margin for the subsequent installments.

- until July 15, 2015 (inclusive) 225 bps per year;
- from July 16, 2015 (inclusive) to December 31, 2015 (inclusive), 175 bps per year;
- from January 1, 2016 (inclusive) 150 bps per year.

The loan also requires compliance with certain covenants to be calculated annually and every six months beginning on December 31, 2014 in relation to the Group's Consolidated IFRS Financial Statements, using the following figures as a reference:

- net financial indebtedness /*Adjusted* EBITDA less than or equal to 2;
- *Adjusted* EBITDA / net financial charges greater than or equal to 5

Adjusted EBITDA is calculated with reference to the twelve months prior to the reporting date.

The aforementioned covenants were met as of June 30, 2015.

So far there have been no default events pursuant to the definitions of the loan agreement.

As of June 30, 2015, the remaining principal balance of the loan in question came to Euro 10,667 thousand, whereas the interest payable came to Euro 319 thousand.

Intesa Loan

The loan with Intesa San Paolo S.p.A., signed on July 10, 2014, for a total amount of Euro 10,000 with maturity on June 30, 2019, included the following characteristics:

a) amount: Euro 10,000,000.00;
b) interest rate: 6 month Euribor + 2.25%;
c) date of last reimbursement: June 30, 2019;
d) unsecured.

The new conditions, applied in accordance with the new loan agreement signed on June 4, 2015, are as follows:

a) amount: 10,000,000.00;
b) interest rate: 6 month Euribor + 1.10%;
c) date of last reimbursement: December 31, 2019;
d) 6-month pre-amortization period;
e) unsecured.

The loan also requires compliance with certain covenants to be calculated annually, in relation to the Group's consolidated IFRS financial statements, using the following figures as a reference:

- net financial indebtedness /*Adjusted* EBITDA less than or equal to 2;
- *Adjusted* EBITDA / net financial charges greater than or equal to 7;
- Net financial indebtedness /Shareholders' equity less than or equal to 1.

As of June 30, 2015, the remaining principal balance of the loan in question came to Euro 10,000 thousand (the first repayment of principal is scheduled for June 30, 2016).

So far there have been no default events pursuant to the definitions of the loan agreement.

BNL Loan

On April 28, 2015, the Group Holding Company entered into a medium term loan agreement with Banca Nazionale del Lavoro for a total sum of Euro 20 million, to replace the Euro 6 million line of credit previously used, which was closed on the same date of the new loan granted.

The main characteristics of the new loan are reported below.

a) amount: 20,000,000.00;
b) interest rate: 6 month Euribor + 0.85%;
c) term: 60 months;
d) 12-month pre-amortization period;
e) unsecured.

The loan also requires compliance with certain covenants to be calculated annually and every six months beginning on December 31, 2014 in relation to the Group's consolidated IFRS financial statements, using the following figures as a reference:

- net financial indebtedness /*Adjusted* EBITDA less than 2;
- *Adjusted* EBITDA / net financial charges greater than 5

Adjusted EBITDA is calculated with reference to the twelve months prior to the reporting date.

The aforementioned covenants were met as of June 30, 2015.

In addition to the above, this line of credit establishes a number of relevant events that, should they occur and following the period in which the Company may take corrective action, the lender may withdraw from the contract and demand full repayment of the financing in advance of the contractually established amortization schedule.

These events mainly relate to:

- Failure by the debtor to make payment of any amount as principal of the loan or make payment of any amounts due for interest within the deadlines provided under the contract;
- Use of loan for purposes other than those indicated in the contract;
- Failure to submit documentation and failure to fulfill the conditions precedent;
- Failure to complete the supplemental, receipt or amending acts of the loan agreement.

So far there have been no default events as above described.

As of June 30, 2015, the remaining principal balance of the loan in question came to Euro 20,000 thousand (the first repayment of principal is scheduled for October 28, 2016) while the liability for matured interests not already paid amounts to Euro 33 thousand.

Borrowing costs

In the first half of 2015, as a result of the aforementioned debt-refinancing transaction, the borrowing costs recorded as a deduction of the Intesa loan, repaid and taken out again for the same amount on June 4, 2015, were entirely transferred to the statement of comprehensive income with an impact on the half-year results in the amount of Euro 86 thousand.

The costs incurred by the Group Holding Company to obtain a new loan from BNL amounted to Euro 62 thousand; these borrowing costs were recognized as a decrease to the relevant financial liabilities and subsequently recognized in the statement of comprehensive income applying the amortized cost method in accordance with IAS 39. As of June 30, 2014, the total value of these costs recognized as a decrease to financial liabilities was Euro 153 thousand (Euro 197 thousand as of December 31, 2014).

6.12 Deferred tax liabilities

Deferred tax liabilities totaled Euro 17,090 thousand (vs. Euro 17,102 thousand as of December 31, 2014), relating mainly to deferred tax liabilities recognized on the Moleskine trademark.

6.13 Post-employment and other employee benefits

The following table shows the changes in "Post-employment and other employee benefits" (the "TFR") for the period ended June 30, 2015.

In thousands of Euro	**As of June 30, 2015**
Opening balance	1,802
Service Cost	282
Interest Cost	11
Amounts paid to previdential funds	(45)
Benefits paid	(375)
Actuarial (gains)/losses	(135)
Total post-employment and other employee benefits	**1,540**

The main assumptions used to calculate the post-employment benefit liabilities are as follows.

	As of	
	June 30, 2015	**December 31, 2014**
Income statement assumptions		
Discount rate	2.06%	1.50%
Inflation rate	2.00%	2.00%
Rate of increase in wages	3.50%	3.50%
Demographic assumptions		
Probability of resignation	4.00%	4.00%
Probability of TFR advances	2.00%	2.00%

6.14 Provisions for risks and charges (current and non-current)

The following tables shows the changes in the provisions for risks and charges for the periods ended June 30, 2015:

In thousands of Euro						
Current - Non-current provision for risks and charges	**As of December 31, 2014**	**Accruals**	**Uses**	**Provision for risks and charges noncurrent**	**Provision for risks and charges current**	**As of June 30, 2015**
Provision for litigation and taxes	239	143	(59)	-	323	323
Provision for returns	211	448	(194)	-	464	464
Total current and non-current provision for risks and charges	**450**	**591**	**(253)**	**-**	**787**	**787**

The provision for risks, in the amount of Euro 323 thousand as of June 30, 2015, increased mainly due to the effects of an estimated tax liability related to the collection of sales tax on an American subsidiary, defined and calculated with the assistance of an independent expert, while the decrease concerns the use of provision for risks set aside in 2014 and to reimburse the costs for destroying 2014 diaries which the parent agreed to recognize to some customers based on the settlement agreement signed with the German distributor.

Provision for returns amounted to Euro 464 thousand as of June 30, 2015. The changes to it, as far as uses are concerned, relate to credit notes issued for goods returned by customers from sale transactions in the previous year. The provision represents an estimate of returns of products sold during the first half of 2015, which will likely be received subsequent to the end of the period under review based on commercial agreements in effect and for which the company will issue credit notes to customers as per said agreements.

6.15 Trade payables

The following table shows a breakdown of trade payables as of June 30, 2015 and December 31, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**
Trade payables	**2015**	**2014**
Trade payables to suppliers	14,892	14,417
Accrued invoices	4,530	3,066
Embedded derivatives fair value	17	313
Credit notes to be received	(9)	(42)
Total trade payables	**19,430**	**17,754**

Trade payables include payables arising as a result of the operating activities of the Group, in particular the purchase of raw materials and external processing services.

The fair value of *embedded* derivatives relates to the fair value of purchase/sale contracts, for the purchase of finished products, denominated in US dollars from suppliers whose functional currency is not the US dollar. The main purchases to which such derivatives relate are with suppliers mainly based in Vietnam, China and Taiwan.

The increase in trade payables is related mainly to the growth in business. Please see the Interim management report for further details on the issue.

As of June 30, 2015, there were no payables due in more than 5 years.

6.16 Taxes payable

Current taxes payable represent the Group's position with the tax authorities with respect to current taxes.

As of June 30, 2015, taxes payable totaled Euro 4,956 thousand on estimated taxes for the half-year period of Euro 7,282 thousand, which was partially offset by excess prepayments made. As of December 31, 2014, there were no taxes payable given that the prepayments made exceed the taxes due.

6.17 Other current liabilities

The following table shows a breakdown of other current liabilities as of June 30, 2015 and December 31, 2014.

In thousands of Euro	**As of June 30,**	**As of December 31,**
Other current liabilities	**2015**	**2014**
Payables to employees and directors	2,694	2,250
Customer advance payments	922	505
Social security payables	405	383
Withholding taxes payable accrual for employees	550	485
Payables to supplementary pension funds	83	105
Withholding taxes payable accrual for self-employed persons	19	24
Other miscellaneous liabilities	306	428
Other accrued liabilities	28	43
Other tax liabilities	704	297
Total other current liabilities	**5,711**	**4,520**

Payables to employees and directors relate to liabilities for year-end bonuses, accrued and unused vacation and leave, and loyalty and performance bonuses accrued during the period. Please see note 7.5 "Personnel costs" for information on the bonus plans. The change reflects severance , to be recognized in the second half of 2015.

Customer advance payments represent the advance invoices issued to customers who have prepayment conditions for B2B orders not yet completed and/or delivered.

The withholding taxes payable accrual for employees include salary withholdings paid during July 2015, as well as the liability from the application of IFRS 2 to accrued bonus plans, which are fully described in Note 7.5 "Personnel costs".

Other miscellaneous liabilities mainly refer to payables due within the next 12 months incurred in 2014 to the previous lessor of the store in Milan (on Via Dante) and an employee who was paid a leaving incentive which involves payment by installments.

Other tax liabilities represents the balance of the monthly VAT payment of the Group Holding Company Moleskine S.p.A., of Moleskine Germany and of Moleskine UK as well as the liability for sales tax for the companies Moleskine America and Moleskine America *Retail*.

6.18 Net financial indebtedness

The following table shows a breakdown of net financial indebtedness as of June 30, 2015 and December 31, 2014, calculated in accordance with the CONSOB Regulation of July 28, 2006 and the ESMA/2013/319 Recommendations.

	In thousands of Euro	**As of June 30,**	**As of December 31,**
	Net financial indebtedness	**2015**	**2014**
A.	Cash and cash equivalents	18,249	17,353
B.	Other cash equivalents	12,000	6,000
C.	Available-for-sales financial assets	-	-
D.	**Cash (A) + (B) + (C)**	**30,249**	**23,353**
E.	**Short term financial receivables**	**-**	**-**
F.	Short term loans	-	-
G.	Long term loans (current portion)	(3,834)	(4,856)
H.	Other current financial payables	(351)	(169)
I.	**Current financial position (F) + (G) + (H)**	**(4,185)**	**(5,025)**
J.	**Net current financial indebtedness (I) + (E) + (D)**	**26,064**	**18,328**
K.	Long term loans (non current portion)	(36,680)	(22,947)
L.	Issued bonds	-	-
M.	Othe non-current financial payables	-	-
N.	**Non current financial position (K) + (L) + (M)**	**(36,680)**	**(22,947)**
O.	**Net financial indebtedness (J) + (N)**	**(10,616)**	**(4,619)**

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

7.1 Revenues

The following table shows a breakdown of revenues by geographic area, distribution channel and product for the six months ended June 30, 2015 and 2014.

In thousands of Euro	Period ended June, 30				Changes	
Revenues by geographical area	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
EMEA (Europe, Middle East, Africa)	23,243	43.1%	20,733	50.5%	2,510	12.1%
Americas (USA, Canada, Latin America)	22,158	41.2%	15,478	37.7%	6,680	43.2%
APAC (Asia Pacific)	8,442	15.7%	4,866	11.8%	3,576	73.5%
Total Revenues	**53,843**	**100.0%**	**41,077**	**100.0%**	**12,766**	**31.1%**

In thousands of Euro	Period ended June, 30				Changes	
Revenues by distribution channel	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Wholesale	37,561	69.8%	30,579	74.5%	6,982	22.8%
B2B	8,944	16.6%	5,911	14.4%	3,033	51.3%
e-Commerce	2,156	4.0%	1,653	4.0%	503	30.4%
Retail	5,182	9.6%	2,934	7.1%	2,248	76.6%
Total Revenues	**53,843**	**100.0%**	**41,077**	**100.0%**	**12,766**	**31.1%**

In thousands of Euro	Period ended June, 30				Changes	
Revenues by product line	**2015**	**%**	**2014**	**%**	**2015 Vs 2014**	**%**
Paper collection	49,272	91.5%	37,749	91.9%	11,523	30.5%
WTR collection	4,571	8.5%	3,328	8.1%	1,243	37.4%
Total Revenues	**53,843**	**100.0%**	**41,077**	**100.0%**	**12,766**	**31.1%**

For a detailed analysis of revenues, please see the related section of the Interim management Report.

7.2 Other operating income

Other operating income mainly includes currency gains for the period.

7.3 Costs for finished products, raw materials and consumables

The following table shows a breakdown of "Costs for finished products, raw materials and consumables" for the six months ended June 30, 2015 and 2014.

In thousands of Euro	**Period ended June, 30**	
Finished products, raw materials and consumables	**2015**	**2014**
Finished and semi-finished products purchases	14,776	8,283
Raw materials purchases	2,506	1,733
Exhibition stands production	567	451
Catalogs	55	62
Packaging	70	54
Other	183	308
Change in inventories	(7,059)	(1,892)
Total finished products, raw materials and consumables	**11,097**	**8,999**

7.4 Service costs

The following table shows a breakdown of "Service costs" for the six months ended June 30, 2015 and 2014.

In thousands of Euro	**Period ended June, 30**	
	2015	**2014**
Commercial/sales costs	5,179	3,394
Storage costs	3,041	1,604
Rents	2,567	1,238
Customs expenses	1,526	396
Sales transportation	1,481	1,147
Consulting fees	1,470	1,466
Marketing and communication expenses	957	588
Processing costs	678	708
Administrative Costs	597	481
Maintenance, repairs and assistance	476	417
Costs for general services	465	714
Royalties	415	252
Design costs	350	274
Bank Fees	200	116
Leasing	70	51
Total service costs	**19,473**	**12,846**

Service costs increased from Euro 12,846 for the first half of 2014 to Euro 19,472 for the first half of 2015. This increase reflects the impact of overhead costs to support the Group's growth, including those resulting from the development of new channels and expansion into new territories.

7.5 Personnel costs

The following table shows a breakdown of personnel costs for the six months ended June 30, 2015 and 2014.

In thousand of Euro	**Period ended June, 30**	
Personnel costs	**2015**	**2014**
Salaries and wages	7,175	5,438
Social security contributions	1,580	1,426
Post employment employee benefits	282	235
Board of Directors' remuneration	326	320
Other costs	582	588
Total Personnel costs	**9,946**	**8,007**

Salaries and wages and social security contributions includes, among other things, the costs recognized for management incentive plans, both cash and equity settled, for a total amount of Euro 194 thousand (vs. Euro 172 thousand as of June 30, 2014).

Other items that comprise personnel costs, and in particular, post-employment benefits, include the so-called service cost for the liability to employees, in the amount of Euro 282 thousand.

Other personnel costs, in the amount of Euro 583 thousand, include some severance costs during the six-month period under review.

A brief description of the mechanisms of the equity-settled management incentive plan outstanding as of June 30, 2015, is provided below.

Management incentive plan

The shareholders of the parent company, in a meeting held on November 25, 2013, approved two share-based management incentive plans to develop and strengthen loyalty to the Group for key resources and, in particular, (i) a Stock Grant Plan in which the Company assigns, free-of-charge – as of April 3, 2014 – the right to receive Moleskine ordinary shares to certain executives, as identified in the Board meeting held on November 22, 2012, for a maximum of 680,000 ordinary shares that grant the right to subscribe an equivalent number of newly issued ordinary shares resulting from the free share capital increase, in tranches, in accordance with Article 2349, paragraph 1, of the Italian Civil Code, and (ii) a Stock Option Plan for individuals that hold the office of Director with executive responsibilities in the parent company or its subsidiaries or are full-time employees of the parent company or its subsidiaries, in which the beneficiaries are assigned a maximum of 6,360,000 options that grant the right to subscribe to an equivalent number of newly issued ordinary shares resulting from the share capital increase against payment, excluding the option right, pursuant to Article 2441 (5) and (6), of the Italian Civil Code.

The Stock Grant Plan expired at the end of the first half 2014 therefore it doesn't produce any accounting effects on the Consolidated Financial Statements as of June, 30 2015.

The key characteristics of the Stock Options plan are described below.

The Stock Option Plan, as approved by the shareholders in their meeting of November 25, 2013, represents a tool for focusing the beneficiaries' attention on strategic interests, enhancing loyalty and providing incentives to remain with Group companies. Furthermore, the Stock Option Plan represents, for individuals who perform strategic roles that are critical for the success of the Group, a continuous incentive to maintain appropriate management standards and improve the Group's performance, by increasing competition and creating value for shareholders.

The Stock Option Plan is reserved for individuals who, at the date the options are assigned, hold the office of Director with executive responsibilities and/or are full-time employees of Group companies. The stock option plan calls for the assignment, free of charge, of options which grant beneficiaries the right to subscribe to Moleskine ordinary shares (in the ratio of one (1) ordinary share for one (1) option exercised) resulting from the share capital increase against payment and in tranches no later than December 31, 2020, for a maximum amount of Euro 63,600.00, to be recognized entirely in share capital, excluding the option right, pursuant to Article 2441, paragraphs 5 and 6, of the Italian civil code, through the issue of a maximum of 6,360,000 new regularly entitled Moleskine ordinary shares with no nominal value per share, equivalent to 3% of the Company's current subscribed and paid-in share capital, reserved for beneficiaries of the Stock Option Plan at a subscription price corresponding to the weighted-average official closing price of Moleskine ordinary shares on the screen-based market (MTA) organized and managed by Borsa Italiana S.p.A., in the thirty trading days prior to the option assignment date.

The exercise of the Options may be dependent on reaching pre-determined and measurable performance objectives, possibly combined, such as EBITDA and/or net financial position parameters, as indicated by the Board of Directors, with input from the Remuneration Committee, for the reference period of the Group's business plan and/or budget.

The Stock Option Plan envisages the right of beneficiaries to early exercise should certain events occur, including:

- change of control pursuant to Article 93 of the Consolidated Law on Finance, even if it does not result in the requirement to launch a take-over bid;
- launch of a take-over bid on the Company's shares pursuant to Articles 102 et seq. of the Consolidated Law on Finance; or
- resolution of transactions that may result in the delisting of Moleskine ordinary shares.

Additionally, as a condition for participation, the Stock Option Plan envisages, the maintenance of full-time employment relationship or the office of Director with executive responsibilities with Moleskine or one of its subsidiaries, according to the beneficiary's position (the "Relationship").

Specifically, the Stock Option Plan states that, in the event the Relationship is terminated due to a "bad leaver" situation, all Options assigned to the beneficiary, including Options that have become effective but have not been exercised, are automatically cancelled and have no effect or validity.

The "bad leaver" assumption includes the following events, based on the individual case: (i) dismissal by the beneficiary, the beneficiary's removal from the office of Director and/or removal of its powers, or the failure to be re-appointed to the office of Director and/or to have powers re-confirmed, all for just cause; (ii) voluntary resignation by the beneficiary not justified by one of the criteria identifying the case of "good leaver".

In the event the Relationship is terminated for reasons falling under the "good leaver" assumption, the beneficiary or his/her assignees, without prejudice to compliance with the Stock Option Plan's requirements, procedures and terms, will maintain the right to partially exercise the Options assigned, in consideration of the moment in which the Relationship was terminated, according to the Plan's provisions.

The following events are considered to fall under the “good leaver” assumptions, according to the individual case: (i) dismissal of the beneficiary without just cause; (ii) removal from the office of Director or failure to be reappointed, without just cause; (iii) dismissal from the role of Director if the beneficiary’s powers are revoked or fail to be confirmed, without just cause, so that the Relationship with the Company or its subsidiary is substantially changed; (iv) resignation from the office or termination of the employment relationship if even only one of the following applies: (a) permanent physical or mental disability of the beneficiary, due to illness or accident; (b) death of the beneficiary.

The Stock Option Plan duration is until December 31, 2020, and there is a vesting period for the Options assigned to the Beneficiary.

As of December 31, 2014, 3,198,302 option rights associated with the stock option plan were assigned through two tranches resolved by the Board of Directors’ at their meeting held on November 25, 2013 and on March 10, 2014. The Board of Directors approved the assignment of a third tranche, in the amount of no. 2,462,000 options on March 11, 2015; the new options may be exercised only with the approval of the financial statements for the year ended December 31, 2017 and subject to the Group’s achievement of accumulated consolidated *Adjusted* EBITDA and net financial position targets.

Based on the applicable financial reporting standard, IFRS 2, the fair value of this Plan, determined with the support of an independent expert, was recognized in the statement of comprehensive income for the portion vesting in the year. In detail, the portion of personnel costs related to the awarding of Moleskine shares, in the amount of Euro 194 thousand, was recorded against shareholders’ equity (Euro 116 thousand) net of the tax provision to be deducted from the value of the number of shares awarded.

The following table shows a breakdown of the average number and period-end number of employees and collaborators by category for the six months ended June 30, 2015 and 2014.

	Period ended June 30,			
	2015		2014	
Number of employees	**average**	**period end**	**average**	**period end**
Directors	4	4	5	4
Executives	18	17	18	19
Managers	31	33	29	29
White collar workers	224.5	262	182	187
Total Employees	**277.5**	**316**	**234**	**239**

7.6 Other operating expenses

The following table shows a breakdown of the other operating expenses for the six months ended June 30, 2015 and 2014.

In thousands of Euro	Period ended June, 30	
Other operating expenses	**2015**	**2014**
Foreign exchange losses	676	192
Impairments of receivables	544	133
Gifts and donations	314	148
Other miscellaneous operating expenses - general expenses	415	478
Accruals to provision for risks and charges	84	-
Charitable donations	99	81
Total other operating expenses	**2,132**	**1,032**

Exchange losses include the negative income items resulting from the Group's commercial transactions in foreign currencies.

For information on the accruals to the provision for doubtful receivables, see note 6.7 "Trade receivables".

Gifts and donations relate to products distributed by the Group for promotional and marketing purposes.

See Note 6.14 "Provisions for risks and charges (current and non-current)" for information on the provisions for risks during the period.

Charitable donations relate primarily to donations to Fondazione ONLUS Lettera 27.

7.7 Depreciation, amortization and impairment

The following table shows a breakdown of "Depreciation, amortization and impairment" for the six months ended June 30, 2015 and 2014.

In thousands of Euro	Period ended June, 30	
Depreciation, amortization and impairments	**2015**	**2014**
Amortization of intangible assets	919	879
Depreciation of property, plant and equipment	1,292	879
Impairments of tangible assets	223	83
Total depreciation, amortization and impairments	**2,434**	**1,841**

Specifically, the increase in depreciation is related to the greater level of investment in property, plant and equipment and intangible assets beginning in financial year 2013.

7.8 Finance income / (expense)

The following table shows a breakdown of finance income and finance expense for the six months ended June 30, 2015 and 2014.

In thousands of Euro	**Period ended June, 30**	
Finance income / (expense)	**2015**	**2014**
Bank interest earnings and other finance income	35	-
Foreign exchange gains	539	18
Total finance income	**574**	**18**
Interest expenses on bank loans	(455)	(850)
Foreign exchange losses	(81)	5
Interest expenses on derivatives	-	(196)
Other finance cost	-	(18)
Interests on T.F.R.	(11)	(20)
Total finance expense	**(547)**	**(1,079)**
Total net finance income/(expense)	**27**	**(1,061)**

Interest expenses on loans include not only interest expense on bank borrowings, but also borrowing costs on the loans taken out with Banca Intesa in July 2014, initially posted entirely to the statement of comprehensive income in the amount of Euro 86 thousand relating to the early repayment on June 4, 2015, and Euro 18 thousand for the borrowing costs on the loans with Mediobanca and BNL, recognized in the financial statements applying the amortized cost method in accordance with IAS 39.

Foreign exchange gains and losses included within finance income/(expense) refer solely to exchange differences realized on transactions of a financial nature. They mainly concern the translation into Euro of the foreign currency accounts carried out on June 30, 2015.

The lower level of interest expense on bank borrowings is the result of the debt-restructuring and optimization process, details of which are provided in Note 6.11 “Current and non-current financial liabilities”.

7.9 Tax expense

The following table shows a breakdown of the tax expenses for the six months ended June 30, 2015 and 2014.

In thousands of Euro	**Period ended June, 30**	
Income tax expense	**2015**	**2014**
Current tax	7,280	2,693
Deferred income tax	(3,462)	(167)
Total income tax expense	**3,818**	**2,526**

Income tax expense is calculated based on the tax rate that is expected to be applied on expected annual income based on the latest estimate as of the reporting date.

7.10 Earnings per share

Basic earnings per share is calculated by dividing net profit by the weighted average of shares issued during the year.

The table below shows the net income and information on the shares used to calculate the net basic and diluted earnings per share.

	Period ended	
	June 30, 2015	**June 30, 2014**
Net income (in Euro)	7,754,529	5,128,421
Number of ordinary shares at the end of the period	212,180,205	212,180,205
Wheighted average number of ordinary shares to calculate basic earnings per share	213,698,438	212,180,205
Basic earning per share (in Euro)	0.037	0.024
Diluted earning per share (in Euro)	0.036	0.024

There are no significant diluted effects and, therefore, diluted earnings per share do not show significant differences with respect to basic earnings per share.

8. RELATED PARTY TRANSACTIONS

In the first half of 2015, the Group's related party transactions primarily consisted of:

- fees paid to Raynaud & Partners law firm in which Attorney Daniele Raynaud, member of the Moleskine Board of Directors, is a partner, for the legal advisory services provided to the Group Holding Company;
- charitable donations made during the period to Fondazione ONLUS Lettera 27, in which some of the parent company's key executives hold board positions;
- amounts paid to Directors and key executives.

The following tables show an analysis of the financial position, as well as the cash flows associated with the Group's transactions with related parties for the six months ended June 30, 2015 and 2014, with information on the impact on the relevant item in the financial statements.

In thousands of Euro	As of June 30, 2015						
	Trade payables	**Other current liabilities**	**Post-employment and other employee benefits**	**Current and non-current financial liabilities**	**Service costs and operating costs**	**Personnel costs**	**Net finance income (expense)**
Fondazione ONLUS Lettera 27		(23)			(53)		
Raynaud & Partners	(47)			(80)	(50)		(47)
Board of Directors		(27)				(340)	
Key management		(115)	(253)		(17)	(1,035)	
Total related-party transactions	**(47)**	**(165)**	**(253)**	**(80)**	**(120)**	**(1,375)**	**(47)**
Total of statement of financial position line item	(19,430)	(5,711)	(1,540)	(40,865)	(21,605)	(9,946)	27
% of statement of financial position line item	**0.2%**	**2.9%**	**16.4%**	**0.2%**	**0.6%**	**13,8%**	**n.a.**

In thousands of Euro	As of December 31, 2014					As of June 30, 2014		
	Trade payables	**Other current liabilities**	**Other non-current liabilities**	**Post-employment and other employee benefits**	**Current and non-current financial liabilities**	**Service costs and operating costs**	**Personnel costs**	**Net finance income (expense)**
Fondazione ONLUS Lettera 27						(75)		
Raynaud & Partners					(96)	(32)		(48)
Board of Directors		(27)				(320)		
Key management		(148)	(103)	(438)		(1,066)		
Total related-party transactions	**-**	**(175)**	**(103)**	**(438)**	**(96)**	**(1,493)**	**-**	**(48)**
Total of statement of financial position line item	(17,754)	(4,520)	(170)	(1,802)	(27,972)	(13,878)	(8,007)	(1,061)
% of statement of financial position line item	**0.0%**	**3.9%**	**60.6%**	**24.3%**	**0.3%**	**10.7%**	**0.0%**	**4.5%**

Cash flows

The cash flows shown in the following tables represent actual payments and receipts recorded with related parties, not the changes in the financial statement account balances to which they refer.

	As of June 30, 2015		
In thousands of Euro	**Related parties transactions**	**Total cash flow**	**%**
Cash flow from operating activities	(734)	2,766	n.a.
Cash flow from investing activities		(2,022)	0.0%
Cash flow from financing activities		5,482	0.0%

	As of June 30, 2014		
In thousands of Euro	**Related parties transactions**	**Total cash flow**	**%**
Cash flow from operating activities	(1,141)	1,403	n.a.
Cash flow from investing activities		(1,895)	0.0%
Cash flow from financing activities		(2,394)	0.0%

The transactions listed were conducted under normal commercial terms and conditions.

8.1 Directors’ and key executives’ compensation

The total amount of compensation paid to the Company’s Board of Directors for the first six months of 2015 was Euro 340 thousand (Euro 320 thousand for the first six months of 2014).

The total amount paid to key executives for the first six months of 2015, amounted to Euro 1,052 thousand (vs. Euro 1,000 thousand for the first six months of 2014); this amount includes the amount set aside in relation to the application of the management incentive plans. Please see note 7.5 “Personnel costs” for further details.

9. COMMITMENTS AND GUARANTEES

Lease commitments

As of June 30, 2015, the Group had outstanding commitments in connection with lease agreements relating to the Group Holding Company’s offices in Milan and those of its subsidiaries Moleskine America (New York), Moleskine Asia (Hong Kong), Moleskine Shanghai (Shanghai) and Moleskine Germany (Cologne) and stores in Italy, America, Asia, France, UK and Germany.

The following table shows a breakdown of the minimum payments under agreements to which the Group is a party as of June 30, 2015.

In thousands of Euro	**As of June 30, 2015**
< 1 year	5,378
1 - 5 years	15,274
> 5 years	5,654
Total	**26,306**

Guarantees

As of June 30, 2015, the Group Holding Company has two outstanding guarantees provided to lessors on behalf of the subsidiary Moleskine America in connection with future lease payments for the building where company has its offices and a single-brand store in New York (Soho), in the amount of Euro 2,243 thousand. There is also another outstanding guarantee for a new store opening soon in New York in the amount of Euro 50 thousand.

The Group Holding Company also has two outstanding guarantees provided to lessors on behalf of the subsidiary Moleskine France in connection with lease of spaces at three points of sale in Paris, for a total of Euro 162 thousand and two guarantees provided to lessors of the subsidiary Moleskine Germany in connection with the office in Cologne, where the Company is based, and a store in Berlin for a total of Euro 36 thousand.

A Euro 60 thousand guarantee was granted to the subsidiary Moleskine Asia which they used to issue a bank guarantee to the lessor of the store opened in Hong Kong at the end of 2014.

Furthermore, the Group Holding Company provided bank guarantees for the Società Esercizi Aeroportuali S.E.A. S.p.A., Aeroporti di Roma S.p.A., Grandi Stazioni S.p.A., Immobiliare Camperio Srl e AFIM Srl, in relation to the sub-concessions of the points of sale at Milan Linate, Milan Malpensa, Rome Fiumicino airports, the Venice Santa Lucia railway station, the store in Milan (on Via Dante) and the store in Rome (Via Frattina) in the amount of Euro 170 thousand, Euro 100 thousand, Euro 59 thousand, Euro 54 thousand and Euro 123 thousand respectively, which are valid for the duration of the agreements. Furthermore, surety has been issued to guarantee the balance of key money due for taking over the store in Via Dante to Studio Tollini Srl for an amount of Euro 200 thousand.

The Group Holding Company also has two outstanding standby letters and a guarantee for 3 suppliers in the APAC area totaling Euro 574 thousand to hedge the purchase of goods.

11. CONTINGENT LIABILITIES

Other than the information provided in note 6.14 “Provisions for risks and charges (current and non-current) there were no ongoing legal or tax proceedings.

12. TRANSACTIONS ARISING FROM ATYPICAL AND/OR UNUSUAL DEALINGS

In accordance with the CONSOB Communication of July 28, 2006, no atypical and/or unusual transactions, as defined by the Communication, took place during the first six months of 2015.

13. SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

In accordance with CONSOB Communication of July 28, 2006, performance for the Group for the first six months of 2015 was not influenced by non-recurring charges.

14. FINANCIAL RISK MANAGEMENT

Foreign exchange risk

The exposure to the risk of fluctuations in exchange rates arises from the Group's trading activities, which may be conducted in currencies other than the euro. Revenues and costs denominated in a foreign currency may be influenced by fluctuations in the exchange rate, resulting in an impact on margins (economic risk), just as trade and financial payables and receivables denominated in a foreign currency may be affected by the translation rates used, impacting the statement of comprehensive income (transaction risk). Finally, exchange rate fluctuations are also reflected in consolidated net income and equity, given that the financial statements of several companies in the Group are prepared in a currency other than the euro and then translated (translation risk).

The main exchange rates to which the Group is exposed are:

- EUR/USD, for sales and purchases in USD made on the American and Asian markets;
- EUR/GBP, in relation to sales in GBP on the UK market.
- EUR/HKD, for sales in HKD made on the Asian market

The Group does not adopt specific policies to hedge against exchange risk (e.g. entering into derivative contracts for hedging purposes) associated with its commercial activities, other than adjusting some foreign currency price lists. This is because the Group's business model calls for purchases and sales in the same currency, which in management's opinion mitigates the risk arising from fluctuations in exchange rates.

Interest rate risk

The Group is exposed to interest rate risk as it is externally financed through debt and invests its cash on hand in bank deposits. Changes in market interest rates influence the cost and return of the various forms of borrowing and investing and, therefore, the Group's finance income and finance expense. The Group regularly assesses our exposure to the risk of changes in interest rates.

Given the debt-refinancing transaction in 2014, continued in 2015, which has led to an improvement in the Group's financial standing, as well as a sizeable drop in finance expense, the Group decided that it would no longer be necessary to rely on interest rate derivative financial instruments.

The interest rate to which the Group is most exposed is the Euribor.

Price risk

Price risk is related to oscillations in the prices of raw materials, semi-finished and finished goods purchased.

Specifically, the price risk for the Group is mainly due to the presence of a limited number of certified suppliers of goods and the need to guarantee procurement volumes and avoid jeopardizing inventory stocks and comprising delivery times. The Group's actions to contain price risk include expanding the network of suppliers, on the one hand able to create backup production solutions for each category of product, an action to ensure greater bargaining power and provide protection for the delivery of the volumes required and, on the other hand, to approach new opportunities and production cost reduction models that always ensure the best margins. The actions to expand our network of suppliers are always designed and pursued with a view to geographical diversification in sourcing finished product, opening up to new countries (Vietnam in particular). These actions are aimed at balancing the risk of excessive exposure to a specific geographical areas.

In addition, the Group further limits price risk through its procurement policy, which calls for the annual, and in some cases multi-year, negotiation of purchase price lists with suppliers, and ensures that prices are contractually fixed for a period of at least 12 months and therefore are not affected by fluctuations relating to changes in commodity prices, especially paper, which are borne entirely by the supplier.

Therefore management deems that price risk is remote.

Credit risk

The Group is exposed to credit risk from potential losses arising from the non-fulfillment of obligations assumed by trade and financial counterparties.

The risk of insolvency associated with trade receivables is monitored centrally by the Group's administrative department, which reviews the Group's credit exposure, monitors the collection of trade receivables and determines whether to accept new customers by conducting qualitative and quantitative a analyses of creditworthiness, performed partly by using databases specialized in providing corporate rating services. The Group's credit risk policy is differentiated by sales channel: B2B, *Wholesale*, *Retail* and *e-Commerce*.

The Group monitors the risk associated with receivables arising from the *Wholesale* channel by obtaining letters of credit or bank guarantees, as well as insuring receivables with a leading insurance company.

The risk associated with the B2B channel is also very limited as the Group's policy generally calls for advance payment and grants payment deferrals only if insurance guarantees have been obtained.

Lastly, when investing temporary liquidity surpluses, the Group deals only with counterparties of high creditworthiness.

Liquidity risk

Liquidity risk is associated with the Group's ability to meet its obligations. Prudent management of liquidity risk arising from normal operations entails maintaining an adequate level of cash on hand, short-term securities and access to funds available through lines of credit.

Liquidity risk is managed at the central level by the Group based on guidelines established by the Group's finance department and approved by the chief executive officer. The finance department periodically monitors the Group's financial position by preparing reports of forecasted and actual cash inflows and outflows. The Group aims to ensure that its needs are adequately covered by thoroughly monitoring loans, open lines of credit and uses of such lines of credit in order to optimize its resources and manage any temporary liquidity surpluses.

The Group's goal is to implement a financial structure that ensures a level of liquidity in accordance with business objectives, minimizing opportunity costs, and strikes a balance in terms of the duration and composition of debt.

To that end, the Group holding company started implementing a cash management system with the BNP Paribas Group aiming to launch the cash pooling project with subsidiaries designed to (i) optimize cash flow, using the surplus liquidity of a company to make up for the indebtedness of another Group company; (ii) improve and make treasury management of the Group more cost-effective through the same financial model; (iii) better monitor the Group's cash flow.

15. INFORMATION ON FAIR VALUE

The following table presents information on the method applied to determine the fair value of financial instruments designated at fair value. The methods adopted may be divided into the following levels based on the source of the information available, as described below:

- level 1: quoted prices on active markets;
- level 2: technical assessments based on observable market information, either directly or indirectly;
- level 3: not based on observable market data.

The following table shows the assets and liabilities measured at fair value as of June 30, 2015 and as of December 31, 2014.

	As of June 30, 2015		
In thousands of Euro	**Level 1**	**Level 2**	**Level 3**
Derivative financial instruments	-	-	-
Embedded derivatives	-	(17)	-
Total	**-**	**(17)**	**-**

	As of December 31, 2014		
In thousands of Euro	**Level 1**	**Level 2**	**Level 3**
Derivative financial instruments	-	-	-
Embedded derivatives	-	(313)	-
Total	**-**	**(313)**	**-**

There were no transfers between the fair value hierarchy levels in 2015.

The fair value of *embedded* derivatives was calculated using forward exchange rate curves inferred from the market.

16. SIGNIFICANT EVENTS AFTER JUNE 30 2015

On July 2, the Group holding company entered into a liquidity contract with Exane SA, as defined and disciplined by permitted practice no. 1 set forth in CONSOB resolution no. 16839 dated March 19, 2009.

For the implementation of the contract, the Company has allocated Euro 1 million in cash to the liquidity account.

Other significant events after the end of the period under review include the opening of two freestanding stores in London (Regent Street) and in San Francisco (Market Street), a temporary store in Paris (Gare de Lion), and a store in China at the MixC mall in Hangzhou.

The annual forecast to open 20 more DOSs is unchanged, confirmed also by the 15 preliminary agreements to open stores in 2015.

Certification of the interim condensed consolidated financial statements

03

CERTIFICATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED

1. The undersigned Arrigo Berni, in his capacity as Chief Executive Officer, and Alessandro Strati, in his capacity as Executive Officer in charge of the financial reports for Moleskine S.p.A., considering the requirements under article 154-bis, paragraphs 3 and 4 of Legislative Decree no. 58 of February 24, 1998, certify:
   - the suitability in relation to the characteristics of the business and
   - the effective application

   of the administrative and accounting procedures to prepare the condensed interim consolidated financial statements, during the first half of 2015.
2. Significant aspects did not come to light based on application of administrative and accounting procedures to prepare the condensed interim consolidated financial statements as of June 30, 2015.
3. Furthermore, it is certified that:

   3.1 The condensed interim consolidated financial statements:

   a) have been prepared in compliance with applicable international accounting standards endorsed in the European Community pursuant to regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;

   b) correspond to the underlying accounting entries and records;

   c) can adequately provide a true and fair view of the financial position, income and cash flows of the issuer and the consolidated companies.

   3.2 The Interim management report includes a reliable analysis of important events that occurred in the first six months of the year and their impact on the condensed interim consolidated financial statements, along with a description of the main risks and uncertainties in the remaining six months of the year. The interim management report also includes a reliable analysis of information on significant related party transactions.

August 4, 2015

Arrigo Berni

Chief Executive Officer

Alessandro Strati

Executive officer in charge of the financial reports

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of
Moleskine SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Moleskine SpA and its subsidiaries (the “Moleskine Group”) as of 30 June 2015, comprising the statement of financial position, statement of comprehensive income, statement of changes in shareholders’equity, statement of cash flows and related notes. The directors of Moleskine SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution n°10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of the Moleskine Group as of 30

PricewaterhouseCoopers SpA

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June 2015 are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 4 August 2015

PricewaterhouseCoopers SpA

Signed by
Giorgio Greco
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers