INTERIM FINANCIAL REPORT OF THE PIQUADRO GROUP
AS AT 30 JUNE 2015

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* *Testo Unico della Finanza*, Consolidation Act on Finance

Corporate details

Piquadro S.p.A.

Registered office: località Sassuriano, 246-40041 Silla di Gaggio Montano (Province of Bologna - BO)

Authorised Share Capital as at the date of the approval of the Interim Financial Report as at 30 June 2015: Euro 1,093,998

Subscribed and paid-up share capital: Euro 1,000,000

Bologna Register of Companies, Fiscal Code and VAT no. 02554531208

Production plants, Offices and Directly operated stores ("DOS") through which the Group operates

Silla di Gaggio Montano, località Sassuriano (BO)	*Headquarters, logistics and Offices*
Guangdong, The People's Republic of China (registered office of Uni Best Leather Goods Zhongshan Co. Ltd)	*Production plant*
Milan - Via della Spiga 33 (Piquadro S.p.A.)	*Point of sale*
Milan - Linate Airport (Piquadro S.p.A.)	*Point of sale*
Barcelona - Paseo de Gracia 11, Planta Baja (Piquadro Spagna)	*Point of sale*
Rome - Galleria Colonna (Piquadro S.p.A.)	*Point of sale*
Bologna - Piazza Maggiore 4/B (Piquadro S.p.A.)	*Point of sale*
Barberino del Mugello (FI) – "Factory Outlet Centre" (Piquadro S.p.A.)	*Retail outlet*
Fidenza (PR) - "Fidenza Village" (Piquadro S.p.A.)	*Retail outlet*
Rome - Centro Commerciale Cinecittà (Piquadro S.p.A.)	*Point of sale*
Rome - Galleria N. Commerciale di "Porta Roma"(Piquadro S.p.A.)	*Point of sale*
Vicolungo (NO) - Parco Commerciale (Piquadro S.p.A.)	*Retail outlet*
Rome - Euroma 2 (Piquadro S.p.A.)	*Point of sale*
Valdichiana (AR) - "Valdichiana Outlet Village" (Piquadro S.p.A.)	*Retail outlet*
Noventa di Piave (VE) - "Factory Outlet Centre" (Piquadro S.p.A.)	*Retail outlet*
Rome - Fiumicino Airport (Piquadro S.p.A.)	*Point of sale*
Milan - Via Dante 9 (Piquadro S.p.A.)	*Point of sale*
Bologna - "G. Marconi" Airport (Piquadro S.p.A.)	*Point of sale*
Taipei (Taiwan) - Eslite Dun Nan (Piquadro Taiwan)	*Point of sale*
Taipei (Taiwan) - Xin Yin Shop (Piquadro Taiwan)	*Point of sale*
Hong Kong - Kowloon – I Square Shopping Mall (Piquadro Hong Kong Ltd)	*Point of sale*
Marcianise (CE) - c/o "Factory Outlet Centre" (Piquadro S.p.A.)	*Retail outlet*
Agira (EN) - Sicilia Fashion Outlet Centre (Piquadro S.p.A.)	*Retail outlet*
Rimini - Shopping Mall "Le Befane" (Piquadro S.p.A.)	*Point of sale*
Milan – Corso Buenos Aires 10 (Piquadro S.p.A)	*Point of sale*
Kaohsiung City (Taiwan) - Shopping Mall "Dream Mall" (Piquadro Taiwan)	*Point of sale*
Assago (MI) – Shopping Mall "Milanofiori" (Piquadro S.p.A)	*Point of sale*
Pescara – Via Trento 10 (Piquadro S.p.A)	*Point of sale*
Mantova – Shopping Mall "Fashion District" (Piquadro S.p.A)	*Retail outlet*
Rozzano (MI) – Shopping Mall "Fiordaliso" (Piquadro S.p.A.)	*Point of sale*
Rome – Via Frattina 149 (Piquadro S.p.A.)	*Point of sale*
Mendrisio (Switzerland) – Fox Town Outlet Centre (Piquadro Swiss)	*Retail outlet*
Barcelona (Spain) – El Corte Ingles, Placa Catalunya 14 (Piquadro Spagna)	*Point of sale*
Verona – Piazza delle Erbe 10 (Piquadro S.p.A.)	*Point of sale*
Milan - Malpensa Airport - Terminal 1 - Tulipano Area (Piquadro S.p.A.)	*Point of sale*
Paris (France) – Rue Saint Honorè 330/332 (Piquadro France)	*Point of sale*
Castelromano (RM) – "Factory Outlet Centre" (Piquadro S.p.A.)	*Retail outlet*
Venice – Mercerie del Capitello 4940 (Piquadro S.p.A.)	*Point of sale*
Turin – Via Roma 330/332 (Piquadro S.p.A.)	*Point of sale*
Florence – Via Calimala 7/r (Piquadro S.p.A.)	*Point of sale*
Forte dei Marmi (LU) – Via Mazzini 15/b (Piquadro S.p.A.)	*Point of sale*

Valencia (Spain) – El Corte Ingles, Calle Pintor Sorolla (Piquadro Spagna)	*Point of sale*
Tainan City (Taiwan) – Mitsukoshi (Piquadro Taiwan)	*Point of sale*
Barcelona (Spain) – El Corte Ingles Diagonal, Av. Diagonal (PiquadroSpagna)	*Point of sale*
London (United Kingdom) – Regent Street 67 (Piquadro UK Limited)	*Point of sale*
Castelguelfo (BO) - "The Style Outlets" (Piquadro S.p.A.)	*Retail outlet*
Tainan City (Taiwan) – Dream Mall Tainan (Piquadro Taiwan)	*Point of sale*
Taipei (Taiwan) - Sogo Zhongxiao Shop (Piquadro Taiwan)	*Point of sale*
Hong Kong – Hong Kong Island – Sogo Causeway (Piquadro Hong Kong Ltd)	*Point of sale*
Taipei City (Taiwan) – Mitsukoshi Taipei Xinyi (Piquadro Taiwan)	*Point of sale*
Milan – Malpensa Airport (Piquadro S.p.A.)	*Point of sale*
New York (USA) - New York Madison Avenue (Piquadro LLC)	*Point of sale*

REPORT ON OPERATIONS
AS AT 30 JUNE 2015

Introduction

The quarterly report as at 30 June 2015 (Consolidated interim quarterly financial statements pursuant to article 154-*ter* of Legislative Decree no. 58/1998) was prepared in compliance with the mentioned Legislative Decree, as amended, as well as with the Issuers' Regulation issued by Consob.
This Report on Operations (or the "Report") relates to the consolidated and separate financial statements of Piquadro S.p.A. (hereinafter also referred to as the "Company" or the "Parent Company") and its subsidiaries ("Piquadro Group" or the "Group") as at 30 June 2015, as prepared in accordance with IAS/IFRS ("International Accounting Standards" and "International Financial Reporting Standards") issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. The Report must be read together with the Financial Statements and the related Notes, which make up the consolidated interim quarterly financial statements relating to the period 1 April 2015 – 30 June 2015.

Except as otherwise indicated, the amounts entered in this Report are shown in thousands of Euro, in order to facilitate its reading and to improve its clarity.

CORPORATE BODIES HOLDING OFFICE AT 30 JUNE 2015

- **BOARD OF DIRECTORS**
  (holding office for three years until the date of the Shareholders' Meeting called to approve the financial statements as at 31 March 2016)

Marco Palmieri	*Chairman and CEO*
Marcello Piccioli	*Managing director*
Roberto Trotta	*Managing director*
Pierpaolo Palmieri	*Managing director*
Anna Gatti	*Director*
Paola Bonomo	*Director*
Gianni Lorenzoni	*Director*

- **AUDIT AND RISK COMMITTEE**
  (holding office for three years until the date of the Shareholders' Meeting called to approve the financial statements as at 31 March 2016)

Gianni Lorenzoni	*Chairman*
Paola Bonomo	*Independent non-executive director*
Anna Gatti	*Independent non-executive director*

- **REMUNERATION COMMITTEE**
  (holding office for three years until the date of the Shareholders' Meeting called to approve the financial statements as at 31 March 2016)

Paola Bonomo	*Chairman*
Gianni Lorenzoni	*Independent non-executive director*
Anna Gatti	*Independent non-executive director*

- **LEAD INDEPENDENT DIRECTOR**
  Gianni Lorenzoni

- **BOARD OF STATUTORY AUDITORS**
  (holding office for three years until the approval of the financial statements as at 31 March 2016)

Regular members

Giuseppe Fredella	*Chairman*
Pietro Michele Villa	
Patrizia Lucia Maria Riva	

Substitute members
Giacomo Passaniti
Maria Stefania Sala

- **INDEPENDENT AUDITORS**
  (holding office for nine years until the approval of the financial statements as at 31 March 2016)

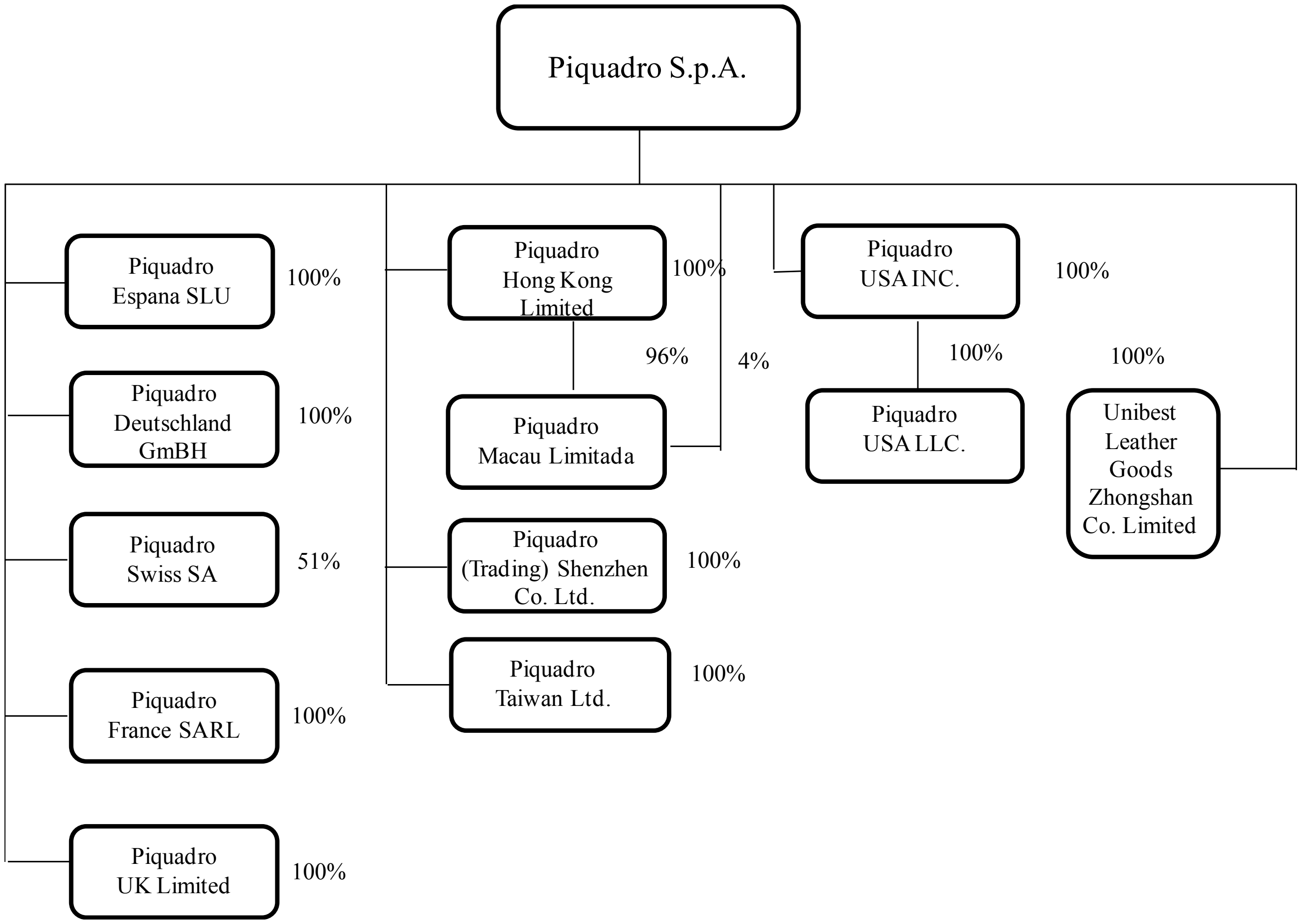
  PricewaterhouseCoopers S.p.A.

- **MANAGER RESPONSIBLE FOR THE PREPARATION OF CORPORATE ACCOUNTING DOCUMENTS**
  Roberto Trotta

- **SUPERVISORY BOARD**
  Mario Panzeri

THE GROUP STRUCTURE

The chart below shows the structure of the Piquadro Group as at 30 June 2015:



INFORMATION ON OPERATIONS

Significant events for the three months ended 30 June 2015

On 18 June 2015 the Board of Directors of Piquadro S.p.A. approved the Group's draft separate and consolidated financial statements as at 31 March 2015 and proposed to distribute a dividend of Euro 0.04 per share, for a total amount of Euro 2 million.

The Group's business

Operations

In the first three months of the 2015/2016 financial year ended 30 June 2015, the Group reported a slightly improved performance compared to the same period in the 2014/2015 financial year.
The Piquadro Group reported net sales revenues equal to Euro 13,358 thousand compared to Euro 13,182 thousand reported in the corresponding period in the 2014/2015 financial year (+1.3%). In the first three months of the 2015/2016 financial year, sales volumes, in terms of quantities sold in the relevant period, showed a decrease of about 1% compared to the same period in the 2014/2015 financial year. At the level of average sale prices , the quarter ended 30 June 2015 recorded an increase of about 1.4% compared to the same period in the previous financial year, including the mix effect.

As at 30 June 2015 the Piquadro Group reported, in terms of profitability, EBITDA[1] equal to Euro 1,802 thousand (with the net sales revenues accounting for 13.5%) showing a decrease of Euro 16 thousand, equal to -1% compared to the value recorded in the same period of the 2014/2015 financial year (Euro 1,818 thousand, equal to 13.8% of net sales revenues).
The Group's EBIT[2] came to about Euro 1,150 thousand (8.6 % of net sales revenues), down by 6.4% compared to 30 June 2014 (Euro 1,229 thousand, equal to 9.3% of net sales revenues).

As at 30 June 2015 the Group net profit was equal to Euro 787 thousand, up by 8.0% compared to 30 June 2014 (net profit equal to Euro 729 thousand).

Net sales revenues

As at 30 June 2015 the Piquadro Group recorded net sales revenues equal to about Euro 13,358 thousand, an increase of 1.3% compared to 30 June 2014. The increase in the turnover was determined by the growth in both DOS and Wholesale channels. Below is reported the breakdown of revenues by distribution channel and geographical area:

Breakdown of revenues by distribution channel

Piquadro products are sold through a network of specialist stores that are able to enhance the prestige of the Piquadro brand. For this purpose, the Group makes use of a distribution network focused on two channels:

i) a direct channel which, as at 30 June 2015, included 50 directly operated single-brand stores (the so-called "Directly Operated Stores" or "DOS");
ii) an indirect channel (Wholesale), which is represented by multi-brand shops/department stores, single-brand shops run by third parties linked to the Group by franchise agreements (53 shops as at 30 June 2015) and by distributors who then resell the articles in specialist multi-brand shops.

The table below reports the breakdown of net consolidated revenues by distribution channel:

Sales channel *(in thousands of Euro)*	**Net revenues as at 30 June 2015**	**%**	**Net revenues as at 30 June 2014**	**%**	**% change 2015/2014**
DOS	4,811	36.0%	4,719	35.8%	1.9%
Wholesale	8,547	64.0%	8,463	64.2%	1.0%
Total	**13,358**	**100.0%**	**13,182**	**100.0%**	**1.3%**

The revenues reported by the DOS channel showed an increase of 1.9% compared to the quarter ended 30 June 2014; this increase was driven by increased sales at the shops, the perimeter remaining equal, and despite the closure of 11 shops, which mainly took place in the Far East area. The DOS channel also includes the sales from the Group's e-commerce website, which showed an increase of 23.4%. Assuming that the perimeter remained unchanged and then deducted the sales recorded by the shops which were not present in the previous financial year, the sales revenues reported by the DOS channel recorded a significant increase of about 13.5% (assuming an equal number of days of opening and constant rates of exchange, the Same Store Sales Growth – SSSG- reported an increase of about 11.2%).

Sales reported by the Wholesale channel, which as at 30 June 2015 represented 64% of the Group's total turnover, showed an increase of 1.0%.

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1 - EBITDA (which is an acronym for Earnings Before Interest, Taxes, Depreciation and Amortisation, or Gross Operating Margin) is an economic indicator that is not defined by the International Accounting Standards. EBITDA is a unit of measurement utilised by the Management to monitor and assess the Group's operational performance. The Management believes that EBITDA is an important parameter for the measurement of the Group's performance, as it is not affected by the volatility due to the effects of the various criteria for the determination of taxable income, by the amount and characteristics of the capital employed, as well as by the amortisation and depreciation policies. EBITDA is defined as the Earnings for the period before depreciation of property, plant and equipment and amortisation of intangible assets, financial income and charges and the income taxes for the period.

2 – Operating Result (EBIT – Earnings Before Interest and Taxes) is the Earnings for the period before financial income and charges and income taxes.

The sales reported in the domestic market recorded a decline of 3% as a result of the postponement of some deliveries. The revenues reported in the Wholesale channel in Europe and in the Rest of the World showed an increase of 14%, driven by the sales recorded in countries such as Mexico, Iran, Turkey, China and South Korea.

Breakdown of revenues by geographical area

The table below reports the breakdown of net revenues by geographical area:

Geographical area *(in thousands of Euro)*	**Net revenues as at 30 June 2015**	**%**	**Net revenues as at 30 June 2014**	**%**	**% change 2015/2014**
Italy	9,885	74.0%	9,762	74.1%	1.3%
Europe	2,369	17.7%	2,482	18.8%	(4.6%)
Rest of the world	1,104	8.3%	938	7.1%	17.8%
Total	**13,358**	**100.0%**	**13,182**	**100.0%**	**1.3%**

From a geographical point of view, at 30 June 2015, the Group's revenues showed an increase of 1.3% in the sales on the Italian market, which accounts for a percentage of the Group's total turnover which is still high, equal to 74.0%. On the contrary, in the European market, the Group recorded a turnover of Euro 2.37 million, equal to 17.7% of consolidated sales (18.8% of consolidated sales at 30 June 2014), down by 4.6% compared to the FY 2013/2014 owing to a shrinkage in sales in Russia and Greece (with an impact of about Euro 150 thousand). In the non-European geographical area (named "Rest of the World"), turnover increased by 17.8% compared to the value posted in June 2014, mainly as a result of the growth in countries such as Iran, Mexico, China and Korea, and despite the closure of more than 7 shops in the Far East area as a result of the reorganisation of the distribution business in the Asian markets with a view to the new distribution model.

To complete the analysis of turnover reported above, the Management believes that the main factors which had a significant impact on the Group's volume of sales revenues in the first quarter of the current financial year are linked to the following:

- (i) a positive SSSG data in the comparable shops, equal to about 11.2% at constant exchange rates (+13.5% at current exchange rates);
- (ii) a 1% decrease in th quantities sold comapred to the first quarter in the FY 2014/2015;
- (iii) an increase in average prices, including the mix effect, equal to about 1.4% in the first quarter of the FY 2015-2016 compared to the same period in the FY 2014/2015;
- (iv) the closing down of 11 shops, which mainly took place in the far East area.

In the first three months of the financial year ended 30 June 2015, the Group reported a slight decrease of 1.0% in EBITDA (equal to Euro 16 thousand) compared to the same figure posted as at 30 June 2014, and in the operating result, which also decreased by 6.8% (from Euro 1,229 thousand – equal to about 9.3% of total sales revenues - in the first three months of the financial year ended 30 June 2014 to Euro 1,150 thousand in the first three months of the financial year ended 30 June 2015 - equal to about 8.6 % of total sales revenues).

In the opinion of the Management, the relative decrease in the operating result, in addition to the factors specifically listed for the turnover trends, was also attributable to the following factors:

- (i) higher production costs because of the appreciation of the US Dollar;
- (ii) higher marketing costs which accounted for 4.5% of consolidated turnover in the quarter (a percentage equal to 3.1% in the quarter ended 30 June 2014).

Summary economic-financial data

Below are reported the Group's main economic-financial indicators as at 30 June 2015 and 30 June 2014:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
Revenues from sales	13,358	13,182
EBITDA *(a)*	1,802	1,818
EBIT *(b)*	1,150	1,229
Pre-tax result	1,225	1,168
Net Financial Position *(c)*	8,793	12,021
Group's profit for the period	788	729
Amortisation and depreciation of fixed assets and write-down of receivables	652	589
Financial absorption (Group net profit, amortisation and depreciation, write-downs)	1,439	1,318

a) *EBITDA (which is the acronym of Earnings Before Interest, Taxes, Depreciation and Amortisation, or Gross Operating Margin) is an economic indicator that is not defined by the International Accounting Standards. EBITDA is a unit of measurement utilised by the Management to monitor and assess the Group's operational performance. The Management believes that EBITDA is an important parameter for the measurement of the Group's performance, as it is not affected by the volatility due to the effects of the various criteria for the determination of taxable income, by the amount and characteristics of the capital employed, as well as by the amortisation and depreciation policies. EBITDA is defined as the Earnings for the period before depreciation of property, plant and equipment and amortisation of intangible assets, financial income and charges and the income taxes for the period.*
b) *Operating Result (EBIT – Earnings Before Interest and Taxes) is the Earnings for the period before financial income and charges and income taxes.*
c) *The Net Financial Position ("NFP") utilised as a financial indicator of borrowing, is represented as the sum of the following positive and negative components of the Balance Sheet, as required by CONSOB notice no. 6064293 of 28 July 2006. Positive components: cash and cash equivalents, liquid securities under current assets, short-term financial receivables and derivative instruments. Negative components: payables to banks, payables to other lenders, leasing and factoring companies and derivative instruments.*

EBITDA for the period came to Euro 1,802 thousand, against Euro 1,818 thousand recorded in the same period ended 30 June 2014 and as at 30 June 2015 it accounted for 13.5% of consolidated revenues (against 13.8% recorded as at 30 June 2014).

As at 30 June 2015, the Group's amortisation and depreciation were equal to Euro 607 thousand and related to property, plant and equipment for Euro 442 thousand (depreciation of the building where the Parent Company operates for Euro 53 thousand; depreciation of business equipment, including automated warehouse and fittings for shops, for Euro 369 thousand; depreciation of general systems for Euro 20 thousand), intangible assets for Euro 165 thousand (of which Euro 36 thousand for software, Euro 1,13 thousand for key money, Euro 15 thousand for trademarks and Euro 1 thousand for rights and patents).

As at 30 June 2015 EBIT came to Euro 1,150 thousand, equal to 8.6 % of net sales revenues, down by 6.4% compared to the value recorded as at 30 June 2014 (for a percentage equal to 9.3%).

The result from financial operations as at 30 June 2015, which was positive for a value equal to Euro 75 thousand, was attributable to the net financial debt dynamics, in addition to the differential between foreign exchange gains and losses.

The pre-tax result recorded by the Group as at 30 June 2015 came to Euro 1,225 thousand and was affected by income taxes, including the effects of deferred taxation, equal to Euro 437 thousand.

Investments

Investments in intangible assets, property, plant and equipment and financial assets in the three months ended 30 June 2015 were equal to Euro 526 thousand (Euro 1,332 thousand as at 30 June 2013), as reported below:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
Investments		
Intangible assets	49	167
Property, plant and equipment	614	359
Financial fixed assets		-
Total	**663**	**526**

Increases in intangible assets, equal to Euro 49 thousand in the quarter ended 30 June 2015, related to investments in software for Euro 31 thousand, to trademarks for Euro 14 thousand and intangible assets under development for Euro 4 thousand.

Increases in property, plant and equipment, equal to Euro 614 thousand in the quarter ended 30 June 2015 were mainly attributable to plant and machinery for Euro 63 thousand, to industrial and business equipment mainly relating to the opening of the shop located at Madison Avenue in New York for Euro 524 thousand.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Below is summarised the Group's consolidated statement of financial position as at 30 June 2015 (compared to the corresponding statement as at 31 March 2015 and 30 June 2014):

(in thousands of Euro)	**30 June 2015**	**31 March 2015**	**30 June 2014**
Trade receivables	20,739	23,185	20,388
Inventories	18,910	15,962	16,539
(Trade payables)	(11,906)	(13,657)	(10,334)
Total net current trade assets	*27,743*	*25,490*	*26,593*
Other current assets	2,236	1,537	2,023
Tax receivables	956	907	270
(Other current liabilities)	(3,160)	(3,266)	(2,931)
(Tax payables)	(544)	(163)	(397)
A) Working capital	***27,231***	***24,505***	***25,558***
Intangible assets	4,514	4,608	5,018
Property, plant and equipment	12,675	12,624	12,998
Receivables from others beyond 12 months	654	682	822
Deferred tax assets	1,301	1,339	1,360
B) Fixed assets	***19,144***	***19,253***	***20,198***
C) Non-current provisions and non-financial liabilities	***(1,383)***	***(1,335)***	***(1,250)***
Net invested capital (A+B+C)	**44,992**	**42,423**	**44,506**
FINANCED BY:			
D) Net financial debt	*8,793*	*7,012*	*12,021*
E) Equity attributable to Minority interests	*(60)*		*(8)*
F) Equity attributable to the Group	*36,258*	35,411	*32,493*
Total borrowings and Shareholders' Equity (D+E+F)	**44,992**	**42,423**	**44,506**

CONSOLIDATED NET FINANCIAL POSITION

Below is the statement showing the net financial position of the Piquadro Group:

(in thousands of Euro)	**30 June 2015**	**31 March 2015**	**30 June 2014**
(A) Cash	68	85	90
(B) Other cash and cash equivalents (available current bank accounts)	7,933	12,620	7,761
(C) Liquidity (A) + (B)	**8,001**	**12,705**	**7,851**
(D) Finance leases	(625)	(625)	(580)
(E) Current bank debt	-	-	-

(F) Current portion of non-current debt	(8,045)	(9,695)	(7,828)
(G) Current financial debt (D) + (E) + (F)	**(8,670)**	**(10,320)**	**(8,408)**
(H) Short-term net financial position (C) + (G)	**(669)**	**2,385**	**(557)**
(I) Non-current bank debt	(6,245)	(7,312)	(9,007)
(L) Finance leases	(1,879)	(2,085)	(2,457)
(M) Non-current financial debt (I) + (L)	**(8,124)**	**(9,397)**	**(11,464)**
(N) Net Financial Debt (H) + (M)	**(8,793)**	**(7,012)**	**(12,021)**

As at 30 June 2015 the net financial position posted a negative value of Euro 8,793 thousand, showing an increase of Euro 1,781 thousand compared to the debt recorded as at 31 March 2015, and a decrease of Euro 3,228 thousand compared to 30 June 2014.

The main reasons for the trend in the net financial position, compared to 31 March 2015, are attributable to the following factors:

- a Free Cash Flow of about Euro 1.4 million generated from operations;
- investments in property, plant and equipment and intangible assets for Euro 663 thousand;
- an increase in the net current assets of about Euro 2.7 million, which was mostly due to the seasonality of the period.

The improvement in the net financial position compared to 30 June 2014, equal to about Euro 3.2 million, demonstrates the Group's ability to generate positive cash flows, the trends of which had already been highlighted at the end of the financial year ended 31 March 2015.

OTHER INFORMATION

Human resources

The products that the Group offers are conceived, manufactured and distributed according to the guidelines of an organisational model whose feature is that it monitors all the most critical phases of the chain, from conception and manufacturing to subsequent distribution. This entails great care with the correct management of human resources, which, while respecting the different local environments in which the Group operates, must necessarily lead to intense personal involvement, above all in what the Group considers the strategic phases for the success of the brand.
As at 30 June 2015 the Group had 706 members of staff compared to 759 units as at 30 June 2014. Below is reported the breakdown of staff by country:

Country	30 June 2015	30 June 2014	30 giugno 2013
Italy	242	234	206
China	388	439	466
Hong Kong	14	22	28
Macau	0	6	6
Germany	2	1	1
Spain	15	14	9
Taiwan	24	26	18
France	6	7	3
Switzerland	5	5	5
United Kingdom	6	5	-
USA	4		
Total	**706**	**759**	**742**

With reference to the Group's organisational structure, as at 30 June 2015 43.1% of staff operated in the production area, 28.9% in the retail area, 14.4% in the support functions (Administration, IT Systems, Purchasing, Human Resources, etc.), 10.1% in the Research and Development area and 3.5% in the sales area.

Research and development activity

The Piquadro Group's Research and Development activity is carried out by the Parent Company in house through a dedicated team that currently consists of 16 persons mainly engaged in the product Research and Development department and the style office at the head office of the Company.
Furthermore, the plants of the Chinese subsidiary employ a team of 44 people dedicated to prototyping and the implementation of new models according to the instructions defined by the central organisation. Products are conceived within the Group and occasionally in collaboration with outside industrial designers, taking account of the information regarding market trends supplied by the Group's internal departments (Product Management and Sales Departments). In this manner, the Group develops its collections trying to meet the needs of end customers that are not yet satisfied by the market. The internal unit dedicated to the design of products manages operating activities and also coordinates the external consultants of which the Group makes use. In some cases, in fact, the Group only uses external designers for the product design phase, while the development and implementation phase is in any case carried out in house.

Relations with related parties

The "Regulation bearing provisions governing transactions with related parties" was adopted by CONSOB Resolution no. 17221 of 12 March 2010, as amended by CONSOB resolution no. 17389 of 23 June 2010. On 18 November 2010 the Board of Directors of Piquadro S.p.A. adopted the procedure concerning related parties which was also drawn up by taking account of the instructions subsequently provided by CONSOB for the application of the new regulations by DEM/10078683 notice of 24 September 2010.
The said procedure, which is published on the website of Piquadro (www.piquadro.com), has the purpose to determine the criteria to be complied with for the approval of the transactions with related parties to be effected by Piquadro or its subsidiaries, in order to ensure transparency, as well as the material and procedural correctness of the transactions themselves. The identification of transactions with related parties is made as required by the CONSOB regulation referred to.
As to relations with related parties, these are largely commented on in the consolidated and separate financial statements and in the Notes to the Financial Statements.

Direction and Coordination activities

The Company is not subject to direction and coordination activities pursuant to Article 2497 and ff. of the Italian Civil Code. In fact, although under Article 2497-sexies of the Italian Civil Code "it is presumed, unless there is evidence to the contrary, that the activity of direction and coordination of companies is carried out by the company or entity that is required to consolidate their financial statements or that controls them in any way pursuant to Article 2359", neither Piqubo S.p.A. nor Piquadro Holding S.p.A., i.e. the companies controlling Piquadro S.p.A., carries out direction and coordination activities in relation to the Company, in that (i) they do not give instructions to their subsidiary; and (ii) there is no significant organisational/functional connection between these companies and Piquadro S.p.A..
In addition to directly carrying out operating activities, Piquadro S.p.A., in its turn, also carries out direction and coordination activities in relation to the companies it controls, pursuant to Articles 2497 and ff. of the Italian Civil Code.

Significant events after the quarter

On 23 July 2015, the ordinary Shareholders' Meetings of Piquadro S.p.A. approved the Financial Statements for the financial year ended 31 March 2015 and the distribution of a unit dividend of Euro 0.04 to the Shareholders, for a total amount of Euro 2 million. The dividend was paid starting from 5 August 2015 (with record date on 4 August 2015), with coupon no. 8 being detached on 3 August 2015.

Furthermore, the Shareholders' Meeting approved the authorisation of the board of directors to acquire and dispose of treasury shares, in compliance with the regulatory provisions and regulations in force, in order to pursue, also acting, if required, pursuant to the market practice no. 1 and 2 referred to in the Consob Resolution 16839/2009, the following objectives: *(i)* contributing to the stabilisation of the stock performance and the support to liquidity; *(ii)* establishing the so-called "stock of securities", so that the Company may keep and dispose of shares for any possible use of the same as fees in extraordinary operations, including any exchange of shareholdings, with other persons within any transactions of interest to the Company. The Shareholders' Meeting authorised the board of directors to acquire the maximum number of treasury shares permitted by law, for a period of 12 months from the date of authorisation – that is until the Shareholders' Meeting which approves the financial statements as at 31 March 2016 – by using the reserves available according to the last financial statements as duly approved. The abovementioned transactions may be carried out, on one or more occasions, by purchasing shares, pursuant to article 144-*bis*, paragraph 1, letter b, of the Issuers' Regulation, on regulated markets according to operating procedures set out in the regulations governing the organization and management of the markets themselves, which do not allow the direct matching of any proposed buy orders with any predetermined proposed sales orders. Purchases may took place according to procedures other than those specified above pursuant to article 132, paragraph 3, of the TUF or specified by any other provisions applicable from time to time at the time of the transaction. The purchase price of the shares shall be identified, from time to time, on the basis of the procedure selected to carry out the transaction and in accordance with permitted provisions of law, regulations or market practices, between a minimum amount and a maximum amount that may be determined according to the following criteria:

- in any case, the minimum purchase price shall not be 20% less than the reference price that the stock shall have recorded in the trading session on the day prior to any individual transaction;
- in any case, the maximum purchase price shall not be 10% more than the reference price that the stock shall have recorded in the trading session on the day prior to any individual transaction.

In the event that the purchases of treasury shares are carried out within the context of practices permitted with reference to the support to liquidity referred to in point 1 of Consob resolution 16839/2009, and without prejudice to any additional limits set out therein, the price relating to any proposed buy orders shall not exceed the price that is the higher of the price of the last independent transaction and the current price of the highest proposed independent buy order present on the market where the buy orders are placed.
Furthermore, the Shareholders' Meeting authorised the Board of Directors to sell any treasury shares acquired, in one or more transactions, for the consideration set by the Board, at a minimum of not less, by 20%, than the reference price that the share recorded in the stock exchange session of the day preceding each individual transaction.
The Shareholders' Meeting is required to authorise the sale starting from the date of the resolution passed by the Shareholders' Meeting of 23 July 2015, without any time limits.
In the event that the sales of treasury shares are carried out within the context of practices permitted with reference to the support to market liquidity referred to in point 1 of Consob resolution 16839/2009, and without prejudice to any additional limits set out therein, the price relating to any proposed sales orders shall not be less than the price that is the lower of the price of the last independent transaction and the current price of the highest proposed independent sales order present on the market where the sales orders are placed.

In addition to the above, no significant events are reported which occurred at Group level from 1 July 2015 to the date of this Report.

Outlook

The development dynamics of the Piquadro Group in the 2015/2016 financial year will be affected by its ability to continue the process of international expansion, also linked to a more glamorous repositioning of the Brand.
The Management expects that in the 2015/2016 financial year the Group will be able to continue to grow at the same rates as those already recorded in the course of the 2014/2015 financial year. In terms of profitability, the Management also expect, although in a context of increasing production costs mainly as a result of the appreciation of the US dollar against the Euro, to be able, in any case, to benefit from increased margins, also as a result of the benefits deriving from the full reorganisation of some less profitable geographical business areas. In this context, the Management will be engaged in monitoring operating margins and costs in order to increase commitments in Research and Development and Marketing at international level, in order to increase visibility of the brand and its knowledge.

Silla di Gaggio Montano (BO), 7 August 2015

FOR THE BOARD OF DIRECTORS
THE CHAIRMAN
(Marco Palmieri)

CONSOLIDATED CONDENSED QUARTERLY FINANCIAL STATEMENTS
AS AT 30 JUNE 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)	**Notes**	**30 June 2015**	**31 March 2015**
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	(1)	4,514	4,608
Property, plant and equipment	(2)	12,675	12,624
Receivables from others	(3)	654	682
Deferred tax assets	(4)	1,301	1,339
TOTAL NON-CURRENT ASSETS		**19,144**	**19,253**
CURRENT ASSETS			
Inventories	(5)	18,910	15,962
Trade receivables	(6)	20,739	23,185
Other current assets	(7)	2,236	1,538
Tax receivables	(8)	956	907
Derivative assets	(9)	0	0
Cash and cash equivalents	(10)	8,000	12,705
TOTAL CURRENT ASSETS		**50,841**	**54,297**
TOTAL ASSETS		**69,985**	**73,550**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)	**Notes**	**30 June 2015**	**31 March 2015**
LIABILITIES			
EQUITY			
Share capital		1,000	1,000
Share premium reserve		1,000	1,000
Other reserves		1,231	1,239
Retained earnings		32,220	28,093
Group profit for the period		807	4,119
TOTAL EQUITY ATTRIBUTABLE TO THE GROUP		**36,258**	**35,451**
Capital and Reserves attributable to minority interests		-40	
Profit/(loss) for the period attributable to minority interests		-20	(40)
TOTAL EQUITY ATTRIBUTABLE TO MINORITY INTERESTS		**(60)**	**(40)**
EQUITY	(11)	**36,198**	**35,411**
NON-CURRENT LIABILITIES			
Borrowings	(12)	6,245	7,312
Payables to other lenders for lease agreements	(13)	1,879	2,085
Provision for employee benefits	(14)	328	295
Provisions for risks and charges	(15)	1,055	1,040
TOTAL NON-CURRENT LIABILITIES		**9,507**	**10,732**
CURRENT LIABILITIES			
Borrowings	(17)	8,045	9,695
Payables to other lenders for lease agreements	(18)	625	625
Derivative liabilities	(19)	-	-
Trade payables	(20)	11,906	13,657
Other current liabilities	(21)	3,160	3,266
Tax payables	(22)	544	163
TOTAL CURRENT LIABILITIES		**24,280**	**27,406**
TOTAL LIABILITIES		**33,787**	**38,138**
TOTAL EQUITY AND LIABILITIES		**69,985**	**73,550**

CONSOLIDATED INCOME STATEMENT

(in thousands of Euro)	Notes	30 June 2015	30 June 2014
REVENUES			
Revenues from sales	(23)	13,358	13,182
Other income	(24)	288	170
TOTAL REVENUES (A)		**13,646**	**13,352**
OPERATING COSTS			
Change in inventories	(25)	(3,021)	(653)
Costs for purchases	(26)	4,157	2,079
Costs for services and leases and rentals	(27)	6,998	6,496
Personnel costs	(28)	3,670	3,537
Amortisation, depreciation and write-downs	(29)	652	589
Other operating costs		41	75
TOTAL OPERATING COSTS (B)		**12,496**	**12,123**
OPERATING PROFIT (A-B)		**1,150**	**1,229**
Financial income	(30)	448	163
Financial charges	(31)	(373)	(224)
TOTAL FINANCIAL INCOME AND CHARGES		**75**	**(61)**
PRE-TAX RESULT		**1,225**	**1,168**
Income tax	(32)	(437)	(439)
PROFIT FOR THE PERIOD		**787**	**729**
attributable to:			
EQUITY HOLDERS OF THE COMPANY		807	741
MINORITY INTERESTS		(20)	(12)
(Basic) Earnings per share in Euro	(33)	0.016	0.015
(Diluted) Earnings per share in Euro		0.015	0.014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	30 June 2015	30 June 2014
Profit (Loss) for the period (A)	**787**	**729**
Profit/(Losses) arising from the translation of financial statements of foreign companies	32	9
Profit/(Losses) on hedging instruments of cash flows (cash flow hedge)	-	71
Actuarial gain (losses) on defined-benefit plans	(32)	(3)
Total Profits/(Losses) recognised in equity (B)	**-**	**77**
Total comprehensive Income/(Losses) for the period (A) + (B)	**787**	**806**
Attributable to		
the Group	807	818
Minority interests	(20)	(12)

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY
(in thousands of Euro)

Description			Other reserves										
	Share capital	Share premium reserve	Translation reserve	Fair value reserve	Reserve for Employee Benefits	Other reserves	Total Other Reserves	Retained earnings	Group profit	Equity attributable to the Group	Capital and Reserves attributable to minority interests	Profit/ (Loss) attributable to minority interests	Total Equity attributable to the Group and minority interests
Balances as at 31.03.2014	**1,000**	**1,000**	**16**	**-48**	**-28**	**627**	**567**	**25,567**	**3,526**	**31,660**	**20**	**-16**	**31,664**
Profit for the period									741	**741**		-12	**729**
Other components of the comprehensive result as at 30 June 2014:													
- Exchange differences from translation of financial statements in foreign currency			9				**9**			**9**			**9**
- Reserve for actuarial gains (losses) on defined benefit plans					-3		**-3**			**-3**			**-3**
- Fair value of financial instruments				71			**71**			**71**			**71**
Total Comprehensive Income for the period			**9**	**71**	**-3**	**0**	**77**		**741**	**818**		**-12**	**806**
- Distribution of dividends to shareholders										**0**			**0**
- Allocation of the result for the year at 31 March 2014 to reserves								3,526	-3,526	**0**	-16	16	**0**
Fair value of Stock Option Plans						15	**15**			**15**			**15**
Balances as at 30.06.2014	**1,000**	**1,000**	**25**	**23**	**-31**	**642**	**659**	**29,093**	**741**	**32,493**	**4**	**-12**	**32,485**

Description			Other reserves										
	Share capital	Share premium reserve	Translation reserve	Fair value reserve	Reserve for Employee Benefits	Other reserves	Total Other Reserves	Retained earnings	Group profit	Equity attributable to the Group	Capital and Reserves attributable to minority interests	Profit/ (Loss) attributable to minority interests	Total Equity attributable to the Group and minority interests
Balances as at 31.03.2015	**1,000**	**1,000**	**796**	**0**	**-54**	**497**	**1,239**	**28,093**	**4,119**	**35,451**	**0**	**-40**	**35,411**
Profit for the period									807	**807**		-20	**787**
Other components of the comprehensive result as at 31 March 2015:													
- Exchange differences from translation of financial statements in foreign currency			32				**32**			**32**			**32**
- Reserve for actuarial gains (losses) on defined benefit plans					-32		**-32**			**-32**			**-32**
- Fair value of financial instruments							**0**						**0**
Total Comprehensive Income for the period							**0**		**807**	**807**		**-20**	**787**
- Distribution of dividends to shareholders										**0**			**0**
- Allocation of the result for the year at 31 March 2015 to reserves								4,119	-4,119	**0**	-40	40	**0**
Fair value of Stock Option Plans							**0**			**0**			**0**
Balances as at 30.06.2015	**1,000**	**1,000**	**828**	**23**	**-86**	**497**	**1,239**	**32,212**	**807**	**36,258**	**-40**	**-20**	**36,198**

CONSOLIDATED STATEMENT OF CASH FLOWS

(*in thousands of Euro*)	**30 June 2015**	**30 June 2014**
Pre-tax profit	**1,225**	**1,168**
Adjustments for:		
Depreciation of property, plant and equipment/ Amortisation of intangible assets	652	589
Provision for bad debts		-
Net financial charges/(income), including exchange rate differences	(75)	61
Cash flow from operating activities before changes in working capital	**1,802**	**1,818**
Change in trade receivables (net of the provision)	2,446	707
Change in inventories	(2,948)	(703)
Change in other current assets	118	(492)
Change in trade payables	(1,751)	(2,553)
Change in provisions for risks and charges	67	145
Change in other current liabilities	(898)	(83)
Change in tax receivables/payables	332	384
Cash flow from operating activities after changes in working capital	**(832)**	**(777)**
Payment of taxes	(417)	(441)
Interest paid	(178)	64
Cash flow generated from operating activities (A)	**(1,071)**	**(1,154)**
Investments in intangible assets	(49)	(167)
Investments in property, plant and equipment	(614)	(359)
Investments in fixed financial assets		
Changes generated from investing activities (B)	**(663)**	**(526)**
Financing activities		
Change in long-term financial receivables		-
Repayment of short- and medium/long-term borrowings	(2,813)	(1,295)
Registering of short- and medium/long-term borrowings		-
Changes in financial instruments	-	(97)
Lease instalments paid	(214)	(154)
Payment of dividends		-
Other changes in Equity	56	92
Cash flow generated from/(absorbed by) financing activities (C)	**(2,971)**	**(1,454)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	(4,705)	(3,134)
Cash and cash equivalents at the beginning of the period	**12,705**	**10,985**
Cash and cash equivalents at the end of the period	**8,000**	**7,851**

NOTES TO THE CONSOLIDATED CONDENSED QUARTERLY FINANCIAL STATEMENTS AS AT 30 JUNE 2015

GENERAL INFORMATION

The Group's business

Piquadro S.p.A. (hereinafter also referred to as "Piquadro", "the Company" or "the Parent Company") and its subsidiaries ("the Piquadro Group" or "the Group") design, produce and market leather goods - bags, suitcases and accessories - characterised by attention to design and functional and technical innovation.

The Company was established on 26 April 2005. The share capital has been subscribed through the contribution of the branch of business relating to operating activities on the part of the former Piquadro S.p.A (now Piqubo S.p.A., the ultimate company controlling the Company), which became effective for legal, accounting and tax purposes on 2 May 2005.

Effective from 14 June 2007, the registered office of Piquadro S.p.A. was moved from Riola di Vergato (Bologna), via Canova no. 123/O-P-Q-R to Località Sassuriano 246, Silla di Gaggio Montano (Bologna).
As of today's date, the Company is owned by Marco Palmieri through Piqubo S.p.A., which is 100% owned. Piqubo S.p.A., in fact, holds 93.34% of the share capital of Piquadro Holding SpA, which in its turn holds 68.37% of the share capital of Piquadro S.p.A., a company which is listed on the Milan Stock Exchange since 25 October 2007.
Furthermore, it should be noted that for a better understanding of the economic performance of the company, reference is made to the extensive information reported in the Report on Operations prepared by the Directors.

These consolidated condensed quarterly financial statements relating to the first three months of the financial year were prepared by the Board of Directors on 6 August 2015.

Seasonality

The Piquadro Group operates in a seasonal market that is typical of the sector to which it belongs.
Historically, the Group's sales revenues achieved in the first three months of the financial year (i.e. from April to June) account for about 19.6% of the consolidated turnover of the financial year (a percentage calculated on the basis of consolidated revenues as at 30 June 2014 compared to consolidated revenues as at 31 March 2015) with a consequent impact on margins. Accordingly, it should be noted that, even if expressing the Group's economic and financial performance, the result as at 30 June 2015, does not fully represent the result that the Group expects to achieve in the financial year that will end on 31 March 2016.

CRITERIA FOR THE PREPARATION OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS, THE GROUP STRUCTURE AND THE SCOPE OF CONSOLIDATIO

Accounting standards and policies

These consolidated condensed quarterly financial statements as at 30 June 2015 were prepared pursuant to Article 154-*ter* of Legislative Decree no. 58/98 and in accordance with International Accounting Standards (IAS/IFRS) adopted by the European Union and in particular with the accounting standard applicable to interim financial reporting (IAS 34).
IAS 34 allows interim financial statements to be prepared in a "condensed" form, i.e. on the basis of minimum disclosures substantially less detailed than required by IFRS as a whole, provided that a complete set of financial statements prepared on the basis of IFRS has been previously made available to the public.
These interim financial statements have been prepared in a "condensed" form and they must therefore be read together with the Group's consolidated financial statements ended 31 March 2015 prepared in accordance with IFRS adopted by the European Union, to which reference is made for a better understanding of the Group's business and structure and of the accounting standards and criteria adopted.
The preparation of interim financial statements in accordance with IAS 34 – Interim Financial Reporting requires judgments, estimates and assumptions that impact on assets, liabilities, costs and revenues. It should be noted that the final results may prove different from those obtained as a result of these estimates.
The accounting statements of income statement, balance sheet, changes in equity and statement of cash flows are prepared in an extended form and are the same as those adopted for the consolidated financial statements ended 31 March 2015.

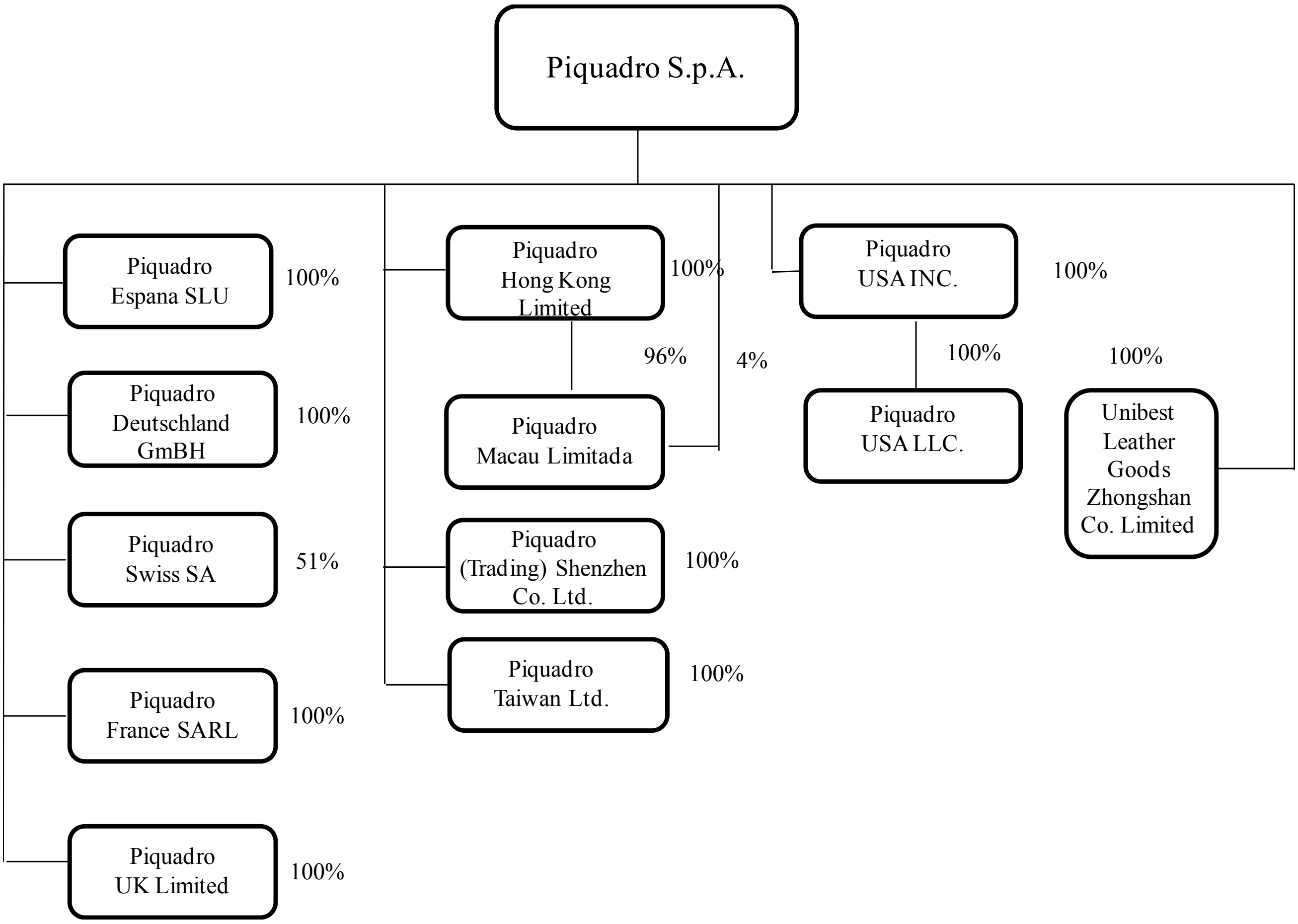
The accounting standards and policies adopted in preparing consolidated interim financial statements are the same as those used in preparing the consolidated financial statements of Piquadro S.p.A. ended 31 March 2015, to which reference is made for a description of the same.

Any other changes, amendments, improvements and interpretations that are applicable from 1 April 2015 regulate cases and series of cases that were not relevant to the group as at the date of this Interim Financial Report.

The consolidated interim financial statements are made up of the Balance Sheet, the Income Statement, the Statement of Cash Flows, the Statements of Changes in Equity and these Explanatory Notes. Economic data, changes in equity and cash flows for the quarter ended 30 June 2015 are compared with the quarter ended 30 June 2014. Financial data as at 30 June 2015 are compared with the corresponding values as at 31 March 2015 (relating to the last consolidated annual accounts).
For a better description, accounting data are reported in thousands of Euro in both the accounting statements and these Notes.
The reporting currency of these consolidated financial statements is the Euro, since this currency prevails in the economies of the countries where the Piquadro Group companies conduct their business.

The Group structure

For the purpose of provide a clear representation, below is reported the chart of the Group structure as at 30 June 2015:



Principles of consolidation

Companies are defined as subsidiaries when the Parent Company, either directly or indirectly, has the power to operate them in such a way as to obtain the benefits from conducting this business. Control is presumed to exist when the Group holds the majority of the voting rights. Potential voting rights that can be exercised or are convertible at the time are also taken into consideration in defining control.

The criteria adopted in applying the method of consolidation on a line-by-line basis are mainly the following:

- the book value of the equity investments held by the Parent Company or by the other companies being consolidated is eliminated against the related equity in consideration of the assumption of assets and liabilities of the investee companies;
- the surplus, if any, of the total cost of the businesses acquired with respect to the portion in the fair value pertaining to identifiable assets and liabilities and potential liabilities is recognised under item Goodwill, under Intangible Assets;
- significant transactions occurred between consolidated companies are also eliminated, as well as credit and debt items and profits not yet realised which arise from transactions between Group companies;
- the portion of Total Equity pertaining to minority shareholders is recognised under a special item, while the portion of result for the period pertaining to minority interests is recognised separately in the consolidated income statement;
- the companies acquired or sold in the course of the financial year are consolidated for the period in which control was exercised.

Scope of consolidation

The consolidated interim financial statements ended 30 June 2015 and 30 June 2014 include the interim financial statements of the Parent Company Piquadro S.p.A. and those of all companies over which it exercises control, either directly or indirectly.

Compared to the financial year ended 31 March 2015, during the quarter ended 30 June 2015 no new Company was included in the scope of consolidation.

The complete list of the companies included in the scope of consolidation as at 30 June 2015 and 30 June 2014 with the related shareholders' equity and share capital recognised according to Italian or foreign accounting standards (as the Group companies have prepared their interim financial statements according to the Italian or foreign regulations and accounting standards, and have only prepared the consolidation file according to IFRS functionally to the consolidation into Piquadro) are reported in the tables below:

Scope of consolidation as at 30 June 2015

Name	HQ	Country	Currency	Share Capital (local currency /000)	Shareholders' equity (Euro/000)	Control %
Piquadro S.p.A.	Gaggio Montano (BO)	Italy	EUR	1,000	36,198	Parent Company
Piquadro Espana Slu	Barcelona	Spain	EUR	898	765	100%
Piquadro Deutschland Gmbh	Munich	Germany	EUR	25	(37)	100%
Uni Best Leather Goods Zhongshan Co Limited	Guangdong	People's Republic of China	RMB	22,090	629	100%
Piquadro Hong Kong Limited	Hong Kong	Hong Kong	HKD	2,000	134	100%
Piquadro Macau Limitada	Macau	Macau	HKD	25	107	100%
Piquadro Trading (Shenzhen) Co. Ltd.	Shenzhen	People's Republic of China	RMB	13,799	1,236	100%
Piquadro Taiwan Co. Ltd.	Taipei	Taiwan	NTD	25,000	828	100%
Piquadro France SARL	Paris	France	EUR	2,500	2,550	100%
Piquadro Swiss SA	Mendrisio	Switzerland	CHF	100	(124)	51%
Piquadro UK Limited	London	United Kingdom	GBP	1,000	1,407	100%
Piquadro USA Inc.	Delaware	USA	USD	995	847	100%

Piquadro LLC	Delaware	USA	USD	995	843	100%

Scope of consolidation as at 30 June 2014

Name	HQ	Country	Currency	Share Capital (local currency /000)	Shareholders' equity (Euro/000)	Control %
Piquadro S.p.A.	Gaggio Montano (BO)	Italy	EUR	1,000	32,981	Parent Company
Piquadro Espana Slu	Barcelona	Spain	EUR	898	746	100%
Piquadro Deutschland Gmbh	Munich	Germany	EUR	25	(33)	100%
Uni Best Leather Goods Zhongshan Co Limited	Guangdong	People's Republic of China	RMB	22,090	319	100%
Piquadro Hong Kong Limited	Hong Kong	Hong Kong	HKD	2,000	22	100%
Piquadro Macau Limitada	Macau	Macau	HKD	25	63	100%
Piquadro Trading (Shenzhen) Co. Ltd.	Shenzhen	People's Republic of China	RMB	13,799	1.010	100%
Piquadro Taiwan Co. Ltd.	Taipei	Taiwan	NTD	25,000	550	100%
Piquadro France SARL	Paris	France	EUR	2,500	2,457	100%
Piquadro Swiss SA	Mendrisio	Switzerland	CHF	100	(20)	51%
Piquadro UK Limited	London	United Kingdom	GBP	-	867	100%

The companies that the Parent Company Piquadro S.p.A. controls, either directly or indirectly, and either legally or in practice, are consolidated according to the line-by-line consolidation method, which consists in reporting all the assets and liabilities items in their entirety from the date on which control has been acquired up to the date control ceases.

The financial statements expressed in a foreign currency other than the Euro are translated into Euro by applying the exchange rates applied below for the quarters ended 30 June 2015 and 30 June 2014 (foreign currency corresponding to Euro 1):

Foreign currency	**Average ***		**Closing ***	
	2015	**2014**	**2015**	**2014**
Hong Kong Dollar (HKD)	8.56	10.63	8.67	10.59
Renminbi (RMB)	6.85	8.54	6.94	8.47
Taiwan Dollar (TWD)	34.07	41.29	34.55	40.80
Swiss Franc (CHF)	1.04	1.22	1.04	1.22
Great Britain Pound (GBP)	0.72	0.81	0.71	0.80
US Dollar (USD)	1.10	-	1.12	-

COMMENT ON THE MAIN ITEMS IN THE STATEMENT OF FINANCIAL POSITION

ASSETS

NON-CURRENT ASSETS

Note 1 – Intangible assets

As at 30 June 2015 the value of intangible assets was equal to Euro 4,514 thousand (Euro 4,608 thousand as at 31 March 2015).

Below is reported the statement of changes of this item:

(in thousands of Euro)	**30 June 2015**
Balance as at 31 March 2015	4,608
Increases	49
Other changes	14
Amortisation and write-downs	(157)
Total	**4,514**

In the quarter ended 30 June 2015, the increases in intangible assets, equal to Euro 49 thousand, related to investments in software for Euro 31 thousand, to trademarks for Euro 14 thousand and to intangible assets under development for Euro 4 thousand.

No intangible assets with an indefinite useful life are reported in the accounts.

Note 2 – Property, plant and equipment

As at 30 June 2015, the value of property, plant and equipment was equal to Euro 12,675 thousand (Euro 12,624 thousand as at 31 March 2015).

Below is reported the statement of changes of this item:

(in thousands of Euro)	**30 June 2015**
Balance as at 31 March 2015	12,624
Increases	614
Other Changes	(69)
Depreciation and write-downs	(494)
Total	**12,675**

Increases in property, plant and equipment, equal to Euro 614 thousand in the quarter ended 30 June 2015, were mainly attributable to plant and machinery for Euro 63 thousand, to industrial and business equipment mainly relating to the new shop opened in New York for Euro 524 thousand and to leased buildings for Euro 27 thousand.

Below is reported the net book value as at 30 June 2015 of the assets used by the Group by virtue of finance lease agreements:

(in thousands of Euro)	**30 June 2015**
Land	878
Buildings	4,330
Industrial and business equipment	59
Total	**5,267**

Note 3 – Receivables from others

Receivables from others, equal to Euro 654 thousand as at 30 June 2015 (Euro 682 thousand as at 31 March 2015) relate to the guarantee deposits paid for various utilities, including those relating to the operation of Company-owned shops, and deposits relating to the lease of Company-owned shops that are not yet operating.

Note 4 – Deferred tax assets and liabilities

As at 30 June 2015, the amount of deferred tax assets (recognised net of deferred tax liabilities of Euro 293 thousand) was equal to Euro 1,301 thousand (Euro 1,339 thousand as at 31 March 2015) and was mainly made up of Euro 1,116 thousand of temporary tax differences relating to Piquadro S.p.A. relating to the IRES and IRAP tax effect on taxed funds, in addition to adjustments made at the time of the preparation of the consolidated financial statements (including the reversal of the intercompany profit with a deferred tax effect equal to Euro 43 thousand as at 30 June 2015).

CURRENT ASSETS

Note 5 – Inventories

The tables below report the breakdown of net inventories into the relevant classes and the changes in the provision for write-down of inventories (entered as a direct reduction in the individual classes of inventories), respectively:

(in thousands of Euro)	**Gross value as at 30 June 2015**	**Provision for write-down**	**Net value as at 30 June 2015**	**Net value as at 31 March 2015**
Raw Materials	3,863	(151)	3,712	2,344
Semi-finished products	678	-	678	661
Finished products	14,847	(327)	14,520	12,957
Inventories	**19,388**	**(478)**	**18,910**	**15,962**

Below is reported the breakdown and the changes in the provision for write-down of inventories:

(in thousands of Euro)	**Provision as at 31 March 2015**	**Use**	**Allocation**	**Provision as at 30 June 2015**
Provision for write-down of raw materials	151	-	-	151
Provision for write-down of finished products	327	-	-	327
Total provision for write-down of inventories	**478**	**-**	**-**	**478**

As at 30 June 2015, inventories showed an increase compared to the corresponding values as at 31 March 2015. This increase is mainly attributable to the different seasonality and to the early production relating to the increased sales expected in the current financial year.

Note 6 – Trade receivables

As at 30 June 2015, trade receivables were equal to Euro 20,739 thousand compared to Euro 23,185 thousand as at 31 March 2015. The decrease, equal to Euro 2,446 thousand, is mainly attributable to the different seasonality. The adjustment to the face value of receivables from customers at their presumed realisable value is obtained through a special provision for bad debts, whose changes are showed in the table below:

(in thousands of Euro)	**Provision as at 30 June 2015**	**Provision as at 31 March 2015**
Balance at the beginning of the year	1,231	1,173
Provision	-	386
Uses	-	(328)
Total provision for bad debts	**1,231**	**1,231**

Note 7 – Other current assets

Below is reported the breakdown of other current assets:

(in thousands of Euro)	**30 June 2015**	**31 March 2015**
Other assets	389	280
Accrued income and prepaid expenses	1,847	1,258
Other current assets	**2,236**	**1,538**

Other assets mainly related to advances to suppliers of the Parent Company for Euro 150 thousand, INAIL advances of the Parent Company equal to Euro 56 thousand.

Note 8 – Tax receivables

As at 30 June 2015, tax receivables were equal to Euro 956 thousand (Euro 907 thousand at 31 March 2015) and related to the refund of the IRES tax due following the deductibility of the IRAP tax relating to the cost of subordinate employment and employment treated as such referred to in Decree Law 201/2011 and Decree Law 16/2012 for the years 2007- 2011. This amount must be considered as a receivable due beyond 12 months.

(in thousands of Euro)	**30 June 2015**	**31 March 2015**
Receivables for income taxes	77	9
Receivable for IRES tax refund	878	898
Tax receivables	**956**	**907**

Note 9 - Derivative assets

As at 30 June 2015 there were no assets relating to the currency forward purchases (USD), nor assets relating to hedging of financial instruments.

The Company hedges the exchange risk connected to purchases of raw materials in US dollars and for contract work done in China. In consideration for this risk, the Company makes use of instruments to hedge the risk attached to the related rate, trying to fix and crystallise the exchange rate at a level that is in line with the budget forecasts.

Note 10 – Cash and cash equivalents

Below is reported the breakdown of cash and cash equivalents (mainly relating to the Parent Company):

(in thousands of Euro)	**30 June 2015**	**31 March 2014**
Cash, cash on hand and cheques	68	86
Available current bank accounts	7,932	12,619
Cash and cash equivalents	**8,000**	**12,705**

The balance represents cash and cash equivalents and the existence of cash and cash on hand at the closing dates of the periods. For a better understanding of the dynamics in the Company's liquidity, reference is made to the statement of cash flows and the breakdown of net financial position.

LIABILITIES

NON-CURRENT LIABILITIES

Note 11 – Equity

a) Share capital

As at 30 June 2015, the Share Capital of the Piquadro Group, was equal to Euro 1,000 thousand and was represented by no. 50,000,000 of ordinary shares, fully subscribed and paid up, with regular enjoyment, with no indication of their par value.

On 24 July 2012, the Shareholders' Meeting approved the guidelines of a new stock option plan for the 2012-2017 period, which is reserved for certain Directors, executives with strategic responsibilities, employees and collaborators of Piquadro S.p.A. and of other companies owned by it, and resolved to approve the consequent capital increase, excluding the right of option serving the plan, up to a maximum amount of Euro 93,998, through the issue of a maximum number of 4,699,900 ordinary shares of Piquadro S.p.A., of no par value, having the same features and enjoyment as the outstanding shares; this capital increase may be also implemented in more than one payment and is divisible by 31 December 2018.
On 26 September 2012, the Board of Directors resolved to determine the subscription price of the Piquadro ordinary shares, to be paid by the beneficiaries at the time of the subscription of the shares deriving from the exercise of the options, for an amount of Euro 1.53 per share, thus determining an overall number of 3,600,000 rights of option to be assigned to the respective beneficiaries. Furthermore, subject to the opinion of the Remuneration Committee, the list of the plan's beneficiaries was approved, specifying the number of rights of option assigned to each of them.

The new stock option plan will have a term of five years and the accrual of options, to the extent of 30% by 30 September 2015, 30% by 30 September 2016 and 40% by 30 September 2017, is subject to:

i) the permanence of the relationship of administration, subordinate employment or collaboration, as the case may be;
ii) the achievement by the Piquadro Group of certain EBIT targets, expected respectively for the related financial year, with a normalized positive NFP;
(i) the circumstance that the Piquadro shares as at the date of accrual were still listed in an Italian regulated market.

The criterion adopted to measure the 2012-2017 stock option plans is based on the Black – Scholes model, which has been properly amended in order to be able to include the conditions of accrual of the options.The calculation model has been created specifically in order to take account of the characteristics envisaged in the rules of the plan.

As at the date of this Report, the 2008-2013 Stock Option Plan, as approved by the Board of Directors of Piquadro S.p.A. on 31 January 2008, had been settled and no option assigned by virtue of the same was or had been exercised.
As regards the 2012-2017 Stock Option Plan*,* it should be noted that, on the basis of the results achieved by the Group from the approval of the stock option plan up to today and on the basis of the new plans prepared by the Management, it is emerged that the chances of attaining the EBITDA and Net Financial Position targets set out in the plan are very close to zero. As they are "non-market conditions" and taking account of these chances in accounting for the plan, the amount that had been previously accounted for under the "Stock Option Reserve" in previous financial years was consequently taken to the Income Statement in the financial year ended 31 March 2015 (as the plan had become "out of the money").

b) ***Share premium reserve***

This reserve, which remained unchanged compared to the financial year ended at 30 June 2015, was equal to Euro 1,000 thousand.

c) Translation reserve

As at 30 June 2015 the reserve was positive for Euro 25 thousand (it reported a positive balance of Euro 16 thousand as at 31 March 2014). This item is referred to the exchange rate differences due to the consolidation of the Companies with a relevant currency other than the Euro, i.e. Uni Best Hong Kong Ltd, Piquadro Hong Kong and Piquadro Macau (the relevant currency being the Hong Kong Dollar), Uni Best Leather Goods (Zhongshang) Co. Ltd and Piquadro Trading Shenzhen (the relevant currency being the Chinese Renminbi), Piquadro Middle East (the relevant currency being the Dirham), Piquadro Taiwan Co. Ltd (the relevant currency being the Taiwan Dollar), Piquadro Swiss SA (the relevant currency being the Swiss Franc) and Piquadro UK (the relevant currency being the Great Britain Pound).

d) Group net profit

This item relates to the recognition of the Group profit, equal to Euro 807 thousand, in the first three months ended 30 June 2015.

e) Equity attributable to minority interests

The item refers to the portions of revenue reserves, equal to Euro -60 thousand (at 31 March 2014 there were profits and reserves attributable to the minority interests equal to Euro -40 thousand), which are attributable to the minority interests of Piquadro Swiss SA and of which the Parent Company owns 51% of the share capital.

Note 12 – Borrowings

Below is the breakdown of non-current payables to banks:

(in thousands of Euro)	**30 June 2015**	**31 March 2015**
Borrowings from 1 to 5 years	8,045	9,695
Borrowings beyond 5 years	6,245	7,312
Medium/long-term borrowings	**14,290**	**17,007**

As at 30 June 2015, borrowings mainly related to Piquadro S.p.A. and included:

1. Euro 270 thousand for the unsecured loan granted by Carisbo S.p.A. in 22 November 2010 (against an initial amount of Euro 2,700 thousand), all of which were due and payable within twelve months;
2. Euro 1,519 thousand relating to the unsecured loan granted by UBI – Banca Popolare Commercio & Industria on 30 July 2014 (against an initial amount of Euro 2,000 thousand), of which a current portion of Euro 668 thousand and a non-current portion of Euro 851 thousand;
3. Euro 1,507 thousand relating to the unsecured loan granted by UBI – Banca Popolare Commercio & Industria on 1 August 2014 (against an initial amount of Euro 3,000 thousand), all of which were due and payable within twelve months;
4. Euro 803 thousand relating to the unsecured loan granted by Credem – Credito Emiliano on 24 November 2014 (against an initial amount of Euro 1,200 thousand), all of which were due and payable within twelve months;
5. Euro 2,255 thousand relating to the unsecured loan granted by Unicredit on 2 March 2015 (against an initial amount of Euro 2,700 thousand), of which a current portion of Euro 1,802 thousand and a non-current portion of Euro 453 thousand;
6. Euro 2,296 thousand relating to the unsecured loan granted by ICCREA – Banca Impresa S.p.A. on 26 March 2015 (against an initial amount of Euro 2,500 thousand), of which a current portion of Euro 826 thousand and a non-current portion of Euro 1,470 thousand;
7. Euro 4,500 thousand relating to the unsecured loan granted by Mediocredito Italiano S.p.A. on 13 February 2015, of which a current portion of Euro 1,000 thousand and a non-current portion of Euro 3,500 thousand;
8. Euro 195 thousand fully relating to the short-term portion of the Minority shareholders loan of the subsidiary Piquadro Swiss SA, which was entered into on 16 October 2012 for an initial amount of 196 thousand Swiss Francs.

Below is reported the breakdown of the loans:

(in thousands of Euro)	**Date of granting of the loan**	**Initial amount**	**Currency**	**Current borrowings**	**Amort. cost (S/T)**	**Non-current borrowings**	**Amort. Cost (L/T)**	**Total**
Carisbo loan	22 November	2,700	EUR	270	-1	0	0	269

	2010							
UBI loan	30 July 2014	2,000	EUR	668		851		1519
UBI loan	1 August 2014	3,000	EUR	1,507	-4			1503
Credem loan	24 June 2014	2,000	EUR	1,013				1013
Credem loan	24 November 2014	1,200	EUR	803				803
Unicredit loan	2 March 2015	2,700	EUR	1,802	-13	453	-1	2241
ICCREA loan	26 March 2015	2,500	EUR	826	-7	1,470	-5	2284
Mediocredito loan	13 February 2015	5,000	EUR	1,000	-14	3,500	-23	4463
Currency loan	Piquadro Swiss SA	196	CHF	195				195
				8,084	**-39**	**6,274**	**-29**	**14,290**

Note 13 – Payables to other lenders for lease agreements

Below is reported the following breakdown:

(in thousands of Euro)	**30 June 2015**	**31 March 2014**
Non-current portion:		
Payables to leasing companies	1,879	2,085
Current portion:		
Payables to leasing companies	625	625
Payables to other lenders for lease agreements	**2,504**	**2,710**

As at 30 June 2015, payables to other lenders due beyond 12 months were equal to Euro 1,879 thousand, and mainly related to the lease agreement in relation to the plant and the land located in Sassuriano, Silla di Gaggio Montano (Province of Bologna) (Euro 2,085 thousand at 31 March 2015).

Note 14 – Provision for Employee Benefits

As at 30 June 2015 the value of the provision was equal to Euro 328 thousand (Euro 295 thousand as at 31 March 2015) and has been determined by an independent actuary.

Note 15 – Provisions for risks and charges

Below are the changes in provisions for risks and charges as at 30 June 2015:

(in thousands of Euro)	**Provision as at 31 March 2015**	Use	Allocation	**Provision as at 30 June 2015**
Provision for supplementary clientele indemnity	901	-	-15	916
Other provisions for risks	139	-	-	139
Total	**1,040**	**-**	**-**	**1,055**

The “provision for supplementary clientele indemnity” represents the potential liability with respect to agents in the event of Group companies’ terminating agreements or agents retiring.
Other provisions for risks of Euro 139 thousand mainly relate to other provisions for risks on returns on sales equal to Euro 77 thousand, to the provision for risks on repairs for Euro 10 thousand and to other provisions for risks on potential liabilities generated by current operations equal to Euro 73 thousand. The provisions were adjusted in line with the actual risk.

Note 16 – Deferred tax liabilities

As at 30 June 2015 the amount of deferred tax liabilities was equal to Euro 293 thousand (Euro 244 thousand as at 31 March 2015), and was fully referable to the Parent Company.

CURRENT LIABILITIES

Note 17 – Borrowings

As at 30 June 2015 borrowings were equal to Euro 8,045 thousand (Euro 9,695 thousand as at 31 March 2015); for the breakdown, reference is made to Note 12. The balance fully related to a current portion of payables to banks for loans.

Note 18 - Payables to other lenders for lease agreements

As at 30 June 2015 they were equal to Euro 625 thousand (Euro 625 thousand as at 31 March 2015) and related to the current portion of payables to leasing companies in relation to finance lease agreements mainly involving hardware and software (Euro 34 thousand) and the building of the operational headquarters (Euro 588 thousand).

NET FINANCIAL POSITION

As at 30 June 2015 the net financial position posted a negative value of Euro 8,793 thousand, showing an increase of Euro 1,781 thousand compared to the debt recorded as at 31 March 2015, and a decrease of Euro 3,228 thousand compared to 30 June 2014.

The main reasons for the trend in the Net Financial Position, compared to 31 March 2015, are attributable to the following factors:

- a Free Cash Flow of about Euro 1.4 million generated from operations;
- investments in property, plant and equipment and intangible assets for Euro 663 thousand;
- an increase in the net current assets of about Euro 2.7 million, which was mostly due to the seasonality of the period.

The improvement in the net financial position compared to 30 June 2014, equal to about Euro 3.2 million, demonstrates the Group's ability to generate positive cash flows, the trends of which had already been highlighted at the end of the financial year ended 31 March 2015.

Note 19 – Derivative liabilities

As at 30 June 2015 there were no liabilities relating to currency forward purchases (USD).

Note 20 – Trade payables

Below is the breakdown of current trade liabilities:

(in thousands of Euro)	**30 June 2015**	**31 March 2015**
Payables to suppliers	11,906	13,657

As at 30 June 2015, the decrease in payables to suppliers, equal to Euro 1,751 thousand, compared to 31 March 2015, was mainly attributable to the Group's seasonality dynamics.

Note 21 – Other current liabilities

Below is the breakdown of other current liabilities:

(in thousands of Euro)	**30 June 2015**	**31 March 2015**
Payables to social security institutions	616	400
Payables to Pension funds	30	26
Other payables	138	87
Payables to employees	1,186	1,162
Advances from customers	68	52

Payables for VAT	615	1,254
IRPEF tax payables and other tax payables	507	285
Other current liabilities	**3,160**	**3,266**

Payables to social security institutions mainly relate to the Parent Company's payables due to INPS. Payables to employees as at 30 June 2015 mainly included the Company's payables for remunerations to be paid and deferred charges with respect to employees.

Note 22 – Tax payables

Below is the breakdown of tax payables:

(in thousands of Euro)	**30 June 2015**	**31 March 2015**
IRES tax (income taxes)	446	-
IRAP tax	98	-
Tax payables	**544**	**-**

COMMENT ON THE MAIN INCOME STATEMENT ITEMS

Note 23 – Revenues from sales

In relation to the breakdown of revenues from sales by distribution channel, reference is made to the Directors' Report on the performance of operations.

The Group's revenues are mainly realised in Euro.

Below is the breakdown of revenues by geographical area in the quarter ended 30 June 2015 compared with the data recorded in the same period ended 30 June 2013:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
Italy	9,855	9,762
Europe	2,369	2,482
Rest of the world	1,104	938
Revenues from sales	**13,358**	**13,182**

In the quarter ended 30 June 2015, revenues from sales reported an increase of 1.3% equal to Euro 176 thousand compared to the corresponding revenues achieved in the quarter ended 30 June 2014.

Note 24 – Other income

In the quarter ended 30 June 2015, other income amounted to Euro 288 thousand (Euro 170 thousand in the quarter ended 30 June 2014).

Note 25 – Change in inventories

The change in inventories was positive in both the quarter ended 30 June 2015 (equal to Euro 3,021 thousand) and the quarter ended 30 June 2014 (a positive value of Euro 653 thousand); this positive change is due to the higher inventories existing at the closing dates of the various accounting periods in relation to the seasonality of the Group's businesses.

Note 26 - Costs for purchases

This item essentially includes the cost of materials used for the production of the Company's goods and of consumables. In the quarter ended 30 June 2015, costs for purchases were equal to Euro 4,157 thousand (Euro 2,079 thousand in the quarter ended 30 June 2014).

Note 27 - Costs for services and leases and rentals

Below is the breakdown of costs for services:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
External production	2,374	2,018
Advertising and marketing	604	412
Transport services	939	837
Business services	551	528
Administrative services	240	254
General services	658	642
Others	-	-
Total Costs for services	**5,366**	**4,691**
Costs for leases and rentals	**1,632**	**1,805**
Costs for services and leases and rentals	**6,998**	**6,496**

Costs for leases and rentals mainly related to lease rentals relating to the shops of the Parent Company and of the Group companies that are responsible for the distribution of products, and decreased as a result of the closure of 11 directly-operated stores.

Note 28 - Personnel costs

Below is reported the breakdown of personnel costs:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
Wages and salaries	2,941	2,866
Social security contributions	623	574
TFR	106	97
Personnel costs	**3,670**	**3,537**

The table below reports the exact number by category of employees as at 30 June 2015, 30 June 2014 and 31 March 2015:

Units	**30 June 2015**	**30 June 2014**	**31 March 2015**
Executives	4	5	4
Office workers	306	394	298
Manual workers	396	360	354
Total	**706**	**759**	**656**

The number of employees as at 30 June 2015 decreased by 53 units compared to the number of employees reported as at 30 June 2014 mainly as a result of the closure of DOSs in the far East area.
In the quarter ended 30 June 2015, personnel costs reported an increase of 3.7%, passing from Euro 3,537 thousand in the quarter ended 30 June 2014 to Euro 3,670 thousand in the quarter ended 30 June 2015.
The increase in personnel costs is mainly due to the increase in staff employed by the Parent Company, which was partially offset by a reduction arising from the closure of some shops in the Far East area.

To supplement the information provided, below is also reported the average number of employees for the quarters ended 30 June 2015 and 30 June 2014.

Average unit	**30 June 2015**	**30 June 2014**
Executives	4	5
Office workers	302	361
Manual workers	375	395
Total for the Group	**681**	**761**

Note 29 - Amortisation, depreciation and write-downs

In the quarter ended 30 June 2015, amortisation and depreciation were equal to Euro 607 thousand (Euro 589 thousand in the quarter ended 30 June 2014). The quarter also saw a write-down in property, plant and equipment for a total of Euro 45 thousand (which was fully made up of furnishings and equipment of the Fiumicino T3 shop).

Note 30 - Financial income

The amount of Euro 448 thousand as at 30 June 2015 (Euro 163 thousand as at 30 June 2014) mainly related for Euro 441 thousand to foreign exchange gains either realised or estimated (Euro 107 thousand as at 30 June 2014). The remaining amount of Euro 7 thousand related to interest receivable on current accounts held by the Parent Company.

Note 31 - Financial charges

Below is the breakdown of financial charges:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
Interest payable on current accounts	11	15
Interest and expense subject to final payment	7	4
Financial charges on loans	96	116
Lease charges	8	12
Other charges	16	22

Net financial charges on defined-benefit plans	1	2
Foreign exchange losses (both realised and estimated)	234	53
Financial Charges	**373**	**224**

Financial charges mainly relate to financial charges on loans, in addition to financial charges on lease agreements (mainly relating to the use of the plant in Silla di Gaggio Montano) and to realised or estimated foreign exchange losses.

Note 32 - Income tax expenses

Below is reported the breakdown of income tax expenses:

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
IRES tax	339	323
IRAP tax	78	118
Total current taxes	**417**	**441**

Current taxes mainly relate to the tax burden calculated on the Parent Company’s taxable income.

(in thousands of Euro)	**30 June 2015**	**30 June 2014**
Deferred tax liabilities	43	-)
Deferred tax assets	(23)	(2)
Total deferred tax assets and liabilities	**20**	**(2)**

Note 33 - Earnings per share

As at 30 June 2015 diluted earnings per share amounted to Euro 0.015 (basic earnings per share amounted to Euro 0.016 as at 30 June 2015 and 0.015 as at 30 June 2014); they are calculated on the basis of the consolidated net profit for the period attributable to the Group, equal to Euro 787 thousand, divided by the weighted average number of ordinary shares outstanding in the quarter, equal to 53,600,000 shares, including potential shares relating to the stock option plan resolved and granted on 31 January 2008.

As at 30 June 2014, diluted earnings per share were equal to Euro 0.014.

	30 June 2015	**30 June 2014**
Group net profit (in thousands of Euro)	787	729
Average number of outstanding ordinary shares (in thousands of shares)	53,600	53,763
Diluted earnings per share (in Euro)	**0.015**	**0.014**
Group net profit (in thousands of Euro)	787	729
Average number of outstanding ordinary shares (in thousands of shares)	50,000	50,000
Basic earnings per share (in Euro)	**0.016**	**0.015**

OTHER INFORMATION

Segment reporting

In order to provide disclosures regarding the economic, financial and equity position by segment (Segment Reporting), the Group has chosen the distinction by distribution channel as the primary model for presenting segment data. This method of representation reflects how the Group's business is organised and the structure of its internal reporting on the basis of the consideration that risks and rewards are influenced by the distribution channels used by the Group.
The distribution channels selected as those being presented are the following ones:

- DOS channel
- Wholesale channel

In fact, the Group distributes its products through two distribution channels:

- a direct channel, which as at 30 June 2015, included 50 single-brand stores directly operated by the Group (the so-called "Directly Operated Stores" or "DOS");
- an indirect channel ("Wholesale"), which is represented by multi-brand shops/department stores, single-brand shops run by third parties linked to the Group by franchise agreements (53 shops as at 30 June 2015) and by distributors who then resell the articles in specialist multi-brand shops.

As shown below, as at 30 June 2015, approximately 36.0% of the Group's consolidated revenues was realised through the direct channel, while 64.0% of consolidated revenues was realised through the indirect channel.
The table below illustrates the segment data of the Piquadro Group broken down by sales channel (DOS and Wholesale), in relation to the three months ended 30 June 2015 and 30 June 2014, respectively.

Segment economic performance is monitored by the Company's Management up to the "Segment result before amortisation and depreciation". DOS channel's performance in the quarter ended 30 June 2015, compared to the results recorded as at 30 June 2014, was mainly affected by the following factors:

- a significantly improved performance in terms of SSSG of the DOS segment, if compared to the first quarter of 2014/2015;
- higher costs arising from the opening of the New York shop, which were offset by the closure of shops mainly in the Far East area;
- Performance improvement in the ecommerce due to relevant sales increase equal to 23.4%

The improvement in EBITDA in the DOS channel in the quarter ended 30 June 2015, compared to 30 June 2014, equal to about Euro 266 thousand (positive by Euro 45 thousand as at 30 June 2015 against a negative value of Euro 221 thousand as at 30 June 2014).

The performance in the Wholesale channel in the quarter ended 30 June 2015, compared to the results recorded at 30 June 2014, showed decreased margins in percentage terms, about 269 bps, mainly due to higher production and marketing costs.

(*in thousands of Euro*)	**30 June 2015**				**30 June 2014**				
	DOS	Wholesale	Total for the Group (including non-allocated items)	% Impact	DOS	Wholesale	Total for the Group (including non-allocated items)	% Impact	% Change 2015-2014
Revenues from sales	**4,811**	**8,547**	**13,358**	**100.0%**	**4,719**	**8,463**	**13,182**	**100.0%**	**1.3%**
Segment result before amortisation and depreciation	45	1,757	1,802	13.5%	(221)	2,039	1,818	13.8%	(0.9%)

Amortisation, depreciation and write-downs	(651)	(4.9%)	(589)	(4.5%)	10.5%
Financial income and charges	74	0.6%	(60)	(0.5%)	
Pre-tax result	**1,225**	**9.2%**	**1,168**	**8.9%**	**4.9%**
Income taxes	(437)	(3.3%)	(439)	(3.3%)	(0.5%)
Profit	**787**	**5.9%**	**729**	**5.5%**	**8.0%**
Result attributable to minority interests	-	-	-	-	
Group net profit	**787**	**5.9%**	**729**	**5.5%**	**%**

Commitments

As at 30 June 2015, the Group had not executed contractual commitments that would entail significant investments in property, plant and equipment and intangible assets in the 2015/2016 financial year.

Relations with related parties

Piquadro S.p.A., the parent company of the Piquadro Group, operates in the leather goods market and designs, produces and markets articles under its own brand. The subsidiaries mainly carry out activities of distribution of products (Piquadro España SLU, Piquadro Hong Kong Ltd, Piquadro Deutschland GmbH, Piquadro Trading – Shenzhen- Ltd. and Piquadro Taiwan Co. Ltd., Piquadro France SARL, Piquadro Swiss SA, Piquadro UK Limited and Piquadro USA LLC), or production (Uni Best Leather Goods Zhongsanhg Co. Ltd.).
The relations with Group companies are mainly commercial and are regulated at arm's length. There are also financial relations (inter-group loans) between the Parent Company and some subsidiaries, conducted at arm's length.

On 18 November 2010 Piquadro S.p.A. adopted, pursuant to and for the purposes of article 2391-*bis* of the Italian Civil Code and of the "Regulation on transactions with related parties" as adopted by Consob resolution, the procedures on the basis of which Piquadro S.p.A. and its subsidiaries operate to complete transactions with related parties of Piquadro S.p.A. itself.

The Directors report that, in addition to Piqubo S.p.A., Piquadro Holding S.p.A. and Palmieri Family Foundation, there are no other related parties (pursuant to IAS 24) of the Piquadro Group.

In the first quarter of the 2015/2016 financial year, Piqubo S.p.A., the ultimate parent company, charged Piquadro the rent relating to the use of the plant located in Riola di Vergato (Province of Bologna) as a warehouse.

On 29 June 2012 a lease agreement was entered into between Piquadro Holding S.p.A. and Piquadro S.p.A., concerning the lease of a property to be used as offices and located in Milan, Piazza San Babila n. 5, used as a show room of Piquadro S.p.A. and the amounts of which are reported in the table below. This lease agreement has been entered into at arm's length.

In the first quarter of the 2015/2016 financial year, no transactions were effected with Palmieri Family Foundation which is a non-profit foundation, whose Founder is Marco Palmieri and which has the purpose of promoting activities aimed at the study, research, training, innovation in the field for the creation of jobs and employment opportunities for needy persons.

Below is reported the breakdown of the main financial relations maintained with related companies (thousands of Euro).

	Receivables		Payables	
(in thousands of Euro)	**30 June 2015**	**31 March 2015**	**30 June 2015**	**31 March 2015**
Financial relations with Piqubo S.p.A.	-	-	-	-
Financial relations with Piquadro Holding S.p.A.	-	-	-	-
Financial relations with Palmieri Family Foundation	-	-	-	-
Total Receivables from and Payables to controlling companies	**-**	**-**	**-**	**-**

The table below reports the breakdown of the main economic and financial relations maintained with related companies (thousands of Euro).

	Revenues		Costs	
(in thousands of Euro)	**30 June 2015**	**30 June 2014**	**30 June o 2015**	**30 June 2014**
Economic relations with Piqubo S.p.A.	-	-	19	9.8
Economic relations with Piquadro Holding S.p.A.	-	-	61	73.9
Financial relations with Palmieri Family Foundation	-	-		-
Total Revenues and Costs to controlling companies	**-**	**-**	**80.0**	**83.7**

Fees due to the Board of Directors

The table below reports the fees (including emoluments as Directors and current and deferred remuneration, including in kind, as employees) due to Directors of Piquadro S.p.A., in relation to the first quarter of the 2015/2016 financial year, for the performance of their duties in the Parent Company and other Group companies, and the fees accrued by any executives with strategic responsibilities (as at 30 June 2015, Directors had not identified executives with strategic responsibilities):

First and last name	Position held	Period in which the position was held	Term of office [1)]	Fees due for the position	Non-monetary benefits	Bonuses and other incentives	Other fees	Total
Marco Palmieri	Chairman and CEO	01/04/15-30/06/15	2016	100	2	-	-	102
Pierpaolo Palmieri	Vice–Chairman Executive Director	01/04/15-30/06/15	2016	50	1	-	-	51
Marcello Piccioli	Executive Director	01/04/15-30/06/15	2016	45	1	-	1	47
Roberto Trotta	Executive Director	01/04/15-30/06/15	2016	[2)]	1	-	34	35
Gianni Lorenzoni	Lead Indipendent Director	01/04/15-30/06/15	2016	4	-	-	1	5
Paola Bonomo	Independent Director	01/04/15-30/06/15	2016	4	-	-	1	5
Anna Gatti	Independent Director	01/04/15-30/06/15	2016	4	-	-	1	5
				207	**5**	**-**	**38**	**250**

[1] Up to the approval of the financial statements as at 31 March.
[2] He waived the emolument for the period 01/04/15 - 30/06/15.

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CERTIFICATION PURSUANT TO ARTICLE 154-*bis,* PARAGRAPH 2, of the TUF

The Manager responsible for the preparation of corporate accounting documents declares, pursuant to article 154-*bis*, paragraph 2, of the Consolidation Act on Finance, that the accounting information contained in this document corresponds to the documentary results, as well as to the results in the accounting books and records.

The Manager responsible for the preparation of corporate accounting documents
Roberto Trotta