

YOOX NET-A-PORTER GROUP

Consolidated interim financial statements at 30 September 2015

YOOX NET-A-PORTER GROUP S.P.A.

VIA MORIMONDO 17 | 20143 MILAN

P.I./C.F. AND MILAN COMPANY REGISTER NO.: 02050461207 – R.E.A. NO.: MI-1656860

SHARE CAPITAL EURO 1.277.339,29

YOOX
NET-A-PORTER
GROUP

CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2015

YOOX
NET-A-PORTER
GROUP

Contents

MANAGEMENT AND CONTROL BODIES	5
DIRECTOR'S INTERIM REPORT	7
YOOX GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015	35
DECLARATION PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2 OF LEGISLATIVE DECREE 58/1998	94
INDEPENDENT AUDITORS' REPORT ON THE LIMITED AUDIT OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	95

If not specified otherwise, in this document the terms "Group" and "YNAP" refer, depending on the context in which they are used, to either YNAP S.p.A. and its subsidiaries subsequent to the effective merger date, or to YOOX S.p.A. and its subsidiaries before the effective merger date.

Therefore, these Consolidated Interim Financial Statements at 30 September 2015 refer to YOOX S.p.A. and its subsidiaries.

When the term "YOOX" is used, it refers exclusively to YOOX S.p.A. as it existed before the effective merger date.

YOOX
NET-A-PORTER
GROUP

Management and control bodies

BOARD OF DIRECTORS

CHIEF EXECUTIVE OFFICER	FEDERICO MARCHETTI ¹
CHAIRMAN	RAFFAELLO NAPOLEONE ²
DIRECTORS	ROBERT KUNZE-CONCEWITZ ^{3 5 6} STEFANO VALERIO ^{3 4} CATHERINE GÉRARDIN VAUTRIN ^{2 3 5} LAURA ZONI ⁴ ALESSANDRO FOTI ^{2 4 5} RICHARD LEPEU ^{7 4} GARY SAAGE ⁷

BOARD OF STATUTORY AUDITORS

STANDING AUDITORS	MARCO MARIA FUMAGALLI – Chairman GIOVANNI NACCARATO PATRIZIA ARIENTI
ALTERNATE AUDITORS	ANDREA BONECHI NICOLETTA MARIA COLOMBO

INDEPENDENT AUDITORS

	KPMG S.p.A.
--	-------------

SUPERVISORY BODY PURSUANT TO LEGISLATIVE DECREE 231/01

	ROSSELLA SCIOLTI – Chairwoman FILIPPO TONOLO ⁸ ISABELLA PEDRONI
--	--

DIRECTOR RESPONSIBLE FOR PREPARING THE FINANCIAL STATEMENTS

	ENRICO CAVATORTA
--	------------------

HEAD OF INTERNAL AUDIT

	FILIPPO TONOLO ⁸
--	-----------------------------

¹ Executive director in charge of the internal control and risk management system.

² Member of the Control and Risk Committee.

³ Member of the Compensation Committee.

⁴ Member of the Directors' Appointments Committee.

⁵ Member of the Related-Party Transactions Committee.

⁶ Lead Independent Director.

⁷ Richard Lepeu and Gary Saage were appointed by the Shareholders' Meeting of 21 July 2015; the appointment took effect on 5 October 2015. Richard Lepeu was appointed a member of the Directors' Appointments Committee by the Board of Directors on 11 November 2015.

⁸ Appointed by the Board of Directors on 11 November 2015.

YOOX
NET-A-PORTER
GROUP

YOOX
NET-A-PORTER
GROUP

DIRECTORS' INTERIM REPORT

YOOX
NET-A-PORTER
GROUP

Contents

INTRODUCTION	11
MULTI-BRAND BUSINESS LINE	12
MONO-BRAND BUSINESS LINE	12
REVENUES AND PROFITABILITY	15
METHODOLOGY NOTE	15
ACCOUNTING POLICIES	15
RECLASSIFIED CONSOLIDATED INCOME STATEMENT	16
ANALYSIS OF NET REVENUES AND OPERATING PROFIT BY BUSINESS LINE	19
CONSOLIDATED NET REVENUES BY GEOGRAPHICAL AREA	21
INVESTMENTS	21
FINANCIAL MANAGEMENT	22
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	22
DEBT/CONSOLIDATED NET FINANCIAL POSITION	23
INFORMATION CONCERNING MEASURES TO PROTECT PRIVACY	24
TAX MATTERS	24
LEGAL MATTERS	25
HUMAN RESOURCES	25
CORPORATE GOVERNANCE	25
SUBSEQUENT EVENTS	31
OUTLOOK	32
ANNEXES TO THE DIRECTORS' REPORT	33

YOOX
NET-A-PORTER
GROUP

Directors' interim report

INTRODUCTION

The first nine months of 2015 showed a continued increase in sales for the Group, in both the Multi-brand and Mono-brand business lines, recording improved performances in all the main reference markets. The number of active customers, the number of unique visitors and the number of orders also all increased. For more details, please refer to the table of the key indicators below.

In terms of the most significant events, in February the Lanvin online store was launched in Europe, the US and Japan, and subsequently extended to the Chinese market in March. In addition, the new release of marni.com "Powered by YOOX Group", with a creative concept developed by the YOOX creative agency, was also launched in February.

On 5 February 2015, the Brioni online store was extended to the Chinese market.

On 11 February 2015, the partnership was renewed with Aeffe Retail S.p.A. for the management of the albertaferretti.com online store in Europe, the US and Japan for a further five years, until 17 March 2020.

In addition, before the agreements were set to expire, the partnerships with Staff International S.p.A. (OTB Group) for the management of the Mono-brand online stores of the Maison Martin Margiela and Just Cavalli brands were renewed until 31 December 2020, in all markets in which they were already active.

On 14 April 2015, the online flagship store devoted to McQ, the contemporary line of Alexander McQueen, was launched in Europe, the US and the main Asia-Pacific area countries, including China.

On 8 May 2015, Richemont International S.A. and YOOX S.p.A. signed a letter of intent aimed at finalising a five-year agreement for the development and global management of the Chloé and Alfred Dunhill online stores.

On 11 May 2015, KARL LAGERFELD RETAIL BV and YOOX S.p.A. finalised a six-year agreement for the management of the KARL LAGERFELD online store in Europe, the US and Japan.

On 29 May 2015, Adidas A.G. and YOOX S.p.A. also renewed their global collaboration agreement for the management of the Y-3 online store for a further five years, until 19 October 2020.

In addition, on 15 July 2015, the online store of the REDValentino brand was extended to the Chinese market.

As reported in the section "subsequent events", at the end of October 2015 the KARL LAGERFELD online store was launched in Europe, the United States and Japan.

The merger between YOOX GROUP, the global Internet retailing partner for the main fashion and luxury brands and THE NET-A-PORTER GROUP, the top online luxury fashion destination in the world for shopping and editorial content, became effective on 5 October 2015. Thus the global leader in luxury fashion e-commerce was founded, with the name YOOX NET-A-PORTER GROUP S.p.A. (YNAP S.p.A. in abbreviated form) and registered office in Milan. The legal, accounting and tax effects of the transaction came into force on the same date. For further information, please refer to the "Corporate Governance" paragraph of this document.

With the goal of enhancing yoox.com with new editorial content and gift ideas in keeping with its DNA as a lifestyle destination, in May 2015 a new website area inspired by the theme of travel was introduced, with detailed selections of travel accessories from the current season and apparel from the previous collections of the most important fashion brands, which can be browsed by destination.

In line with the logistics strategy of opening warehouses specialised by product category based on the Group's growth needs (the "lego strategy"), in January 2015 the new semi-automated space dedicated to footwear was introduced at the Interporto (Bologna) logistics centre.

MULTI-BRAND BUSINESS LINE

The Group's Multi-brand operation breaks down into three online stores owned by the Company:

- (i) yoox.com, which to date generates the majority of the revenues of the Multi-brand business line;
- (ii) thecorner.com, which was opened in the first half of 2008;
- (iii) shooscribe.com, launched in March 2012.

The Group has based growth on yoox.com, from which, based on the technological, operational and commercial expertise it has acquired over the years, it subsequently developed the Mono-brand business line, thecorner.com and from the first quarter of 2012, shooscribe.com.

yoox.com has been operational as an online store since June 2000, and offers a vast array of fashion, design and art products. The majority of products offered on yoox.com are clothing, footwear and fashion accessories drawn from the collections of well-known brands for the corresponding season of the previous year at reduced prices. To complete its select offerings, yoox.com offers collections made exclusively for sale through yoox.com from major designers, eco-friendly fashion, vintage garments, an original selection of design objects and a refined collection of art work.

thecorner.com is an online luxury boutique launched in February 2008 to market the current season's collections, ranging from the most prestigious well-known brands to cutting-edge stylists, many of whom are presenting their debut collections online. The products sold on thecorner.com carry prices in line with those found in the traditional channel for the same clothing and accessories.

Initially the range of thecorner.com included menswear collections exclusively, extended to a womenswear collection from September 2009.

thecorner.com is a virtual space containing mini-shops dedicated to each brand, designed to recreate the style, atmosphere and world of ideas evoked by the brand. Customers can browse for clothes, shoes and accessories while immersed in exclusive multimedia content and images from advertising campaigns and fashion shows.

shooscribe.com is the Multi-brand online store launched in March 2012 devoted entirely to women's footwear. shooscribe.com offers a unique all-round shopping experience in the world of shoes, ranging from the editorial component to the care of shoes after purchase. The concept behind the store is actually based on the combination of three key elements: e-commerce, exclusive shoe-related services and editorial content. The range consists of an original and very carefully chosen selection of the most sought-after big name brands, as well as a selection of products inspired by shoes. For those who are passionate about shoes, shooscribe.com offers several services with added value, including a system for organising your shoes in your wardrobe, which comes with every package, and a network of trusted shoemakers for repairs. In addition, via an annual subscription, "shooscribers" can access the most exclusive services, ranging from complimentary shoe repair to free shipping throughout the year.

In the first nine months of 2015, the Multi-brand business line generated a monthly average of about 8.4 million unique visitors⁹.

The Group has designed and promoted web campaigns courtesy of which the multi-brand business line has reached a figure, in the first nine months of 2015, of approximately 40 thousand websites in more than 50 countries; approximately 236 million newsletters were sent out to registered users translated into the languages managed by the Group.

MONO-BRAND BUSINESS LINE

Since 2006 the Group has operated in the Mono-brand business line, which involves the design, setting up and exclusive management of Mono-brand online stores for some of the world's leading fashion brands, which it works closely together with.

The Group offers its services as a key Strategic Partner for major fashion companies boasting internationally renowned brands. Thanks to its years of experience, the Group is able to manage the entire online shopping process for these companies. All online stores display the wording "Powered by YOOX Group", which is considered recognition of the guarantee of service

⁹ Monthly unique visitor is defined as a visitor who opened at least one browser session to visit the online store over the month. The figure reported is calculated as the average of monthly unique visitors for the period concerned.

YOOX NET-A-PORTER GROUP

quality offered by YOOX. The Group offers its partners consulting and web marketing investment management services, both when new online stores are launched and when they are operational.

The Group is also a partner of Kering (formerly PPR Group) with whom it set up a joint venture dedicated to the management of the Mono-brand online stores of the various luxury brands of Kering.

In the first nine months of 2015, the Mono-brand business line generated a monthly average of about 8.6 million unique visitors.

At 30 September 2015, 38 online stores are active. Specifically:

- marni.com, the online store of the Marni brand operational since September 2006, active mainly in Europe, the US and Japan and operational in China since March 2011;
- emporiorarmani.com, the online store of the Emporio Armani brand, operational in the US since August 2007; its operations were expanded mainly to major markets in Europe in June 2008, to Japan in July 2009 and China in November 2010;
- diesel.com, the online store of the Diesel, Diesel Black Gold and 55 DSL brands, operational mainly in Europe since November 2007, and in Japan since February 2011;
- stoneisland.com, the online store of the Stone Island brand, operational since March 2008 mostly in the main European markets, the US and Japan;
- valentino.com, the online store of the Valentino brand, operational since April 2008 in the US, since March 2009 in the main European markets and Japan and since November 2014 in China;
- emiliopucci.com, the online store of the Emilio Pucci brand, operational since November 2008, mostly in the main European markets, the US and Japan;
- moschino.com, the online store of the Moschino, Love Moschino and MoschinoCheapAndChic brands, active since February 2009 mainly in Europe, the US and Japan;
- dsquared2.com, the online store of the Dsquared2 brand, operational since September 2009, mainly in Europe, the US, Japan and China;
- jilsander.com, the online store of the Jil Sander and Jil Sander Navy brands, operational since September 2009 mainly in Europe, the US and Japan; the store expanded to include the Jil Sander Navy brand in January 2011;
- robertocavalli.com, the online store of the Roberto Cavalli and Just Cavalli brands, operational since November 2009 mainly in Europe, the US and Japan; the store expanded to include the Just Cavalli brand in February 2011;
- giuseppezanottidesign.com, the online store of the Giuseppe Zanotti brand, operational since February 2010, mainly in Europe, the US and Japan;
- napapijri.com, the online store of the Napapijri brand, operational since March 2010 mainly in Europe and the US and since October 2010 in Japan;
- albertaferretti.com, the online store of the Alberta Ferretti and Philosophy by Alberta Ferretti brands, operational since March 2010 mainly in Europe, the US and Japan;
- maisonmargiela.com, the online store of the Maison Margiela brand, operational since October 2010, mainly in Europe, the US and Japan;
- zegna.com, the online store of the Ermenegildo Zegna, Zegna Sport and Z Zegna brands, operational since December 2010, mainly in Europe, the US and Japan; the extension to the Z Zegna brand took place in September 2011;
- y-3store.com, the online store of the Y3 brand, operational since March 2011 mainly in Europe, the US and Japan and operational since November 2011 in China;

YOOX NET-A-PORTER GROUP

- brunellocucinelli.com, the online store of the Brunello Cucinelli brand, operational since March 2011 mainly in Europe, the US and Japan and extended to China in April 2014;
- bikkembergs.com, the online store of the Dirk Bikkembergs Sport Couture and Bikkembergs brands, operational since June 2011, mainly in Europe, the US and Japan;
- dolcegabbana.com, the online store of the Dolce & Gabbana brand, operational since July 2011 in Europe, the US and Japan and, since August 2011 in China;
- moncler.com, the online store of the Moncler brand, operational since September 2011 mainly in Europe, the US and China and since September 2014 in Japan;
- armani.com, the online store of the Giorgio Armani, Armani Collezioni, Armani Junior, EA7, Emporio Armani and Armani Jeans brands, operational since October 2011 mainly in Europe, the US, Japan and China;
- trussardi.com, the online store of the Trussardi 1911 brand operational since December 2011 mainly in Europe, the US and Japan; in October 2012 it was also extended to the Tru Trussardi and Trussardi Jeans brands;
- barbarabui.com, the online store of the Barbara Bui brand, operational since February 2012, mainly in Europe, the US and Japan;
- pringlescotland.com, the online store of the Pringle of Scotland brand, operational since March 2012, mainly in Europe, the US and Japan;
- pomellato.com, the online store of the Pomellato brand, operational since May 2012 mainly in Europe, the US and Japan;
- alexanderwang.com, the online store of the Alexander Wang and T by Alexander Wang brands, operational since May 2012 in Asia-Pacific area countries including China, Hong Kong and Japan and in Europe, and since July 2014 in the US;
- missoni.com, the online store of the Missoni brand, operational since March 2013 mainly in Europe, North America and Japan;
- dodo.it, the online store of the Dodo brand operational since May 2013 mainly in Europe and North America and, since late 2014, in Japan;
- kartell.com, the online store of the Kartell brand operational since May 2014 in Europe;
- redvalentino.com, the online store of the Red Valentino brand, operational since November 2014, mainly in the US, Europe and Japan;
- lanvin.com, the online store of the Lanvin brand, operational since February 2015 in Europe, the US and the main Asia-Pacific area countries, and subsequently extended to the Chinese market in March 2015;
- sergiorossi.com, the online store of the Sergio Rossi brand managed by the joint venture between Kering and YOOX Group operational since September 2012 in the main European markets, the US and Japan and extended to the Chinese market in June 2014;
- bottegaveneta.com, the online store of the Bottega Veneta brand managed by the joint venture between Kering and YOOX Group launched at the end of 2012 in several European markets, the US and Japan;
- stellamccartney.com, the online store of the Stella McCartney brand, managed by the joint venture between Kering and YOOX Group launched at the end of 2012 in Europe, the US and Japan, and extended to the Chinese market in January 2014;
- alexandermcqueen.com, the online store of the Alexander McQueen brand, managed by the joint venture between Kering and YOOX Group and operational since May 2013 mainly in Europe, the US and Japan, and extended to the Chinese market in January 2014;

YOOX NET-A-PORTER GROUP

- balenciaga.com, the online store of the Balenciaga brand, managed by the joint venture between Kering and YOOX Group and operational since May 2013 mainly in Europe, the US and Japan, and extended to the Chinese market in May 2014;
- ysl.com, the online store of the Saint Laurent brand, managed by the joint venture between Kering and YOOX Group and operational since June 2013 mainly in Europe, the US and Japan;
- brioni.com, the online store of the Brioni brand, managed by the joint venture between Kering and YOOX Group and operational since November 2013 mainly in Europe, the US and Japan, and extended to the Chinese market in February 2015.

REVENUES AND PROFITABILITY

METHODOLOGY NOTE

This Directors' Report contains information relating to the revenues, profitability and financial positions of the YOOX Group as at 30 September 2015.

Unless otherwise indicated, all amounts are expressed in thousands of Euro. The comparisons in this document have been made with regard to the corresponding period of the previous financial year or the information as of 31 December 2014. For reasons of clarity, it should be pointed out that the percentage differences and variations for the different amounts recorded have been calculated at the precise values. It should also be noted that possible differences that may be found in some tables are due to rounding off amounts expressed in thousands of Euro. The Parent Company YOOX S.p.A. is referred to by its full name or simply as the Company; the Group reporting directly to it appears as YOOX Group or simply as the Group; when notes refer to subsidiaries, full company names are used.

All subsidiaries of YOOX S.p.A. operate in the Group's business sector, or in any event, perform activities that are consistent with those of the Group. YOOX S.p.A. manages its subsidiaries with reference to the geographical operating area. Thus, for more precise information on geographical areas, please refer to the information by business segment, and in general, to information provided in the consolidated financial statements in terms of comments on the main events that occurred in relation to subsidiaries.

ACCOUNTING POLICIES

The Consolidated Interim Financial Statements as at 30 September 2015 have been compiled in accordance with Article 154-ter, paragraph 5 of Legislative Decree 58/98 – T.U.F. – and later modifications and additions, and in compliance with Article 2.2.3 of the Stock Exchange Regulations.

The accounting standards, the consolidation standards and evaluation criteria used in preparing the consolidated interim financial statements are consistent and comply with the standards used to draw up the Annual Report as at 31 December 2014 which is available on the website www.ynap.com in the "Investor Relations" section.

The accounting policies used by the Parent Company and by the Group are consistent with those of the International Financial Reporting Standards endorsed by the European Union and the application of Legislative Decree 38/2005 and other Consob rules and regulations governing financial statements. These financial statements were prepared on a cost basis (with the exception of derivative financial instruments, held-for-sale financial assets and available-for-sale financial instruments, which are stated at their current value) and on the assumption that the business is a going concern.

The income statements for the Group, presented in the following pages of the current Directors' Report, have been reclassified in a way deemed by management to be useful for reporting interim indicators of profitability such as gross profit, EBITDA Pre Corporate Costs, EBITDA, EBITDA without incentive plans and operating profit. Some of the above interim profitability indicators are not recognised as accounting measures under the IFRS endorsed by the European Union and their calculation may not be standard. Group management uses these indicators to monitor and measure the Group's performance. Management believes that these indicators are an important measure of operating performance in that they are not affected by the various criteria used to calculate taxes, the amount and characteristics of invested capital and the related amortisation and depreciation methods. The criterion used by the Group to calculate these indicators might not be consistent with that adopted by other groups or companies, and accordingly, the resulting figures may not be comparable.

YOOX NET-A-PORTER GROUP

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Reclassified consolidated income statement for the third quarter of 2015:

THOUSAND EURO	Q3 2015	Q3 2014	CHANGE	
CONSOLIDATED NET REVENUES	154,805	128,278	26,527	20.7%
COST OF GOODS SOLD	(103,772)	(85,091)	(18,681)	22.0%
GROSS PROFIT¹⁰	51,033	43,187	7,846	18.2%
% of consolidated net revenues	33.0%	33.7%		
FULFILMENT COSTS	(14,064)	(11,413)	(2,652)	23.2%
SALES AND MARKETING COSTS	(16,290)	(13,061)	(3,229)	24.7%
EBITDA PRE CORPORATE COSTS¹¹	20,679	18,714	1,965	10.5%
% of consolidated net revenues	13.4%	14.6%		
GENERAL EXPENSES	(9,788)	(9,065)	(724)	8.0%
OTHER INCOME AND EXPENSES	(456)	(377)	(79)	21.1%
EBITDA¹²	10,435	9,272	1,162	12.5%
% of consolidated net revenues	6.7%	7.2%		
DEPRECIATION AND AMORTISATION	(7,609)	(6,229)	(1,379)	22.1%
NON-RECURRING EXPENSES	(5,809)	-	(5,809)	-
OPERATING PROFIT	(2,983)	3,043	(6,026)	>100%
% of consolidated net revenues	-1.9%	2.4%		
RESULT OF EQUITY INVESTMENTS	55	(82)	137	>100%
FINANCIAL INCOME	590	1,752	(1,162)	-66.3%
FINANCIAL EXPENSES	(2,518)	(1,360)	(1,158)	85.1%
PROFIT BEFORE TAX	(4,856)	3,353	(8,209)	>100%
% of consolidated net revenues	-3.1%	2.6%		
TAXES	874	(1,336)	2,210	>100%
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,982)	2,017	(5,999)	>100%
% of consolidated net revenues	-2.6%	1.6%		
EBITDA EXCLUDING INCENTIVE PLAN COSTS¹³	10,435	9,383	1,052	11.2%
% of consolidated net revenues	6.7%	7.3%		
ADJUSTED NET INCOME¹⁴	3	2,102	(2,098)	-99.9%
% of consolidated net revenues	0.0%	1.6%		

¹⁰ Gross profit is net income before fulfilment costs, sales and marketing costs, general expenses, other income and expenses, depreciation and amortisation, non-recurring expenses, income/loss from investment in associates, financial income and expenses and income taxes. Since gross profit is not recognised as

YOOX NET-A-PORTER GROUP

In the third quarter of 2015, the Group posted consolidated net revenues, net of returns and customer discounts, of Euro 154,805 thousand, up 20.7% from Euro 128,278 thousand in the third quarter of 2014 (+19.1% at constant exchange rates). EBITDA stood at Euro 10,435 thousand compared with Euro 9,272 thousand for the third quarter of the previous year. This result was influenced by lower gross profit and a higher incidence of fulfilment and sales & marketing costs, only partially offset by an improvement in general expenses on sales. The percentage impact of EBITDA on net revenues decreased from 7.2% in the third quarter of 2014 to 6.7% in the third quarter of 2015. Excluding the notional expenses relating to the incentive plans, equal to Euro 0 thousand, EBITDA excluding incentive plan costs stood at Euro 10,435 thousand (+11.2% compared with the same period in 2014), with a margin on sales of 6.7%.

Non-recurring expenses were generated by the merger with THE NET-A-PORTER GROUP Limited and primarily include expenses for legal, tax, accounting, financial and strategic consulting services, as well as other general expenses associated with the transaction, applicable to the period.

Consolidated net income stood at Euro -3,982 thousand compared with Euro 2,017 thousand for the third quarter of 2014. Excluding non-recurring expenses and notional costs relating to incentive plans net of the relative tax effect, Adjusted net income stood at Euro 3 thousand compared with Euro 2,102 thousand in the third quarter of 2014 (-99.9% compared with the same period of 2014). This result reflects an increase of Euro 1,379 thousand in depreciation and amortisation and net financial expenses of Euro 1,873 thousand, primarily due to exchange rate losses and interest expenses.

an accounting measure under Italian GAAP or the IFRS endorsed by the European Union, its calculation might not be standard, and the measurement criterion adopted by the Group might not be consistent with that adopted by other groups, and accordingly, the resulting figures may not be comparable.

¹¹ EBITDA Pre Corporate Costs (or Operating Profit by business line) is defined as net income before general expenses, other income and expenses, depreciation and amortisation, non-recurring expenses, income/loss from investment in associates, financial income and expenses and income taxes. Since EBITDA Pre Corporate Costs is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union, its calculation might not be standard, and the measurement criterion adopted by the Group might not be consistent with that used by other groups. EBITDA Pre corporate costs correspond to the sector operating result shown in the consolidated financial statements.

¹² EBITDA is net income before depreciation and amortisation, non-recurring expenses, income/loss from investment in associates, financial income and expenses and income taxes. Since EBITDA is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union, its calculation might not be standard. Group management uses EBITDA to monitor and measure the Group's performance. Management believes that EBITDA is an important measure of operating performance in that it is not affected by the various criteria used to calculate taxes, the amount and characteristics of invested capital and the related amortisation and depreciation methods. The criterion used by the Group to calculate EBITDA might not be consistent with that adopted by other groups, and accordingly, the resulting figure may not be comparable with those calculated by such groups.

¹³ The EBITDA excluding the Incentive Plans costs is defined as the EBITDA gross of costs relating to the Stock Option Plans and Company Incentive Plans, described in the consolidated accounts. For more details, refer to Annex 1 of this Report, which describes the impact of these costs on the reclassified consolidated income statement.

¹⁴ Adjusted net income excludes notional expenses relating to outstanding Incentive Plans, non-recurring expenses relating to the merger with THE NET-A-PORTER GROUP Limited and the relative tax effects.

YOOX NET-A-PORTER GROUP

Reclassified consolidated income statement for the first nine months of 2015:

THOUSAND EURO	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE	
CONSOLIDATED NET REVENUES	439,357	366,267	73,090	20.0%
COST OF GOODS SOLD	(283,073)	(236,856)	(46,217)	19.5%
GROSS PROFIT	156,284	129,411	26,873	20.8%
% of consolidated net revenues	35.6%	35.3%		
FULFILMENT COSTS	(40,349)	(33,356)	(6,993)	21.0%
SALES AND MARKETING COSTS	(50,855)	(39,113)	(11,742)	30.0%
EBITDA PRE CORPORATE COSTS	65,080	56,942	8,138	14.3%
% of consolidated net revenues	14.8%	15.5%		
GENERAL EXPENSES	(33,521)	(27,854)	(5,667)	20.3%
OTHER INCOME AND EXPENSES	(2,964)	(1,939)	(1,025)	52.8%
EBITDA	28,595	27,149	1,446	5.3%
% of consolidated net revenues	6.5%	7.4%		
DEPRECIATION AND AMORTISATION	(22,254)	(17,890)	(4,363)	24.4%
NON-RECURRING EXPENSES	(11,018)	-	(11,018)	-
OPERATING PROFIT	(4,677)	9,259	(13,936)	>100%
% of consolidated net revenues	-1.1%	2.5%		
RESULT OF EQUITY INVESTMENTS	149	(595)	744	>100%
FINANCIAL INCOME	7,015	2,057	4,958	>100%
FINANCIAL EXPENSES	(7,835)	(2,950)	(4,884)	>100%
PROFIT BEFORE TAX	(5,347)	7,771	(13,118)	>100%
% of consolidated net revenues	-1.2%	2.1%		
TAXES	1,492	(3,197)	4,689	>100%
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,855)	4,573	(8,429)	>100%
% of consolidated net revenues	-0.9%	1.2%		
EBITDA EXCLUDING INCENTIVE PLAN COSTS	29,609	28,075	1,534	5.5%
% of consolidated net revenues	6.7%	7.7%		
ADJUSTED NET INCOME	4,399	5,281	(882)	-16.7%
% of consolidated net revenues	1.0%	1.4%		

In the first nine months of 2015, the Group posted consolidated net revenues, net of returns and customer discounts, of Euro 439,357 thousand, up 20.0% from Euro 366,267 thousand as at 30 September 2014 (+16.3% at constant exchange rates). EBITDA stood at Euro 28,595 thousand at 30 September 2015 compared with Euro 27,149 thousand at 30 September 2014. The percentage impact of EBITDA on net revenues decreased from 7.4% in the first nine months of 2014 to 6.5% in the first nine months of 2015. Excluding the notional expenses relating to the incentive plans, equal to Euro 1,014 thousand, EBITDA

YOOX NET-A-PORTER GROUP

excluding incentive plan costs stood at Euro 29,609 thousand (+5.5% compared with the same period in 2014), with a margin on sales of 6.7%¹⁵. This performance mainly reflects the greater incidence of sales and marketing costs, which more than offset the improvement in the gross profit. Non-recurring expenses were generated by the merger with THE NET-A-PORTER GROUP Limited and primarily include expenses for legal, tax, accounting, financial and strategic consulting services, as well as other general expenses associated with the transaction, applicable to the period.

Consolidated net income stood at Euro -3,855 thousand compared with Euro 4,573 thousand at 30 September 2014. Excluding non-recurring expenses and notional costs relating to incentive plans net of the relative tax effect, adjusted net income stood at Euro 4,399 thousand compared with Euro 5,281 thousand in the first nine months of 2014.

The table below shows several key indicators¹⁶ relating to the Group's activities.

	30 SEPTEMBER 2015	30 SEPTEMBER 2014
NUMBER OF MONTHLY UNIQUE VISITORS ¹⁷ (MILLIONS)	17.0	14.1
NUMBER OF ORDERS (THOUSANDS)	2,864	2,400
AOV ¹⁸ (EURO)	201	198
NUMBER OF ACTIVE CUSTOMERS ¹⁹ (THOUSANDS)	1,395	1,201

In the first nine months of 2015, the Group recorded an average of 17.0 million monthly unique visitors compared with 14.1 million as at 30 September 2014, and the number of orders stood at 2,864 thousand, equal to one order processed every 8 seconds²⁰, compared with 2,400 thousand in the first nine months of 2014.

The average order value (AOV) stood at Euro 201 (excluding VAT) compared with Euro 198 (excluding VAT) in the same period of the previous year.

There was also an increase in the number of active customers, which stood at 1,395 thousand as at 30 September 2015, compared with 1,201 thousand as at 30 September 2014.

ANALYSIS OF NET REVENUES AND OPERATING PROFIT BY BUSINESS LINE

Key operating information by business line with a breakdown of the Group's net revenues and operating profit by business line is provided below.

Since the management reporting system used by management to assess corporate performance does not allocate certain accounting aggregates to business lines (depreciation and amortisation, non-monetary revenues and expenses, general expenses, other non-recurring income and expenses, the result of equity investments, financial income and expenses and taxes), these items remain within the purview of the Corporate area since they are not related to the specific operating activities of the business lines. Thus, the business line's operating profit coincides with EBITDA Pre Corporate Costs in terms of the entries included and previously reported in this total.

For additional details on operating information by business line, with a reconciliation of entries with the Group's income statement, see the consolidated financial statements as at 30 September 2015.

¹⁵ For further details please see the paragraph below relating to the analysis by business line, "Analysis of net revenues and operating profit by business line".

¹⁶ The indicators refer to yoox.com, thecorner.com, shoescrime.com and to the mono-brand online stores "Powered by YOOX Group". The indicators related to the joint venture with Kering are excluded.

¹⁷ Monthly unique visitor is defined as a visitor who opened at least one browser session to visit the online store over the month. The figure reported is calculated as the average of monthly unique visitors for the period concerned. Source: SiteCatalyst for yoox.com; Google Analytics for thecorner.com, shoescrime.com and the mono-brand online stores "Powered by YOOX Group".

¹⁸ Average Order Value or AOV refers to the average value of each purchase order, excluding VAT.

¹⁹ An Active Customer is defined as a customer who placed at least one order during the 12 preceding months.

²⁰ Calculated by dividing the overall total of seconds in the first nine months of 2015 by the number of orders processed at Group level in the same period of time.

YOOX NET-A-PORTER GROUP

Operating information by business line as at 30 September 2015 is as follows:

THOUSAND EURO	MULTI-BRAND		MONO-BRAND		TOTAL GROUP	
	30 SEPTEMBER 2015	30 SEPTEMBER 2014	30 SEPTEMBER 2015	30 SEPTEMBER 2014	30 SEPTEMBER 2015	30 SEPTEMBER 2014
CONSOLIDATED NET SEGMENT REVENUES	325,808	270,676	113,549	95,591	439,357	366,267
% OF CONSOLIDATED NET GROUP REVENUES	74.2%	73.9%	25.8%	26.1%	100.0%	100.0%
% change	20.4%		18.8%		20.0%	
SEGMENT OPERATING PROFIT	43,014	37,441	22,066	19,502	65,080	56,942
% OF CONSOLIDATED NET SECTOR REVENUES	13.2%	13.8%	19.4%	20.4%	14.8%	15.5%
% change	14.9%		13.1%		14.3%	

In the first nine months of 2015, the Group's consolidated net revenues, net of returns from sales and discounts given to customers, were equal to Euro 439,357 thousand, growth of 20.0% over the figure of Euro 366,267 thousand for the first nine months of 2014, with a contribution from both business lines.

The sector operating result (or EBITDA Pre Corporate Costs) was Euro 65,080 thousand, an increase of 14.3% compared with Euro 56,942 thousand for the first nine months of 2014, with a margin of 14.8%, down compared with the figure recorded in the same period of the previous year (15.5%).

Multi-brand business line

The Multi-brand business line, which includes the activities of the yoox.com, thecorner.com and shooscribe.com online stores, recorded consolidated net revenues of Euro 325,808 thousand, with 20.4% growth compared with Euro 270,676 thousand in the first nine months of 2014. This performance was driven by YOOX.COM which, as expected, benefitted from marketing investments made since the start of the year to support increased purchases of the Spring/Summer and Fall/Winter collections. Overall, in the first nine months of 2015, the Multi-brand business line accounted for 74.2% of the Group's consolidated net revenues.

Operating profit for the Multi-brand segment stands at Euro 43,014 thousand, an increase of 14.9% compared with Euro 37,441 thousand for the first nine months of 2014, with a margin of 13.2%, compared with 13.8% in the first nine months of 2014. This performance reflects greater investments in marketing to support increased purchases for YOOX.COM.

Mono-brand business line

The Mono-brand business line includes the design, set-up and management of the online stores of some of the leading global luxury fashion brands. This business line recorded consolidated net revenues equal to Euro 113,549 thousand, with an 18.8% increase compared with Euro 95,591 thousand as at 30 September 2014, while the growth in net revenues at retail value²¹ stood at 26.6%.

Overall, as at 30 September 2015, the Mono-brand business line accounted for 25.8% of the Group's consolidated net revenues with 38 online stores.

Operating profit for the Mono-brand segment stands at Euro 22,066 thousand, an increase of 13.1% compared with Euro 19,502 thousand for the first nine months of 2014, with a margin of 19.4%, compared with 20.4% in the first nine months of 2014. This result reflects a lower contribution from revenues from the set-up and maintenance of Mono-brand online stores.

²¹ Retail revenues of all Mono-brand online stores, including the online stores of the joint venture with KERING, net of returns and customer discounts. These revenues exclude the contribution from the set-up, design and maintenance of Mono-brand online stores recorded under "Not country-related" revenues.

CONSOLIDATED NET REVENUES BY GEOGRAPHICAL AREA

Below is a breakdown of the Group's consolidated net revenues by geographical area as at 30 September 2015.

THOUSAND EURO	30 SEPTEMBER 2015		30 SEPTEMBER 2014		CHANGE	
ITALY	68,456	15.6%	58,797	16.1%	9,659	16.4%
EUROPE (EXCLUDING ITALY)	198,965	45.3%	174,510	47.6%	24,455	14.0%
NORTH AMERICA	105,651	24.0%	78,199	21.4%	27,452	35.1%
JAPAN	30,725	7.0%	28,012	7.6%	2,713	9.7%
OTHER COUNTRIES	31,191	7.1%	19,810	5.4%	11,382	57.5%
NOT COUNTRY-RELATED	4,369	1.0%	6,940	1.9%	(2,571)	-37.0%
TOTAL YOOX GROUP	439,357	100.0%	366,267	100.0%	73,090	20.0%

During the first quarter of 2015, the Group recorded an increase in profits in all major markets.

Italy had excellent results with net revenues of Euro 68,456 thousand, a rise of 16.4% compared with the first nine months of 2014, and strong acceleration in the third quarter of the year (+22.3%), despite the challenging comparison with the same period of the previous year (+25.5%).

Results for the rest of Europe were also positive, up 14.0% (+20.1% at constant exchange rates) in the first nine months of 2015, also thanks to excellent performance in the third quarter of the year, increasing by 18.0% at current exchange rates and by 26.6% at constant exchange rates, with solid organic performance in all of the main European markets, including France, Germany, England and Russia.

North America recorded growth of 35.1% (+11.5% at constant exchange rates) in the first nine months of the year and 25.3% (+5.1% at constant exchange rates) in the third quarter. The performance in the last three months reflects a slow-down in growth attributable mainly to several Mono-brand online stores.

The performance of Japan was also positive, up by 9.7% (+6.0% at constant exchange rates) and accelerating in the third quarter of 2015 to +12.9% (+11.3% at constant exchange rates), despite the challenging comparison with the same period of the previous year (+21.0% at constant exchange rates). Results were excellent for YOOX.COM, which marked a record quarter in terms of new customer acquisition.

Lastly, there was growth in Other Countries of 57.5% in the first nine months of the year (+35.0% at constant exchange rates) and 42.5% in the third quarter of 2015 (+23.6% at constant exchange rates).

The item "Not country-related" (-37.0% compared with 30 September 2014) includes the set-up and maintenance fees for the online stores, for the media partnership projects in the Multi-brand business line, for web marketing and web design services in the Mono-brand business line and for other services offered to Mono-brand partners.

INVESTMENTS

In the first nine months of 2015, the Group made investments totalling Euro 34,928 thousand, Euro 24,653 thousand in intangible assets and Euro 10,275 thousand in property, plant and equipment. Increases in intangible assets were mainly for investments in multi-year development projects valued at Euro 18,482 thousand.

In January 2015, the new semi-automated logistics centre devoted to footwear was inaugurated at the Interporto.

During the period, cross-channel functions continued to be released for several Mono-brand partners, and May 2015 saw the introduction of "Click & Exchange", a new service that allows users to make purchases from Powered by YOOX Group online stores and exchange the product right in the store.

In addition, with a view to boosting the YOOX.COM conversion rate, a new text search system has been introduced to further simplify navigation throughout the very extensive catalogue, thereby speeding up the purchasing process.

YOOX NET-A-PORTER GROUP

Moreover, to improve the positioning of YOOX.COM in Google search results, website optimisation activities were carried out for desktop and mobile devices, resulting in a considerable upward trend in visits and orders generated by organic traffic. During the period, an internally designed automated device was also developed for taking photographs of trousers and skirts in order to further boost the efficiency of photography and post-production activities. Lastly, cross-channel functions continued to be released for the Group's Mono-brand partners and two new services were introduced: "Buy On Call" for making purchases by phone, and "Click For Fashion Advice", which provides style recommendations. The Group also expanded the offering dedicated to smart phones and tablets through the launch of new mobile websites for several online flagship stores.

FINANCIAL MANAGEMENT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The tables below contain the figures taken from the Group's reclassified consolidated statements of financial position as at 30 September 2015 and the Group's consolidated statement of cash flows for the same period.

Reclassified consolidated statement of financial position at 30 September 2015:

THOUSAND EURO	BALANCE AT 30 SEPTEMBER 2015	BALANCE AT 31 DECEMBER 2014	% CHANGE
NET WORKING CAPITAL ²²	73,125	45,317	61.4%
NON-CURRENT ASSETS	101,815	82,427	23.5%
NON-CURRENT LIABILITIES (EXCLUDING FINANCIAL LIABILITIES)	(502)	(450)	11.6%
NET INVESTED CAPITAL²³	174,437	127,294	37.0%
SHAREHOLDERS' EQUITY	154,323	158,294	-2.5%
NET DEBT /(NET FINANCIAL POSITION) ²⁴	20,115	(31,000)	>100%
TOTAL SOURCES OF FINANCING	174,437	127,294	37.0%

Net working capital rose from Euro 45,317 thousand as at 31 December 2014 to Euro 73,125 thousand as at 30 September 2015. This change is primarily associated with the increase in stocks in response to the future growth of the Multi-brand business line and, to a lesser extent, a less than proportionate increase in trade payables. The increase in inventories recorded in the first nine months of the year reflected an increase in purchasing for the Spring/Summer and Autumn/Winter 2015 seasons and an advance of the relative deliveries to support the progressive increase in YOOX.COM sales in the course of the year. In line with expectations, that growth was absorbed in the third quarter of the year, triggering a decreasing level of inventories with respect to 30 June 2015.

²² Net working capital is current assets, net of current liabilities, with the exception of cash and cash equivalents, bank loans and borrowings and other financial payables due within one year and financial assets and liabilities included under other current assets and liabilities. Net working capital is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups, and accordingly, the balance obtained by the Company may not be comparable with those calculated by such groups.

²³ Net invested capital is the sum of working capital, non-current assets and non-current liabilities, net of medium-long term financial liabilities. Net invested capital is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups, and accordingly, the balance obtained by the Company may not be comparable with those calculated by such groups.

²⁴ Net debt (or net financial position) is the sum of cash and cash equivalents, other current financial assets, net of bank loans and borrowings and other financial payables falling due within one year, other current financial liabilities and medium-long term financial liabilities. Net debt (or net financial position) is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups, and accordingly, the balance obtained by the Company may not be comparable with those calculated by such groups. For details of the items that make up net debt (or net financial position), see the table below in the section Debt/Consolidated net financial position. Other current financial assets are not governed in detail in CESR's definition of net debt (or net financial position): the Group considers it appropriate to supplement this definition by including receivables from acquirers and logistics operators that have been requested to collect cash on delivery under other current financial assets.

YOOX NET-A-PORTER GROUP

Reclassified consolidated statement of cash flows at 30 September 2015:

THOUSAND EURO	30 SEPTEMBER 2015	30 SEPTEMBER 2014	% CHANGE
CASH FLOW GENERATED BY (USED IN) OPERATING ACTIVITIES	(16,302)	609	>100%
CASH FLOW GENERATED BY (USED IN) INVESTING ACTIVITIES	(38,542)	(28,421)	35.6%
SUBTOTAL	(54,844)	(27,812)	97.2%
CASH FLOW GENERATED BY (USED IN) FINANCING ACTIVITIES	42,833	(184)	>100%
TOTAL CASH FLOW FOR THE PERIOD	(12,011)	(27,996)	-57.1%

In the first nine months of 2015, the cash flow absorbed by operating activities was equal to Euro 16,302 thousand. In the same period, Euro 38,542 was used to support Group investments, mainly related to the techno-logistics platform and investments in technology.

DEBT/CONSOLIDATED NET FINANCIAL POSITION

The table below gives details of the YOOX Group's net financial position as at 30 September 2015.

THOUSAND EURO	BALANCE AT 30 SEPTEMBER 2015	BALANCE AT 31 DECEMBER 2014	% CHANGE
CASH AND CASH EQUIVALENTS	106,017	118,028	-10.2%
OTHER CURRENT FINANCIAL ASSETS	23,306	9,957	>100%
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	(38,191)	(30,759)	24.2%
OTHER CURRENT FINANCIAL LIABILITIES	(329)	(155)	>100%
SHORT-TERM NET FINANCIAL POSITION	90,804	97,071	-6.5%
MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	(110,918)	(66,072)	67.9%
(DEBT)/CONSOLIDATED NET FINANCIAL POSITION	(20,115)	31,000	>100%

In accordance with the Group's organisational structure, treasury operations are centralised at the Parent Company, YOOX S.p.A., which manages the majority of lines of credit provided to the Group. The Group's policy is to maintain an adequate margin of financial flexibility through available "committed" lines of credit, capable of supporting future development plans.

During the year the Group met its financial requirements by having recourse to lines of credit to finance investments and working capital used in purchasing campaigns.

To ensure suitable financial flexibility also in years to come, in the first nine months of 2015 the Company renegotiated its lines of credit with the major banks, and as at 30 September 2015 it had a total of Euro 160 million available expiring on average in between four and five years, of which approximately Euro 20 million was not utilised. The annual cost on the nominal value of the total of lines of credit was equal to an average spread of approximately 150 bps + the Euribor reference rate.

Cash and cash equivalents totalled Euro 106,017 thousand as at 30 September 2015, and are made up of cash, negotiable instruments and demand deposits or short-term deposits with banks, which are actually available and readily usable.

As at 30 September 2015, financial liabilities stand at Euro 149,109 thousand and are mainly made up of medium-/long-term loans taken out to fund the investment in the techno-logistics platform. Specifically, the loans include one issued by Banca Nazionale del Lavoro for Euro 15,750 thousand (of which Euro 9,500 thousand is short-term), one issued by Banca Sella for Euro 3,333 thousand (of which Euro 1,667 thousand is short-term), one issued by the EIB for Euro 40,591 thousand (of which Euro 8,877 thousand is short-term), one issued by Unicredit for Euro 40,000 thousand (of which Euro 10,000 thousand is short-term) and one issued by Mediocredito for Euro 40,000 thousand, to be repaid in the long-term. Remaining financial liabilities refer to financial leasing agreements totalling Euro 2,668 thousand (of which Euro 1,380 thousand is short-term) dedicated to investments in technology, two finance agreements with De Lage Landen for a total of Euro 297 thousand to be repaid in the

YOOX NET-A-PORTER GROUP

short-term and current IFI financial payables (Factoring) for a total of Euro 6,115 thousand, in addition to related accruals (Euro 355 thousand).

Other current financial liabilities as at 30 September 2015 of Euro 329 thousand, include the negative fair value of transactions in derivatives (accounted for according to IAS 39 using the Cash flow hedge method) set up to hedge interest rate risk in relation to the financing in place (Euro 292 thousand), and the negative fair value of transactions in derivatives set up to hedge exchange rate risk deriving from sales in Japanese yen (Euro 37 thousand).

Other current financial assets as at 30 September 2015, equal to Euro 23,306 thousand, refer mainly to financial receivables due to the Group from acquirers who manage authorisations for cards belonging to national/international credit or debit card circuits used for online sales, and logistics operators who are asked for cash for payments on delivery (Euro 10,787 thousand), as well as an interest-bearing deposit with the BNL bank (Euro 10,111 thousand). The remaining part is attributable to the positive fair value of transactions in derivatives (accounted for according to IAS 39 using the Cash flow hedge method) set up to hedge the exchange rate risk deriving from sales in US dollars (Euro 624 thousand), financial deferrals recognised at the end of the quarter (Euro 1,545 thousand) and financial receivables due from the associate (Euro 240 thousand).

INFORMATION CONCERNING MEASURES TO PROTECT PRIVACY

The Group places maximum attention on guaranteeing the security of online transactions and customer data protection through the use of the highest quality security systems and standards. The Company operates in full compliance with regulations on the protection of personal data, under the Italian, EU and international framework, and uses the most advanced technological systems for acquisitions.

In addition, in order to safeguard the confidentiality, integrity and availability of information relating to customers, employees and partners, YOOX S.p.A. launched a project back in 2011 for the establishment of an SGSI (Sistema di gestione della Sicurezza delle Informazioni – Information Security Management System) based on standard ISO/IEC 27001. This security framework is designed to guarantee a high level of security through the introduction of a formal Information Risk Analysis process based on an internationally-recognised methodology. This risk analysis allows the Information Risk Committee, established within the framework, to assess the information risk trends on a quarterly basis and take the appropriate preventive actions.

The management system is designed to include and satisfy all regulatory requirements to which the Company is subject from an information perspective and, at the same time, to optimise efforts and share the technological solutions and techniques adopted.

The entire framework is based on a continuous improvement cyclical approach, which guarantees a high level of effectiveness and ensures that the challenges that modern information systems face relating to security of information are constantly dealt with.

TAX MATTERS

The Group has incurred a lower tax burden in absolute terms with respect to the situation as at 30 September 2014. Current taxes have increased from Euro 4,043 thousand to Euro 4,413 thousand.

IRAP tax liabilities for the Parent Company decreased, going from Euro 363 thousand at 30 September 2014 to Euro 21 thousand at 30 September 2015. IRES tax liabilities at 30 September 2015 for the Parent Company stand at Euro 475 thousand. Taxes for Group overseas companies for the period to 30 September 2015 amounted to approximately Euro 3,817 thousand.

The Group also recorded deferred taxes of Euro 5,805 thousand as at 30 September 2015.

The tax liability as at 30 September 2015 was estimated based on the historical trend of the Group's tax rate, considered representative of the best estimate of the full-year tax rate.

YOOX NET-A-PORTER GROUP

LEGAL MATTERS

As at 30 September 2015 there are no changes since 31 December 2014 in the Company's legal disputes either as plaintiff or defendant.

With reference to existing disputes as of 30 September 2015, we note that no probable liabilities have emerged for which provision has to be set aside.

HUMAN RESOURCES

As at 30 September 2015, the Group total headcount stood at 999 employees, a growth of 20% compared with 30 September 2014. The table below shows a breakdown of the headcount²⁵:

NO.	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
MANAGERS	31	33	(2)
JUNIOR MANAGERS	73	60	13
EMPLOYEES AND TRAINEES	810	655	155
ABROAD	85	86	(1)
TOTAL HEADCOUNT	999	834	165

Around 91% of the headcount is employees who are located in the three Italian offices, with the remaining 9% of them being located in Group offices abroad.

Compared with 31 December 2014, the Group headcount grew by 114 employees, equal to a 13% increase.

CORPORATE GOVERNANCE

The YOOX S.p.A. Parent Company corporate governance model is described in detail in the report on corporate governance and shareholder structure as at 31 December 2014, which should be referred to.

The significant corporate governance events that have taken place in the first nine months of 2015 are listed below.

THE NET-A-PORTER GROUP INTEGRATION PROJECT

On 31 March 2015, YOOX S.p.A. ("YOOX Group" or "YOOX"), Compagnie Financière Richemont S.A. ("Richemont") and Richemont Holdings UK Limited ("RH") entered into an agreement regarding an integration project between the YOOX Group and Richemont's indirect subsidiary THE NET-A-PORTER GROUP Ltd.

This project resulted in a merger transaction intended to enable the integration of two highly complementary companies with significant potential for synergy, with the strategic goal of creating one of the leading global groups in the online luxury fashion segment.

The integration plan established a detailed series of conditions and transactions to be carried out, which were disclosed in due time to the market and most of which have already been completed.

Specifically, we note:

- (i) RH's contribution in kind in favour of Largenta Italia S.p.A (a special purpose vehicle established for this purpose) of shares representing the entire share capital of Largenta Limited, a subsidiary of RH subject to UK law and owner at the

²⁵ The headcount does not include the Chief Executive Officer of YOOX S.p.A., interns or contractors.

YOOX NET-A-PORTER GROUP

date on which the merger deed was signed of shares representing the entire share capital of THE NET-A-PORTER-GROUP; and

- (ii) the subsequent merger, to become effective subsequent to the contribution date, with the resulting cancellation of the shares and dissolution of the acquiree company after which time the acquiring company took over legal ownership of all assets and liabilities of the acquiree, including the indirect controlling shareholding in THE NET-A-PORTER GROUP through its equity investment in Largenta UK.

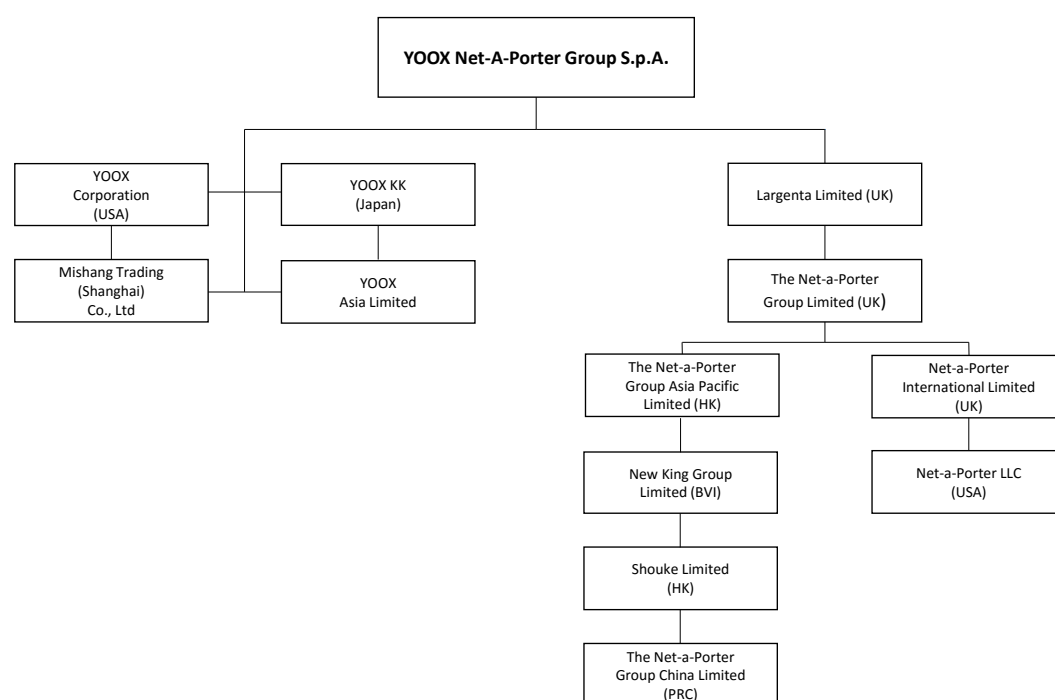
In compliance with the provisions of the Merger Agreement, on 25 September 2015, RH, in the capacity of contributing company and sole shareholder of Largenta UK, and Largenta Italia agreed on the deed of transfer carried out via the share capital increase of Largenta Italia as per the company's shareholder resolution of 23 April 2015 for the purpose of the contribution, upon payment in one single tranche, by up to Euro 909,000,000, of which Euro 605,955.97 representing the nominal value and Euro 908,394,044.03 representing the share premium. Therefore, at the date of this document, Largenta UK is directly and fully controlled by Largenta Italia.

On 28 September 2015, YOOX and Largenta Italia entered into the Deed of Merger, which came into effect at 12.01 a.m. on 5 October 2015. Accounting and tax effects also began at that same moment. The opinion of equivalence pursuant to Article 57, paragraph 1 of the Issuers' Regulation on the prospectus relating to the merger was issued by Consob on 2 October 2015. YOOX implemented the merger via a share capital increase of Euro 655,995.97, with the issue of a total of 65,599,597 new shares with no nominal value, broken down into 20,693,964 ordinary shares and 44,905,633 B Shares, i.e., shares without voting rights.

Starting on 5 October, the new ordinary shares were admitted to trading on the Mercato Telematico Azionario (the Italian screen-based trading system); the shares of the new Group adopted the name YNAP and are included in the FTSE MIB index. Therefore, according to the agreements, starting on the effective merger date, Richemont, the sole shareholder of Largenta Italia S.p.A., holds 50% of the share capital of the new company, while the remainder is held by the pre-merger YOOX shareholders.

On 5 October 2015, the Company took on the name "YOOX Net-A-Porter Group S.p.A.", in abbreviated form "YNAP S.p.A.", and transferred its registered office to the Municipality of Milan. On the same date, the new text of the new company's bylaws was adopted.

The structure of the YOOX Group following the merger is shown below²⁶



²⁶ The figure does not include inactive companies belonging to the NAP Group.

EXCHANGE RATIO

The exchange ratio defined for the merger was: **for every 1 (one) share of Largenta Italia, 1 (one) new-issue YOOX share.**

On 18 June 2015, Baker Tilly Revisa S.p.A., in the capacity of common expert appointed by the Court of Bologna pursuant to Article 2501-sexies of the Italian Civil Code to prepare the report on the consistency of the Exchange Ratio, issued the "Independent auditors' report on the share exchange ratio pursuant to Article 2501-sexies of the Italian Civil Code", with no qualifications. The report is available at the YOOX registered office, on the Issuer's website www.ynap.com.com (Governance/Shareholders' Meeting Section) and in the "eMarket storage" authorised storage mechanism, which may be accessed on the website www.emarketstorage.com.

From an operational perspective, activities are now being launched to complete the integration project in order to take full advantage of identified and potential synergies.

GRANTING OF SHARES FOLLOWING THE EXERCISE OF STOCK OPTIONS

On 23 March 2015, 59,800 YOOX S.p.A. ordinary shares were granted following the exercise of 1,150 options relating to the 2007-2012 Stock Option Plan at a strike price of Euro 59.17 for each option.

On 14 April 2015, 75,400 YOOX S.p.A. ordinary shares were granted following the exercise of 1,450 options relating to the 2007-2012 Stock Option Plan at a strike price of Euro 59.17 for each option.

On 31 July 2015, 3,900 YOOX S.p.A. ordinary shares were granted following the exercise of 75 options relating to the 2006-2008 Stock Option Plan at a strike price of Euro 59.17 for each option.

On 5 August 2015, 31,200 YOOX S.p.A. ordinary shares were granted following the exercise of 600 options relating to the 2007-2012 Stock Option Plan at a strike price of Euro 106.50 for each option.

As a result of the foregoing, the share capital issued by YOOX S.p.A. as at 30 September 2015 amounts to Euro 621,343.32 divided into 62,134,332 ordinary shares with no indication of nominal value.

STOCK GRANT PLAN

On 27 April 2012 the Shareholders' Meeting, pursuant to Article 114-bis of Legislative Decree 58/1998, approved the establishment of an incentive and loyalty plan known as the Stock Grant Plan for employees of the Issuer and companies directly or indirectly controlled by it, to be implemented by granting, free of charge, a total of 550,000 YOOX S.p.A. ordinary shares, giving the Board of Directors the mandate to adopt the relative regulations. At the date of this document, it has not yet been implemented.

For more information on the Stock Grant Plan and the relative characteristics, refer to the prospectus produced pursuant to Article 84-bis of the Issuers' Regulation, which can also be consulted on the Company's website www.ynap.com (Corporate Governance / Company Documents Section).

2012-2015 STOCK OPTION PLAN AND GRANTING OF OPTIONS RELATING TO THE 2012-2015 STOCK OPTION PLAN

On 29 June 2012 the Shareholders' Meeting, in its ordinary session, approved, pursuant to Article 114-bis of Legislative Decree 58/1998, the establishment of an incentive and loyalty scheme known as the 2012-2015 Stock Option Plan for the Issuer's executive directors, to be implemented through the free granting of options valid for subscribing new-issue YOOX S.p.A. ordinary shares (in the ratio of 1 ordinary share for every 1 option exercised).

In its extraordinary session, the same Shareholders' Meeting approved the divisible paid-in capital increase for a maximum amount of Euro 15,000.00 to be transferred to the share capital, with the exclusion of the option right pursuant to Article 2441, paragraph 4, second period of the Italian Civil Code, to be reserved for subscription by the beneficiaries of the 2012-2015 Stock Option Plan referred to above. The details of the Plan can be consulted on the Company website www.ynap.com (Corporate Governance / Company Documents Section).

YOOX NET-A-PORTER GROUP

The strike price of each option, for the subscription of 1 new-issue ordinary share under the capital increase, has been set at Euro 9.60, i.e., equal to the weighted average of the official YOOX S.p.A. ordinary share prices recorded on the Mercato Telematico Azionario, the Italian screen-based trading system organised and managed by Borsa Italiana S.p.A., in the thirty trading days prior to the option grant date.

The 2012-2015 Stock Option Plan involves granting a total of 1,500,000 YOOX ordinary shares.

For details of the 2012-2015 Stock Option Plan, including the implementation terms and conditions, refer to the prospectus produced pursuant to Article 84-bis of Consob Regulation No. 11971/1999, which can be consulted on the Company website www.yooxgroup.com in the Governance – Company Documents section.

On 21 September 2012, in order to execute the YOOX S.p.A. 2012-2015 Stock Option Plan, the company's Board of Directors approved the plan regulations and, at the proposal of the Compensation Committee, the granting in favour of the Chief Executive Officer Federico Marchetti of 1,500,000 options valid for the subscription of 1,500,000 YOOX ordinary shares in the ratio of 1 new ordinary share for every 1 option exercised.

Please note that by Board of Directors resolution of 25 February 2015, the intermediate vesting thresholds were modified with reference to the 2014 tranche of the 2012-2015 Stock Option Plan and, therefore, a total of 500,000 options (corresponding to 500,000 ordinary shares) became exercisable by the Chief Executive Officer.

2014 - 2020 STOCK OPTION PLAN

On 17 April 2014 the Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree 58/1998, the establishment of an incentive and loyalty scheme known as the 2014 - 2020 Stock Option Plan exclusively for employees of the Issuer and its companies, directly or indirectly controlled, to be implemented through the free granting of options valid for subscribing new-issue YOOX S.p.A. ordinary shares (in the ratio of 1 ordinary share for every 1 option exercised). According to the Plan, up to 500,000 options may be granted, which provide the right to subscribe an equal number of new-issue shares.

For details of the 2014 - 2020 Stock Option Plan, including the implementation terms and conditions, refer to the prospectus produced pursuant to Article 84-bis of Consob Regulation No. 11971/1999, which can also be consulted on the Company's website www.ynap.com (Corporate Governance / Company Documents Section).

At the date of this document, the 2014-2020 Stock Option Plan has not been implemented.

APPLICATION OF THE DISCLOSURE OBLIGATION SIMPLIFICATION SCHEME IN COMPLIANCE WITH CONSOB RESOLUTION 18079 OF 20 JANUARY 2012

Pursuant to Article 3 of Consob Resolution 18079 of 20 January 2012, the Company has decided to comply with the opt-out scheme set out in Article 70, paragraph 8 and Article 71, paragraph 1-bis of Consob Regulation 11971/99 and subsequent amendments, therefore making use of the right of exemption from the obligation to publish the prospectuses set out in Annex 3B of the above-mentioned Consob Regulation on the occasion of significant merger, demerger, capital increase through the contribution of goods in kind, acquisition and sale transactions.

BOARD OF DIRECTORS

The Issuer's Board in office as at 30 September 2015 comprised seven members appointed by the Shareholders' Meeting held on 30 April 2015. The following were appointed based on the two lists submitted:

- Federico Marchetti (Executive Director)
- Robert Kunze-Concewitz (Lead Independent Director)
- Raffaello Napoleone (Chairman)
- Stefano Valerio (Vice Chairman)
- Laura Zoni
- Catherine Gérardin Vautrin
- Alessandro Foti

YOOX NET-A-PORTER GROUP

On 21 July 2015, the Shareholders' Meeting passed a resolution, subject to the effectiveness of the merger, to change the number of members of the Company's Board of Directors from seven to ten and to appoint the following new Directors:

- Natalie Massenet
- Richard Lepeu
- Gary Saage

In this regard, Natalie Massenet did not accept the appointment as Company Director and therefore as of 5 October 2015, the effective merger date, the YNAP Board of Directors has nine members.

The Board will remain in office until the date of the Shareholders' Meeting called for the approval of the financial statements as at 31 December 2017.

BOARD OF STATUTORY AUDITORS

On 30 April 2015, the Shareholders' Meeting appointed the Board of Statutory Auditors for the three-year period 2015-2017. It is composed of:

- Marco Maria Fumagalli (Chairman)
- Giovanni Naccarato (Standing Auditor)
- Patrizia Arienti (Standing Auditor)
- Andrea Bonechi (Alternate Auditor)
- Nicoletta Maria Colombo (Alternate Auditor)

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2014

The Shareholders' Meeting of 30 April 2015, convened at a single call, in ordinary session, approved the separate financial statements at and for the year ended 31 December 2014, resolving to carry forward the Company's entire net profit for the year.

REMUNERATION REPORT

On 30 April 2015, the Shareholders' Meeting approved, with a non-binding vote, Section I of the Remuneration Report produced pursuant to Article 123-ter of Legislative Decree 58/1998 and Article 84-*quater* of Consob Regulation 11971/1999, as well as in compliance with Annex 3 Statements 7-*bis* and 7-*ter* of the same Regulation.

PURCHASE AND DISPOSAL OF TREASURY SHARES

The Shareholders' Meeting on 30 April 2015 approved and authorised the purchase of treasury shares, under Articles 2357 and 2357-ter of the Italian Civil Code and Article 132 of Legislative Decree 58/1998 and related implementing arrangements, and revoked the resolution authorising the purchase of treasury shares approved by the Shareholders' Meeting on 17 April 2014, for the part not executed.

In this regard, as highlighted in the subsequent events section, as a result of the merger, on 5 October 2015 the Company's share capital was increased by a total nominal amount of Euro 655,995.97 through the issue of a total of 65,599,597 with no nominal value, including 20,693,964 ordinary shares and 44,905,633 shares with no voting rights (the "B Shares"). Therefore, YNAP's share capital amounts to Euro 1,277,339.29, divided into 127,733,929 shares, including 82,828,296 ordinary shares and 44,905,633 B Shares.

At the date of this document, the Company holds 17,339 treasury shares in its portfolio equal to 0.021% of the ordinary share capital. For more details, please see the Press Release issued on that date which is available on the Company website www.ynap.com (Investor Relations / Press Releases Section).

DIRECTORS' APPOINTMENTS COMMITTEE

The current Directors' Appointments Committee was established by the Board resolution of 30 April 2015 and subsequently supplemented by the Board of Directors resolution of 11 November 2015. It consists of four non-executive directors, two of whom, including the Chairman, are independent, namely:

- Alessandro Foti – Independent Director - Chairman;
- Richard Lepeu - Non-Executive Director;
- Stefano Valerio – Non-Executive Director;
- Laura Zoni - Independent Director.

During the period, the Directors' Appointments Committee in office prior to the appointment of 30 April 2015 met on 25 February 2015.

COMPENSATION COMMITTEE

The current Compensation Committee was established by the Board resolution of 30 April 2015 and comprises three Non-executive directors, the majority of whom are independent, namely:

- Robert Kunze-Concewitz – Independent Director - Chairman;
- Catherine Gérardin Vautrin – Independent Director;
- Stefano Valerio – Non-Executive Director

During the period, the Compensation Committee in office prior to the appointment of 30 April 2015 met on 23 February, 18 March, 24 April and 28 April 2015. The Committee currently in office met on 11 May and 30 July 2015.

CONTROL AND RISK COMMITTEE

The current Control and Risk Committee was established by the Board resolution of 30 April 2015 and comprises three Non-executive directors, all of whom are independent, namely:

- Alessandro Foti – Independent Director - Chairman;
- Catherine Gérardin Vautrin – Independent Director;
- Raffaello Napoleone – Independent Director.

During the period, the Control and Risk Committee in office prior to the appointment of 30 April 2015 met on 12 February and 11 March 2015. The Committee currently in office met on 11 May, 22 June, 21 July and 23 September 2015.

RELATED-PARTY TRANSACTIONS COMMITTEE

The Related-Party Transactions Committee, appointed by the Board meeting of 30 April 2015, is composed of:

- Catherine Gérardin Vautrin – Independent Director - Chairwoman;
- Robert Kunze-Concewitz – Independent Director;
- Alessandro Foti – Independent Director.

During the period, the Related-Party Transactions Committee in office prior to the appointment of 30 April 2015 met on 24 February and 24 April 2015.

SUPERVISORY BODY PURSUANT TO LEGISLATIVE DECREE 231/2001

The Supervisory Body, in office until the approval of the financial statements as at 31 December 2017, was appointed by the Board on 30 April 2015 and comprises three members: Rossella Sciolti, an external member, as Chairperson, Isabella Pedroni,

YOOX NET-A-PORTER GROUP

an external member, and Filippo Tonolo (appointed by the Board of Directors on 11 November 2015 to replace Riccardo Greggi), an external member and Internal Audit Manager of the Issuer.

DIRECTOR RESPONSIBLE FOR PREPARING THE FINANCIAL STATEMENTS

The Issuer's Board of Directors in office on 24 April 2015 appointed Enrico Cavatorta as Chief Financial and Corporate Officer effective as of 27 April 2015.

As of 1 May 2015, he was also assigned the role of Director responsible for preparing the financial statements, pursuant to Article 154-bis of Legislative Decree 58/1998.

SUBSEQUENT EVENTS

Merger by incorporation of Largenta Italia S.p.A. into YOOX S.p.A.

The merger by incorporation of Largenta Italia S.p.A. into YOOX S.p.A. became effective at 12:01 a.m. on 5 October 2015. Starting on the same date, YOOX S.p.A. took on the name "YOOX NET-A-PORTER GROUP S.p.A.", or in abbreviated form "YNAP S.p.A.", and transferred its registered office to the Municipality of Milan.

For the purpose of the merger exchange ratio, on the same date the share capital was increased with the issue in favour of Richemont Holdings UK Limited, in the capacity of sole shareholder of Largenta Italia S.p.A., of:

- 20,693,964 new YNAP ordinary shares, with standard dividend rights and the same characteristics as those outstanding on the issue date;
- 44,905,633 new unlisted shares with no voting rights (the "B Shares");

for a total of 65,599,597 new YNAP shares, equal to a total amount of Euro 655,995.97.

After the merger, YNAP's share capital therefore amounts to Euro 1,277,339.29, divided into 127,733,929 shares, including 82,828,296 ordinary shares and 44,905,633 B Shares.

Expansion of the Board of Directors

As of the effective merger date, the YNAP Board of Directors consists of the following nine members:

- Federico Marchetti (Executive Director)
- Robert Kunze-Concewitz (Lead Independent Director)
- Raffaello Napoleone (Chairman)
- Stefano Valerio (Vice Chairman)
- Laura Zoni
- Catherine Gérardin Vautrin
- Alessandro Foti
- Richard Lepeu
- Gary Saage.

The Board will remain in office until the date of the Shareholders' Meeting called for the approval of the financial statements as at 31 December 2017.

Appointment of a member of the Directors' Appointments Committee

On 11 November 2015, the Board of Directors appointed Richard Lepeu as a member of the Directors' Appointments Committee.

Appointment of the Head of Internal Audit and a member of the Supervisory Body

On 11 November 2015, the Board of Directors appointed Filippo Tonolo as Head of Internal Audit and as an external member of the Supervisory Body to replace Riccardo Greggi.

Online Store Launch

At the end of October 2015, the KARL LAGERFELD online store was launched in Europe, the United States and Japan.

OUTLOOK

On the basis of the Group's leadership position in luxury fashion e-commerce, the pro-forma results of the first nine months of the year and the good outlooks for the online retail market, it is reasonable to assume that YOOX NET-A-PORTER GROUP can also achieve further business growth in the fourth quarter of the year.

In the final months of the year, the Group will concentrate on the impeccable execution of marketing and sales initiatives developed for the Christmas campaign and will also continue with the integration activities launched when the merger came into effect, which are expected to result in initial synergies as early as 2016.

Milan (MI), 11 November 2015
For the Board of Directors

Chief Executive Officer
Federico Marchetti

ANNEXES TO THE DIRECTORS' REPORT

ANNEX 1: INCENTIVE PLANS AND IMPACT ON THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Impact of incentive plans in the third quarter of 2015:

THOUSAND EURO	Q3 2015	% TOTAL	Q3 2014	% TOTAL
FULFILMENT COSTS	(14,064)		(11,413)	
<i>of which incentive plans</i>	-	0.0%	-	0.0%
SALES AND MARKETING COSTS	(16,290)		(13,061)	
<i>of which incentive plans</i>	-	0.0%	-	0.0%
GENERAL EXPENSES	(9,788)		(9,065)	
<i>of which incentive plans</i>	-	0.0%	(110)	100.0%
INCENTIVE PLANS TOTAL	-	0.0%	(110)	100.0%

Impact of incentive plans in the first nine months of 2015:

THOUSAND EURO	30 SEPTEMBER 2015	% TOTAL	30 SEPTEMBER 2014	% TOTAL
FULFILMENT COSTS	(40,349)		(33,356)	
<i>of which incentive plans</i>	-	0.0%	(97)	10.5%
SALES AND MARKETING COSTS	(50,855)		(39,113)	
<i>of which incentive plans</i>	-	0.0%	(4)	0.4%
GENERAL EXPENSES	(33,521)		(27,854)	
<i>of which incentive plans</i>	(1,014)	100.0%	(824)	89.1%
INCENTIVE PLANS TOTAL	(1,014)	100.0%	(926)	100.0%

YOOX
NET-A-PORTER
GROUP

YOOX
NET-A-PORTER
GROUP

YOOX GROUP
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
AS AT 30 SEPTEMBER 2015

YOOX
NET-A-PORTER
GROUP

Contents

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015 PREPARED IN COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)	39
CONSOLIDATED INCOME STATEMENT	39
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	40
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	41
STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS AT 30/09/2015 AND 30/09/2014	42
CONSOLIDATED STATEMENT OF CASH FLOWS	44
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015	45

YOOX
NET-A-PORTER
GROUP

YOOX
NET-A-PORTER
GROUP

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015 PREPARED IN COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

CONSOLIDATED INCOME STATEMENT

THOUSAND EURO	30 SEPTEMBER 2015	30 SEPTEMBER 2014
NET REVENUES	439,357	366,267
COST OF GOODS SOLD	(283,073)	(236,856)
FULFILMENT COSTS	(45,468)	(38,535)
SALES AND MARKETING COSTS	(50,858)	(39,118)
GENERAL EXPENSES	(50,653)	(40,560)
OTHER INCOME AND EXPENSES	(2,964)	(1,939)
NON-RECURRING EXPENSES	(11,018)	-
OPERATING PROFIT	(4,677)	9,259
RESULT OF EQUITY INVESTMENTS	149	(595)
FINANCIAL INCOME	7,015	2,057
FINANCIAL EXPENSES	(7,835)	(2,950)
PROFIT BEFORE TAX	(5,347)	7,771
TAXES	1,492	(3,197)
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,855)	4,573
OF WHICH:		
ATTRIBUTABLE TO OWNERS OF THE PARENT	(3,855)	4,573
ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	-	-
BASIC EARNINGS PER SHARE (IN EURO)	(0.06)	0.08
DILUTED EARNINGS PER SHARE (IN EURO)	(0.06)	0.07

YOOX
NET-A-PORTER
GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

THOUSAND EURO:	NOTES	30/09/2015	30/09/2014
CONSOLIDATED NET INCOME FOR THE YEAR		(3,855)	4,573
OTHER COMPONENTS OF COMPREHENSIVE INCOME, NET OF TAX EFFECTS			
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS		(1,379)	1,493
PROFIT/(LOSS) FROM CASH FLOW HEDGES		23	(397)
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME WHICH WILL BE (OR COULD BE) RECLASSIFIED IN THE INCOME STATEMENT		(1,356)	1,096
NET CHANGE IN RETAINED EARNINGS AND ACTUARIAL LOSSES RELATING TO EMPLOYEE BENEFITS		4	(10)
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME WHICH WILL NOT BE RECLASSIFIED IN THE INCOME STATEMENT		4	(10)
TOTAL CONSOLIDATED COMPREHENSIVE NET INCOME FOR THE PERIOD		(5,207)	5,659
OF WHICH:			
ATTRIBUTABLE TO OWNERS OF THE PARENT		(5,207)	5,659
ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		-	-

YOOX NET-A-PORTER GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

THOUSAND EURO	30 SEPTEMBER 2015	31 DECEMBER 2014
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	38,292	35,663
INTANGIBLE ASSETS WITH FINITE USEFUL LIFE	45,857	35,685
EQUITY INTERESTS IN ASSOCIATES	59	59
DEFERRED TAX ASSETS	16,470	10,021
OTHER NON-CURRENT FINANCIAL ASSETS	1,137	999
TOTAL NON-CURRENT ASSETS	101,815	82,427
CURRENT ASSETS		
INVENTORIES	270,260	222,834
TRADE RECEIVABLES	13,672	14,732
OTHER CURRENT ASSETS	14,615	7,510
CASH AND CASH EQUIVALENTS	106,017	118,028
CURRENT FINANCIAL ASSETS	22,682	9,539
TOTAL CURRENT ASSETS	427,246	372,644
TOTAL ASSETS	529,061	455,071
SHAREHOLDERS' EQUITY		
SHARE CAPITAL	621	620
RESERVES	107,199	107,315
RETAINED EARNINGS (LOSSES CARRIED FORWARD)	50,358	36,556
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,855)	13,802
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	154,323	158,294
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	-	-
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY	154,323	158,294
NON-CURRENT LIABILITIES		
MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	110,918	66,072
EMPLOYEE BENEFITS	160	165
PROVISIONS FOR RISKS AND CHARGES	-	-
DEFERRED TAX LIABILITIES	342	285
TOTAL NON-CURRENT LIABILITIES	111,420	66,522
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	38,191	30,759
PROVISIONS FOR RISKS AND CHARGES	361	482
TRADE PAYABLES	189,659	164,466
TAX LIABILITIES	1,657	320
OTHER PAYABLES	33,449	34,228
TOTAL CURRENT LIABILITIES	263,317	230,255
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY AND LIABILITIES	529,061	455,071

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS AT 30 SEPTEMBER 2015

THOUSAND EURO	SHARE CAPITAL	SHARE PREMIUM RESERVE AND OTHER EQUITY-RELATED RESERVES	LEGAL RESERVE	TREASURY SHARE ACQUISITION RESERVE	CASH FLOW HEDGE RESERVE	IAS 19 RESERVE	STOCK OPTION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS OR LOSSES CARRIED FORWARD	CONSOLIDATED NET INCOME	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL
TOTAL 31 DECEMBER 2014	620	85,999	193	(257)	192	(56)	20,623	624	36,556	13,802	-	158,294
SHARE CAPITAL INCREASES	1	220	-	-	-	-	-	-	-	-	-	221
INCREASES IN RESERVES FOR SHARE-BASED PAYMENTS	-	-	-	-	-	-	1,014	-	-	-	-	1,014
OTHER CHANGES	-	-	-	95	-	-	(95)	-	13,802	(13,802)	-	-
TOTAL EFFECTS RESULTING FROM TRANSACTIONS WITH SHAREHOLDERS	621	86,219	193	(162)	192	(56)	21,542	624	50,358	-	-	159,529
NET INCOME FOR THE PERIOD	-	-	-	-	-	-	-	-	-	(3,855)	-	(3,855)
OTHER PROFITS/LOSSES FOR THE COMPREHENSIVE INCOME STATEMENT	-	-	-	-	23	4	-	(1,379)	-	-	-	(1,352)
TOTAL CONSOLIDATED COMPREHENSIVE INCOME	-	-	-	-	23	4	-	(1,379)	-	(3,855)	-	(5,207)
TOTAL 30 SEPTEMBER 2015	621	86,219	193	(162)	214	(52)	21,542	(755)	50,358	(3,855)	-	154,323

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS AT 30 SEPTEMBER 2014

	SHARE CAPITAL	SHARE PREMIUM RESERVE AND OTHER EQUITY- RELATED RESERVES	LEGAL RESERVE	TREASURY SHARE ACQUISITION RESERVE	CASH FLOW HEDGE RESERVE	IAS 19 RESERVE	STOCK OPTION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS OR LOSSES CARRIED FORWARD	CONSOLIDATED NET INCOME	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	TOTAL
TOTAL 31 DECEMBER 2013	582	64,262	193	(538)	165	(42)	19,667	(1,181)	23,935	12,620	-	-	119,663
SHARE CAPITAL INCREASES	14	7,680	-	-	-	-	-	-	-	-	-	-	7,694
INCREASES IN RESERVES FOR SHARE-BASED PAYMENTS	-	811	-	-	-	-	926	-	-	-	-	-	1,737
OTHER CHANGES	-	-	-	280	-	-	(280)	77	12,543	(12,620)	-	-	-
TOTAL EFFECTS RESULTING FROM TRANSACTIONS WITH SHAREHOLDERS	596	72,753	193	(258)	165	(42)	20,313	(1,104)	36,478	-	-	-	129,094
NET INCOME FOR THE PERIOD	-	-	-	-	-	-	-	-	-	4,573	-	-	4,573
OTHER PROFITS/LOSSES FOR THE COMPREHENSIVE INCOME STATEMENT	-	-	-	-	(397)	(10)	-	1,493	-	-	-	-	1,085
TOTAL CONSOLIDATED COMPREHENSIVE INCOME	-	-	-	-	(397)	(10)	-	1,493	-	4,573	-	-	5,659
TOTAL 30 SEPTEMBER 2014	596	72,753	193	(258)	(232)	(52)	20,313	389	36,478	4,573	-	-	134,752

YOOX NET-A-PORTER GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

THOUSAND EURO	30 SEPTEMBER 2015	30 SEPTEMBER 2014
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,855)	4,573
<i>ADJUSTMENTS FOR:</i>		
TAXES FOR THE PERIOD	(1,492)	3,197
FINANCIAL EXPENSES	7,835	2,950
FINANCIAL INCOME	(7,015)	(2,057)
SHARE OF EARNINGS FROM ASSOCIATES	(149)	595
DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES	22,254	17,890
FAIR VALUE MEASUREMENT OF STOCK OPTION PLANS	1,014	926
UNREALISED EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES	(1,379)	1,493
(GAINS)/LOSSES ON SALE OF NON-CURRENT ASSETS	58	5
EMPLOYEE BENEFITS	22	19
PROVISIONS FOR RISKS AND CHARGES	361	289
PAYMENT OF EMPLOYEE BENEFITS	(27)	(58)
USE OF PROVISIONS FOR RISKS AND CHARGES	(482)	(408)
CHANGES IN INVENTORIES	(47,426)	(31,876)
CHANGES IN TRADE RECEIVABLES	1,060	1,195
CHANGES IN TRADE PAYABLES	25,194	18,147
CHANGES IN OTHER CURRENT ASSETS AND LIABILITIES	(7,890)	(9,193)
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES	(11,919)	7,689
INCOME TAX PAID	(3,563)	(6,187)
INTEREST AND OTHER FINANCIAL EXPENSES PAID	(7,835)	(2,950)
INTEREST AND OTHER FINANCIAL INCOME RECEIVED	7,015	2,057
NET CASH FROM (USED IN) OPERATING ACTIVITIES	(16,302)	609
<i>INVESTING ACTIVITIES</i>		
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	(13,750)	(10,791)
ACQUISITION OF INTANGIBLE ASSETS	(24,653)	(17,212)
ACQUISITION OF INVESTMENTS	-	(343)
ACQUISITION OF OTHER NON-CURRENT FINANCIAL ASSETS	(139)	(75)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	(38,542)	(28,421)
<i>FINANCING ACTIVITIES</i>		
NEW SHORT-TERM LIABILITIES	16,042	1,262
REPAYMENT OF SHORT-TERM LIABILITIES	(5,960)	(7,119)
NEW MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	52,750	-
REPAYMENT OF MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	(7,078)	(1,376)
INCREASE IN SHARE CAPITAL AND SHARE PREMIUM RESERVE	222	8,504
INVESTMENTS/DISINVESTMENTS IN OTHER FINANCIAL ASSETS	(13,143)	(1,456)
VARIATION THROUGH DIFFERENCE BETWEEN CASH FLOW EFFECT AND ACTION OF INCENTIVE PLANS	-	-
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES	42,832	(184)
TOTAL CASH FLOW FOR THE PERIOD	(12,011)	(27,996)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	118,028	58,280
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	106,017	30,284
TOTAL CASH FLOW FOR THE PERIOD	(12,011)	(27,996)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS
AT 30 SEPTEMBER 2015

1. GROUP STRUCTURE AND ACTIVITIES

The YOOX Group (hereinafter “the Group”) includes, as well as the Parent Company YOOX S.p.A. (hereinafter “the Company” or “the Parent Company”), the companies YOOX Corporation, which is subject to US law and which manages sales activities in North America, YOOX Japan, which is subject to Japanese law and which manages sales activities in Japan, Mishang Trading (Shanghai) Co. Ltd., which manages sales activities in China, and YOOX Asia Limited, which manages sales activities in the Asia-Pacific area.

The YOOX Group is active in electronic commerce and offers commercial services relating to clothing and fashion accessories, and more generally to anything that accessorises the person or the home, during free time, when relaxing or during leisure activities.

Information on individual operating segments pursuant to IFRS 8 is presented in Note 7.

2. STATEMENT OF COMPLIANCE WITH IFRS AND GENERAL CRITERIA USED TO PREPARE THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements, drawn up in accordance with IAS 34 – Interim financial reporting, were prepared using the same accounting standards as were used to prepare the consolidated financial statements as at 31 December 2014, which should be referred to for further details.

The condensed consolidated interim financial statements as at 30 September 2015 have been subject to a limited audit on a voluntary basis by KPMG S.p.A, which was engaged for that purpose.

The comparative figures reported in the presentation of the statement of financial position and the statement of cash flows are those provided for by IAS 34 (31 December 2014 for the statement of financial position and 30 September 2015 for the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows). The figures for the third quarter of 2015 and the third quarter of 2014 are reported in presenting the income statement, the Group having adopted the quarter as the intermediate reference period.

These condensed consolidated interim financial statements have been drawn up in accordance with IASB (International Accounting Standards Board) IFRS (International Financial Reporting Standards) endorsed by the European Union. “IFRS” also refers to the International Accounting Standards (“IAS”) currently in force, in addition to all the interpretation documents issued by the International Financial Reporting Interpretations Committee (“IFRIC”) previously known as the Standing Interpretations Committee (“SIC”).

These condensed consolidated interim financial statements, drawn up in compliance with IAS 34 and in accordance with the provisions of Article 154-ter of Legislative Decree 58 of 24 February 1998 (TUF) and later amendments, do not include all the information required for the annual financial statements and should be read together with the consolidated financial statements as at 31 December 2014. Specifically, the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in shareholders' equity and the statement of cash flows are in an extended format and are those that have been adopted for the consolidated financial statements as at 31 December 2014. The explanatory notes below, on the other hand, are summarised and therefore do not include all the information required for annual financial statements. In line with the requirements of IAS 34, in order to avoid duplicating information which has already been published, the notes refer only to those components of the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in shareholders' equity and the statement of cash flows which, owing to their composition, amount, nature or infrequency, are essential for understanding the financial position, operations and assets of the Group.

The condensed consolidated interim financial statements as at 30 September 2015 consist of the income statement, statement of comprehensive income, statement of financial position, statement of changes in shareholders' equity and statement of cash flows, in addition to these explanatory notes. In presenting these statements, comparative data have been presented as required by IAS 34, supplemented as noted above.

2.1 CONSOLIDATED FINANCIAL STATEMENTS

In accordance with CONSOB Resolution 15519 of 27 July 2006 and Communication DEM6064293 of 28 July 2006 relating to financial statements, specific income statements, statements of financial position and statements of cash flows have been included showing significant relationships with related parties in order to improve readability.

As indicated above, the condensed consolidated interim financial statements as at 30 September 2015 were drawn up in accordance with the IFRS endorsed by the European Union, and comprise the following:

Income statement

The income statement is classified by function, which is considered to provide more meaningful information than classification by nature since it is more consistent with the reporting system used by management when evaluating the performance of the business.

Statement of comprehensive income

The statement of comprehensive income presents, in a single statement, the constituent components of profit (loss) for the period and income and expenses recognised directly in equity for transactions not involving shareholders.

Statement of financial position

The statement of financial position presents current and non-current assets and current and non-current liabilities separately. For each item under assets and liabilities, a description is provided in the notes of the amounts expected to be settled or recovered within or after the 12-month period following the reporting date.

Statement of changes in shareholders' equity

The statement of changes in shareholders' equity reports the profit or loss for the year or the period, including each item of revenue or cost, income or expense which, as required by IAS/IFRS and their interpretations, is recognised directly in equity, and the total of these items; total comprehensive profit or loss for the year or period, with separate presentation of the portion pertaining to owners of the Parent Company and any portion pertaining to non-controlling interests; the effect on each item of equity of changes to accounting standards and corrections of errors as required by the accounting treatment set out in IAS 8; and the balance of profit or loss carried forward at the start of the period and at the date of the financial statements, together with the changes during the period.

The notes to the condensed consolidated interim financial statements also present the amounts deriving from transactions with shareholders and a reconciliation between the carrying amount of each share class, the share premium reserve and other reserves at the start and end of the period, showing each change separately.

Statement of cash flows

The statement of cash flows presents the cash flows from operating, investing and financing activities. Operating cash flows are presented using the indirect method, whereby profit or loss for the year or for the period is adjusted for non-monetary transactions, for all deferrals or provisions relating to previous or future operating receipts or payments and for revenue items relating to cash flows from investing or financing activity.

3. ACCOUNTING STANDARDS AND MEASUREMENT CRITERIA

3.1 BASIS OF PREPARATION

The condensed consolidated interim financial statements are presented in Euro and balances in the financial statements and in the notes to the financial statements are expressed in Euro, unless specifically indicated otherwise.

For reasons of clarity, it should be noted that variances in percentage terms and variations in the various items indicated have been calculated on precise values. It should also be noted that possible differences that may be found in some tables are due to rounding off amounts expressed in thousands of Euro.

YOOX NET-A-PORTER GROUP

The condensed consolidated interim financial statements were prepared on a historical cost basis (with the exception of derivative financial instruments, which are measured at fair value) and on the assumption that the business is a going concern. Despite the difficult macroeconomic environment in which it is operating, the Group believes that there are no significant uncertainties over business continuity (as defined under IAS 1.25), particularly given the strength of the Group's financial situation.

The accounting standards adopted for the preparation of the consolidated financial statements and notes at 30 September 2015 were applied in the same way for all periods presented for comparison.

The accounting standards are applied uniformly to all Group companies. Financial transactions are recognised according to the trade date.

The accounting standards used to prepare the condensed consolidated financial statements, as well as the recognition and measurement criteria and the consolidation principles applied, comply with those adopted for the consolidated financial statements as at 31 December 2014 with the exception of the new principles adopted.

3.2 USE OF ESTIMATES

In order to prepare the condensed consolidated interim financial statements, management is required to use estimates and assumptions which affect the carrying amounts of revenues, costs, assets and liabilities reported in the financial statements and the information regarding contingent assets and liabilities at the reporting date for the condensed consolidated interim financial statements. If, in the future, these estimates and assumptions, which are based on the management's best evaluation, should differ from actual circumstances, they will be altered appropriately during the period in which the circumstances change and the effects of any changes will be immediately recognised in the income statement.

For a more detailed description of the most important evaluation methods used for the Group, refer to the chapter on the "Use of estimates" in the consolidated financial statements as at 31 December 2014.

It should also be pointed out that these evaluation processes, especially the more complex ones, such as determining any losses for non-current assets, are usually only conducted in full during the compiling of the annual financial statements, when all the required information is available, except in cases where there are impairment indicators that require an immediate evaluation of any losses.

4. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015

The condensed consolidated interim financial statements included in the Directors' Interim Report as at 30 September 2015 were approved by the Board of Directors on 11 November 2015.

5. SCOPE OF CONSOLIDATION

The scope of consolidation as of 30 September 2015 comprises the following subsidiaries of YOOX S.p.A.:

- YOOX Corporation, formed in 2002 to manage sales activities in America;
- YOOX Japan, formed in 2004 to manage sales activities in Japan;
- Mishang Trading (Shanghai) Co. Ltd. established in the fourth quarter of 2010 to manage sales in China;
- YOOX Asia Limited established in the second quarter of 2011 to manage sales in the Asia-Pacific area.

YOOX NET-A-PORTER GROUP

As at 30 September 2015, the scope of consolidation included the following companies:

COMPANY	REGISTERED OFFICES	SHARE CAPITAL AS AT 30 SEPTEMBER 2015 (THOUSAND EURO)	PERCENTAGE HELD AS AT 30 SEPTEMBER 2015
YOOX	VIA NANNETTI,1- 40069 ZOLA PREDOSA – BOLOGNA, ITALY	621	-
YOOX CORPORATION	15 EAST NORTH DOVER, DELAWARE 19901, UNITED STATES OF AMERICA	372	100%
YOOX JAPAN	4F OAK OMOTESANDO, 3-6-1 KITA-AOYAMA, MINATO-KU TOKYO 107-0061	75	100%
MISHANG TRADING (SHANGHAI) CO. LTD	FLOOR 6, DONGLONG BUILDING NO 223 XIKANG ROAD, JING'AN DISTRICT 200050 SHANGHAI	6,000	100%
YOOX ASIA LIMITED	UNIT 2702 27/F THE CENTRIUM, 60 WYNDHAM STREET CENTRAL, HONG KONG (CN)	91	100%

The scope of consolidation as at 30 September 2015 has not changed since 31 December 2014;

The following exchange rates were used to convert the financial statements and account balances in currencies other than the Euro as at 30 September 2015, 31 December 2014 and 30 September 2014 (source www.bancaditalia.it):

	EXCHANGE RATE AS AT 30 SEPTEMBER 2015	AVERAGE EXCHANGE RATE FOR THE FIRST NINE MONTHS OF 2015
USD	1.1203	1.1144
YEN	134.69	134.78
CNY	7.1206	6.9641
HKD	8.6824	8.6397
GBP	0.7385	0.7271
RUB	73.242	66.597

	EXCHANGE RATE AS AT 31 DECEMBER 2014	AVERAGE EXCHANGE RATE FOR 2014
USD	1.2141	1.3285
YEN	145.23	140.31
CNY	7.5358	8.1857
HKD	9.4170	10.302
GBP	0.7789	0.8061
RUB	72.337	50.952

YOOX NET-A-PORTER GROUP

	EXCHANGE RATE AS AT 30 SEPTEMBER 2014	AVERAGE EXCHANGE RATE FOR THE FIRST NINE MONTHS OF 2014
USD	1.2583	1.3549
YEN	138.11	139.49
CNY	7.7262	8.3544
HKD	9.7740	10.507
GBP	0.7773	0.8118
RUB	49.765	48.015

The foreign currencies are reported against Euro units.

6. CHANGES TO ACCOUNTING STANDARDS, NEW ACCOUNTING STANDARDS, CHANGES TO ESTIMATES AND RECLASSIFICATIONS

The IASB published no amendments or new accounting standards during 2015.

AMENDMENTS AND REVISED ACCOUNTING STANDARDS APPLIED BY THE GROUP FOR THE FIRST TIME

The following interpretation came into force on 1 January 2015:

IFRIC 21 – Levies

The IASB issued IFRIC 21 – *Levies*, an interpretation of IAS 37 – *Provisions, contingent liabilities and contingent assets*. The interpretation provides clarifications on the recognition of liabilities for the payment of levies other than income taxes.

The initial application of the interpretation has not had significant impacts on the consolidated financial statements of the Group.

The adoption of this interpretation in the comparable accounting periods would not have involved differences on the financial statement balances.

AMENDMENTS AND INTERPRETATIONS THAT CAME INTO EFFECT FROM 1 JANUARY 2015 BUT THAT ARE NOT RELEVANT FOR THE GROUP

The IASB has not published any amendments or interpretations that came into effect from 1 January 2015 that are not relevant for the Group.

NEW ACCOUNTING PRINCIPLES AND AMENDMENTS NOT APPLICABLE IN 2015 AND NOT ADOPTED IN ADVANCE

The IASB has not published any amendments or interpretations relevant for drawing up the Condensed consolidated interim financial statements as at 30 September 2015.

7. SEGMENT REPORTING (BUSINESS LINES)

The Group's operating segments were determined on the basis of the reporting information used by senior management when making strategic decisions. This reporting information, which also reflects the Group's current organisational structure,

YOOX NET-A-PORTER GROUP

is based on the various products and services provided and was produced using the accounting standards described above (IFRS).

The operating segments generate revenue from the specific production and sales activities described below:

1. Multi-brand, which includes activities relating to the Multi-brand online stores yoox.com, thecorner.com and, from March 2012, shooscribe.com, described in the Directors' Report;
2. Mono-brand, comprising the design, creation and management, on an exclusive basis, of the online stores of some of the leading global fashion brands. The Group is therefore the strategic partner for these brands in this specific sales channel. The goods available in the online stores are sold and invoiced directly to end customers by YOOX.

The Group also has a Corporate and Central Services Area that directs and coordinates the Group's activities. This Area also plays a key role in facilitating the operational integration of the various Areas and in supporting the activities directly associated with the operating segments. This Area includes Group management and the administrative, finance and control, legal, general services, human resources, communication and image, technology, investor relations and internal audit functions.

The Group evaluates the performance of its business lines according to their operating results, these being the results generated by ordinary operations.

The segment revenues shown are those directly generated by or attributable to the segment and derive from its core activity. They include solely the revenues earned from transactions with third parties, since no revenue is generated from transactions with other segments. Segment costs comprise the direct costs charged by third parties in relation to the operating activities of the segment or directly attributable to the segment. No costs are incurred in relation to other operating segments.

The operational reporting system used by senior management to evaluate business performance does not envisage the allocation of amortisation, depreciation and non-monetary income and expenses to the operating segments, and the information presented here is consistent with this reporting system.

General expenses and other non-recurring income and expenses, financial income and expenses and taxes incurred in Group operations remain the responsibility of the Corporate Area since they are not related to the operations of the segments, and are posted under Corporate.

All the income components presented are measured using the same accounting criteria as those adopted to prepare the Group's condensed consolidated interim financial statements.

YOOX NET-A-PORTER GROUP

Income statement figures for each operating segment as at 30 September 2015 and a reconciliation of entries with the Group's income statement are presented below:

DESCRIPTION	MULTI-BRAND		MONO-BRAND		CORPORATE		GROUP TOTAL	
	SEPTEMBER 2015	SEPTEMBER 2014	SEPTEMBER 2015	SEPTEMBER 2014	SEPTEMBER 2015	SEPTEMBER 2014	SEPTEMBER 2015	SEPTEMBER 2014
NET SEGMENT REVENUE	325,808	270,676	113,549	95,591			439,357	366,267
SECTOR OPERATING RESULT	43,014	37,441	22,066	19,502			65,080	56,942
RECONCILIATION WITH GROUP RESULTS:								
GENERAL EXPENSES					(50,653)	(40,560)	(50,653)	(40,560)
OTHER DEPRECIATION AND AMORTISATION NOT ATTRIBUTABLE TO BUSINESS LINES					(5,122)	(5,184)	(5,122)	(5,184)
OTHER INCOME AND EXPENSES					(2,964)	(1,939)	(2,964)	(1,939)
NON-RECURRING EXPENSES					(11,018)	-	(11,018)	-
OTHER ITEMS								
GROUP OPERATING PROFIT (LOSS)	43,014	37,441	22,066	19,502	(69,757)	(47,683)	(4,677)	9,259
RESULT OF EQUITY INVESTMENTS					149	(595)	149	(595)
FINANCIAL INCOME					7,015	2,057	7,015	2,057
FINANCIAL EXPENSES					(7,835)	(2,950)	(7,835)	(2,950)
PROFIT BEFORE TAX							(5,347)	7,771
TAXES					1,492	(3,197)	1,492	(3,197)
NET INCOME FOR THE PERIOD							(3,855)	4,573

8. INFORMATION BY GEOGRAPHICAL AREA

Revenues generated by the Group from transactions with third-party customers break down as follows:

DESCRIPTION	30 SEPTEMBER 2015	30 SEPTEMBER 2014
ITALY	68,456	58,797
EUROPE (EXCLUDING ITALY)	198,965	174,510
NORTH AMERICA	105,651	78,199
JAPAN	30,725	28,012
OTHER COUNTRIES	31,191	19,810
NOT COUNTRY-RELATED	4,369	6,940
TOTAL	439,357	366,267

The "Not country-related" item includes the set-up and maintenance activities for the online stores, for the media partnership projects in the Multi-brand business line, for web marketing and web design services in the Mono-brand business line, and for other services offered to Mono-brand partners.

The table showing revenues by geographical area complies with the Group control model: only sales to online customers are allocated by country in the actual control model.

In the first nine months of 2015 and 2014 no revenues were obtained from a single third party customer for a value of more than 10% of the Group's revenues.

9. NOTES TO THE STATEMENT OF FINANCIAL POSITION, INCOME STATEMENT AND STATEMENT OF CASH FLOWS

INCOME STATEMENT

9.1 NET REVENUES

The Group's total net revenues as at 30 September 2015 and as at 30 September 2014 break down as follows:

DESCRIPTION	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
NET REVENUES FROM SALES	423,933	350,328	73,605
NET REVENUES FROM THE PROVISION OF SERVICES	15,424	15,939	(515)
TOTAL	439,357	366,267	73,090

Total net revenues increased from Euro 366,267 thousand in the first nine months of 2014 to Euro 439,357 thousand in the first nine months of 2015, an increase of 20.0%. Total net revenues from sales include all revenues arising from the sale of goods, net of customer discounts and returns and revenues from the provision of services.

The rise in net revenues from sales of goods is mainly due to the upward trend in sales volumes.

For further details on the breakdown of revenues by geographical area and by operating segment, please see Note 7 Segment reporting and Note 8 Information by geographical area.

Revenues from the sale of goods is reported net of sales returns, amounting to Euro 164,692 thousand in the first nine months of 2015, or 28.0% of gross revenues for the first nine months of 2015 (revenues from the sale of goods before customer returns in the first nine months of 2015) and Euro 134,745 thousand in the first nine months of 2014, or 27.9% of gross revenues in the first nine months of 2014 (revenues from the sale of goods before customer returns in the first nine months of 2014).

YOOX NET-A-PORTER GROUP

Returns are an inherent part of the Group's business activities, as a result of the protection afforded to consumers under distance-selling – and specifically e-commerce – regulations in force in the countries where the Group operates.

Net revenues from the provision of services declined by 3.2% from Euro 15,939 thousand in the first nine months of 2014 to Euro 15,424 thousand in the first nine months of 2015, mainly including:

- the recharging of transport services for sales to the end customer (in certain countries the customer also pays for return shipments), net of refunds made if the customer returns the goods sold;
- revenues from the set-up fees charged to create the online stores and fees charged to Strategic Partners in the Mono-brand business line for assistance in maintaining the online stores;
- revenues generated from the sale of media partnership projects and web marketing services.

9.2 COST OF GOODS SOLD

The cost of goods sold came to Euro 283,073 thousand (equal to 64.4% of net revenues) for the period ended as at 30 September 2015 compared with Euro 236,856 thousand (equal to 64.7% of net revenues) for the period ended as at 30 September 2014. The item cost of goods sold includes both costs of the purchase of goods destined for sale and costs of services and other costs.

The following table shows a breakdown of the cost of goods sold by nature:

DESCRIPTION	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
CHANGE IN INVENTORIES OF GOODS	42,130	27,415	14,715
PURCHASE OF GOODS	(286,797)	(231,773)	(55,025)
COST OF SERVICES	(35,871)	(30,201)	(5,670)
OTHER COSTS	(2,534)	(2,297)	(237)
TOTAL	(283,073)	(236,856)	(46,217)

The cost of purchasing goods went from Euro 231,773 thousand in the first nine months of 2014 to Euro 286,797 thousand in the first nine months of 2015. It comprises the procurement costs of goods destined for resale and its absolute value is directly correlated with the performance of volumes sold.

Service costs increased by 18.8%, from Euro 30,201 thousand in the first nine months of 2014 to Euro 35,871 thousand in the first nine months of 2015. This item includes transportation costs for sales and returns. A portion of the transportation costs is invoiced directly to the end customer and recognised as revenue from the provision of services, net of refunds on customer returns.

Other costs increased by 10.3%, from Euro 2,297 thousand in the first nine months of 2014 to Euro 2,534 thousand in the first nine months of 2015. These costs mainly comprise transportation costs for purchases, and the internal personnel costs and external supplier costs incurred to set-up and maintain the websites of Mono-brand Strategic Partners.

9.3 FULFILMENT COSTS

Fulfilment costs came in at Euro 45,468 thousand (10.3% of net revenues) for the period ended 30 September 2015, compared with Euro 38,535 thousand (10.5% of net revenues) in the first nine months of 2014, an increase of Euro 6,933 thousand.

This cost comprises operational expenses incurred from digital production, cataloguing and quality control, from warehouse logistics, and from customer services, including call centre services and customer care.

YOOX NET-A-PORTER GROUP

The following table shows the breakdown of fulfilment costs:

<i>DESCRIPTION</i>	<i>30 SEPTEMBER 2015</i>	<i>30 SEPTEMBER 2014</i>	<i>CHANGE</i>
SERVICE COSTS AND OTHER COSTS	(35,161)	(28,361)	(6,801)
PERSONNEL EXPENSES	(5,188)	(4,995)	(193)
DEPRECIATION AND AMORTISATION	(5,119)	(5,179)	61
TOTAL	(45,468)	(38,535)	(6,933)

Service costs and other costs increased by 24.0%, from Euro 28,361 thousand in the first nine months of 2014 to Euro 35,161 thousand in the first nine months of 2015. They mainly comprise service costs for handling and packaging goods and costs relating to outsourced production processes.

Personnel expenses went from Euro 4,995 thousand in the first nine months of 2014 to Euro 5,188 thousand in the first nine months of 2015, an increase of 3.9% due both to an increase in the number of staff employed in this division, which went from 176 at 30 September 2014 to 191 at 30 September 2015, of which 26 members of staff located in offices overseas at 30 September 2014 and 30 at 30 September 2015, and to the decrease in the cost of stock option plans and the company incentive plan which went from Euro 97 thousand in the first nine months of 2014 to Euro 0 thousand in the first nine months of 2015. It should be noted that in addition to the cost of employees, personnel expenses also include the cost of interns, contractors and consultants that comes under personnel expenses.

9.4 SALES AND MARKETING COSTS

The cost for sales and marketing came to Euro 50,858 thousand (11.6% of net revenues) for the quarter ending 30 September 2015 compared with Euro 39,118 thousand (10.7% of net revenues) for the quarter ending 30 September 2014, an increase of 30.0%

These expenses relate to departments operating in sales. A portion of the costs are for personnel working in sales and marketing. The item also contains web marketing costs, costs for charges on credit card transactions and other methods of payment made to intermediaries for payment collection services, as well as expenses relating to customs duties on purchases relating to the import and export of goods sold.

The following table shows the breakdown of sales and marketing costs:

<i>DESCRIPTION</i>	<i>30 SEPTEMBER 2015</i>	<i>30 SEPTEMBER 2014</i>	<i>CHANGE</i>
COST OF SERVICES	(35,570)	(27,566)	(8,003)
PERSONNEL EXPENSES	(12,266)	(9,578)	(2,689)
DEPRECIATION AND AMORTISATION	(3)	(5)	2
OTHER COSTS	(3,019)	(1,969)	(1,050)
TOTAL	(50,858)	(39,118)	(11,740)

Service costs increased by 29.0%, from Euro 27,566 thousand in the first nine months of 2014 to Euro 35,570 thousand in the first nine months of 2015. The main components of service costs incurred in the first nine months of 2015 are:

- web marketing costs of Euro 17,226 thousand (Euro 12,779 thousand in the first nine months of 2014). These costs relate to the purchasing of online advertising, the negotiation and implementation of marketing agreements and the development of new partnerships and the commercial and technical management of existing partnerships, mainly for the Multi-brand business line;
- costs incurred for commissions on credit card transactions and other related means of payment to intermediaries for payment collection services of Euro 7,624 thousand (Euro 6,321 thousand in the first nine months of 2014);

YOOX NET-A-PORTER GROUP

- import and export duties totalling Euro 10,719 thousand (Euro 8,466 thousand in the first nine months of 2014).

Personnel expenses went from Euro 9,578 thousand in the first nine months of 2014 to Euro 12,266 thousand in the first nine months of 2015, an increase of 28.1% due both to an increase in the number of staff employed in this division, which went from 254 at 30 September 2014 to 325 at 30 September 2015, of which 41 members of staff located in offices overseas at 30 September 2014 and 39 at 30 September 2015, and to the decrease in the cost of stock option plans and the company incentive plan which went from Euro 4 thousand in the first nine months of 2014 to Euro 0 thousand in the first nine months of 2015. It should be noted that in addition to the cost of employees, personnel expenses also include the cost of interns, contractors and consultants that comes under personnel expenses.

Other costs increased by 53.3%, from Euro 1,969 thousand in the first nine months of 2014 to Euro 3,019 thousand in the first nine months of 2015. This item mainly comprises costs incurred for fraud relating to online sales, which increased by 82.6% going from Euro 834 thousand in the first nine months of 2014 to Euro 1,523 thousand in the first nine months of 2015.

9.5 GENERAL EXPENSES

General expenses include all the overhead costs of the Group's various offices pertaining to personnel management, administration, finance and control, communications and image, general management, general services and technological services.

General expenses were up 24.9% in the first nine months of 2015 at Euro 50,653 thousand, compared with Euro 40,560 thousand in the first nine months of 2014.

General expenses can be broken down as follows:

<i>DESCRIPTION</i>	<i>30 SEPTEMBER 2015</i>	<i>30 SEPTEMBER 2014</i>	<i>CHANGE</i>
COST OF SERVICES	(22,502)	(16,958)	(5,543)
PERSONNEL EXPENSES	(11,019)	(10,895)	(124)
DEPRECIATION AND AMORTISATION	(17,132)	(12,706)	(4,426)
TOTAL	(50,653)	(40,560)	(10,093)

Service costs increased by 32.7%, from Euro 16,958 thousand in the first nine months of 2014 to Euro 22,502 thousand in the first nine months of 2015.

Personnel expenses went from Euro 10,895 thousand in the first nine months of 2014 to Euro 11,019 thousand in the first nine months of 2015, an increase of 1.1% due both to an increase in the number of staff employed in this division, which went from 404 at 30 September 2014 to 483 at 30 September 2015, of which 19 members of staff located in offices overseas at 30 September 2014 and 16 at 30 September 2015, and to the increase in the cost of stock option plans and the company incentive plan which went from Euro 824 thousand in the first nine months of 2014 to Euro 1,014 thousand in the first nine months of 2015. It should be noted that in addition to the cost of employees, personnel expenses also include the cost of interns, contractors and consultants that comes under personnel expenses.

Depreciation and amortisation increased by 34.8%, from Euro 12,706 thousand in the first nine months of 2014 to Euro 17,132 thousand in the first nine months of 2015.

9.6 OTHER INCOME AND EXPENSES

Other income and expenses came to a total of Euro 2,964 thousand for the period ending as at 30 September 2015 over Euro 1,939 thousand for the period ending 30 September 2014, an increase of Euro 1,025 thousand.

YOOX NET-A-PORTER GROUP

Other income and expenses can be broken down as follows:

DESCRIPTION	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
EXTRAORDINARY INCOME/LIABILITIES	(1,830)	(1,470)	(361)
THEFT AND LOSSES	(906)	(662)	(244)
OTHER TAX LIABILITIES	(203)	(232)	29
OTHER INCOME AND EXPENSES	179	513	(333)
PROVISIONS FOR SUNDRY RISKS	(173)	(139)	(34)
REIMBURSEMENTS	(31)	52	(83)
TOTAL	(2,964)	(1,939)	(1,025)

Extraordinary income/liabilities showed a negative balance of Euro 1,830 thousand (negative balance of Euro 1,470 thousand in the first nine months of 2014). The item includes income and expenses derived from routine management activities.

Theft and losses relates to the theft and losses of goods destined for final customers that have already occurred at the closing date of the period.

Other tax liabilities went from Euro 232 thousand in the first nine months of 2014 to Euro 203 thousand in the first nine months of 2015.

Provisions for sundry risks in the third quarter of 2015 relate to the estimated charge incurred due to theft and loss of goods not identified as missing at period end.

9.7 NON-RECURRING EXPENSES

Non-recurring expenses amounting to Euro 11,018 thousand as at 30 September 2015 were generated by the merger with THE NET-A-PORTER GROUP Limited and include primarily expenses for legal, tax, accounting, financial and strategic consulting services, as well as other general expenses associated with the transaction.

9.8 OPERATING PROFIT

As required by IAS 1, the following is a breakdown of costs by nature used to determine the operating margin.

DESCRIPTION	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
NET REVENUES	439,357	366,267	73,090
CHANGES IN INVENTORIES	42,130	27,415	14,715
PURCHASE OF GOODS	(286,797)	(231,773)	(55,025)
SERVICES	(129,104)	(103,086)	(26,018)
PERSONNEL EXPENSES	(28,473)	(25,468)	(3,005)
AMORTISATION, DEPRECIATION AND WRITE-DOWNS	(22,254)	(17,890)	(4,363)
OTHER COSTS AND REVENUES	(19,535)	(6,206)	(13,330)
TOTAL	(4,677)	9,259	(13,936)

Operating profit went from Euro 9,259 thousand as at 30 September 2014 to a loss of Euro 4,677 thousand as at 30 September 2015, representing 2.5% of net revenues in the first nine months of 2014 and -1.1% in the first nine months of 2015.

YOOX NET-A-PORTER GROUP

Personnel expenses include all employment related expenses, such as merit pay rises, promotions, cost-of-living adjustments, variable remuneration for 2015, unused leave and accruals to legal reserves required under collective agreement, as well as related social security contributions and the contributions to the post-employment benefits for Parent employees. These costs also include the fair value of stock options and the company incentive plan for employees, between the allocation and vesting dates, with a direct matching entry in equity and payables to staff.

As at 30 September 2015, the Group headcount was 19.8% higher than in the same period of the previous year.

The table below shows a breakdown of the headcount as at 30 September 2015 compared with the headcount as at 30 September 2014²⁷.

NO.	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
MANAGERS	31	33	(2)
JUNIOR MANAGERS	73	60	13
EMPLOYEES AND TRAINEES	810	655	155
ABROAD	85	86	(1)
TOTAL HEADCOUNT	999	834	165

9.9 RESULT OF EQUITY INVESTMENTS

The result of equity investments as at 30 September 2015 is equal to Euro 149 thousand and relates to the profit for the first nine months of 2015 for the share of the investment in the associate company. For more information, refer to paragraph 9.16.

9.10 FINANCIAL INCOME

Financial income went from Euro 2,057 thousand in the first nine months of 2014 to Euro 7,015 thousand in the third quarter of 2015.

The following table shows the breakdown of financial income:

DESCRIPTION	30 SEPTEMBER 2015	30 SEPTEMBER 2014	CHANGE
EXCHANGE RATE GAINS	6,523	1,888	4,635
OTHER FINANCIAL INCOME	122	12	110
INTEREST INCOME ON CURRENT ACCOUNT	360	141	219
INTEREST INCOME TO ASSOCIATE	9	16	(7)
TOTAL	7,015	2,057	4,958

Exchange rate gains went from Euro 1,888 thousand in the third quarter of 2014 to Euro 6,523 thousand in the third quarter of 2015. They mainly relate to the conversion of items in US dollars, Japanese yen and Chinese renminbi and are closely connected to the ordinary sale and purchase of goods.

9.11 FINANCIAL EXPENSES

Financial expenses went from Euro 2,950 thousand in the first nine months of 2014 to Euro 7,835 thousand in the first nine months of 2015.

²⁷ The headcount does not include the Chief Executive Officer of YOOX S.p.A., interns or contractors.

YOOX NET-A-PORTER GROUP

The following table shows the breakdown of financial expenses:

<i>DESCRIPTION</i>	<i>30 SEPTEMBER 2015</i>	<i>30 SEPTEMBER 2014</i>	<i>CHANGE</i>
EXCHANGE RATE LOSSES	(4,790)	(1,587)	(3,204)
OTHER FINANCIAL EXPENSES	(1,621)	(414)	(1,207)
INTEREST EXPENSES	(1,423)	(949)	(474)
TOTAL	(7,835)	(2,950)	(4,884)

Realised and unrealised exchange rate losses totalled Euro 1,587 thousand in the first nine months of 2014 and Euro 4,790 thousand in the first nine months of 2015. They mainly relate to the conversion of items in US dollars, Japanese yen and Chinese renminbi and are closely connected to the ordinary sale and purchase of goods.

9.12 TAXES

Income tax for the period can be broken down as follows:

<i>DESCRIPTION</i>	<i>30 SEPTEMBER 2015</i>	<i>30 SEPTEMBER 2014</i>	<i>CHANGE</i>
CURRENT CORPORATE INCOME TAX – PARENT COMPANY ⁽¹⁾	(475)	(1,080)	604
CURRENT REGIONAL INCOME TAX – PARENT COMPANY ⁽²⁾	(21)	(363)	342
CURRENT INCOME TAX - FOREIGN COMPANIES	(3,817)	(2,601)	(1,216)
DEFERRED TAXES	5,805	846	4,958
TOTAL TAXES	1,492	(3,197)	4,689

⁽¹⁾ IRES: Imposta sul Reddito delle Società (Corporate or Company Tax)

⁽²⁾ IRAP: Imposta Regionale sulle Attività Produttive (Regional Tax on Production Activities)

The Group incurred a greater tax burden in absolute terms than at 30 September 2014. Current taxes rose from Euro 4,043 thousand to Euro 4,313 thousand.

The tax liability as at 30 September 2015 was estimated based on the historical trend of the Group's tax rate, considered representative of the best estimate of the full-year tax rate.

9.13 BASIC AND DILUTED EARNINGS PER SHARE

The following table shows the calculation of the basic earnings per share (Basic EPS) and diluted earnings per share (Diluted EPS) reported in the consolidated income statement.

CALCULATION OF BASIC EPS	30 SEPTEMBER 2015	30 SEPTEMBER 2014
BASIC EARNINGS	(3,855)	4,573
AVERAGE NUMBER OF ORDINARY SHARES	62,060,442	58,808,821
BASIC EPS	(0.0621)	0.0778

CALCULATION OF DILUTED EPS	30 SEPTEMBER 2015	30 SEPTEMBER 2014
BASIC EARNINGS	(3,855)	4,573
AVERAGE NUMBER OF ORDINARY SHARES	62,060,442	58,808,821
AVERAGE NUMBER OF SHARES GRANTED WITHOUT CONSIDERATION	2,814,633	4,376,452
TOTAL	64,875,075	63,185,273
DILUTED EPS	(0.0594)	0.0724

The average number of shares granted without consideration as at 30 September 2015 and 30 September 2014 and used to calculate diluted EPS relates to the granting of shares under existing stock option plans which, as stated in IFRS 2, can be converted on the basis of vesting conditions in the respective years.

In calculating the basic earnings per share (Basic EPS) and the diluted earnings per share (Diluted EPS) given in the table above, the repurchase of 162,000 treasury shares which took place between 2 July 2010 and 7 November 2011 has been taken into account. Treasury shares repurchased were deducted in the calculation of the average number of outstanding ordinary shares net of 31,338 shares, 4,801 shares, 20,255 shares, 378 shares, 48,464 shares, 4,829 shares and 24,596 shares relating to the Company Incentive Plan, granted respectively on 6 August 2012, 10 January 2013, 27 May 2013, 3 June 2013, 1 August 2013, 14 January 2014 and 13 May 2014 to 46 beneficiaries and 10,000 shares granted on 16 January 2015.

STATEMENT OF FINANCIAL POSITION

9.14 PROPERTY, PLANT AND EQUIPMENT

As at 30 September 2015, property, plant and equipment totalled Euro 38,292 thousand. The following is a summary of changes in property, plant and equipment in the first nine months of 2015:

YOOX
NET-A-PORTER
GROUP

DESCRIPTION	HISTORICAL COST	INCREASES	DECREASES	HISTORICAL COST	ACC. DEPRECIATION	DEPRECIATION UTILISATION	ACC. DEPRECIATION	NET CARRYING AMOUNT	NET CARRYING AMOUNT
	AS AT 31/12/2014			AS AT 30/09/2015	AS AT 31/12/2014	AS AT 30/09/2015	AS AT 30/09/2015	AS AT 31/12/2014	AS AT 30/09/2015
PLANT AND EQUIPMENT	38,451	6,375	-	44,826	(15,725)	(3,994)	(19,719)	22,726	25,107
BUILDINGS	8,277	568	(65)	8,780	(4,932)	(1,008)	(5,920)	3,345	2,860
LEASEHOLD IMPROVEMENTS	8,277	568	(65)	8,780	(4,932)	(1,008)	(5,920)	3,345	2,860
INDUSTRIAL AND COMMERCIAL EQUIPMENT	3,702	295	(21)	3,977	(1,874)	(388)	(2,245)	1,828	1,732
OTHER ASSETS	15,865	2,716	(115)	18,466	(8,101)	(2,157)	(10,194)	7,764	8,273
FURNITURE AND FURNISHINGS	2,177	199	-	2,376	(1,510)	(194)	(1,704)	668	672
ELECTRONIC EQUIPMENT	13,565	2,517	(115)	15,967	(6,474)	(1,961)	(8,370)	7,091	7,597
OTHER TANGIBLE ASSETS	122	-	-	122	(118)	(2)	(120)	4	2
ASSETS UNDER CONSTRUCTION AND PAYMENTS ON ACCOUNT	-	320	-	320	-	-	-	-	320
GENERAL TOTAL	66,295	10,275	(201)	76,369	(30,632)	(7,547)	(38,077)	35,663	38,292

YOOX NET-A-PORTER GROUP

Investments in property, plant and equipment, amounting to Euro 10,275 thousand, are linked primarily to investments in plant and equipment (Euro 6,375), electronic equipment (Euro 2,517 thousand), equipment (Euro 295 thousand) and leasehold improvements (Euro 568 thousand).

Depreciation in the period totalled Euro 7,547 thousand.

Note that as at 30 September 2015 there were no liens or mortgages on YOOX Group property, plant and equipment.

Moreover, no impairment losses or revaluations were carried out on items of property, plant and equipment in the first nine months of 2015. In the period under review, no financial expenses were ascribed to asset entries in the statement of financial position.

9.15 INTANGIBLE ASSETS WITH FINITE USEFUL LIFE

Intangible assets amounted to Euro 45,857 thousand as at 30 September 2015. The following is a summary of changes in intangible assets with finite useful life in the first nine months of 2015:

YOOX
NET-A-PORTER
GROUP

DESCRIPTION	HISTORICAL COST	INCREASES	DECREASES	HISTORICAL COST	ACC. AMORTISATION	AMORTISATION	ACC. AMORTISATION	NET CARRYING AMOUNT	NET CARRYING AMOUNT
	AS AT 31/12/2014	AS AT 30/09/2015	AS AT 30/09/2015	AS AT 30/09/2015	AS AT 31/12/2014	AS AT 30/09/2015	AS AT 31/12/2014	AS AT 31/12/2014	AS AT 30/09/2015
DEVELOPMENT COSTS	68,882	-	-	68,882	(35,370)	(12,806)	(48,176)	33,512	20,706
SOFTWARE AND LICENCES	8,781	2,381	-	11,162	(6,801)	(1,609)	(8,410)	1,980	2,752
BRANDS AND OTHER RIGHTS	378	-	-	378	(227)	(23)	(250)	151	128
TRADEMARKS AND PATENTS	378	-	-	378	(227)	(23)	(250)	151	128
ASSETS UNDER DEVELOPMENT	-	22,272	-	22,272	-	-	-	-	22,272
OTHER	1,962	-	-	1,962	(1,918)	(44)	(1,961)	44	-
OTHER INTANGIBLE ASSETS	1,962	-	-	1,962	(1,918)	(44)	(1,961)	44	-
GENERAL TOTAL	80,003	24,653	-	104,656	(44,317)	(14,483)	(58,799)	35,685	45,857

The principal changes in these items during the period are described below.

YOOX NET-A-PORTER GROUP

Development costs

During the first nine months of 2015 the item development costs increased by Euro 18,482 thousand (recognised as capitalisation as yet unfinished as at 30 September 2015) due entirely to multi-year investment projects made by the Group. These are costs incurred by YOOX S.p.A. for specific projects aimed at the ongoing development of innovative solutions for the creation and management of online stores. Development projects have been classified according to the area in which the various initiatives take place: development of e-commerce functionality, development of instruments supporting productivity, security and performance.

These costs relate both to internal personnel costs and to the costs of services provided by third parties. In line with the strategy defined in previous years, the number of development projects outsourced to external suppliers increased significantly. Expenses for research-related activities, which are carried out with a view to obtain new scientific or technical knowledge and discoveries, are recognised in the income statement at the time they are incurred.

Software and licences

The increase of Euro 2,381 thousand for this item is due to the combined effect of the capitalisation of multi-year expenses mainly relating to the purchase of software licences for the creation of online store infrastructures and amortisation for the period. In the first nine months of 2015, a total of Euro 3,790 thousand of software and licences was recognised as capitalisation as yet unfinished.

Amortisation in the period totalled Euro 14,483 thousand.

9.16 INVESTMENTS IN ASSOCIATED COMPANIES

The non-current item as at 30 September 2015 stood at Euro 59 thousand.

DESCRIPTION	BALANCE AT 30/09/2015	BALANCE AT 31/12/2014	CHANGE
INVESTMENT IN ASSOCIATED COMPANY E_LITE	59	59	-
TOTAL	59	59	-

The share of the profit of the group investment accounted for using the net equity method as at 30 September 2015 is equal to Euro 149 thousand and was allocated to adjust the fund for the hedging of future losses recognised for losses prior to 2014.

9.17 DEFERRED TAX ASSETS

DESCRIPTION	BALANCE AT 30/09/2015	BALANCE AT 31/12/2014	CHANGE
DEFERRED TAX ASSETS	16,470	10,021	6,449
TOTAL	16,470	10,021	6,449

Deferred tax assets rose by 64.4% from Euro 10,021 thousand as at 31 December 2014 to Euro 16,470 thousand as at 30 September 2015.

9.18 OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets totalled Euro 1,137 thousand as at 30 September 2015 (Euro 999 thousand as at 31 December 2014). These largely relate to rental contracts and contracts for the supply of electricity and gas, and to the existing relationships with Paymentech relating to retentions to guarantee the repayments due for returns made against sales. Other non-current financial assets are due to be repaid in more than 5 years' time.

9.19 INVENTORIES

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
INVENTORIES	270,260	222,834	47,427
TOTAL	270,260	222,834	47,427

Inventories as at 30 September 2015 and 31 December 2014 break down as follows:

DESCRIPTION	BALANCE AS AT 30.06.15	BALANCE AS AT 31.12.14	CHANGE
INVENTORIES OF RAW MATERIALS, CONSUMABLES AND SUPPLIES	1,798	1,372	425
TOTAL	1,798	1,372	425
FINISHED PRODUCTS AND GOODS	286,578	228,239	58,339
PROVISION FOR OBSOLETE FINISHED PRODUCTS AND GOODS	(18,116)	(6,778)	(11,338)
TOTAL	268,463	221,461	47,002
TOTAL NET INVENTORIES	270,260	222,834	47,427

Inventories rose by 21.28% from Euro 222,834 thousand as at 31 December 2014 to Euro 270,260 thousand as at 30 September 2015, and relate to goods that have been purchased for subsequent resale online.

The increase that can be observed is only partly connected to the growth in volumes in the first nine months of 2015. The Group's business model makes provision for the early procurement of the goods in relation to the sales season.

Goods from previous collections and/or obsolete goods are written down with a provision for obsolete finished products and goods, calculated using the estimated realisable value of the goods.

The reserve for obsolete finished products and goods has a carrying amount deemed appropriate for the actual quantities of obsolete or slow-moving goods on hand.

9.20 TRADE RECEIVABLES

The breakdown of trade receivables as at 30 September 2015 is as follows:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
DUE FROM CUSTOMERS	7,824	6,753	1,071
OTHER TRADE RECEIVABLES	5,974	8,104	(2,131)
ALLOWANCE FOR IMPAIRMENT	(126)	(126)	-
TOTAL	13,672	14,732	(1,060)

The receivables due from customers are fully recoverable within 12 months and relate to trade receivables for the sale of goods to individuals.

Other trade receivables mainly relate to receivables from online stores, chiefly for the provision of services. This item includes, among other things, services in progress which refer to set-up fees incurred by the Group in relation to strategic partners for the design and implementation activities the Group carries out for online stores.

YOOX NET-A-PORTER GROUP

The allowance for impairment was not used during the course of the first nine months of the year. There was no need to make an allocation to the allowance for impairment.

Pursuant to IFRS 7, Note 10 provides information on the maximum credit risk classed according to due dates, gross of the allowance for impairment.

9.21 OTHER CURRENT ASSETS

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
OTHER CURRENT ASSETS	14,615	7,510	7,105
TOTAL	14,615	7,510	7,105

The following is a breakdown of other current assets as at 30 September 2015:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
OTHER RECEIVABLES	1,686	590	1,096
ALLOWANCE FOR IMPAIRMENT – RECEIVABLES FROM OTHERS	(221)	(221)	-
ADVANCES TO SUPPLIERS	121	153	(32)
TRAVEL AND PAYROLL ADVANCES TO EMPLOYEES	3	8	(5)
PREPAYMENTS AND ACCRUED INCOME	7,646	4,390	3,256
TAX RECEIVABLES	5,381	2,589	2,792
TOTAL	14,615	7,510	7,105

“Other receivables” includes:

- mainly credit notes received from suppliers for which the latter must still refund money to the Company and from advance payments to the supplier for the purchase of goods for which the corresponding goods have not yet been received (e.g.: payments on order, prepayments);
- Euro 216 thousand in receivables for sums paid to the Parent’s tax representative in Greece and fully impaired.

The increase as at 30 September 2015 compared with 31 December 2014 is due to the combined effect of the greater amount of tax credits and the higher value of suspended services which will be manifest in economic terms in later periods.

The allowance for impairment – receivables from others, as previously mentioned, relates to the loan to the Greek tax representative, which is deemed unrecoverable.

The “Prepayments” item mainly comprises costs relating to future periods but incurred in the third quarter of 2015. It mainly involves software licence fees, insurance costs and leasing costs.

Tax receivables, which are fully recoverable by the end of the following year, mainly comprise receivables for direct tax prepayments and VAT receivables.

9.22 CASH AND CASH EQUIVALENTS AND CURRENT FINANCIAL ASSETS

The breakdown of the item "Cash and cash equivalents" as at 30 September 2015 is as follows:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
BANK AND POSTAL ACCOUNTS	105,996	118,017	(12,022)
CASH AND CASH EQUIVALENTS ON HAND	21	11	10
TOTAL	106,017	118,028	(12,011)

The following is a breakdown of "Current financial assets" as at 30 September 2015:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
DUE FROM ACQUIRERS	10,787	8,855	1,932
INVESTMENTS	10,111	-	10,111
DUE FROM ASSOCIATE COMPANIES	240	42	198
PREPAYMENTS AND ACCRUALS	1,545	642	903
TOTAL	22,682	9,539	13,143

Cash and cash equivalents totalled Euro 106,017 thousand as at 30 September 2015, and are made up of cash, negotiable instruments and demand deposits or short-term deposits with banks, which are actually available and readily usable.

Current financial assets, equal to Euro 22,682 thousand, relate to receivables from acquirers, receivables from the associate E_lite, receivables from interest-bearing deposits, and the portion of financial expenses relating to subsequent periods.

9.23 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

The breakdown of changes in equity as at 30 September 2015 is presented in a separate table.

The share capital of Euro 621,343 thousand as at 30 September 2015 (Euro 619,640 thousand as at 31 December 2014) increased over the course of the first half of 2015 following the exercise of stock options by their beneficiaries. Specifically, on 23 March 2015, 14 April 2015, 31 July 2015 and 5 August 2015, 59,800, 75,400, 3,900 and 31,200 ordinary shares, respectively, were granted following the exercise of 1,150, 1,450, 75 and 600 options relating to the 2007-2012 and 2006-2008 plans, for a total of Euro 1,703.

The reserves are composed as follows:

- the share premium reserve was Euro 86,219 thousand as at 30 September 2015 (Euro 85,999 thousand as at 31 December 2014); this reserve increased over the course of the first nine months of 2015 following the exercise of stock options by their beneficiaries. Specifically, on 23 March 2015, 14 April 2015, 31 July 2015 and 5 August 2015, 59,800, 75,400, 3,900 and 31,200 ordinary shares, respectively, were granted following the exercise of 1,150, 1,450, 75 and 600 options relating to the 2007-2012 and 2006-2008 plans, for a total of Euro 220 thousand;
- the legal reserve, which totalled Euro 193 thousand as at 30 September 2015 (Euro 193 thousand as at 31 December 2014), consists of accruals of 5% of Parent Company profits every year. This reserve did not increase in the first nine months of 2015 since it had reached the limit imposed by Article 2430 of the Italian Civil Code as at 31 December 2010 and which remains as at 31 March 2015;
- the translation reserve, which had a negative balance of Euro 775 thousand as at 30 September 2015 (compared with Euro 624 thousand as at 31 December 2014), reflects exchange rate differences arising from the translation of financial statements denominated in foreign currency. The change as at 30 September 2015 was negative by Euro 1,379 thousand;

YOOX NET-A-PORTER GROUP

- the purchase of treasury shares, with a negative balance of Euro 163 thousand, is recorded under the direct decrease in net equity in compliance with the arrangements of IAS 32.
- other reserves, equal to Euro 21,704 thousand as at 30 September 2015 (Euro 20,759 thousand as at 31 December 2014) include the fair value measurement of the stock options, equal to Euro 21,542 as at 30 September 2015 (Euro 20,623 as at 31 December 2014), the cash flow hedge reserve, equal to a positive value of Euro 214 thousand (positive by Euro 192 thousand as at 31 December 2014), and the reserve for actuarial gains and losses from the measurement of post-employment benefits, negative by Euro 52 thousand (negative by Euro 56 thousand as at 31 December 2014);
- retained earnings (losses carried forward) amount to Euro 50,358 thousand as at 30 September 2015 (Euro 36,556 thousand as at 31 December 2014), an increase of Euro 13,802 thousand due to the allocation of profit for 2014.

9.24 STOCK OPTION PLANS AND COMPANY INCENTIVE PLANS

Granting of stock options

Following approval of the share-split at the Extraordinary General Meeting of the Parent Company on 8 September 2009, beneficiaries of Stock Option Plans exercising their options will be entitled to 52 ordinary shares of the Company for every option exercised, except for the 2012-2015 Stock Option Plan, which provides for the ratio of one share for every option exercised.

With reference to the Stock Option Plans and company Incentive Plans reserved for employees, associates, consultants and directors of the Company and its subsidiaries, as at 30 September 2015 the Board of Directors had granted the following options, outlined in the table below:

STOCK OPTION PLANS	GRANTED (A)	EXPIRED (B)	EXERCISED (C)	TOTAL GRANTED, NOT EXPIRED OR NOT EXERCISED (D = A-B-C)	GRANTED, NOT VESTED	GRANTED, VESTED, NOT EXERCISABLE	GRANTED, VESTED AND EXERCISABLE
2001 – 2003	80,575	31,560	49,015	0	0	0	0
2003 – 2005	36,760	3,000	32,760	1,000	0	0	1,000
2004 – 2006	32,319	12,650	19,169	500	0	0	500
2006 – 2008	31,303	200	25,190	5,913	0	0	5,913
2007 – 2012	102,600	3,650	68,236	30,714	0	0	30,714
2009 – 2014	94,448	24,599	69,849	0	0	0	0
TOTAL	378,005	75,659	264,219	38,127	0	0	38,127

The table below shows the exact prices for the options assigned that have not expired or been exercised.

STRIKE PRICES IN EURO	59.17	106.50	TOTAL OPTIONS	TOTAL SHARES
2003-2005	0	1,000	1,000	52,000
2004-2006	0	500	500	26,000
2006-2008	5,913	0	5,913	307,476
2007-2012	30,214	500	30,714	1,597,128
TOTAL	36,127	2,000	38,127	1,982,604

YOOX NET-A-PORTER GROUP

During the first nine months of 2015, the Board of Directors of the Company did not resolve to grant YOOX S.p.A. stock options.

With reference to the 2012-2015 Stock Option Plan, approved by the Shareholders' Meeting on 29 June 2012, on 21 September 2012 the Company's Board of Directors approved the Plan Regulations and, at the proposal of the Compensation Committee, the granting to CEO Federico Marchetti of 1,500,000 options valid for the subscription of 1,500,000 YOOX ordinary shares (in the ratio of 1 new ordinary share for every 1 option exercised) at a subscription price for each single share of Euro 9.60, corresponding to the weighted average of the prices recorded for YOOX ordinary shares on the *Mercato Telematico Azionario*, the Italian screen-based trading system organised and managed by Borsa Italiana S.p.A., in the 30 (thirty) trading days prior to the option grant date.

Pursuant to a resolution of the Board of Directors passed on 25 February 2015, the intermediate vesting thresholds for the 2014 tranche of the "2012-2015 Stock Option Plan" were modified and, consequently, a total of 500,000 options (corresponding to 500,000 ordinary shares) became exercisable by the CEO.

The following option rights have been granted by the Board of Directors with the breakdown given in the table below:

STOCK OPTION PLAN	GRANTED (A)	EXPIRED (B)	EXERCISED (C)	TOTAL GRANTED, NOT EXPIRED OR NOT EXERCISED (D = A-B-C)	GRANTED, NOT VESTED	GRANTED, VESTED, NOT EXERCISABLE	GRANTED, VESTED AND EXERCISABLE
2012 – 2015	1,500,000	0	0	1,500,000	0	0	1,500,000
TOTAL	1,500,000	0	0	1,500,000	0	0	1,500,000

The table below shows the exact prices for the options assigned that have not expired or been exercised.

STRIKE PRICE FOR THE PERIOD	€ 9.60	TOTAL OPTIONS	TOTAL SHARES
2012-2015	1,500,000	1,500,000	1,500,000
TOTAL	1,500,000	1,500,000	1,500,000

Granting of shares

On 1 July 2010, the Board of Directors of the Parent Company approved the 2009-2014 Incentive Plan Regulations in compliance with the approval of the Shareholders' Meeting on 8 September 2009.

A treasury share purchase programme was set up for this purpose in order to comply with the decision of the Meeting on 7 October 2009 and the Board of Directors on 1 July 2010. The share purchase programme was aimed at acquiring sufficient shares for the 2009-2014 Incentive Plan for employees of the Parent Company and its subsidiaries.

Specifically, the Ordinary Shareholders' Meeting of YOOX S.p.A. on 5 May 2011 gave authorisation to buy and sell treasury shares, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and Article 132 of Legislative Decree 58/1998, and related implementation provisions.

Specifically and in compliance with the YOOX S.p.A. Ordinary Shareholders' Meeting resolution of 5 May 2011, the programme refers to the purchase of YOOX S.p.A. ordinary shares, with no indication of par value, up to a maximum amount of 250,000 ordinary shares, for a total maximum value of Euro 3,000,000.

Under the scope of the treasury shares purchase programme to service the YOOX S.p.A. 2009-2014 Incentive Plan, the Company bought:

- in the period from 2 July 2010 to 7 July 2010, 62,000 YOOX S.p.A. ordinary shares, at an average unit price of Euro 5.836485 per share after commission, for a total value of Euro 361,862.06;
- in the period from 5 August 2011 to 8 August 2011, 60,000 YOOX S.p.A. ordinary shares, at an average unit price of Euro 9.594572 per share after commission, for a total value of Euro 575,674.30;

YOOX NET-A-PORTER GROUP

- on 6 September 2011, 5,000 YOOX S.p.A. ordinary shares, at an average unit price of Euro 9.5095 per share after commission, for a total value of Euro 47,547.50;
- on 4 October 2011, 27,331 YOOX S.p.A. ordinary shares, at an average unit price of Euro 9.500947 per share after commission, for a total value of Euro 259,670.39;
- on 17 November 2011, 7,669 YOOX S.p.A. ordinary shares, at an average unit price of Euro 9.276056 per share after commission, for a total value of Euro 71,138.08.

The Shareholders' Meeting of 30 April 2015 gave authorisation to buy and sell treasury shares, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and Article 132 of Legislative Decree 58/1998, and related implementation provisions, revoking the authorisation to buy treasury shares given by the Shareholders' Meeting of 17 April 2014 for the part not yet exercised.

For more details, please see the Press Release issued on that date, which is available on the Company website, under the section "Investor Relations / Press Releases".

As at the date of this document, the Company holds 17,339 treasury shares in its portfolio, equal to 0.021% of its share capital.

Share capital increases to service Stock Option Plans and company Incentive Plans

On 29 June 2012, the YOOX S.p.A. Shareholders' Meeting took place at first call, with both ordinary and extraordinary sessions. In its ordinary session, the Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree 58/1998, the establishment of a new incentive and loyalty scheme known as the 2012-2015 Stock Option Plan for YOOX S.p.A. executive directors, to be implemented through the free granting of options valid for subscribing new issue YOOX S.p.A. ordinary shares (in the ratio of 1 ordinary share for every 1 option exercised).

In its extraordinary session, the Shareholders' Meeting approved the divisible paid-in capital increase for a maximum amount of Euro 15,000.00, to be allocated to capital, with the exclusion of option rights pursuant to Article 2441, paragraph 4, second period of the Italian Civil Code, to be reserved for subscription by the beneficiaries of the aforementioned "2012-2015 Stock Option Plan".

The strike price of each option, for the subscription of 1 new-issue ordinary share under the capital increase, is established according to the average weighting of the official YOOX S.p.A. ordinary share price recorded on the *Mercato Telematico Azionario*, the Italian screen-based trading system organised and managed by Borsa Italiana S.p.A., in the thirty trading days prior to the option allocation date.

On 17 April 2014 the Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree 58/1998, the establishment of a new incentive and loyalty scheme known as the "2014-2020 Stock Option Plan" exclusively for employees of YOOX S.p.A. and companies directly or indirectly controlled by it, to be implemented through the free granting of options valid for subscribing new issue YOOX S.p.A. ordinary shares (in the ratio of 1 ordinary share for every 1 option exercised).

In its extraordinary session, the Shareholders' Meeting approved the capital increase through payment in cash, in one or more tranches, of a maximum amount of Euro 5,000.00, to be allocated to capital, increased by any premium, with the exclusion of option rights pursuant to Article 2441, paragraph 8 of the Italian Civil Code, to be reserved exclusively for subscription by employees of YOOX S.p.A. and subsidiary companies as beneficiaries of the aforementioned Stock Option Plan.

The strike price of each option, for the subscription of 1 new-issue ordinary share under the capital increase, will be established according to the weighted average of the official YOOX S.p.A. ordinary share price recorded on the *Mercato Telematico Azionario*, the Italian screen-based trading system organised and managed by Borsa Italiana S.p.A., in the thirty trading days prior to the option allocation date.

The "2014-2020 Stock Option Plan" involves the granting of a total of 500,000 YOOX ordinary shares, equal to approximately 0.60% of the current ordinary share capital of the Company (equal to Euro 828,282.96 and represented by 82,828,296 ordinary shares with no par value).

Establishment of the Stock Option Plans and company Incentive Plans and subsequent changes

On 27 April 2012 the Shareholders' Meeting, pursuant to Article 114-bis of Legislative Decree 58/1998, approved the establishment of a new incentive and loyalty plan known as the "Stock Grant Plan" for employees of YOOX S.p.A. and companies directly or indirectly controlled by it, to be implemented through the allocation, free of charge, of a total of 550,000 YOOX S.p.A. ordinary shares, giving the Board of Directors the mandate to adopt the relevant regulations.

YOOX NET-A-PORTER GROUP

On 29 June 2012 the YOOX S.p.A. Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree 58/1998, the establishment of a new incentive and loyalty scheme known as the "2012-2015 Stock Option Plan" for YOOX S.p.A. executive directors, to be implemented through the free granting of options valid for subscribing new-issue YOOX S.p.A. ordinary shares (in the ratio of 1 ordinary share for every 1 option exercised).

The 2012-2015 Stock Option Plan includes the allocation of a total of 1,500,000 YOOX ordinary shares.

On 21 September 2012, the Company's Board of Directors approved the Plan Regulations and, on the proposal of the Compensation Committee, the allocation in favour of the CEO Federico Marchetti of 1,500,000 options valid for the subscription of 1,500,000 YOOX ordinary shares (in the ratio of 1 new ordinary share for every 1 option exercised).

On 17 April 2014 the Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree 58/1998, the establishment of a new incentive and loyalty scheme known as the "2014-2020 Stock Option Plan" exclusively for employees of YOOX S.p.A. and companies directly or indirectly controlled by it, to be implemented through the free granting of options valid for subscribing new issue YOOX S.p.A. ordinary shares (in the ratio of 1 ordinary share for every 1 option exercised).

The 2014-2020 Stock Option Plan includes the allocation of a total of 500,000 ordinary shares.

9.25 MEDIUM-/LONG-TERM FINANCIAL LIABILITIES – BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES

Bank loans and other financial liabilities stood at Euro 149,109 thousand, an increase of Euro 52,278 thousand compared with 31 December 2014 (Euro 96,831 thousand).

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	110,918	66,072	44,846
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	38,191	30,759	7,432
TOTAL	149,109	96,831	52,278

The following table shows the breakdown of debt as at 30 September 2015:

LENDING INSTITUTION	REMAINING AMOUNT	RATE	SHORT-TERM PORTION	MEDIUM-/LONG-TERM PORTION
BNL - BNP PARIBAS GROUP	15,750	EURIBOR + VARIOUS%	9,500	6,250
BANCA SELLA	3,333	EURIBOR + 2.3%	1,667	1,667
MEDIOCREDITO	40,000	EURIBOR + 1.1%	-	40,000
EIB	40,591	FIXED (AVG. 1.66%)	8,877	31,714
UNICREDIT	40,000	EURIBOR + 1.5%	10,000	30,000
DE LAGE LANDEN	297	FIXED	297	-
FACTOR (IFITALIA)	6,115	EURIBOR + VARIOUS%	6,115	-
FINANCIAL LEASES	2,668	EURIBOR + VARIOUS%	1,380	1,287
ACCRUED LIABILITIES	355		355	-
TOTAL	149,109		38,191	110,918

The summarised details of loan agreements and lines of credit stipulated in 2015 are given below:

UNICREDIT loan

On 20 December 2013, an unsecured loan worth Euro 30,000 thousand was signed with UniCredit S.p.A., broken down into a tranche worth Euro 10,000 thousand with a term of 72 months, available to be drawn down up to 12 months from the date

of signing the loan, to be repaid half-yearly in arrears, and another tranche worth Euro 20,000 thousand, available for a term of 60 months in the form of a revolving credit line.

Before the term of 12 months from the date of signing had expired, the terms of the loan were renegotiated; the total amount was increased to Euro 60,000 thousand, broken down into a tranche worth Euro 30,000 thousand with a term of 72 months, available to be drawn down until 31 March 2015, to be repaid half-yearly in arrears, and another tranche worth Euro 30,000 thousand, available for a term of 60 months in the form of a revolving credit line. Under the new agreement, the spread was also reduced from 2.50% to 1.50% for the term loan, and to 1.80% for the revolving credit line. On 31 March 2015, the term loan was disbursed, in the full amount of Euro 30,000 thousand. On 19 June, the acquisition of a plain vanilla interest rate swap (IRS) was formalised, with the rate fixed at 0.43%. On 23 September 2015, Euro 10,000 thousand was disbursed in relation to the aforementioned revolving credit line with quarterly maturity dates.

MEDIOCREDITO loan

On 9 December 2013, an unsecured loan was signed with Mediocredito, in the form of a term loan worth Euro 23,000 thousand, disbursed upon signing and with a term of 60 months, with the first principal instalment maturing on 31 March 2015. Prior to this maturity date, the terms of the loan were renegotiated, increasing the amount to Euro 40,000 thousand. The renegotiation also reduced the spread from 2.60% to 1.10%, and extended the original maturity date of the loan by 12 months.

COMMITMENTS OF A FINANCIAL NATURE (COVENANTS)

The Company, including for the purposes of Article 1461 of the Italian Civil Code, recognises the essential nature of complying with the financial parameters, in accordance with the consolidated financial statements in the name of YOOX S.p.A., accepting that the "Bank" can terminate the contracts if the financial situation recorded in the consolidated financial statements does not comply with these parameters, or even with only one of them.

Below are the finance parameters for the loan agreed with Banca Nazionale del Lavoro, UniCredit and Mediocredito:

- 1) the ratio between the Net Financial Position and the EBITDA excluding the incentive plans should not be more than 2.5 times the total loan repayment;
- 2) the ratio between the Net Financial Position and the Shareholders' Equity should not be more than 1.0 times the total loan repayment.

The finance parameter for the loan taken out with the European Investment Bank is also provided:

- 1) the ratio between the Net Financial Position and the EBITDA excluding the incentive plans should not be more than 2.0 times the total loan repayment;
- 2) the ratio between the Net Financial Position and the Shareholders' Equity should not be more than 0.8 times the total loan repayment.

YOOX S.p.A. will notify the "Banks" of the above financial parameters on a half-yearly basis, on 30 June and 31 December every year until the due date.

If even only one of the above parameters is not complied with, YOOX S.p.A., without prejudice to the right of the "Bank" to terminate the contract, undertakes to agree with the "Bank", within 30 working days of the request, the financial and management operations necessary to ensure that the parameters in question come under the set terms, or, alternatively, to repay the loan in advance on the due date of the interest period in progress.

In relation to the aforementioned financing agreed, it should be noted that as at 30 September 2015, just as at 31 December 2014, the aforementioned financial parameters were complied with by the Group.

As at 30 September 2015, financing with other credit institutions is not governed by compliance with parameters of a financial and commercial nature.

YOOX NET-A-PORTER GROUP

Net financial position

The table below gives a breakdown of net financial position as at 30 September 2015:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
CASH AND CASH EQUIVALENTS	106,017	118,028	(12,011)
CURRENT FINANCIAL ASSETS	22,682	9,539	13,143
OTHER CURRENT FINANCIAL ASSETS	624	419	206
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	(38,191)	(30,759)	7,431
OTHER CURRENT FINANCIAL LIABILITIES	(329)	(155)	(174)
CURRENT NET FINANCIAL POSITION	90,804	97,071	(6,268)
MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	(110,918)	(66,072)	(44,847)
NET FINANCIAL POSITION ²⁸	(20,115)	31,000	(51,114)

During the course of 2015, the Group's net financial position worsened by Euro 51,114 thousand, falling from 31,000 thousand as at 31 December 2014 to a negative figure of Euro 20,115 thousand as at 30 September 2015.

9.26 EMPLOYEE BENEFITS

This item refers exclusively to the post-employment benefits recorded by the Parent Company in accordance with current legislation. Changes in defined benefit plans for employees in the third quarter of 2015 are summarised below:

DESCRIPTION	BALANCE AS AT 31 DECEMBER 2014	PROVISIONS	UTILISATION	BALANCE AS AT 30 SEPTEMBER 2015
EMPLOYEE BENEFITS	165	22	(27)	160
TOTAL	165	22	(27)	160

²⁸ Net debt (or net financial position) is the sum of cash and cash equivalents, other current financial assets, net of bank loans and other financial liabilities falling due within one year, other current financial liabilities, and medium-long term financial liabilities. Net debt (or net financial position) is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups, and accordingly, the balance obtained by the Company may not be comparable with those calculated by such groups. For details of the items that make up net financial debt (or net financial position), see the table above in the section "Net financial position". "Other current financial assets" are not governed by the definition of net financial debt (or net financial position) of the CESR. The Group believes this definition should be integrated including claims vs. acquirers and logistics operators from whom cash on delivery is required under "Other current financial assets".

YOOX NET-A-PORTER GROUP

The main technical, demographic and economic parameters used in the actuarial calculation of employee benefits as at 30 September 2015 are summarised below:

ACTUARIAL ASSUMPTIONS USED FOR THE CALCULATIONS	
LIFE TABLES	ISTAT, SIM AND SIF DEMOGRAPHIC TABLES FOR 2013
ANNUAL TURNOVER RATE	5.30%
PROBABILITY OF REQUESTS FOR ADVANCES ON POST-EMPLOYMENT BENEFITS	13.28%
ACTUALISATION RATE	1.46% (IBOXX CORPORATES AA € 7-10)
INFLATION RATE	1.50%
% OF REQUESTS FOR ADVANCES	70.00%
NOMINAL PAY GROWTH RATE	1.50%

9.27 DEFERRED TAX LIABILITIES

Deferred tax liabilities increased by 19.8% from Euro 285 thousand as at 31 December 2014 to Euro 342 thousand as at 30 September 2015.

The deferred tax liability was estimated based on the historical trend of the Group's tax rate, considered representative of the best estimate of the full-year tax rate.

9.28 PROVISIONS FOR CURRENT AND NON-CURRENT RISKS AND CHARGES

This item reflects provisions for estimated current liabilities as at 30 September 2015, the timing and extent of which cannot be determined. The following table shows the breakdown of the item and changes in the first nine months of 2015:

DESCRIPTION	BALANCE AS AT 31 DECEMBER 2014	INCREASES	ADJUSTMENTS	UTILISATION	BALANCE AS AT 30 SEPTEMBER 2015
PROVISION FOR THEFT AND LOSS	178	186	-	(178)	186
PROVISION FOR FRAUD	304	175	-	(304)	175
TOTAL PROVISIONS FOR CURRENT RISKS AND CHARGES	482	361	-	(482)	361
TOTAL PROVISIONS FOR NON-CURRENT RISKS AND CHARGES	-	-	-	-	-
TOTAL PROVISIONS FOR RISKS AND CHARGES	482	361	-	(482)	361

During the first half of the year, the full amount of Euro 178 thousand was used from the provision for theft and loss. A further accrual of Euro 186 thousand was considered sufficient following a new estimate.

During the first nine months of the year, the full amount of Euro 304 thousand was used from the provision for fraud. A subsequent accrual of Euro 175 thousand to cover fraud linked with online sales paid for by credit card is considered adequate in line with the new estimate. This fraud coverage provision was calculated taking into account the historical incidence of the value of fraud in relation to the value of sales.

9.29 TRADE PAYABLES

The following table shows a breakdown of trade payables as at 30 September 2015:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
DUE TO SUPPLIERS	148,376	124,956	23,420
CREDIT NOTES TO BE RECEIVED FROM SUPPLIERS	(5,326)	(3,628)	(1,697)
INVOICES TO BE RECEIVED FROM SUPPLIERS	46,537	43,101	3,436
DUE TO CREDIT CARD OPERATORS	72	37	35
TOTAL	189,659	164,466	25,194

Trade payables went from Euro 164,466 thousand as at 31 December 2014 to Euro 189,659 thousand as at 30 September 2015, an increase of 15.3%.

Trade payables are all payables relating to the purchase of goods and services from Group suppliers. Payables are recorded at their nominal value. Since all payables fall due within one year, none are subject to discounting. "Trade payables" includes all amounts due to suppliers, both for the supply of finished products and raw materials, and for the supply of intangible assets.

9.30 TAX LIABILITIES

Current tax liabilities relate exclusively to the current income tax liability of the Parent Company and its foreign subsidiaries.

Tax liabilities rose during the first nine months of the year by Euro 1,337 thousand, from Euro 320 thousand at 31 December 2014 to Euro 1,657 thousand at 30 September 2015.

9.31 OTHER PAYABLES

The following table shows a breakdown of other payables at 30 September 2015:

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14	CHANGE
DUE TO SOCIAL SECURITY INSTITUTIONS	1,906	2,792	(886)
CREDIT NOTES TO BE ISSUED TO CUSTOMERS	9,674	10,462	(788)
DUE TO DIRECTORS	336	18	318
DUE TO EMPLOYEES	7,137	3,994	3,143
DUE TO TAX REPRESENTATIVES	6,219	7,695	(1,476)
OTHER PAYABLES	7,812	9,037	(1,225)
ACCRUED EXPENSES AND DEFERRED INCOME	365	230	135
TOTAL	33,449	34,228	(779)

The item "Due to social security institutions" reflects contributions payable to social security institutions, mainly on the amounts recognised to employees at the end of the reporting period.

The item "Due to tax representatives" reflects indirect tax liabilities. Sales carried out in European countries during 2010 and 2009 exceeded the threshold set in Article 41, paragraph 1, letter b) of Decree-Law 331/93, which requires payment of VAT in the destination country for goods sold. In order to comply with this requirement, the Company has opened VAT accounts in these countries.

The item "Other payables" includes credit notes to be issued to customers against certain payables for returns on sales made in the first nine months of 2015.

CONSOLIDATED STATEMENT OF CASH FLOWS

9.32 NET INCOME FOR THE PERIOD, TAXES FOR THE PERIOD, DEPRECIATION AND AMORTISATION, INCOME TAXES PAID

Details of net income for the period, taxes for the period, depreciation and amortisation and other non-monetary income statement items are provided in Notes 9.11, 9.10, 9.9, 9.5, 9.4 and 9.3, respectively.

In relation to the income tax liability in the first nine months of 2015 negative by Euro 1,492 thousand (Euro 3,197 thousand in the first nine months of 2014), tax payments amounting to Euro 3,563 thousand were made (Euro 6,187 thousand in the first half of 2014) relating to tax outstanding for the previous year and payments on account, calculated according to the respective tax regulations in force in the various countries in which the Group operates.

9.33 OTHER NET NON-MONETARY INCOME AND EXPENSES

Other net non-monetary income and expenses include non-monetary items on the income statement apart from income tax, depreciation and amortisation and provisions classified as a direct deduction from asset items (allowance for impairment and provisions for obsolescence). This includes provisions for defined benefit plans for employees (TFR), the measurement at fair value of stock option plans, provisions for risks and charges, capital gains and capital losses, unrealised foreign exchange fluctuations and recognised interest income and expenses. In relation to these last items, interest received and interest paid are presented separately.

9.34 CHANGE IN TRADE RECEIVABLES, INVENTORIES AND TRADE PAYABLES

This item reports the use or generation of cash relative to net working capital, i.e. changes in trade receivables, inventories and trade payables. Changes in trade payables refer exclusively to supplies of raw materials, goods and services, excluding the change in payables to suppliers of investments, which are reported in the section of the statement of cash flows relating to cash generated by or used in investing activities.

9.35 CHANGE IN OTHER CURRENT ASSETS AND LIABILITIES

This item reflects the change in all other current assets and liabilities, net of the effects of recognising non-monetary income and expenses, i.e. the change in the balances with a direct effect on the use or generation of cash.

9.36 ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

Cash flow from the acquisition of property, plant and equipment reflects both expenditure to replace plants and expenditure on new plants. The amount reported also includes the change in investment payables, net of related funding.

9.37 ACQUISITION OF OTHER INTANGIBLE ASSETS

Cash flow for acquisition of other intangible assets relates to investments in licences and software and the capitalisation of development costs (for a breakdown of these, see Note 9.14). Capitalisations are classified among cash flow from/used in investing activities since they involve a cash outflow associated with the internal costs incurred (mainly personnel expenses). These outflows were broadly in line with costs capitalised during the year.

9.38 ACQUISITION OF STAKES IN ASSOCIATES

No cash flow from investment was due to payments in the form of loans to hedge future losses during the first nine months of 2015.

9.39 ACQUISITION OF OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets totalled Euro 1,137 thousand as at 30 September 2015 (Euro 999 thousand as at 31 December 2014). These largely relate to rental contracts and contracts for the supply of electricity and gas, and to the existing relationships with Paymentech relating to retentions to guarantee the repayments due for returns made against sales. Other non-current financial assets are due to be repaid in more than five years' time.

9.40 INCREASE IN SHARE CAPITAL AND SHARE PREMIUM RESERVE

For information on total receipts for increases in share capital and the share premium reserve, see Note 9.23 "Equity attributable to owners of the Parent Company".

9.41 ARRANGEMENT AND REPAYMENT OF MEDIUM-/LONG-TERM FINANCIAL LIABILITIES

Arrangement of other medium-/long-term financial payables relates to loans from banks and other lenders, as described in Note 9.25.

9.42 ARRANGEMENT AND REPAYMENT OF SHORT-TERM FINANCIAL LIABILITIES

The change in short-term bank exposure is included in the change in short-term financial liabilities, since these are forms of current debt, as described in Note 9.23.

9.43 INVESTMENTS IN FINANCIAL ASSETS

For information on investments and disinvestments in financial assets, see Note 9.22.

10. DISCLOSURE OF FINANCIAL RISKS

During the first nine months of 2015, the nature and structure of the risk exposure detailed below and the associated policies applied by the Group did not change substantially from the previous year.

MARKET RISK

Market risk arises from the probability of changes in the fair value of the future cash flows deriving from a financial instrument due to fluctuations in market prices.

In the consolidated financial statements and notes of the Group as at 30 September 2015, market risk takes the form of currency risk and interest rate risk.

FINANCIAL RISK DERIVING FROM CURRENCY FLUCTUATIONS

The Euro is the functional currency of the Group and is used in the presentation of its financial information.

The YOOX Group operates internationally, and the sale of goods in countries whose currency is not the Euro exposes the Group to currency risk, in terms of both transactions and translation. The policy adopted by the Group is to concentrate all

YOOX NET-A-PORTER GROUP

currency risk within the Parent Company, YOOX S.p.A. Since the YOOX Group is an exporter, the main risk to which it is exposed is that of the depreciation of foreign currency against the Euro. The Group is principally exposed towards the US dollar, the Japanese yen, the UK pound and the Chinese renminbi.

Currency transaction risks were hedged in the first nine months of 2015 by forward contracts arranged with the leading domestic and international banks used by the YOOX Group on a daily basis. Outstanding contracts and those negotiated during the nine-month period hedge only expected cash flows denominated in US dollars, for the equivalent of Euro 35,348 thousand as at 30 September 2015, and in Japanese yen, for the equivalent of Euro 3,712 thousand. It was not considered necessary to hedge exposure to the UK pound and the Chinese renminbi, since the amount involved was not significant. No speculative derivative contracts were arranged in the first nine months of 2015 or in preceding periods.

The subsidiaries and fully consolidated companies of the Parent Company YOOX S.p.A. are located in countries that do not belong to the European Monetary Union: the United States, Japan, People's Republic of China and Hong Kong. Since, as mentioned above, the Group's functional currency is the Euro, the income statements of these companies are translated into Euro at the average exchange rate for the period. Holding revenue and profits constant in their local currencies, changes in the exchange rates concerned may have an effect on the Euro amount of their revenue, costs and financial results.

The Euro value of assets and liabilities of consolidated companies whose accounting currency is not the Euro may vary depending on exchange rate movements. In accordance with IFRS, the effects of these changes are recognised directly in equity, under the item "Translation reserve".

FINANCIAL RISK DERIVING FROM INTEREST RATE FLUCTUATIONS

Interest rate risk arises when a change in interest rates adversely affects performance for the year.

Funding and credit lines available to the YOOX Group are indexed to the Euribor, and therefore the Group is exposed to an increase in interest rates. The YOOX Group felt it advisable to manage the interest rate risk through recourse to interest rate swaps covering medium-/long-term funding agreed for financing the new techno-logistics platform.

Interest expenses on funding for the first nine months of 2015 came to Euro 1,423 thousand, an increase compared with the first nine months of 2014 (Euro 949 thousand) following greater use of credit lines. The interest cost of the majority of the Group's bank loans is roughly equal to Euribor plus a spread of about 1.50%, in line with the previous year.

LIQUIDITY RISK

The Group aims to maintain appropriate levels of liquidity and available funds to sustain the growth of the business and ensure the timely fulfilment of its obligations. YOOX has preferred to adopt a flexible approach, adapted to the dynamic nature of the business in which it operates, through recourse to credit lines which on the one hand are committed, i.e. they do not include the possibility of the lenders asking for repayment before a pre-set date, and on the other hand are revolving, i.e. the Group has the possibility of repaying individual drawdowns, thereby rebuilding their availability.

Net financial position as at 30 September 2015 was negative at Euro 20,115 thousand.

CREDIT RISK WITH FINANCIAL COUNTERPARTIES

The YOOX Group has obtained lines of credit from leading Italian and international banks of high credit standing.

CREDIT RISK WITH COMMERCIAL COUNTERPARTIES

Given the nature of the Group's business, management of credit risk deriving from commercial operations is entrusted to the customer care department for online receivables generated by the individual stores and to the finance department for all other receivables.

Credit risk related to doubtful accounts subject to legal action or to overdue accounts is monitored centrally on a daily basis and reported each month.

YOOX NET-A-PORTER GROUP

For information on the Group's exposure and measurement of the aforementioned financial risks, please refer to the information contained in the consolidated financial statements as at 31 December 2014, in respect of which no significant changes have occurred as at the present date.

HEDGE ACCOUNTING – CASH FLOW HEDGING

The Group performs prospective and retrospective tests of the effectiveness of the derivative financial instruments recorded, using the rules of hedge accounting.

Effectiveness is ensured if the ratio of the change in the fair value of the hedging instrument to the change in the fair value of the hedged instrument falls within the range of 80%-125%.

FAIR VALUE

The Group uses established assessment techniques, widely used in the market, to calculate the fair value of financial instruments when there is no regulated market for them. These techniques determine the carrying amount that the instruments would have had at the reference date in an arm's-length transaction between knowledgeable and independent parties.

FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The following are measured on an amortised cost basis: held-to-maturity assets, trade receivables and payables, time deposits, loans, and other liabilities and assets measured at amortised cost (such as other receivables and payables).

Pursuant to IFRS 7, the fair value of these items is re-measured by calculating the present value of the contractually-expected flows of principal and interest, with reference to the yield curve for government securities at the measurement date.

Investments in repurchase agreements, mentioned previously, come under financial assets valued at amortised cost.

The carrying amount of trade payables and receivables represents a reasonable approximation of their fair value.

The carrying amount of trade payables and receivables represents a reasonable approximation of their fair value.

FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

HIERARCHICAL LEVELS OF FAIR VALUE MEASUREMENT

IFRS 7 requires that the carrying amounts of financial instruments entered in the statement of financial position at fair value be classified according to a hierarchy of levels reflecting the input used in the fair value calculation. The levels are:

Level 1 – assets or liabilities measured using quoted prices in active markets;

Level 2 – inputs different from quoted prices as above, that are based on directly observable (prices) or indirectly observable (price-derived) market data;

Level 3 – inputs not based on observable market data.

Financial instruments measured at fair value as at 30 September 2015 are calculated using the Level 2 method. In 2015 there were no changes between levels.

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The following tables present the carrying amounts of the financial assets and liabilities reported in the statement of financial position, classified according to IAS 39 and compared with the corresponding fair values:

STATEMENT OF FINANCIAL POSITION ITEMS AS AT 30.09.15	FINANCIAL ASSETS AT FAIR VALUE							TOTAL FAIR VALUE
	LOANS AND RECEIVABLES	FINANCIAL ASSETS AT FAIR VALUE ON INITIAL RECOGNITION	HELD-FOR- TRADING FINANCIAL ASSETS	HELD-FOR- SALE FINANCIAL ASSETS	HELD-TO- MATURITY INVESTMENTS	HEDGING FINANCIAL ASSETS	TOTAL CARRYING AMOUNT	
OTHER NON-CURRENT FINANCIAL ASSETS	1,137	-	-	-	-	-	1,137	1,137
TRADE RECEIVABLES	13,672	-	-	-	-	-	13,672	13,672
OTHER CURRENT ASSETS	13,991	-	-	-	624	-	14,615	14,615
CASH AND CASH EQUIVALENTS	106,017	-	-	-	-	-	106,017	106,017
MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	(110,918)	-	-	-	-	-	(110,918)	(110,918)
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	(38,191)	-	-	-	-	-	(38,191)	(38,191)
OTHER CURRENT LIABILITIES	(33,120)	-	-	-	(329)	-	(33,449)	(33,449)
TOTAL	(47,412)	-	-	-	295	-	(47,117)	(47,117)

STATEMENT OF FINANCIAL POSITION ITEMS AS AT 31.12.14	LOANS AND RECEIVABLES	FINANCIAL ASSETS AT FAIR VALUE					HELD-TO- MATURITY INVESTMENTS	HEDGING FINANCIAL ASSETS	TOTAL CARRYING AMOUNT	TOTAL FAIR VALUE
		FINANCIAL ASSETS AT FAIR VALUE RECORDED IN INCOME STATEMENT	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE ON INITIAL RECOGNITION	HELD-FOR- TRADING FINANCIAL ASSETS	HELD-FOR- SALE FINANCIAL ASSETS	FINANCIAL ASSETS				
OTHER NON-CURRENT FINANCIAL ASSETS	999	-	-	-	-	-	-	999	999	
TRADE RECEIVABLES	14,732	-	-	-	-	-	-	14,732	14,732	
OTHER CURRENT ASSETS	7,091	-	-	-	-	-	419	7,510	7,510	
CASH AND CASH EQUIVALENTS	118,028	-	-	-	-	-	-	118,028	118,028	
MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	(66,072)	-	-	-	-	-	-	(66,072)	(66,072)	
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	(30,759)	-	-	-	-	-	-	(30,759)	(30,759)	
OTHER CURRENT LIABILITIES	(34,073)	-	-	-	-	-	(155)	(34,228)	(34,228)	
TOTAL	9,946	-	-	-	-	-	264	10,210	10,210	

FINANCIAL DERIVATIVE INSTRUMENTS OUTSTANDING AT YEAR END

The following table shows transactions outstanding as at 30 September 2015 and 31 December 2014 and the related fair values:

FINANCIAL INSTRUMENT	NATURE OF HEDGED RISK	NOTIONAL VALUE		FAIR VALUE DERIVATIVES		CURRENT FINANCIAL ASSETS		OTHER FINANCIAL PAYABLES	
		30/09/15	31/12/14	30/09/15	31/12/14	30/09/15	31/12/14	30/09/15	31/12/14
HEDGING									
FORWARD SALES	FOREIGN CURRENCY	39,060	8,683	624	419	624	419	-	-
IRS	RATE	34,973	23,253	(329)	(155)	-	-	(329)	(155)
TOTAL		74,033	31,936	295	264	624	419	(329)	(155)

11. INFORMATION PURSUANT TO IAS 24 ON MANAGEMENT REMUNERATION AND ON RELATED PARTIES

Transactions with related parties, as defined under IAS 24 and by Consob Regulation 1722 of 12 March 2010, as at 30 September 2015, as well as at 31 December 2014 and 30 September 2014, were restricted to commercial, administrative and financial services relationships with subsidiaries and other related parties. The transactions form part of normal business operations, within the usual scope of activity of each of the interested parties, and are carried out under normal market conditions.

In this sense, a party is related to an entity if:

- (a) directly or indirectly through one or more intermediaries, the party:
 - (i) controls the entity, is controlled by it or is subject to joint control (including controlling or controlled entities and associated companies);
 - (ii) holds a stake in the entity that gives it significant influence over the latter; or
 - (iii) jointly controls the entity;
- (b) the party is an associated company (according to the definition set out in IAS 28 - Investments in Associates) of the entity;
- (c) the party is a joint venture in which the entity has a shareholding (see IAS 31 Investments in Joint Ventures);
- (d) the party is one of the managers with strategic responsibilities at the entity or its controlling company;
- (e) the party is a close family member of one of the subjects included in points (a) or (d);
- (f) the party is a controlled entity, jointly controlled or subject to the significant influence of one of the subjects set forth in points (d) or (e), or these subjects hold, directly or indirectly, a significant share of the voting rights; or
- (g) the party is a pension fund for employees of the entity or any other entity related to it.

An operation with an affiliated party is a transfer of resources, services or obligations between affiliated parties, regardless of the fact that an amount is agreed on.

11.1 INTRA-GROUP TRANSACTIONS

In order to provide more information on the extent of relationships within the Group, the following tables present transactions taking place between Group companies and cancelled out in the consolidated financial statements as at 30 September and at 30 September 2014.

The main relationships between the Parent Company and Group companies are chiefly commercial in nature and can be summarised as follows:

1. the Parent Company supplies the Group companies with products for sale in the US and Japanese online stores;
2. the Parent Company provides the Group companies with website maintenance, support services and updates;
3. the Parent Company provides the Group companies with administrative, financial and legal services;
4. the Parent Company provides the Group companies with customer service support (via a customer care service located at the Italian head office that interfaces with Japanese and US customers using dedicated staff);
5. consulting and support services in the area of fashion, marketing, advertising and professional training provided by the Parent Company to subsidiaries.

YOOX NET-A-PORTER GROUP

The relationships between the Group companies and related parties are not considered to be atypical or unusual, and form part of the Group's ordinary business operations. The transactions were carried out under normal market (i.e. arm's-length) conditions.

The following tables show the relationships in terms of receivables and payables between the Parent Company YOOX S.p.A. and Group subsidiaries as at 30 September 2015, as at 31 December 2014 and as at 30 September 2014. Receivables from and payables to subsidiaries are expressed in USD, JPY, CNY and HKD and translated to Euro at the exchange rate in effect at the end of the period. Revenue and costs are expressed in USD, JPY, CNY and HKD and translated to Euro at the average exchange rate for the reference period.

30 September 2015

(THOUSAND EURO)	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL LIABILITIES	REVENUE	COSTS
YOOX S.P.A.	34,691	3,019	169	2,672	103,284	105
YOOX CORPORATION	160	-	16,025	0	77	65,475
YOOX JAPAN	8	745	6,257	-	15	20,957
YOOX MISHANG TRADING (SHANGHAI)	-	-	10,596	3,019	4	5,049
YOOX ASIA LTD	0	1,927	1,813	-	8	11,802
TOTAL SUBSIDIARIES	34,860	5,691	34,860	5,691	103,389	103,389

31 December 2014

(THOUSAND EURO)	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL LIABILITIES	REVENUE	COSTS
YOOX S.P.A.	39,745	3,975	26	2,478	121,443	83
YOOX CORPORATION	23	-	24,347	1,240	33	82,214
YOOX JAPAN	-	692	4,815	-	18	25,121
YOOX MISHANG TRADING (SHANGHAI)	2	-	6,940	2,735	16	3,771
YOOX ASIA LTD	1	1,786	3,642	-	15	10,337
TOTAL SUBSIDIARIES	39,771	6,453	39,771	6,453	121,526	121,526

30 September 2014

(THOUSAND EURO)	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL LIABILITIES	REVENUE	COSTS
YOOX S.P.A.	24,600	4,899	28	2,461	82,283	37
YOOX CORPORATION	3	-	11,640	1,195	12	54,197
YOOX JAPAN	11	727	4,242	-	3	18,900
YOOX MISHANG TRADING (SHANGHAI)	-	-	6,318	3,704	12	2,267
YOOX ASIA LTD	14	1,734	2,401	-	11	6,919
TOTAL SUBSIDIARIES	24,628	7,360	24,628	7,360	82,320	82,320

11.2 REMUNERATION OF SENIOR MANAGERS AND OTHER KEY PERSONS WITHIN THE GROUP

The senior management and key persons with strategic responsibility for management, planning and administration in the Group are, in addition to executive and non-executive directors, the Chief Financial Officer, General Manager and Chief Operating Officer.

The gross annual remuneration of the above persons, inclusive of all forms of remuneration (including gross pay, bonuses and fringe benefits), as well as bonuses accrued but not paid out that are subject to the achievement of long-term objectives, are reported in the following table together with the fees of the members of the Board of Statutory Auditors:

30 September 2015

DESCRIPTION	CURRENT BENEFITS	LONG-TERM BENEFITS	STOCK OPTION PLANS AND COMPANY INCENTIVE PLANS
DIRECTORS	1,097	277	1,014
STATUTORY AUDITORS	54	-	-
MANAGEMENT PERSONNEL WITH STRATEGIC RESPONSIBILITIES	1,150	41	
TOTAL	2,301	319	1,014

31 December 2014

DESCRIPTION	CURRENT BENEFITS	LONG-TERM BENEFITS	STOCK OPTION PLANS AND COMPANY INCENTIVE PLANS
DIRECTORS	1,539	-	1,009
STATUTORY AUDITORS	76	-	-
MANAGEMENT PERSONNEL WITH STRATEGIC RESPONSIBILITIES	776	44	121
TOTAL	2,391	44	1,130

30 September 2014

DESCRIPTION	CURRENT BENEFITS	LONG-TERM BENEFITS	STOCK OPTION PLANS AND COMPANY INCENTIVE PLANS
DIRECTORS	816	240	699
STATUTORY AUDITORS	54	-	-
MANAGEMENT PERSONNEL WITH STRATEGIC RESPONSIBILITIES	610	32	121
TOTAL	1,480	272	820

Finally, no close family members of any of the natural persons indicated above are related parties of the Issuer and/or the companies of the Group, as defined in IAS 24.

11.3 TRANSACTIONS WITH OTHER RELATED PARTIES

The following tables list the main financial and commercial relationships between the companies of the Group and related parties other than Group companies, as at 30 September 2015, 31 December 2014 and 30 September 2014, excluding intra-Group relationships, which are described above. Commercial transactions with these entities are carried out under normal market conditions, and all transactions are carried out in the interests of the Group.

YOOX NET-A-PORTER GROUP

30 September 2015

DESCRIPTION	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL LIABILITIES	REVENUE	COSTS
D'URSO GATTI E BIANCHI STUDIO LEGALE ASSOCIATO	55	-	49	-	-	1,087
TARTER KRINSKY E DROGIN LLP	-	-	61	-	-	359
BIZMATICA SISTEMI S.P.A.	-	-	284	-	-	213
NAGAMINE ACCOUNTING OFFICE	-	-	1	-	-	16
E_LITE	378	240	5,011	-	11,594	-
TOTAL OTHER RELATED PARTIES	433	240	5,406	-	11,594	1,675

31 December 2014

DESCRIPTION	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL LIABILITIES	REVENUE	COSTS
D'URSO GATTI E BIANCHI STUDIO LEGALE ASSOCIATO	-	-	28	-	-	488
TARTER KRINSKY E DROGIN LLP	-	-	85	-	-	236
BIZMATICA SISTEMI S.P.A.	-	-	119	-	-	276
NAGAMINE ACCOUNTING OFFICE	-	-	1	-	-	15
E_LITE	72	42	4,473	-	12,207	-
TOTAL OTHER RELATED PARTIES	72	42	4,706	-	12,207	1,015

30 September 2014

DESCRIPTION	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL LIABILITIES	REVENUE	COSTS
D'URSO GATTI E BIANCHI STUDIO LEGALE ASSOCIATO	-	-	390	-	-	604
TARTER KRINSKY E DROGIN LLP	-	-	47	-	-	111
BIZMATICA SISTEMI S.P.A.	-	-	47	-	-	159
NAGAMINE ACCOUNTING OFFICE	-	-	1	-	-	13
E_LITE	379	740	3,047	669	8,291	-
TOTAL OTHER RELATED PARTIES	379	740	3,531	669	8,291	887

The above entities are regarded as related parties of the Group for the following reasons:

- Studio Legale D'Urso Gatti e Associati: a partner in the law firm is a director of the Parent;
- Tarter Krinsky and Drogin LLP: a partner in the law firm is a member of the Board of Directors of one of the Group's companies (YOOX Corporation);
- KK TPI and Nagamine Accounting Office: the owner of both consultancy firms is a member of the Board of Directors of a Group company (YOOX Japan);
- Bizmatica Sistemi S.p.A.: the chairman of the company is the son of a member of the Board of Directors of a Group company (YOOX S.p.A.);

YOOX NET-A-PORTER GROUP

- E_lite: it is a 49% owned subsidiary.

None of the transactions that took place with related parties in 2015 and 2014 was significant (except as mentioned above), atypical and/or unusual.

12. COMMITMENTS

COMMITMENTS AND GUARANTEES

DESCRIPTION	BALANCE AS AT 30.09.15	BALANCE AS AT 31.12.14
THIRD-PARTY ASSETS HELD BY THE GROUP	180,466	136,069
SURETIES GIVEN TO OTHERS	2,879	2,468
COMMITMENTS UNDER HEDGING CONTRACTS (NOMINAL VALUE)	74,033	31,936

The warehouses of Group companies hold goods worth Euro 180,466 thousand received on a sale-or-return basis from YOOX's partners. The increase by comparison with the previous year is due to an expansion of procurement on a sale-or-return basis in the Multi-brand business line.

The sureties, all given by the Parent Company, relate to the following contracts:

- the contract agreed by the Parent Company with SINV, with effect from 12 May 2015, for a period of nine months, which may be renewed at the end of the contract, for the rental of office premises in Milan. The surety amounts to Euro 356,526.50 and will expire on 2 February 2016;
- the contract agreed by the Company with Oslavia, with effect from 19 September 2014 for a period of six years, for the rental of office premises in Via Lombardini, Milan. The surety amounts to Euro 20,934.15 and expires on 31 July 2016;
- the contract concluded by the Company following the repayment of the Global Collect guarantee deposit of Euro 1,200,000, after UniCredit issued a bank guarantee for the same amount, expiring on 30 June 2016;
- the contract agreed with Logistica Bentivoglio S.r.l. with effect from 28 December 2010 and expiring on 31 December 2017 to guarantee compliance with obligations under the rental agreement for the warehouse at the Bentivoglio Blocco 9.5 Interporto for Euro 564,052;
- the contract agreed by the Company with Despina S.p.A. to guarantee compliance with obligations under a rental contract with effect from 12 February 2015, for the rental of office premises at Via Nannetti 1 in Zola Predosa. The amount of the surety is Euro 400,000, expiring on 1 February 2016;
- the contract agreed with SBLC Callison LLC with effect from 8 January 2013, expiring on 15 June 2016, to guarantee the correct fulfilment of the obligations undertaken through the rental agreement for the New York offices for USD 227,753 equal to Euro 203,296 as at 30 September 2015;
- the contract agreed with Geodis Logistic S.p.A. with effect from 13 February 2013 and expiring on 30 January 2019 to guarantee compliance with obligations under the rental agreement for the warehouse and offices at the Interporto for Euro 103,621;
- the contract agreed with Generali Italia Immobiliare, with effect from 25 July 2013 and expiring on 13 September 2019, for the rental of office space in Casalecchio di Reno in via del Lavoro. The amount of the surety is Euro 31,140.

The hedging contracts relate to:

- forward sales set up by the Parent to cover the currency risk connected to intra-Group sales in US dollars and Japanese yen. The nominal amount of these commitments, translated to Euro at the exchange rate in effect at the reporting date, is Euro 39,060 thousand;

- interest rate swaps signed by the Parent to hedge the interest rate risk related to the medium-/long-term loan agreed for financing the new techno-logistics platform. The nominal amount of commitments at the reporting date is Euro 34,973 thousand.

13. NON-RECURRING EVENTS AND SIGNIFICANT TRANSACTIONS

All significant non-recurring transactions that took place during the first nine months of 2015 relate exclusively to the merger with THE NET-A-PORTER GROUP Limited.

14. POSITIONS OR CHANGES RESULTING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

During the nine-month period in question, no atypical and/or unusual transactions took place which, due to significance, value, nature of counterparties involved, method of calculating transfer price or occurrence near to the end of the period, could give rise to doubts concerning: the correctness and completeness of the information contained in this document, conflicts of interest, the safeguarding of corporate assets, and the protection of minority shareholders.

15. SIGNIFICANT EVENTS AFTER 30 SEPTEMBER 2015

Merger by incorporation into YOOX S.p.A. of Largenta Italia S.p.A.

The merger by incorporation into YOOX S.p.A. of Largenta Italia S.p.A. took effect as of 12.01 a.m. on 5 October 2015. On the same date, YOOX S.p.A. assumed the company name "YOOX NET-A-PORTER GROUP S.p.A." or, in abbreviated form, "YNAP S.p.A.", and transferred its registered offices to Milan.

For the purposes of the merger swap ratio, on the same date, the share capital was increased through the issuance to Richemont Holdings UK Limited, as sole shareholder of Largenta Italia S.p.A., of:

- 20,693,964 new ordinary YNAP shares, with regular dividend rights and the same characteristics as those in circulation on the issue date;
- 44,905,633 new unlisted shares without voting rights ("B Shares");

for a total of 65,599,597 new YNAP shares, for a total value of Euro 655,995.97.

Following the merger, the share capital of YNAP stands at Euro 1,277,339.29, consisting of a total of 127,733,929 shares, including 82,828,296 ordinary shares and 44,905,633 B Shares.

Changes to the Board of Directors

With effect from the merger date, the Board of Directors of YNAP consists of the following nine members:

- Federico Marchetti (Executive Director)
- Robert Kunze-Concewitz (Lead Independent Director)
- Raffaello Napoleone (Chairman)
- Stefano Valerio (Vice-Chairman)
- Laura Zoni
- Catherine Gérardin Vautrin
- Alessandro Foti
- Richard Lepeu
- Gary Saage.

The Board will remain in office until the date of the Shareholders' Meeting called for the approval of the financial statements as at 31 December 2017.

Appointment of a member of the Directors' Appointments Committee

On 11 November 2015, the Board of Directors appointed Richard Lepeu as a member of the Directors' Appointments Committee.

Appointment of an Internal Audit Manager and changes to Supervisory Body

On 11 November 2015, the Board of Directors appointed Filippo Tonolo as Internal Audit Manager and external member of the Supervisory Body, replacing Riccardo Greggi.

Online Store Launch

At the end of October 2015, the KARL LAGERFELD online store was launched in Europe, the United States and Japan.

Milano (MI), 11 November 2015
For the Board of Directors

Chief Executive Officer
Federico Marchetti

YOOX NET-A-PORTER GROUP

ANNEX 1

Consolidated income statement as at 30 September 2015 prepared in accordance with CONSOB Resolution 15519 of 27 July 2006 and CONSOB Communication DEM/6064293 of 28 July 2006 (in thousands of Euro).

CONSOLIDATED INCOME STATEMENT	30 SEPTEMBER 2015			30 SEPTEMBER 2014		
	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING
THOUSAND EURO:						
NET REVENUES	439,357	11,594	2.64%	366,267	8,291	2.26%
COST OF GOODS SOLD	(283,073)			(236,856)		
FULFILMENT COSTS	(45,468)	-	-	(38,535)	(145)	0.38%
SALES AND MARKETING COSTS	(50,858)	(214)	0.42%	(39,118)	(236)	0.60%
GENERAL EXPENSES	(50,653)	(5,096)	10.06%	(40,560)	(3,077)	7.59%
OTHER INCOME AND EXPENSES	(2,964)			(1,939)		
NON-RECURRING EXPENSES	(11,018)			-		
OPERATING PROFIT	(4,677)			9,259		
RESULT OF EQUITY INVESTMENTS	149			(595)		
FINANCIAL INCOME	7,015	9	0.00%	2,057	16	0.78%
FINANCIAL EXPENSES	(7,835)			(2,950)		
PROFIT BEFORE TAX	(5,347)			7,771		
TAXES	1,492			(3,197)		
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,855)			4,573		
BASIC EARNINGS PER SHARE	(0.06)			0.08		
DILUTED EARNINGS PER SHARE	(0.06)			0.07		

YOOX NET-A-PORTER GROUP

ANNEX 2

Consolidated statement of financial position as at 30 September 2015, prepared in accordance with CONSOB Resolution 15519 of 27 July 2006 and CONSOB Communication DEM/6064293 of 28 July 2006 (in thousands of Euro).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 SEPTEMBER 2015			31 DECEMBER 2014		
	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING
AMOUNTS IN THOUSANDS OF EURO AND PERCENTAGE WEIGHTING ON INDIVIDUAL ITEMS						
NON-CURRENT ASSETS						
PROPERTY, PLANT AND EQUIPMENT	38,292			35,663		
INTANGIBLE ASSETS WITH FINITE USEFUL LIFE	45,857			35,685		
EQUITY INTERESTS IN ASSOCIATES	59			59		
DEFERRED TAX ASSETS	16,470			10,021		
OTHER NON-CURRENT FINANCIAL ASSETS	1,137			999		
TOTAL NON-CURRENT ASSETS	101,815			82,427		
CURRENT ASSETS						
INVENTORIES	270,260			222,834		
TRADE RECEIVABLES	13,672	433	3.17%	14,732	72	0.49%
OTHER CURRENT ASSETS	14,615			7,510		
CASH AND CASH EQUIVALENTS	106,017			118,028		
CURRENT FINANCIAL ASSETS	22,682	240	1.06%	9,539	42	0.44%
TOTAL CURRENT ASSETS	427,246			372,644		
TOTAL ASSETS	529,061			455,071		
SHAREHOLDERS' EQUITY						
SHARE CAPITAL	621			620		
RESERVES	107,199			107,315		
LOSSES CARRIED FORWARD	50,358			36,556		
CONSOLIDATED NET INCOME FOR THE YEAR	(3,855)			13,802		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	154,323			158,294		
EQUITY ATTRIBUTABLE TO THIRD PARTIES						
TOTAL CONSOLIDATED EQUITY	154,323			158,294		

YOOX
NET-A-PORTER
GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 SEPTEMBER 2015			31 DECEMBER 2014		
	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING
NON-CURRENT LIABILITIES						
MEDIUM/-LONG-TERM FINANCIAL LIABILITIES	110,918			66,072		
EMPLOYEE BENEFITS	160			165		
PROVISIONS FOR RISKS AND NON-CURRENT CHARGES	-			-		
DEFERRED TAX LIABILITIES	342			285		
TOTAL NON-CURRENT LIABILITIES	111,420			66,522		
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES						
BANK LOANS AND OTHER CURRENT FINANCIAL LIABILITIES	38,191			30,759		
PROVISIONS FOR RISKS AND CHARGES	361			482		
TRADE PAYABLES	189,659	5,046	2.66%	164,466	4,706	2.86%
TAX LIABILITIES	1,657			320		
OTHER PAYABLES	33,449	-	-	34,228		
TOTAL CURRENT LIABILITIES	263,317			230,255		
TOTAL CONSOLIDATED EQUITY AND LIABILITIES	529,061			455,071		

YOOX NET-A-PORTER GROUP

ANNEX 3

Consolidated statement of cash flows for the year ended 30 September 2015, prepared in accordance with CONSOB Resolution 15519 of 27 July 2006 and CONSOB Communication DEM/6064293 of 28 July 2006 (in thousands of Euro).

CONSOLIDATED STATEMENT OF CASH FLOWS	30 SEPTEMBER 2015			30 SEPTEMBER 2014		
	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING
AMOUNTS IN THOUSANDS OF EURO AND PERCENTAGE WEIGHTING ON INDIVIDUAL ITEMS						
CONSOLIDATED NET INCOME FOR THE PERIOD	(3,855)			4,573		
<i>ADJUSTMENTS FOR:</i>						
TAXES FOR THE PERIOD	(1,492)			3,197		
FINANCIAL EXPENSES FOR THE PERIOD	7,835			2,950		
FINANCIAL INCOME FOR THE PERIOD	(7,015)			(2,057)		
SHARE OF EARNINGS FROM ASSOCIATES	(149)			595		
DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES FOR THE PERIOD	22,254			17,890		
FAIR VALUE MEASUREMENT OF STOCK OPTION PLANS	1,014			926		
UNREALISED EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES	(1,379)			1,493		
(GAINS)/LOSSES ON SALE OF NON-CURRENT ASSETS	58			5		
PROVISIONS FOR EMPLOYEE BENEFITS	22			19		
PROVISIONS FOR RISKS AND CHARGES	361			289		
PAYMENT OF EMPLOYEE BENEFITS	(27)			(58)		
USE OF PROVISIONS FOR RISKS AND CHARGES	(482)			(408)		
CHANGES IN INVENTORIES	(47,426)			(31,876)		
CHANGES IN TRADE RECEIVABLES	1,060	361	34.06%	1,195	(515)	-10.87%
CHANGES IN TRADE PAYABLES	25,194	340	1.35%	18,147	(1,458)	>100%
CHANGES IN OTHER CURRENT ASSETS AND LIABILITIES	(7,890)	-	-	(9,193)	-	-
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES	(11,919)			7,689		
INCOME TAX PAID	(3,563)			(6,187)		
INTEREST AND OTHER FINANCIAL EXPENSES PAID	(7,835)			(2,950)		
INTEREST AND OTHER FINANCIAL INCOME RECEIVED	7,015			2,057		

YOOX
NET-A-PORTER
GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS	30 SEPTEMBER 2015			30 SEPTEMBER 2014		
	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING	BALANCES	OF WHICH WITH RELATED PARTIES	% WEIGHTING
CASH FROM (USED IN) OPERATING ACTIVITIES	(16,302)			609		
<i>INVESTING ACTIVITIES</i>						
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	(13,750)			(10,791)		
ACQUISITION OF INTANGIBLE ASSETS	(24,653)			(17,212)		
ACQUISITION OF EQUITY INVESTMENTS	-			(343)		
ACQUISITION OF OTHER NON-CURRENT FINANCIAL ASSETS	(139)			(75)		
CASH FROM (USED IN) INVESTING ACTIVITIES	(38,542)			(28,421)		
<i>FINANCING ACTIVITIES</i>						
NEW SHORT-TERM LIABILITIES	16,042			1,262		
REPAYMENT OF SHORT-TERM LIABILITIES	(5,960)			(7,119)		
NEW MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	52,750			-		
REPAYMENT OF MEDIUM-/LONG-TERM FINANCIAL LIABILITIES	(7,078)			(1,376)		
INCREASE IN SHARE CAPITAL AND SHARE PREMIUM RESERVE	222			8,504		
INVESTMENTS IN OTHER FINANCIAL ASSETS	(13,143)	(198)	1.51%	(1,456)	(710)	>100%
CHANGE DUE TO DIFFERENCE BETWEEN CASH AND EQUITY EFFECT OF INCENTIVE PLANS	-			-		
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES	42,832			(184)		
TOTAL CASH FLOW FOR THE PERIOD	(12,012)			(27,996)		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	118,028			58,280		
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	106,017			30,284		
TOTAL CASH FLOW FOR THE PERIOD	12,012			(27,996)		

Declaration pursuant to article 154-*bis*, Paragraph 2 of Legislative Decree 58/1998

The undersigned, Enrico Cavatorta, the Director in charge of preparing the corporate accounting documents of YOOX S.p.A., hereby certifies in accordance with Article 154-*bis*, paragraph 2 of the TUF that the consolidated interim financial statements as at 30 September 2015 of the YOOX Group correspond to the entries made in accounting documents, ledgers and records.

Milano (MI), 11 November 2015

The Director in charge of preparing corporate accounting documents
Enrico Cavatorta

Independent auditors' report on the limited audit of the condensed consolidated interim financial statements



KPMG S.p.A.
Revisione e organizzazione contabile
Via Andrea Costa, 160
40134 BOLOGNA BO

Telefono +39 051 4392511
Telefax +39 051 4392599
e-mail it.fmaudit@kpmg.it
PEC kpmgspa@pec.kpmg.it

(Translation from the Italian original which remains the definitive version)

Report on review of condensed interim consolidated financial statements

To the board of directors of
YOOX Net-A-Porter Group S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the YOOX Net-A-Porter Group, comprising the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes thereto, as at and for the nine months ended 30 September 2015. The parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the YOOX Net-A-Porter Group as at and for the nine months ended 30 September 2015 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Cooperative ("KPMG International"), entità di diritto svizzero.

Società per azioni
Capitale sociale
Euro 9.179.700,00 i.v.
Registro Imprese Milano e
Codice Fiscale N. 00709600159
R.E.A. Milano N. 612967
Partita IVA 00709600159
VAT number IT00709600159
Sede legale: Via Vittor Pisani, 25
20124 Milano MI ITALIA



YOOX Net-A-Porter Group
Report on review of condensed interim consolidated financial statements
30 September 2015

Other Matters

The condensed interim consolidated financial statements as at and for the nine months ended 30 September 2014 have not been audited or reviewed.

Bologna, 12 November 2015

KPMG S.p.A.

(signed on the original)

— Gianluca Geminiani
Director of Audit