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

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Corporate details

Piquadro S.p.A.

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

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

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

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

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

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

Forte dei Marmi (LU) – Via Mazzini 15/b (Piquadro S.p.A.)	*Point of sale*
Valencia (Spain) – El Corte Ingles, Calle Pintor Sorolla (Piquadro Spain)	*Point of sale*
Tainan City (Taiwan) – Mitsukoshi (Piquadro Taiwan)	*Point of sale*
Barcelona (Spain) – El Corte Ingles Diagonal, Av. Diagonal (Piquadro Spain)	*Point of sale*
London (United Kingdom) – Regent Street 67 (Piquadro UK Limited)	*Point of sale*
Castelguelfo (BO) - "The Style Outlets" (Piquadro S.p.A.)	*Retail outlet*
Tainan City (Taiwan) – Dream Mall Tainan (Piquadro Taiwan)	*Point of sale*
Taipei (Taiwan) - Sogo Zhongxiao Shop (Piquadro Taiwan)	*Point of sale*
Hong Kong – Hong Kong Island – Sogo Causeway (Piquadro Hong Kong Ltd)	*Point of sale*
Taipei City (Taiwan) – Mitsukoshi Taipei Xinyi (Piquadro Taiwan)	*Point of sale*
Milan – Malpensa Airport (Piquadro S.p.A.)	*Point of sale*
New York (USA) - New York Madison Avenue (Piquadro LLC)	*Point of sale*
Serravalle Scrivia (AL) - "Serravalle Designer Outlet" (Piquadro S.p.A.)	*Retail outlet*

INTERIM REPORT ON OPERATIONS AS AT 30 SEPTEMBER 2015

Introduction

The consolidated interim financial report as at 30 September 2015 (the "Report") was prepared in compliance with article 154-*ter* of Legislative Decree no. 58/1998, as amended, as well as with the Issuers' Regulation issued by Consob (*Commissione Nazionale per le Società e la Borsa,* Italian Securities and Exchange Commission).
This Interim report on operations, prepared by the Directors, relates to the attached consolidated condensed interim financial statements of Piquadro S.p.A. (hereinafter also referred to as the "Company" or the "Parent Company") and of its subsidiaries (hereinafter collectively referred to as the "Piquadro Group") relating to the half-year ended 30 September 2015. The financial statements were prepared in compliance with IAS/IFRS (International Accounting Standards and International Financial Reporting Standards) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and were prepared according to the provisions under IAS 34, "Interim financial reporting". The Interim report on operations must therefore be read together with the Financial Statements and the related Notes.

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

CORPORATE BODIES HOLDING OFFICE AT 30 SEPTEMBER 2015

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

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

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

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

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

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

- **LEAD INDEPENDENT DIRECTOR**
  Gianni Lorenzoni

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

Regular members

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

Substitute members

Giacomo Passaniti
Maria Stefania Sala

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

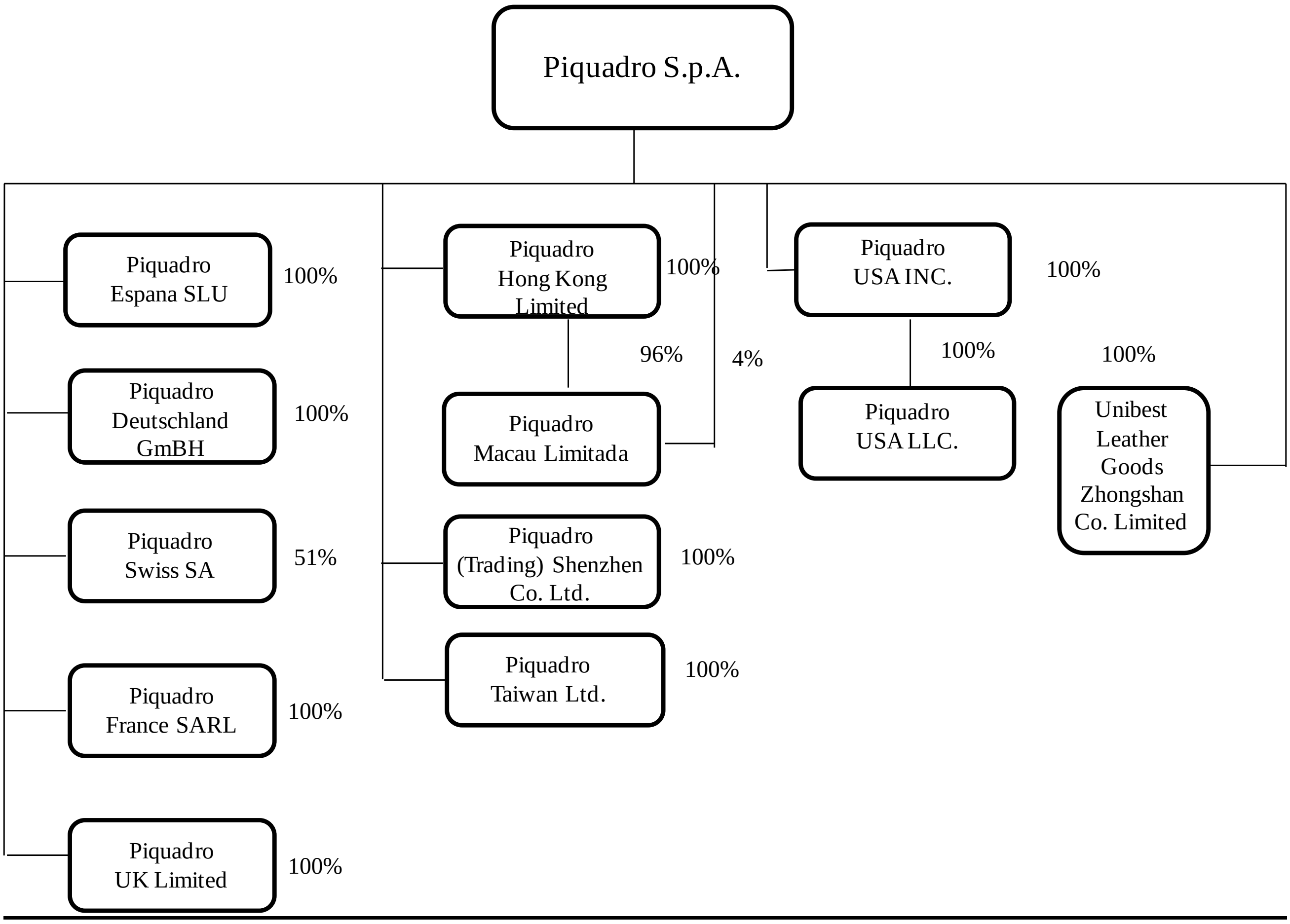
PricewaterhouseCoopers S.p.A.

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

- **SUPERVISORY BOARD**
  Mario Panzeri

THE GROUP STRUCTURE

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



INFORMATION ON OPERATIONS

Significant events for the half-year ended 30 September 2015

No significant events occurred during the half-year ended 30 September 2015.

For information purposes, it is reported that on 23 July 2015 the Shareholders' Meeting of Piquadro S.p.A. approved the Financial Statements for the financial year ended 31 March 2015 and the distribution of a unit dividend of Euro 0.04 to the Shareholders, for a total amount of Euro 2 million. The dividend was paid starting from 5 August 2015 2014 with coupon no. 8 being detached on 3 August 2015.
Furthermore, on the same date the Shareholders' Meeting approved the authorisation of the Board of Directors to acquire and dispose of treasury shares, in compliance with the regulatory provisions and regulations in force, and it authorised the Board of Directors to acquire the maximum number of treasury shares permitted by law, for a period of 12 months from the date of authorisation – that is until the Shareholders' Meeting which will approve the financial statements as at 31 March 2016, – by using the reserves available according to the last financial statements as duly approved.
Furthermore, the Shareholders' Meeting authorised the Board of Directors to sell any treasury shares acquired, in one or more transactions, for the consideration set by the Board, at a minimum of not less, by 20%, than the reference price that the share recorded in the Stock Exchange session of the day preceding each individual transaction.
On the same date, the Shareholders' Meeting approved the Report on Remuneration illustrating the Company Policy concerning the remuneration of Company Directors, the members of the Board of Statutory Auditors and executives with strategic responsibilities.

The Group's business

Operations

In the first six months of the 2015/2016 financial year the Group reported an improved sales performance compared to the same period in the 2014/2015 financial year.
In the half-year ended 30 September 2015, the Piquadro Group reported net sales revenues equal to Euro 33,182 thousand (+2.6%) compared to Euro 32,345 thousand reported in the corresponding period in the 2014/2015 financial year. In the half-year ended 30 September 2015, sales volumes, in terms of quantities sold in the relevant period, showed an increase of 0.6% compared to the same period in the 2014/2015 financial year.
In the half-year ended 30 September 2015, the Piquadro Group reported, in terms of profitability, EBITDA[1] equal to about Euro 4.6 million (with the net sales revenues accounting for 13.9%), showing a decrease of 7% compared to the value recorded in the first half-year of the 2014/2015 financial year (Euro 4.9 million, equal to 15.3% of net sales revenues).
The Group's EBITDA, net of exchange rate differences recorded in financial operations (which posted a positive value of Euro 256 thousand in the current half-year compared to a positive value of Euro 53 thousand in the corresponding half-year of the previous financial year), decreased by 2.9%.
The Group's EBIT[2] came to Euro 3.3 million (equal to 10.1% of net sales revenues), down by 8.1% compared to the half-year ended 30 September 2014 (Euro 3.6 million, equal to 11.2% of net sales revenues).
As at 30 September 2015 the Group net profit was equal to Euro 2,252 thousand, essentially in line with the corresponding half-year in the previous financial year (equal to Euro 2,249 thousand at 30 September 2014).
The Group's EBIT, net of exchange rate differences recorded in financial operations (which posted a positive value of Euro 256 thousand in the current half-year compared to a positive value of Euro 53 thousand in the corresponding half-year of the previous financial year), decreased by 2.5%.

Net sales revenues

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

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

As at 30 September 2015 the Piquadro Group recorded net sales revenues equal to Euro 33,182 thousand, an increase of 2.6% compared to the half-year ended 30 September 2014. Below is reported the breakdown of revenues by distribution channel and geographical area.

Breakdown of revenues by distribution channel

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

(i) a direct channel which, as at 30 September 2015, included 52 directly operated single-brand stores (the so-called "Directly Operated Stores" or "*DOS*");

(ii) an indirect channel (*Wholesale*), which is represented by multi-brand shops/department stores, single-brand shops run by third parties linked to the Group by franchise agreements (52 shops as at 30 September 2015) and by distributors who then resell the articles in specialist multi-brand shops.

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

Sales channel *(in thousands of Euro)*	**Net revenues as at 30 September 2015**	**%**	**Net revenues as at 30 September 2014**	**%**	**% change 2015/2014**
DOS	10,897	32.8%	10,900	33.7%	0.0%
Wholesale	22,285	67.2%	21,445	66.3%	3.9%
Total	**33,182**	**100.0%**	**32,345**	**100.0%**	**2.6%**

The revenues reported by the *DOS* channel were in line with the same period in the 2014/2015 year; this result was determined both by the marginal increase in the quantities sold in the already existing shops in the previous year and by the closures of nine shops, starting from October 2014, of which five closures took place in the Far East area (three shops in China, one shop in Taiwan and one shop in Macau), three shops in Italy (of which one shop was involved in the fire that occurred at the Fiumicino T3 Airport) and one shop in France, and which accounted for about 8.0% of the channel's turnover in the previous period. Furthermore, it should be noted that, as early as in the 2014/2015 half-year, seven shops had been closed (three shops in China, one shop in Taiwan and three shops in Hong Kong), which had accounted for 3% of the channel's turnover.
In the 2015/2016 half-year, 6 new shops became operational, which accounted for about 6% of the channel's turnover. The *DOS* channel also included turnover generated from the *e-commerce* website of the Group, which showed an increase of 27.3%. Assuming that the perimeter remained unchanged and then deducted the sales recorded by the shops which were not present in the previous financial year, the sales revenues reported by the *DOS* channel recorded an increase of about 7.5% (assuming an equal number of days of opening and constant rates of exchange the Same Store Sales Growth **-** *SSSG* **-** recorded an increase equal to about 5.6%).

The strategy planned by the Group is aimed at also developing sales activities through the *DOS* shops in view of the capacity to maximise the prestige of the Piquadro brand, in addition allowing distribution to be controlled more directly and greater attention to be paid to satisfying the end consumer.
Sales reported by the *Wholesale* channel, which as at 30 September 2015 represented 67.2% of the Group's total turnover, showed an increase of 3.9% compared to the 2014/2015 financial year. This growth was driven by both sales on the domestic market (+6.5% against the same period of the previous financial year) and sales in the Rest of the World area (+76.6% against the same period of the previous financial year). Sales reported by the *Wholesale* channel in Europe showed a decrease of 16.5% (net of the Russian market share, this decrease was equal to 2.9%), to be attributed to temporary slowdowns in the orders from some peripheral countries. At 30 September 2015, sales reported by the *Wholesale* channel in the foreign market (which includes Europe and the non-European geographical area named "Rest of the World") accounted for 14.4% of the consolidated turnover (15.5% as at 30 September 2014). On the contrary, sales reported by the *Wholesale* channel in the domestic market accounted for 52.8% of the consolidated turnover (50.8% as at 30 September 2014), up by 6.5%.

Breakdown of revenues by geographical area

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

Geographical area *(in thousands of Euro)*	**Net revenues 30 September 2015**	**%**	**Net revenues 30 September 2014**	**%**	**% change 2015/2014**
Italy	25,945	78.2%	24,341	75.3%	6.6%
Europe	5,161	15.6%	6,040	18.7%	(14.6%)
Rest of the world	2,077	6.3%	1,963	6.1%	5.8%
Total	**33,182**	**100.0%**	**32,345**	**100.0%**	**2.6%**

From a geographical point of view, the Group's revenues as at 30 September 2015 showed a 6.6% increase in the sales in the domestic market, which still accounts for a high percentage of the Group's total turnover equal to 78.2%. On the contrary, in the European market, the Group recorded a turnover of about Euro 5.2 million, down by 14.6% compared to the period in the 2014/2015 year (a decrease of 5%, net of exposure to Russia). In the non-European geographical area turnover increased by 5.8% compared to the same period in the 2014/2015 financial year, mainly as a result of growth in countries such as Iran, Mexico, China and Malaysia and despite the closure of 5 *DOS* shops (three shops in China, one shop in Taiwan and one shop in Macau), starting from October 2014 and the closure of 7 *DOS* shops (three shops in China, three shops in Hong Kong and one shop in Taiwan) in the corresponding half-year of the previous financial year, also due to the effect of the reorganisation of the distribution business in the Asian markets with a view to the new distribution model that led to the signature of an agreement with a Chinese partner and to the simultaneous opening of 3 new shops, one of which is located in New York.

In the opinion of the management, the decrease in the operating result, compared to the corresponding half-year of the previous financial year, result was also attributable to the following main factors:

(i) a slight decrease in the gross margin, which must be attributed to both a different mix of turnover from *Wholesale*/*DOS* channels and the higher production costs because of the appreciation of the US Dollar, even if it was partially offset by the forward hedging agreements entered into by the Parent Company, the effects of which are reported under financial operations and, accordingly, under pre-tax results;

(ii) an increase in marketing investments amounting to more than Euro 400 thousand, equal to 5.6% of the turnover recorded in the half-year (against 4.4% of the turnover in the corresponding half-year of the previous financial year);

(iii) a positive performances in the *DOS* segment, in terms of *SSSG*, and in particular of the full-price shops, counterbalanced by some new openings with margins which are not always in line with the average ones of the already existing shops, even because they are located (see the opening of the New York shop) in very prestigious areas and with significantly high rentals, in addition to the closure of the shop located at the Fiumicino T3 Airport, which took place because of the fire that occurred in May 2015, and of the retail outlet in Barcelona (which subsequently reopened), both of which recorded margins higher than the average.

Summary economic-financial data

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

Economic and financial indicators *(in thousands of Euro)*	**30/09/2015**	**30/09/2014**
Revenues from sales	33,182	32,345
EBITDA *(a)*	4,617	4,964
EBIT *(b)*	3,340	3,634
Pre-tax result	3,454	3,402
Group's profit for the period	2,252	2,249
Amortisation and depreciation of fixed assets and write-downs of receivables	1,444	1,490
Financial absorption (Group net profit, amortisation and depreciation, write-downs)	3,696	3,739

Below are reported the main financial indicators compared to the consolidated financial statements at 30 September

2015:

Financial indicators *(in thousands of Euro)*	**30/09/2015**	**30/09/2014**
Net Financial Position *(c)*	(13,943)	(16,084)
Shareholders' equity	35,312	33,493

EBITDA for the period came to Euro 4,617 thousand, against Euro 4,964 thousand recorded in the same period ended 30 September 2014 and as at 30 September 2015 it accounted for 13.9% of consolidated revenues (15.3% in the half-year ended 30 September 2014).

In the half-year ended 30 September 2015 the Group's amortisation and depreciation were equal to Euro 1,232 thousand and were broken down as follows: Euro 895 thousand relating to property, plant and equipment (connected to the depreciation of the building where the Company operates for Euro 98 thousand, of plant and equipment for Euro 38 thousand, of business equipment, including automated warehouse and fittings for shops, for Euro 756 thousand and other assets for Euro 3 thousand) and Euro 337 thousand relating to intangible assets (of which Euro 71 thousand for software, Euro 2 thousand for patent rights, Euro 29 thousand for trademarks, Euro 231 thousand for key money of some shops).

As at 30 September 2015 EBIT came to Euro 3,340 thousand, equal to 10.1% of net sales revenues, down compared to the value recorded in the half-year ended 30 September 2014 (equal to 11.2% of net sales revenues).

The result from financial operations as at 30 September 2015, which was positive for a value equal to about Euro 114 thousand, was attributable to the net financial debt dynamics, in addition to the differential between foreign exchange gains and losses.

The net result recorded by the Group in the half-year ended 30 September 2015 came to Euro 2,252 thousand (up by 0.1% compared to the value of Euro 2,249 thousand recorded in the half-year ended 30 September 2014) and was affected by income taxes, including the effects of deferred taxation, equal to Euro 1,202 thousand.

Investments

Investments in intangible assets, property, plant and equipment and financial assets in the half-years ended 30 September 2015 and 30 September 2014 were equal to Euro 1,059 thousand and to Euro 1,176 thousand, respectively, as reported below:

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
Investments		
Intangible assets	95	239
Property, plant and equipment	964	937
Financial fixed assets	0	0
Total	**1,059**	**1,176**

Increases in intangible assets, equal to Euro 95 thousand in the half-year ended 30 September 2015, mainly related to investments in software and IT products for Euro 77 thousand.

Increases in property, plant and equipment, equal to Euro 964 thousand in the in the half-year ended 30 September 2015, were mainly attributable to plant and machinery for Euro 95 thousand and to industrial and business equipment for Euro 841 thousand, the latter relating to fittings purchased for new *DOS* opened in the period under consideration for Euro 752 thousand, electric and electronic office machines for Euro 73 thousand, sundry equipment for Euro 5 thousand and minor assets for Euro 11 thousand.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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

(in thousands of Euro)	**30/09/2015**	**31/03/2015**	**30/09/2014**
Trade receivables	28,647	23,185	26,642
Inventories	18,192	15,962	16,325
(Trade payables)	(13,700)	(13,657)	(10,724)
Total net current trade assets	*33,139*	*25,490*	*32,243*
Other current assets	1,997	1,537	2,258
Tax receivables	66	907	270
(Other current liabilities)	(2,791)	(3,266)	(2,853)
(Tax payables)	(662)	(163)	(926)
A) Working capital	***31,749***	***24,505***	***30,992***
Intangible assets	4,356	4,608	4,921
Property, plant and equipment	12,536	12,624	13,004
Receivables from others beyond 12 months	706	682	696
Deferred tax assets	1,250	1,339	1,441
B) Fixed assets	***18,848***	***19,253***	***20,062***
C) Non-current provisions and non-financial liabilities	***(1,342)***	***(1,335)***	***(1,477)***
Net invested capital (A+B+C)	**49,255**	**42,423**	**49,577**
FINANCED BY:			
D) Net financial debt	***13,943***	***7,012***	***16,084***
E) Equity attributable to Minority interests	***(79)***	***(40)***	***(18)***
F) Equity attributable to the Group	***35,391***	***35,451***	***33,511***
Total borrowings and Shareholders’ Equity (D+E+F)	**49,255**	**42,423**	**49,577**

CONSOLIDATED NET FINANCIAL POSITION

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

(in thousands of Euro)	**30/09/2015**	**31/03/2015**	**30/09/2014**
(A) Cash	104	85	102
(B) Other cash and cash equivalents (available current bank accounts)	6,045	12,620	5,900
(C) Liquidity (A) + (B)	**6,149**	**12,705**	**6,002**
(D) Finance leases	(579)	(625)	(583)
(E) Current bank debt	0	0	(1,000)
(F) Current portion of current debt	(12,568)	(9,695)	(9,493)
(G) Current financial debt (D) + (E) + (F)	**(13,147)**	**(10,320)**	**(11,076)**
(H) Short-term net financial position (C) + (G)	**(6,998)**	**2,385**	**(5,074)**
(I) Non-current bank debt	(5,173)	(7,312)	(8,699)
(L) Finance leases	(1,772)	(2,085)	(2,311)
(M) Non-current financial debt (I) + (L)	**(6,945)**	**(9,397)**	**(11,010)**
(N) Net Financial Position (H) + (M)	**(13,943)**	**(7,012)**	**(16,084)**

As at 30 September 2015 the consolidated net financial position posted a negative value of about Euro 13.9 million. The main reasons for the trend in the net financial position, compared to 31 March 2015, are attributable to the following factors:

- EBITDA equal to Euro 4.6 million;
- investments in property, plant and equipment and intangible assets for Euro 1,059 thousand;
- an increase in the net current assets of Euro 7.6 million which was due to the different seasonality;
- payment of dividends of Euro 2 million.

The consolidated net financial position at 30 September 2015, compared to the value posted as at 30 September 2014, improved by about Euro 2.1 million, as a result of higher operating cash flows generated in the period and despite the higher dividends paid to the shareholders for Euro 1 million (Euro 2 million in the 2015/2016 half-year compared to Euro 1 million in the 2014/2015 half-year).

OTHER INFORMATION

Human Resources

The products that the Group offers are conceived, manufactured and distributed according to the guidelines of an organisational model whose feature is that it monitors all the most critical phases of the chain, from conception and manufacturing to subsequent distribution. This entails great care with the correct management of human resources, which, while respecting the different local environments in which the Group operates, must necessarily lead to intense personal involvement, above all in what the Group considers the strategic phases for the success of the brand.
As at 30 September 2015 the Group had 739 units, compared to 742 units as at 30 September 2014. Below is reported the breakdown of staff by Country:

Country	30 September 2015	30 September 2014
Italy	255	252
China	413	415
Hong Kong	11	11
Macau	0	5
Germany	2	1
Spain	17	14
Taiwan	24	26
France	4	8
Switzerland	5	5
United Kingdom	5	5
USA	3	0
Total	**739**	**742**

With reference to the Group's organisational structure, as at 30 September 2015 44.2% of staff operated in the production area, 27.6% in the retail area, 10.4% in the support functions (Administration, IT Systems, Purchasing, Quality, Human Resources, etc.), 8.7% in the Research and Development area and 3.7% in the *Wholesale* area.
The remaining 5.0% of staff operated in the other areas (Finance, Marketing, IT and others)

Research and development activity

The Piquadro Group's Research and Development activity is carried out by the Parent Company in house through a dedicated team that currently consists of 15 persons, mainly engaged in the product research and development department and the style office at the head office of the Company. Furthermore, the plants of the Chinese subsidiary employ a team of 43 people dedicated to prototyping and the implementation of new models according to the instructions defined by the central organisation. Products are conceived within the Group and occasionally in collaboration with outside industrial designers, taking account of the information regarding market trends supplied by the Group's internal departments (Product Management and Sales Departments). In this manner, the Group develops its collections trying to meet the needs of end customers that are not yet satisfied by the market. The internal unit dedicated to the design of products manages operating activities and also coordinates the external consultants of which the Company makes use. In some cases, in fact, the Group only uses external designers for the product design phase, while the development and implementation phase is carried out in house.

Direction and Coordination activities

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

In addition to directly carrying out operating activities, Piquadro S.p.A., in its turn, also carries out direction and coordination activities in relation to the companies it controls, pursuant to Articles 2497 and ff. of the Italian Civil Code.

Transactions with related parties

In compliance with the Consob Regulation on Related Parties, on 18 November 2010 the Board of Directors adopted the "Regulation governing transactions with Related Parties". This document is available on the website of Piquadro, www.piquadro.com, in the Section on Investor Relations.

Information required by articles 36 and 39 of the Markets' Regulation

With reference to the "Requirements for listing of shares of companies controlling companies established and regulated by the law of States not belonging to the European Union" ("*Condizioni per la quotazione di azioni di società controllanti società costituite e regolate dalla legge di Stati non appartenenti all'Unione Europea*") under Article 36 of the Markets' Regulation, the Piquadro Group declares that the only Group companies as of today that meet the significance requirements under title VI, chapter II, of the Issuers' Regulation, established and regulated by the law of States not belonging to the European Union, are the subsidiaries Uni Best Leather Goods Zhongshan Co. Ltd., Piquadro Hong Kong Co. Ltd. and Piquadro Trading Shenzhen Co. Ltd.
Specifically, the Parent Company certifies that, with regard to said subsidiaries:

a) it makes available to the public the subsidiaries' accounting positions prepared for the purposes of drawing up the consolidated accounts, including at least the balance sheet and the income statement. These accounting positions are made available to the public by filing them with the registered office or by publishing them on the website of the controlling company;
b) it gathers from the subsidiaries the by-laws and the composition and powers of the corporate bodies;
c) it ensures that the subsidiaries: (i) provide the controlling company's independent auditors with the required information to conduct their audit of annual and interim accounts of the controlling company; (ii) are equipped with an administrative and accounting system that is suitable to allow the information on financial data, results of operations and cash flows required for preparing consolidated accounts to be regularly received by the Management and the independent auditors of the controlling company. The controlling company's control body will timely notify Consob and the market management company of any facts and circumstances as a result of which said system would be no longer possibly suitable to satisfy the conditions referred to above.

Significant events after the half-year end

No significant events are reported which occurred at Group level from 1 October 2015 to the date of this Report.

Outlook

The development of the Piquadro Group in the 2015/2016 financial year will be determined by the continuation and acceleration of the process of international expansion. The Management expects that in the 2015/2016 financial year the Group may record growth rates that will be higher than those already recorded in the half-year ended 30 September 2015. The management also expect, even if in a context of increasing production costs, as a result of the appreciation of the US dollar against the Euro, to be able to benefit from increased margins, also as a result of the benefits deriving from the reorganisation of some less profitable geographical business areas. In this context, the Management will continue monitoring operating margins and costs in order to increase commitments in Research and Development and Marketing at international level for the purpose to increase the Piquadro brand awareness.

Silla di Gaggio Montano (BO), 25 November 2015

FOR THE BOARD OF DIRECTORS
THE CHAIRMAN
(Marco Palmieri)

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015

PIQUADRO

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)	**Notes**	**30/09/2015**	**31/03/2015**
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	(1)	4,356	4,608
Property, plant and equipment	(2)	12,536	12,624
Receivables from others	(3)	706	682
Deferred tax assets	(4)	1,250	1,339
TOTAL NON-CURRENT ASSETS		**18,848**	**19,253**
CURRENT ASSETS			
Inventories	(5)	18,192	15,962
Trade receivables	(6)	28,647	23,185
Other current assets	(7)	1,928	1,538
Tax receivables	(8)	66	907
Derivative assets	(9)	69	0
Cash and cash equivalents	(10)	6,149	12,705
TOTAL CURRENT ASSETS		**55,051**	**54,297**
TOTAL ASSETS		**73,899**	**73,550**

(in thousands of Euro)	**Notes**	**30/09/2015**	**31/03/2015**
LIABILITIES			
EQUITY			
Share capital		1,000	1,000
Share premium reserve		1,000	1,000
Other reserves		1,847	1,239
Retained earnings		29,250	28,093
Group profit for the period		2,294	4,119
TOTAL EQUITY ATTRIBUTABLE TO THE GROUP		**35,391**	**35,451**
Capital and Reserves attributable to minority interests		(37)	0
Profit/(loss) for the period attributable to minority interests		(42)	(40)
TOTAL EQUITY ATTRIBUTABLE TO MINORITY INTERESTS		**(79)**	**(40)**
EQUITY	(11)	**35,312**	**35,411**
NON-CURRENT LIABILITIES			
Borrowings	(12)	5,173	7,312
Payables to other lenders for lease agreements	(13)	1,772	2,085
Provision for employee benefits	(14)	266	295
Provisions for risks and charges	(15)	1,076	1,040
TOTAL NON-CURRENT LIABILITIES		**8,287**	**10,732**
CURRENT LIABILITIES			
Borrowings	(16)	12,568	9,695
Payables to other lenders for lease agreements	(17)	579	625
Trade payables	(18)	13,700	13,657
Other current liabilities	(19)	2,791	3,267
Tax payables	(20)	662	163
TOTAL CURRENT LIABILITIES		**30,300**	**27,407**
TOTAL LIABILITIES		**38,587**	**38,139**
TOTAL EQUITY AND LIABILITIES		**73,899**	**73,550**

CONSOLIDATED INCOME STATEMENT

(in thousands of Euro)	**Notes**	**30/09/2015**	**30/09/2014**
REVENUES			
Revenues from sales	(21)	33,182	32,345
Other income	(22)	440	357
TOTAL REVENUES (A)		**33,622**	**32,702**
OPERATING COSTS			
Change in inventories	(23)	(2,403)	(265)
Costs for purchases	(24)	7,266	4,828
Costs for services and leases and rentals	(25)	16,373	15,657
Personnel costs	(26)	7,490	7,143
Amortisation, depreciation and write-downs	(27)	1,444	1,490
Other operating costs		112	215
TOTAL OPERATING COSTS (B)		**30,282**	**29,068**
OPERATING PROFIT (A-B)		**3,340**	**3,634**
Financial income	(28)	849	652
Financial charges	(29)	(735)	(884)
TOTAL FINANCIAL INCOME AND CHARGES		**114**	**(232)**
PRE-TAX RESULT		**3,454**	**3,402**
Income tax	(30)	(1,202)	(1,153)
PROFIT FOR THE PERIOD		**2,252**	**2,249**
attributable to:			
EQUITY HOLDERS OF THE COMPANY		2,294	2,271
MINORITY INTERESTS		(42)	(22)
(Diluted) Earnings per share in Euro	(31)	0.042	0.042
(Basic) Earnings per share in Euro	(31)	0.045	0.045

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of Euro)	**30/09/2015**	**30/09/2014**
Profit for the period (A)	**2,252**	**2,249**
Components that can be reclassified to the income statement		
Profit/(Loss) arising from the translation of financial statements of foreign companies	(434)	252
Profit/(Loss) on hedging instruments of cash flows (cash flow hedge)	50	310
Components that cannot be reclassified to the income statement		
Actuarial gain (losses) on defined-benefit plans	33	(11)
Total Profits/(Losses) recognised in equity (B)	**(351)**	**551**
Total comprehensive Income/(Losses) for the period (A) + (B)	**1,901**	**2,800**
Attributable to		
- Group	1,940	2,822
- Minority interests	(39)	(22)

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(in thousands of Euro)

Description	Share capital	Share premium reserve	Other reserves: Translation reserve	Other reserves: Fair value reserve	Other reserves: Reserve for Employee Benefits	Other reserves: Other reserves	Other reserves: Total Other Reserves	Retained earnings	Group profit	Equity attributable to the Group	Capital and Reserves attributable to minority interests	Profit/ (Loss) attributable to minority interests	Total Equity attributable to the Group and minority interests
Balances as at 31.03.2014	**1,000**	**1,000**	**16**	**(48)**	**(28)**	**627**	**567**	**25,567**	**3,526**	**31,660**	**20**	**(16)**	**31,664**
Profit for the period									2,271	**2,271**		(22)	**2,249**
Other components of the comprehensive result as at 30 September 2014:													
- Exchange differences from translation of financial statements in foreign currency			252				**252**			**252**			**252**
- Reserve for actuarial gains (losses) on defined-benefit plans					(11)		**-11**			**-11**			**-11**
- Fair value of financial instruments				310			**310**			**310**			**310**
Total Comprehensive Income for the period			**252**	**310**	**(11)**	**0**	**551**		**2,271**	**2,822**		**-22**	**2,800**
Allocation of the result for the period as at 31 March 2014:													
- to dividends									(1,000)	**(1,000)**			**(1,000)**
- to reserves								2,526	(2,526)	**0**	(16)	16	**0**
Fair value of Stock Option Plans						29	**29**			**29**			**29**
Balances as at 30.09.2014	**1,000**	**1,000**	**268**	**262**	**(39)**	**656**	**1,147**	**28,093**	**2,271**	**33,511**	**4**	**(22)**	**33,493**

Description	Share capital	Share premium reserve	Other reserves: Translation reserve	Other reserves: Fair value reserve	Other reserves: Reserve for Employee Benefits	Other reserves: Other reserves	Other reserves: Total Other Reserves	Retained earnings	Group profit	Equity attributable to the Group	Capital and Reserves attributable to minority interests	Profit/ (Loss) attributable to minority interests	Total Equity attributable to the Group and minority interests
Balances as at 31.03.2015	**1,000**	**1,000**	**796**	**0**	**(54)**	**497**	**1,239**	**28,093**	**4,119**	**35,451**	**0**	**(40)**	**35,411**
Profit for the period							**0**		2,294	**2,294**		(42)	**2,252**
Other components of the comprehensive result as at 31 March 2015:													
- Exchange differences from translation of financial statements in foreign currency			(437)				**(437)**			**(437)**	3		**(434)**
- Reserve for actuarial gains (losses) on defined-benefit plans					33		**33**			**33**			**33**
- Fair value of financial instruments				50			**50**			**50**			**50**
Total Comprehensive Income for the period	**0**	**0**	**(437)**	**50**	**33**	**0**	**(354)**	**0**	**2,294**	**1,940**	**3**	**(42)**	**1,901**
- Distribution of dividends to shareholders									(2,000)	**(2,000)**			**(2,000)**
- Allocation of the result for the year at 31 March 2015 to reserves								2,119	(2,119)	**0**	(40)	40	**0**
Fair value of Stock Option Plans							**0**			**0**			**0**
Balances as at 30.09.2015	**1,000**	**1,000**	**359**	**50**	**(21)**	**497**	**885**	**30,212**	**2,294**	**35,391**	**(37)**	**(42)**	**35,312**

CONSOLIDATED STATEMENT OF CASH FLOWS

(*in thousands of Euro*)	**30/09/2015**	**31/03/2015**
Pre-tax profit	**3,454**	**5,941**
Adjustments for:		
Depreciation of property, plant and equipment/Amortisation of intangible assets	1,232	2,414
Write-downs of property, plant and equipment and intangible assets	45	424
Provision for bad debts	167	58
Adjustment to the provision for employee benefits	0	0
Net financial charges/(income), including exchange rate differences	(114)	16
Cash flow from operating activities before changes in working capital	**4,784**	**8,853**
Change in trade receivables (net of the provision)	(5,629)	(2,148)
Change in inventories	(2,230)	(126)
Change in other current assets	(416)	88
Change in trade payables	43	770
Change in provisions for risks and charges	50	119
Change in other current liabilities	(476)	268
Change in tax receivables/payables	1,340	(488)
Cash flow from operating activities after changes in working capital	**(2,534)**	**7,336**
Payment of taxes	(1,155)	(1,727)
Interest paid	266	690
Cash flow generated from operating activities (A)	**(3,423)**	**6,299**
Investments in intangible assets	(964)	(1,368)
Investments in property, plant and equipment	(95)	(213)
Investments in fixed financial assets	0	0
Changes generated from investing activities (B)	**(1,059)**	**(1,581)**
Financing activities		
Change in long-term financial receivables	0	0
Change in short- and medium/long-term borrowings	595	(1,672)
Changes in financial instruments	(69)	(66)
Lease instalments paid	(374)	(519)
Other minor changes	(226)	259
Payment of dividends	(2,000)	(1,000)
Cash flow generated from/(absorbed by) financing activities (C)	**(2,074)**	**(2,998)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	(6,556)	1,720
Cash and cash equivalents at the beginning of the period	**12,705**	**10,985**
Cash and cash equivalents at the end of the period	**6,149**	**12,705**

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

GENERAL INFORMATION

1.1 The Company and the Group

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

As of today’s date, the Company is owned by Marco Palmieri through Piqubo S.p.A., which is 100% owned. Piqubo S.p.A., in fact, holds 93.34% of the share capital of Piquadro Holding SpA, which in its turn, at 30 September 2015, held 68.37% of the share capital of Piquadro S.p.A., a company which is listed on the Milan Stock Exchange since 25 October 2007.

These consolidated condensed interim financial statements were approved by the Board of Directors on 25 November 2015.

1.2 Seasonality

The Piquadro Group operates in a seasonal market that is typical of the sector to which it belongs.

Historically, the Group’s sales revenues achieved in the first half-year of the financial year (i.e. from April to September) are less than those realised in the subsequent half-year, with a consequent impact on margins. Also as a result of the above, revenues for the half-year ended 30 September 2014 (equal to Euro 32,345 thousand) represented a share equal to 48.1% of the consolidated revenues for the financial year ended 31 March 2015 (equal to Euro 67,209 thousand).

Accordingly, it should be noted that, even if expressing the Group’s economic and financial performance, the result as at 30 September 2015 does not fully represent the result that the Group expects to achieve in the financial year that will end on 31 March 2016.

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

2.1 Accounting standards and policies

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

The Accounting statements of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows are prepared in an extended form and are the same as those adopted for the consolidated financial statements ended 31 March 2015.

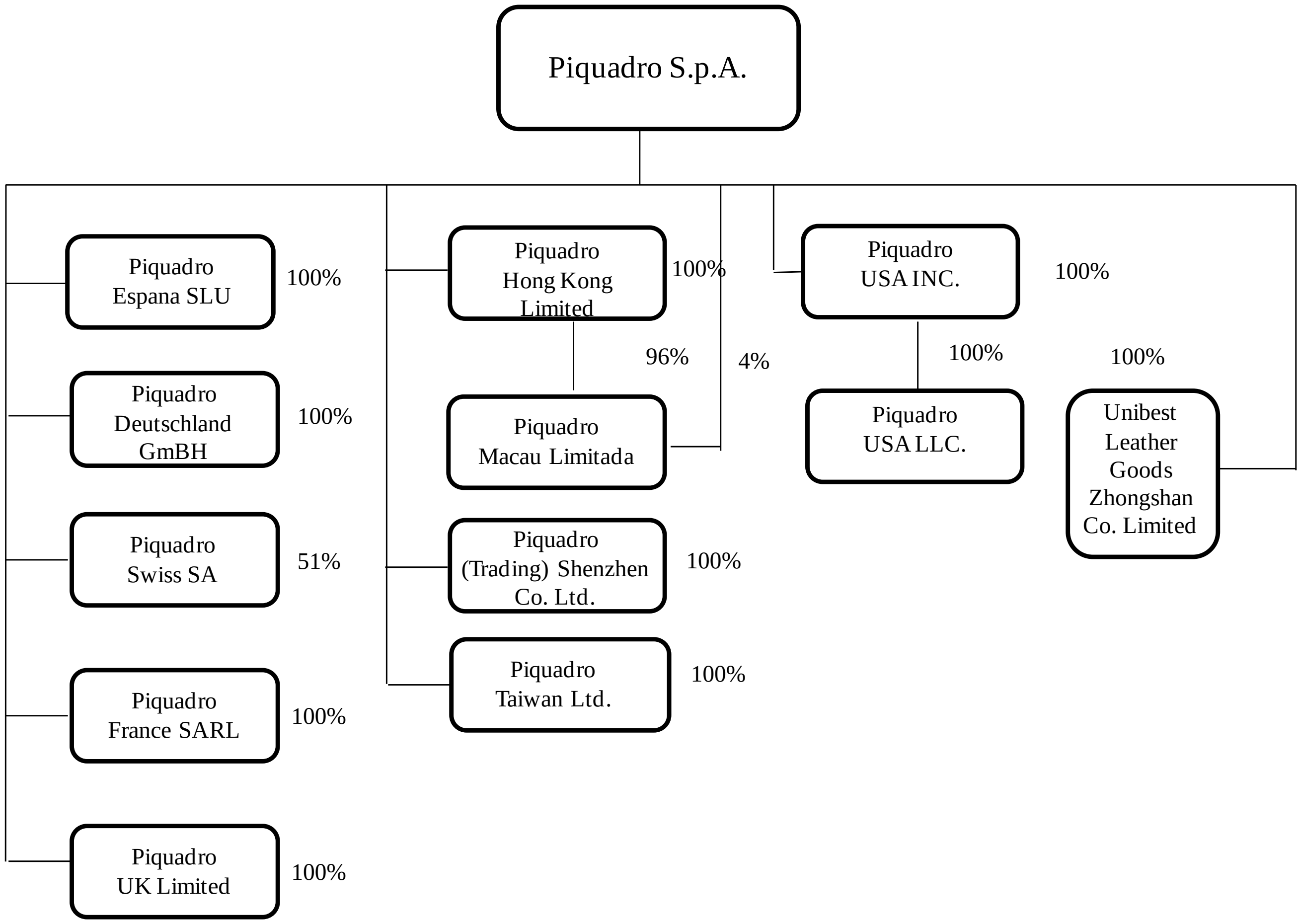
The accounting standards and policies adopted in preparing consolidated condensed interim financial statements are the same as those used in preparing the consolidated financial statements of Piquadro S.p.A. at 31 March 2015, to which reference is made for a description of the same.

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

Except as previously illustrated in the Interim report on operations and in the subsequent explanatory notes, the Management believes that no other significant non-recurring events or transactions occurred either in the half-year ended 30 September 2015 or in the half-year ended 30 September 2014, nor did any atypical or unusual transactions significantly affect the operating result.

2.2 The Group structure

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



2.3 Principles of consolidation

Subsidiaries

Control is defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. A company, therefore, has control over an entity when it is exposed, or has a right, to variable returns from its involvement with the entity and, at the same time, has the ability to affect these returns through its power over the investee. Control exists, therefore, when an investor has all the following elements:

1. the power to direct the investee's relevant activities;
2. exposure to the investee's future returns;
3. the ability to use its power over the investee to affect the investor's returns.

The power to direct the activities that significantly affect the investee's results (relevant activities) is most commonly exercised through voting rights (including potential voting rights), but also by virtue of contractual arrangements.

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

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

- the companies acquired or sold in the course of the financial year are consolidated for the period in which control was exercised.

2.4 Scope of consolidation

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

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

Scope of consolidation as at 30 September 2015

Name	HQ	Country	Currency	Share Capital (local currency /000)	Shareholders' equity (Euro/000)	Control %
Piquadro S.p.A.	Gaggio Montano (BO)	Italy	Euro	1,000	34,268	Parent Company
Piquadro España Slu	Barcelona	Spain	Euro	898	768	100%
Piquadro Deutschland Gmbh	Munich	Germany	Euro	25	(14)	100%
Uni Best Leather Goods Zhongshan Co Limited	Guangdong	People's Republic of China	RMB	22,090	675	100%
Piquadro Hong Kong Limited	Hong Kong	Hong Kong	HKD	2,000	135	100%
Piquadro Macau Limitada	Macau	Macau	HKD	25	95	100%
Piquadro Trading (Shenzhen) Co. Ltd.	Shenzhen	People's Republic of China	RMB	13,799	1,205	100%
Piquadro Taiwan Co. Ltd.	Taipei	Taiwan	NTD	25,000	768	100%
Piquadro France SARL	Paris	France	EUR	2,500	2,535	100%
Piquadro Swiss SA	Mendrisio	Switzerland	CHF	100	(161)	51%
Piquadro UK Limited	London	United Kingdom	GBP	1,000	1,357	100%
Piquadro USA INC.	Delaware	USA	USD	1,000	893	100%
Piquadro USA LLC	Delaware	USA	USD	995	880	100%

Scope of consolidation as at 30 September 2014

Name	HQ	Country	Currency	Share Capital (local currency /000)	Shareholders' equity (Euro/000)	Control %
Piquadro S.p.A.	Gaggio Montano (BO)	Italy	Euro	1,000	33,613	Parent Company
Piquadro España Slu	Barcelona	Spain	Euro	898	758	100%
Piquadro Deutschland Gmbh	Munich	Germany	Euro	25	(36)	100%

Uni Best Leather Goods Zhongshan Co Limited	Guangdong	People's Republic of China	RMB	9,891	449	100%
Piquadro Hong Kong Limited	Hong Kong	Hong Kong	HKD	2,000	37	100%
Piquadro Macau Limitada	Macau	Macau	HKD	25	84	100%
Piquadro Trading (Shenzhen) Co. Ltd.	Shenzhen	People's Republic of China	RMB	13,799	1,101	100%
Piquadro Taiwan Co. Ltd.	Taipei	Taiwan	NTD	25,000	601	100%
Piquadro France SARL	Paris	France	EUR	2,500	2,459	100%
Piquadro Swiss SA	Mendrisio	Switzerland	CHF	100	(38)	51%
Piquadro UK Limited	London	United Kingdom	GBP	700	899	100%
Piquadro USA INC:	Delaware	USA	USD	-	-	100%
Piquadro USA LLC	Delaware	USA	USD	-	-	100%

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

The financial statements expressed in a foreign currency other than the Euro are translated into Euro by applying the exchange rates applied below for the half-years ended 30 September 2015 and 30 September 2014 (foreign currency corresponding to Euro 1). Furthermore, the financial statements also report the closing exchange rates at 31 March 2015 for comparison purposes.

Foreign currency	**Average**		**Closing**		
	30/09/2015	**30/09/2014**	**30/09/2015**	**31/03/2015**	**30/09/2014**
Hong Kong Dollar (HKD)	8.59	10.45	8.68	8.34	9.77
Renminbi (CNY)	6.94	8.36	7.12	6.67	7.73
Taiwan Dollar (NTD)	34.83	40.53	36.90	33.65	38.30
Swiss Franc (CHF)	1.06	1.22	1.09	1.05	1.21
Great Britain Pound (GBP)	0.72	0.80	0.74	0.73	0.78
US Dollar (USD)	1.11	1.35	1.12	1.08	1.26

2.5 Amendments to the accounting standards

Accounting standards, amendments and interpretations

Starting from 1 April 2015 the following accounting standards and the following amendments to the international accounting standards will be applicable on a mandatory basis, which have been issued by the IASB and adopted by the European Union:

- IFRIC 21 – "*Levies (Regulation 634/2014)*". This interpretation was issued by IFRS IC on 20 May 2013 and will be applicable, on a retroactive basis, starting from financial years that will commence on or after 17 June 2014. The interpretation was issued to identify the methods to account for levies, i.e. any payments to a government body for which the entity does not receive specific goods or services. The document identifies various types of levies and specifies the event that gives rise to the obligation, which in turn determines, pursuant to IAS 37, the recognition of a liability.

On 12 December 2013 the International Accounting Standards Board (IASB) published a document named Improvements to International Financial Reporting Standards (2011-2013 Cycle), as subsequently adopted by the European Union by Regulation 1361/2014. These improvements, which will be applicable from the financial years that will commence on or after 1 July 2014, include amendments to the following existing international accounting standards:

- IFRS 1 (*Improvement*) – "*First-time Adoption of IFRS: Meaning of effective IFRS".* The amendment clarifies that, upon first-time adoption of IFRS, it is possible to opt for the early application of a new standard aimed at replacing the standard in force, as an alternative to the application of a standard in force as at the transition date.

- IFRS 3 (*Improvement*) – "*Business Combinations: Scope exception for joint ventures*". The improvement excludes all types of joint arrangements from the scope of application of IFRS 3.

- IFRS 13 (*Improvement*) – "*Fair value measurement: Scope of paragraph 52 (portfolio exception) (par. 52)*". This amendment clarifies that the possibility of measuring a group of assets and liabilities at fair value also refers to contracts within the scope of application of IAS 39 (or IFRS 9), but that do not meet the definition of financial assets and liabilities provided by IAS 32 (such as, for example, any contracts for the purchase and sale of commodities that can be settled in cash at their net value).

- IAS 40 (*Improvement*) – "*Investment Property (Clarifying the interrelationship of IFRS 3 and IAS 40)*". It is clarified that, in order to determine whether the purchase of an investment property falls within the scope of application of IFRS 3, it is necessary to make reference to IFRS 3, while, in order to determine whether the purchase falls within the scope of application of IAS 40, it is necessary to make reference to the specific instructions under said standard.

These interpretations and amendments have had no significant effects on the information provided in this half-year financial report and on the measurement of the related items in the financial statements.

Accounting standards, amendments and interpretations endorsed by the European Union but which are still not applicable and which have not been early adopted by the Piquadro Group

Starting from 1 April 2016 the following accounting standards and amendments to accounting standards shall be applied obligatorily, as the EU endorsement process has already been completed for them:

- IAS 19 (Amendments) – "*Employee Benefits: Defined Benefit Plans - Employee Contributions (Regulation 29/2015)*". This document was issued by the IASB on 21 November 2013 and will be applicable from the financial years that will commence on 1 July 2014. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, such as, for example, employee contributions that are calculated according to a fixed percentage of salary.

On 12 December 2013 the International Accounting Standards Board (IASB) published a document named "Improvements to International Financial Reporting Standards (2010-2012 Cycle), as subsequently adopted by the European Union by Regulation 28/2015. These improvements, which will be applicable from the financial years that will commence on or after 1 February 2015, include amendments to the following existing international accounting standards:

- IFRS 2 (*Improvement*) – "*Share-based Payment: Definition of vesting conditions*". Amendments have been made to the definitions of vesting conditions and of market condition and the definitions of performance condition and service condition have been added.

- IFRS 3 (*Improvement*) – "*Business Combinations: Accounting for contingent consideration in a business combination*". It is clarified that a contingent consideration in a business combination classified as an asset or liability must be measured at fair value through profit or loss at each reporting date, regardless of whether it is a financial instrument regulated by IFRS 9 or by IAS 39 or a non-financial asset or liability.

- IFRS 8 (*Improvement*) – "*Operating Segments: Aggregation of operating segments*". These amendments require the disclosure of the judgements made by the management in aggregating operating segments.

- IFRS 8 (*Improvement*) – *"Operating Segments: Reconciliation of the total of the reportable segments' assets to the entity's assets"*. The amendment requires that the reconciliation should be provided obligatorily only if a measurement of the total assets of operating segments is regularly provided to the management.

- IFRS 13 (*Improvement*) – *"Fair value Measurement: short-term Receivables and Payables"*. The improvement clarifies that issuing IFRS 13 does not remove the ability to measure short-term receivables and payables without applying the discounting-back, should these effects have not been significant.

- IAS 16 (*Improvement*) – "*Property, Plant and Equipment and Improvement IAS 38 – Intangible assets: Revaluation method*". These amendments eliminate some inconsistencies in recognising amortisation and depreciation funds when a tangible or intangible asset is subject to revaluation. Specifically, it is clarified that the gross book value must be adjusted consistently with the revaluation of the net value of the asset and that the amortisation and depreciation fund must be equal to the difference between gross value and net value, less any impairment losses previously recognised.

- IAS 24 (*Improvement*) – *"Related Party Transactions: Key management personnel services"*. Some provisions are clarified in relation to the identification of related parties and to the information to be provided with reference to key management personnel.

The Group is assessing the potential effects on the financial statements arising from adopting these standards or amendments to the existing standards.

Accounting Standards being adopted by the European Union

The following updates of the IFRS accounting standards (as already approved by the IASB), as well as the following interpretations and amendments, are being approved by the competent bodies of the European Union:

- IFRS 9 – "*Financial instruments*". This standard was published by the IASB, in its final version, on 24 July 2014 at the end of a long-term process aimed at replacing the current IAS 39. The standard, the application of which is expected on 1 January 2018, introduces new criteria for the classification of financial assets and liabilities, for the derecognition and impairment of financial assets and the management and accounting for hedging transactions.

- IFRS 14 – "*Regulatory deferral accounts*". This document was issued by the IASB on 30 January 2014. The standard permits first-time adopters only to continue to recognise any amounts related to rate regulation in accordance with their previous GAAP requirements. Its application is expected to start from 1 January 2016, with early application permitted.

- IFRS 15 – "*Revenue from Contracts with Customers*". This standard was published by the IASB on 28 May 2014. This standard replaces IAS 18 – Revenue, IAS 11 – Construction Contracts, the interpretations SIC 31, IFRIC 13 and IFRIC 15. The new standard applies to any and all contracts with customers, except for any contracts that fall under the scope of application of IAS 17 – Leasing, insurance contracts and financial instruments. The new standard lays down a process consisting of five steps which determine the timing and the amount of the revenues to recognise (identification of contracts with customers, identification of the performance obligations laid down as per contract, determination of the transaction price, allocation of the transaction price, recognition of revenues upon the fulfilment of the performance obligation). The adoption of this standard is expected to be obligatory starting from 1 January 2017, with early adoption permitted. It is planned to apply the new standard retrospectively, with the possibility of choosing whether to restate the financial years presented in the comparative disclosures or recognise the effects of its adoption under the opening equity of the first-time application financial year.

- IFRS 11 (*Amendments*) – "*Joint arrangements: Acquisitions of Interests in Joint Operations*". These amendments were issued by the IASB on 6 May 2014 and will be applicable from the financial years that will commence on 1 January 2016, with early application permitted. The document states that the principles in IFRS 3 – Business Combinations – regarding the recognition of the effects of a business combination must be applied in order to recognise the acquisition of a joint operation whose activity is represented by a business.

- IAS 16 and IAS 38 (*Amendments*) – "*Clarification of Acceptable Methods of Depreciation and Amortisation*". These amendments were issued by the IASB on 12 May 2014 and will be applicable from the financial years that will commence on 1 January 2016. The document states that, except in certain limited circumstances, a method of amortisation/depreciation correlated to revenues may not be considered acceptable for both property, plant and equipment and intangible assets.

- IAS 16 and IAS 41 (*Amendments*) – "*Agriculture*". These amendments were issued by the IASB on 30 June 2014 and will be applicable from the financial years that will commence on 1 January 2016. The document states that the accounting treatment of some specific types of biological activities (fruit trees) must be as laid down in IAS 16.

- IFRS 10 and IAS 28 (*Amendments*) – "*Sales or Contribution of Assets between an Investor and its Associate or Joint Venture*". The document was issued by the IASB on 11 September 2014 in order to solve a conflict between the two mentioned standards in relation to the disposal of an asset or of a subsidiary to an associate or to a joint venture, and will be applicable from 1 January 2016. The amendments provide that, in the case of a disposal or contribution of assets or of a subsidiary to an associate or to a joint venture, the value of the profit or loss to be recognized in the accounts of the transferring/contributing company must be related to the classification of the assets or of the subsidiary that have been transferred/contributed as a business, as defined under IFRS 3. In the event that the disposal/contribution constitutes a business, the entity must recognise the profit or loss in relation to the entire portion previously held; while, otherwise, the entity must recognize the portion of profit or loss relating to the portion still held by the entity that must be derecognized.

On 25 September 2014 the International Accounting Standards Board (IASB) published a document named "Improvements to International Financial Reporting Standards (2012-2014 Cycle)". These improvements, which will be applicable from the financial years that will commence on or after 1 April 2016, include amendments to the following existing international accounting standards:

- IFRS 5 (*Improvement*) – "*Non-current Assets Held for Sale and discontinued operations: change of disposal method*". The amendment provides guidelines to apply when an entity reclassifies an asset (or a disposal group) from "held for sale" to "held for distribution" (or vice versa), or when the requirements for the classification of an asset as "held for distribution" are no longer met.

- IFRS 7 (*Improvement*) – "*Financial instruments: disclosures*". The document regulates the introduction of additional guidelines to clarify whether a servicing contract constitutes a residual involvement in a transferred business for the purposes of the required disclosures. Furthermore, in relation to the offsetting of financial assets and liabilities, the document clarifies that the disclosures are not expressly required for all interim financial statements. However, these disclosures could be required in order to meet the requirements set out under IAS 34, when they are significant disclosures.

- IAS 19 (*Improvement*) – "*Employee benefits: discount rate*". The document introduces amendments to IAS 19 in order to clarify that the high quality corporate bonds used to determine the discount rate of post-employment benefits should be issued in the same currency as that used to pay the benefits. The amendments specify that the extent of the high quality corporate bonds market must be considered at currency level.

- IAS 34 (*Improvement*) – "*Interim financial reporting: disclosure of information elsewhere in the interim financial report*". The document introduces amendments in order to clarify the requirements to apply when the required disclosures are presented in the interim financial report, but not in the sections of the financial statements. The amendment specifies that these disclosures must be included through cross-references between the two documents, provided that both of them are available to the users of the financial statements in the same manners and within the same time limits.

- IAS 1 (*Amendments*) – "*Presentation of financial statements*". The document was issued by the IASB on 18 December 2014. The amendments, which will be applicable starting from the financial years that will commence on 1 April 2016, are aimed at making the preparation of the financial statements more clear and intelligible. The amendments relate to:

- materiality and aggregation: clarifies that an entity should not obscure useful information by aggregating or disaggregating information; and that materiality considerations apply to the primary statements, explanatory notes and any specific disclosure requirements in IFRS, i.e. disclosures specifically required by IFRS need to be provided only if the information is material;
- statement of financial position and statement of comprehensive income: clarifies that the list of line items specified by IAS 1 for these statements can be disaggregated and aggregated as relevant. Additional guidance has been added on the presentation of subtotals in these statements;
- presentation of other comprehensive income ("OCI"): clarifies that an entity's share of OCI of associates and joint ventures consolidated according to the equity method should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss;
- explanatory notes: clarifies that entities have flexibility when designing the structure of the explanatory notes and provides guidance on how to determine a systematic order of the notes.

- IFRS 10, IFRS 11 and IAS 28 (*Amendments*) – "*Investment Entities: Applying the Consolidation Exception*". The document, which was published by the IASB on 18 December 2014, introduces the following amendments:

  - the exemption from preparing consolidated financial statements for a sub-holding company also applies to a parent entity that is a subsidiary of an investment entity;
  - a subsidiary that provides services that support the investment entity's investment activities: the amendments clarify that only a subsidiary that is not an investment entity itself is consolidated;
  - the application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity: the amendments allow the investor to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries;
  - an investment entity that measures its subsidiaries at fair value must provide the disclosures required by IFRS 12.

As at the date of this half-year financial Report, it was not deemed that the accounting standards, interpretations and amendments to accounting standards listed above may have potential significant impacts on the Group's equity, financial and economic position.

COMMENT ON THE MAIN ITEMS IN THE STATEMENT OF FINANCIAL POSITION

ASSETS

NON-CURRENT ASSETS

Note 1 – Intangible assets

As at 30 September 2015 the value of intangible assets was equal to Euro 4,356 thousand (Euro 4,608 thousand as at 31 March 2015).
Below is reported the statement of changes of this item:

(in thousands of Euro)	**30 September 2015**
Balance as at 31 March 2015	4,608
Investments in intangible assets	95
Sales and disposals	0
Other changes	(10)
Amortisation	(337)
Write-downs	0
Total	**4,356**

In the half-year ended 30 September 2015, the increases in intangible assets, equal to Euro 95 thousand, mainly related to investments in software and IT products for Euro 77 thousand.

Note 2 - Property, plant and equipment

As at 30 September 2015, the value of property, plant and equipment was equal to Euro 12,536 thousand (Euro 12,624 thousand as at 31 March 2015). Below is reported the statement of changes of this item:

(in thousands of Euro)	**30 September 2015**
Balance as at 31 March 2015	12,624
Investments in property, plant and equipment	964
Sales and disposals	(9)
Other changes	(104)
Depreciation	(895)
Write-downs	(44)
Total	**12,536**

Increases in property, plant and equipment, equal to Euro 964 thousand in the half-year ended 30 September 2015, were mainly attributable to plant and machinery for Euro 95 thousand, to industrial and business equipment for Euro 841 thousand, the latter relating to fittings purchased for new *DOS* opened in the period under consideration for Euro 752 thousand, electric and electronic office machines for Euro 73 thousand, sundry equipment for Euro 5 thousand and minor assets for Euro 11 thousand.

As at 30 September 2015 some categories of furniture and fittings were written down (Euro 44 thousand) as a result of the closure of a shop that was involved in the fire that occurred at the Fiumicino T3 Airport.

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

(in thousands of Euro)	**30 September 2015**
Land	878
Buildings	4,256
Plant and equipment	0
Industrial and business equipment	49
Total	**5,183**

Note 3 – Receivables from others

Receivables from others, equal to Euro 706 thousand as at 30 September 2015 (against Euro 682 thousand as at 31 March 2015) mainly relate to the guarantee deposits paid for various utilities, including those relating to directly-operated stores and to deposits relating to the lease of *DOS* shops.

Note 4 – Deferred tax assets

As at 30 September 2015, the amount of deferred tax assets was equal to Euro 1,250 thousand (Euro 1,339 thousand as at 31 March 2015). The amount was the net balance between deferred tax assets (Euro 1,309 thousand) and deferred tax liabilities (Euro 69 thousand). Furthermore, the balance was mainly made up of Euro 847 thousand of temporary tax differences relating to Piquadro S.p.A. (Euro 1,161 thousand as at 31 March 2015) relating to the IRES and IRAP tax effect on taxed funds, while the remaining amount was made up of temporary differences accounted for by foreign subsidiaries in relation to the amortisation of the Key money sums held by them. Furthermore, there was an amount of Euro 152 million relating to consolidating entries.

CURRENT ASSETS

Note 5 – Inventories

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

(in thousands of Euro)	**Gross value as at 30 September 2015**	**Provision for write-down**	**Net value as at 30 September 2015**	**Net value as at 31 March 2015**
Raw Materials	2,403	204	2,199	2,344
Semi-finished products	919	0	919	661
Finished products	15,451	377	15,074	12,957
Inventories	**18,773**	**581**	**18,192**	**15,962**

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

((in thousands of Euro)	**Provision as at 31 March 2015**	**Use**	**Allocation**	**Reclassification**	**Provision as at 30 September 2015**
Provision for write-down of raw materials	151	0	53	0	**204**
Provision for write-down of finished products	327	0	50	0	**377**
Total provision for write-down of inventories	**478**	**0**	**103**	**0**	**581**

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

Note 6 – Trade receivables

As at 30 September 2015, trade receivables were equal to Euro 28,647 thousand compared to Euro 23,185 thousand as at 31 March 2015. The increase over 31 March 2015 is mainly attributable to the different seasonality, as well as to an increase in the Group's *Wholesale* channel turnover.

The adjustment to the face value of receivables from customers at their presumed realisable value is obtained through a special provision for bad debts, whose changes, in the half-year under consideration, are showed in the table below:

(in thousands of Euro)	**Provision as at 30 September 2015**	**Provision as at 31 March 2015**
Balance at the beginning of the year	1,231	1,173
Effect through P&L	167	386
Uses	0	(328)
Total provision for bad debts	**1,398**	**1,231**

Note 7 – Other current assets

Below is reported the breakdown of other current assets:

(in thousands of Euro)	**30 September 2015**	**31 March 2015**
Other assets	461	280
Accrued income and prepaid expenses	1,467	1,258
Other current assets	**1,928**	**1,538**

Other assets mainly related to INAIL advances of Euro 57 thousand, to VAT credits related to subsidiaries for Euro 132 thousand and to a receivable of Euro 104 thousand concerning the insurance refund that the Parent Company Piquadro S.p.A. will receive in relation to the damages suffered by a shop involved in the fire that occurred at the Fiumicino T3 Airport.
Accrued income and prepaid expenses mainly related to the Parent Company for prepaid expenses on rents (equal to Euro 401 thousand) and advertising (Euro 534 thousand).

Note 8 – Tax receivables

As at 30 September 2015 tax receivables were equal to Euro 66 thousand (Euro 907 thousand at 31 March 2015) and were mainly made up of tax receivables recognized by foreign subsidiaries for income taxes. The receivable for IRES refund due following the deductibility of the IRAP tax relating to the cost of subordinate employment and employment treated as such referred to in Decree Law 201/2011 and Decree Law 16/2012 for the years 2007- 2011, equal to Euro 425 thousand at 31 March 2015, was collected by the Parent Company in the half-year.
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(in thousands of Euro)	**30 September 2015**	**31 March 2015**
Receivables for income taxes	62	9
Receivable for IRES tax refund	4	898
Tax receivables	**66**	**907**

Note 9 - Derivative assets

As at 30 September 2015 there were assets relating to the currency forward purchases (USD) equal to Euro 69 thousand.
The Company hedges the exchange risk connected to purchases of raw materials in US dollars and for contract work done in China. In consideration for this risk, the Company makes use of instruments to hedge the risk attached to the related rate, trying to fix and crystallise the exchange rate at a level that is in line with the budget forecasts.

Note 10 – Cash and cash equivalents

Below is reported the breakdown of cash and cash equivalents (mainly relating to Piquadro S.p.A.):

(in thousands of Euro)	**30 September 2015**	**31 March 2015**
Available current bank accounts	6,045	12,619
Cash, cash on hand and cheques	104	86
Cash and cash equivalents	**6,149**	**12,705**

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

LIABILITIES

NON-CURRENT LIABILITIES

Note 11 – EQUITY

Share capital

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

On 24 July 2012, the Shareholders' Meeting approved the guidelines of a new stock option plan for the 2012-2017 period, which is reserved for certain Directors, executives with strategic responsibilities, employees and collaborators of Piquadro S.p.A. and of other companies owned by it, and resolved to approve the consequent capital increase, excluding the right of option serving the plan, up to a maximum amount of Euro 93,998, through the issue of a maximum number of 4,699,900 ordinary shares of Piquadro S.p.A., of no par value, having the same features and enjoyment as the outstanding shares; this capital increase may be also implemented in more than one payment and is divisible by 31 December 2018.

On 26 September 2012, the Board of Directors resolved to determine the subscription price of the Piquadro ordinary shares, to be paid by the beneficiaries at the time of the subscription of the shares deriving from the exercise of the options, for an amount of Euro 1.53 per share, thus determining an overall number of 3,600,000 rights of option to be assigned to the respective beneficiaries. Furthermore, subject to the opinion of the Remuneration Committee, the list of the plan's beneficiaries was approved, specifying the number of rights of option assigned to each of them.

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

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

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

As at the date of this Report, the 2008-2013 Stock Option Plan, as approved by the Board of Directors of Piquadro S.p.A. on 31 January 2008, had been settled and no option assigned by virtue of the same was or had been exercised.

As regards the 2012-2017 Stock Option Plan, it should be noted that, on the basis of the results achieved by the Group from the approval of the stock option plan up to today and on the basis of the new plans prepared by the management, it is emerged that the chances of attaining the EBITDA and Net Financial Position targets set out in the plan are very close to zero. As they are "non-market conditions" and taking account of these chances in accounting for the plan, the amount that had been previously accounted for under the "Stock Option Reserve" in previous financial years was consequently taken to the Income Statement in the financial year ended 31 March 2015 (as the plan had become "out of the money").
On the basis of the data resulting from this half-year Financial Report and from the latest budget forecasts, no elements arise which could change the approach described above. Accordingly, no effects were recognised in the income statement in relation to the 2012-2017 Stock Option Plan in the course of the first half of the 2015-2016 financial year.

Share premium reserve

This reserve, which remained unchanged compared to the financial year ended at 31 March 2015, was equal to Euro 1,000 thousand.

Translation reserve

As at 30 September 2015 the translation reserve was positive for Euro 359 thousand (it reported a positive balance of Euro 796 thousand as at 31 March 2015). This item is referred to the exchange rate differences due to the consolidation of the companies with a relevant currency other than the Euro, i.e. Piquadro Hong Kong and Piquadro Macau (the relevant currency being the Hong Kong Dollar), Uni Best Leather Goods (Zhongshang) Co. Ltd and Piquadro Shenzhen (the relevant currency being the Chinese Renminbi), Piquadro Taiwan Co. Ltd (the relevant currency being the Taiwan Dollar), Piquadro Swiss (the relevant currency being the Swiss Franc), Piquadro UK Limited (the relevant currency being the Great Britain Pound), Piquadro USA INC and Piquadro LLC (the relevant currency being the US Dollar).

Group net profit

This item relates to the recognition of the Group profit, equal to Euro 2,294 thousand, in the half-year ended 30 September 2015.

Profits and reserves attributable to minority interests

The item refers to the portions of reserves and profits, equal to a negative value of Euro 79 thousand (against a negative value of Euro 40 thousand at 31 March 2015), which are attributable to the minority interests of Piquadro Swiss SA and of which the Parent Company owns 51% of the share capital.

Note 12 – Borrowings

Below is the breakdown of payables to banks:

(in thousands of Euro)	**30 September 2015**	**31 March 2015**
Current borrowings	5,173	7,312
Non-current borrowings	12,568	9,695
Medium/long-term borrowings	**17,741**	**17,007**

In the half-year ended 30 September 2015 the Parent Company took steps to renegotiate some outstanding loans in order to meet better economic conditions linked to a change in interbank rates.

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

- Euro 135 thousand for the unsecured loan granted by Carisbo S.p.A. on 22 November 2010 (against an initial amount of Euro 2,700 thousand), due and payable within twelve months;
- Euro 1,350 thousand relating to the unsecured loan granted by UBI – Banca Popolare Commercio & Industria on 30 July 2014 (against an initial amount of Euro 2,000 thousand) of which a current portion of Euro 667 thousand and a non-current portion of Euro 684 thousand;
- Euro 1,000 thousand relating to the unsecured loan granted by UBI – Banca Popolare Commercio & Industria on 1 August 2014 (against an initial amount of Euro 3,000 thousand), due and payable within twelve months;
- Euro 800 thousand relating to the unsecured loan granted by Credem – Credito Emiliano on 24 November 2014 (against an initial amount of Euro 1,200 thousand), due and payable within twelve months;
- Euro 2,300 thousand relating to the unsecured loan granted by Credem – Credito Emiliano on 30 July 2015 (against an initial amount of Euro 2,300 thousand), due and payable within twelve months;
- Euro 2,090 thousand relating to the unsecured loan granted by ICCREA – Banca Impresa S.p.A. on 26 March 2015 (against an initial amount of Euro 2,500 thousand), of which a current portion of Euro 828 thousand and a non-current portion of Euro 1,262 thousand;
- Euro 4,250 thousand relating to the unsecured loan granted by Mediocredito Italiano S.p.A. on 13 February 2015, of which a current portion of Euro 1,000 thousand and a non-current portion of Euro 3,250 thousand.

Below is reported the breakdown of short- and long-term borrowings:

(in thousands of Euro)	**Date of granting of the loan**	**Initial amount**	**Currency**	**Current borrowings**	**Amort. cost (S/T)**	**Non-current borrowings**	**Amort. Cost (L/T)**	**Total**
Carisbo loan	22 November 2010	2,700	EUR	135	(1)	0	0	134
UBI loan	30 July 2014	2,000	EUR	667	0	684	0	1,350
UBI loan	1 August 2014	3,000	EUR	1,000	(7)	0	0	993
Credem loan	24 November 2014	1,200	EUR	800	(4)	0	0	796
Credem loan	30 July 2015	2,300	EUR	2,300	0	0	0	2,300
ICCREA loan	26 March 2015	2,500	EUR	828	(8)	1,262	(4)	2,078
Mediocredito loan	13 February 2015	5,000	EUR	1,000	(27)	3,250	(18)	4,205
Payables to banks			EUR	885	0	0	0	885
Advances from Carisbo			EUR	3,000	0	0	0	3,000
UBI Banca Hot Money Line			EUR	2,000	0	0	0	2,000
				12,615	**(47)**	**5,195**	**(22)**	**17,741**

Note 13 – Payables to other lenders for lease agreements

Below is reported the following breakdown:

(in thousands of Euro)	**30 September 2015**	**31 March 2014**
Non-current portion:		
Payables to leasing companies	1,772	2,085
Current portion:		

Payables to leasing companies	579	625
Payables to other lenders for lease agreements	**2,351**	**2,710**

Note 14 – Provision for Employee Benefits

As at 30 September 2015 the value of the provision was equal to Euro 266 thousand (Euro 295 thousand as at 31 March 2015) and has been determined by an independent actuary; the actuarial assumptions used for calculating the provision are not changed compared to the information reported in the paragraph *Accounting standards – Provision for employee benefits* in the Notes to the consolidated financial statements as at 31 March 2015.

Note 15 – Provisions for risks and charges

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

(in thousands of Euro)	**Provision as at 31 March 2015**	Use	Allocation	Reclassification	**Provision as at 30 September 2015**
Provision for supplementary clientele indemnity	901	0	0	36	937
Other provisions for risks	139	0	0	0	139
Total	**1,040**	**0**	**0**	**36**	**1,076**

The "provision for supplementary clientele indemnity" represents the potential liability with respect to agents in the event of Group companies' terminating agreements or agents retiring.
Other provisions for risks of Euro 139 thousand mainly relate to the provision for risks on returns on sales equal to Euro 57 thousand and to other provisions for risks on potential liabilities generated by current operations equal to Euro 82 thousand.

CURRENT LIABILITIES

Note 16 – Borrowings

As at 30 September 2015 current borrowings were equal to Euro 12,568 thousand against Euro 9,695 thousand as at 30 September 2015. The balance related to a current portion of loans for Euro 6,683 thousand, to payables to banks for advance on assigned invoices for Euro 3,000 thousand, for the use of credit lines for Euro 2,000 thousand and to current account overdrafts for Euro 885 thousand. For more information, reference is made to Note 12 above.

Note 17 - Payables to other lenders for lease agreements

As at 30 September 2015 they were equal to Euro 579 thousand (Euro 625 thousand as at 31 March 2015 and related to the current portion of payables to leasing companies in relation to finance lease agreements mainly involving the building of the operational headquarters of the Company (Euro 531 thousand) and hardware and software (Euro 32 thousand).

NET FINANCIAL POSITION

Below is the statement showing the Net Financial Position of the Piquadro Group:

(in thousands of Euro)	**30/09/2015**	**31/03/2015**	**30/09/2014**
(A) Cash	105	85	102
(B) Other cash and cash equivalents (available current bank accounts)	6,045	12,620	5,900
(C) Liquidity (A) + (B)	**6,149**	**12,705**	**6,002**

(D) Finance leases	(579)	(625)	(583)
(E) Current bank debt	0	0	(1,000)
(F) Current portion of non-current debt	(12,568)	(9,695)	(9,493)
(G) Current financial debt (D) + (E) + (F)	**(13,147)**	**(10,320)**	**(11,076)**
(H) Short-term net financial position (C) + (G)	**(6,998)**	**2,385**	**(5,074)**
(I) Non-current bank debt	(5,173)	(7,312)	(8,699)
(L) Finance leases	(1,772)	(2,085)	(2,311)
(M) Non-current financial debt (I) + (L)	**(6,945)**	**(9,397)**	**(11,010)**
(N) Net financial debt (H) + (M)	**(13,943)**	**(7,012)**	**(16,084)**

As at 30 September 2015 the consolidated net financial position posted a negative value of about Euro 13.9 million. The main reasons for the trend in the net financial position, compared to 31 March 2015, are attributable to the following factors:

- EBITDA of Euro 4.6 million;
- investments in property, plant and equipment and intangible assets for Euro 1,059 thousand;
- an increase in the net current assets of Euro 7.6 million, which was due to the different seasonality;
- payment of dividends of Euro 2 million.

The consolidated net financial position at 30 September 2015, compared to the value posted as at 30 September 2014, improved by about Euro 2.1 million, as a result of higher operating cash flows generated in the period, despite the higher dividends paid to the shareholders for Euro 1 million (Euro 2 million in the 2015/2016 half-year compared to Euro 1 million in the 2014/2015 half-year).

Note 18 – Trade payables

Below is the breakdown of current trade liabilities:

(in thousands of Euro)	**30 September 2015**	**31 March 2015**
Payables to suppliers	13,700	13,657

At 30 September 2015 the balance of trade payables was substantially in line with the balance posted at 31 March 2015.

Note 19 – Other current liabilities

Below is the breakdown of other current liabilities:

(in thousands of Euro)	**30 September 2015**	**31 March 2015**
Payables to social security institutions	383	400
Payables to pension funds	29	26
Other payables	60	87
Payables to employees	916	1,162
Advances from customers	61	52
Accrued expenses and deferred income	390	0
Payables for VAT	588	1,254
IRPEF tax payables and other tax payables	364	285
Other current liabilities	**2,791**	**3,267**

Payables to social security institutions mainly relate to the Parent Company’s payables due to INPS. Payables to employees as at 30 September 2015, equal to Euro 916 thousand (Euro 1,162 thousand as at 31 March 2015) mainly included the Group’s payables for remunerations to be paid and deferred charges with respect to employees.

Note 20 – Tax payables

Below is the breakdown of tax payables:

(in thousands of Euro)	**30 September 2015**	**31 March 2015**
IRES tax and other income taxes	638	163
IRAP tax	24	0
Tax payables	**662**	**163**

Tax payables for IRES and IRAP tax relate to the allocation of taxes on an accruals basis on the income produced in the period, an amount reported net of any advances paid.

COMMENT ON THE MAIN INCOME STATEMENT ITEMS

Note 21 – Revenues from sales

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

The Group's revenues are mainly realised in Euro.

Below is the breakdown of revenues by geographical area:

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
Italy	25,945	24,341
Europe	5,161	6,040
Rest of the world	2,077	1,963
Revenues from sales	**33,182**	**32,345**

In the half-year ended 30 September 2015, revenues from sales reported an increase equal to Euro 837 thousand compared to the corresponding revenues achieved in the half-year ended 30 September 2014 (+2.6%).

Note 22 – Other income

In the half-year ended 30 September 2015, other income amounted to Euro 440 thousand (Euro 357 thousand in the half-year ended 30 September 2014).

Note 23 – Change in inventories

The change in inventories was positive in both the half-year ended 30 September 2015 (Euro 2,403 thousand) and the half-year ended 30 September 2014 (Euro 265 thousand); this positive change is mainly attributable to the seasonality of the Group's business which realises more than half of its turnover in the second half of the financial year.

Note 24 – Costs for purchases

This item essentially includes the cost of materials used for the production of the Company's goods and of consumables. In the half-year ended 30 September 2015, costs for purchases were equal to Euro 7,266 thousand (Euro 4,828 thousand in the half-year ended 30 September 2014).

Note 25 – Costs for services and leases and rentals

Below is the breakdown of costs for services:

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
External production	5,803	5,369
Advertising and marketing	1,853	1,418
Transport services	2,062	1,997
Business services	1,381	1,394
Administrative services	588	599
General services	681	713
Services for production	735	700
Total Costs for services	**13,103**	**12,190**
Costs for leases and rentals	**3,270**	**3,468**
Costs for services and leases and rentals	**16,373**	**15,657**

Costs for leases and rentals mainly related to lease rentals relating to the shops of the Parent Company and of the Group companies that are responsible for the distribution of products, and decreased as a result of the closures of *DOS* shops.

Note 26 – Personnel costs

Below is reported the breakdown of personnel costs:

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
Wages and salaries	6,060	5,838
Social security contributions	1,205	1,093
TFR	225	212
Personnel costs	**7,490**	**7,143**

The table below reports the exact number by category of employees:

Category	**30 September 2015**	**30 September 2014**	**31 March 2015**
Executives	4	5	4
Office workers	303	323	298
Manual workers	432	414	354
Total	**739**	**742**	**656**

The number of employees as at 30 September 2015 decreased by 3 units compared to the number of employees reported as at 30 September 2014 mainly as a result of the closing of some *DOS*, which are no longer considered strategic by the management.
However, in the half-year ended 30 September 2015, personnel costs reported an increase of 4.9%, passing from Euro 7,143 thousand in the half-year ended 30 September 2014 to Euro 7,490 thousand in the half-year ended 30 September 2015.
The increase in personnel costs is mainly due to the increase in staff employed by the Parent Company, mainly for the opening of new points of sales and, partially, to the increase in the labour cost of the Chinese subsidiary Unibest Zhongshan.

A To supplement the information provided, below is also reported the average number of employees for the half-years ended 30 September 2015 and 30 September 2014 and for the financial year ended 31 March 2015:

Average unit	**30 September 2015**	**30 September 2014**	**31 March 2015**
Executives	4	5	5
Office workers	302	327	323
Manual workers	394	422	404
Total for the Group	**700**	**754**	**732**

Note 27 - Amortisation, depreciation and write-downs

In the half-year ended 30 September 2015, amortisation and depreciation were equal to Euro 1,444 thousand (Euro 1,490 thousand in the half-year ended 30 September 2014).
Write-downs, equal to Euro 212 thousand, related to the provision for write-down of receivables from customers (Euro 167 thousand) and to the write-down of some categories of assets (Euro 45 thousand) as a result of the early closure of some shops, whose related performances were not in line with the management's expectations.

Note 28 - Financial income

In the half-year ended 30 September 2015, financial income was equal to Euro 849 thousand (Euro 652 thousand in the half-year ended 30 September 2014) related for Euro 28 thousand to interest receivable on current accounts and for Euro 821 thousand of foreign exchange gains either realised or estimated (Euro 581 thousand as at 30 September 2014).

Note 29 - Financial charges

Below is the breakdown of financial charges:

(in thousands of Euro)	**30 September 2015**	**30 September 2014**

Interest payable on current accounts	36	49
Interest and expense subject to final payment	15	11
Financial charges on loans	140	327
Lease charges	15	22
Other charges	20	71
Net financial charges on defined-benefit plans	2	4
Foreign exchange losses (both realised and estimated)	507	399
Financial charges	**735**	**883**

Note 30 - Income tax expenses

Below is reported the breakdown of income tax expenses:

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
IRES tax and other income taxes	992	844
IRAP tax	163	294
Total current taxes	**1,155**	**1,138**

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
Deferred tax liabilities	41	(8)
Deferred tax assets	6	23
Total deferred tax assets and liabilities	**47**	**15**

Note 31 - Earnings per share

As at 30 September 2015 diluted earnings per share amounted to Euro 0.042 (basic earnings per share amounted to Euro 0.045 as at 30 September 2015); they are calculated on the basis of the consolidated net profit for the period attributable to the Group, equal to Euro 2,252 thousand, divided by the weighted average number of ordinary shares outstanding in the half-year, equal to 53,600,000 shares, including potential shares relating to the stock options plan resolved and granted on 31 January 2008.

(in thousands of Euro)	**30 September 2015**	**30 September 2014**
Group net profit (in thousands of Euro)	2,252	2,249
Average number of outstanding ordinary shares (in thousands of shares)	53,600	53,600
Diluted earnings per share (in Euro)	**0.042**	**0.042**
Group net profit (in thousands of Euro)	2,252	2,249
Average number of outstanding ordinary shares	50,000	50,000
Basic earnings per share (in Euro)	**0.045**	**0.045**

OTHER INFORMATION

Segment reporting

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

The distribution channels selected as those being presented are the following ones:

- *DOS* channel;
- *Wholesale* channel.

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

- a direct channel, which as at 30 September 2015, included 52 single-brand stores directly operated by the Group (the so-called "Directly Operated Stores" or "*DOS*") and the Group's *e-commerce* site;
- an indirect channel ("*Wholesale*"), which is represented by multi-brand shops department store, single-brand shops run by third parties linked to the Group by franchise agreements and by distributors who then resell the articles in specialist multi-brand shops.

As shown below, as at 30 September 2015, approximately 32.8% of the Group's consolidated revenues was realised through the direct channel, while 67.2% of consolidated revenues was realised through the indirect channel.
The table below illustrates the segment data of the Piquadro Group broken down by sales channel (*DOS* and *Wholesale*), in relation to the six months ended 30 September 2015 and 30 September 2014.
Segment economic performance is monitored by the Company's Management up to the "Segment result before amortisation and depreciation". *DOS* channel's performance in the half-year ended 30 September 2015, compared to the results recorded as at 30 September 2014, shows a decrease in the margins in the half year under consideration, which was affected by the following factors:

- new shops opened with performance not yet in line with the management's expectations, also due to the fact that their main target is to enhance Piquadro brand awareness in new markets;
- an increase in marketing costs, mainly due to the *e-commerce* component;
- increased profits from the full-price comparable shops due to an increase in the *SSSG* data;
- a decrease of about Euro 78 thousand in cost allocation owing to the fall in the weight of *DOS* sales volumes out of the total, even in the presence of a significant increase in the Group's marketing costs;
- the closure of the shop located at the Fiumicino T3 Airport, which took place because of the fire that occurred in May 2015 and of the retail outlet in Barcelona (which subsequently reopened), both of which recorded margins higher than the average.

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There was a decrease in margins as regards the performance of the *Wholesale* channel in the half-year ended 30 September 2015, compared with the results recorded as at 30 September 2014, both in terms of absolute values and in terms of percentages, which was mainly due to increased marketing costs that were partially offset by the operating leverage generated by increased sales from the *Wholesale* channel and by the margins connected thereto.
In general, the Group's EBITDA, net of exchange rate differences recorded in financial operations (which posted a positive value of Euro 256 thousand in the current half-year compared to a positive value of Euro 53 thousand in the corresponding half-year of the previous financial year), decreased by 2.9%, while the Group's EBIT, net of exchange rate differences recorded in financial operations (which posted a positive value of Euro 256 thousand in the current half-year compared to a positive value of Euro 53 thousand in the corresponding half-year of the previous financial year), decreased by 2.5%.

Segment economic performance is monitored by the Company's Management up to the "Segment result before amortisation and depreciation":

(*in thousands of Euro*)	**30 September 2015**	**30 September 2014**

	DOS	*Wholesale*	Total for the Group (including non-allocated items)	% Impact	*DOS*	*Wholesale*	Total for the Group (including non-allocated items)	% Impact	% Change
Revenues from sales	**10,897**	**22,285**	**33,182**	**100.0%**	**10,900**	**21,445**	**32,345**	**100.0%**	**2.6%**
Segment result before amortisation and depreciation	115	4,502	4,617	13.9%	291	4,673	4,964	15.4%	(7.0)%
Amortisation and depreciation			(1,277)	(3.9)%			(1,330)	(4.1)%	(4.0)%
Financial income and charges			114	0.3%			(232)	(0.7)%	
Pre-tax result			**3,454**	**10.41%**			**3,402**	**10.52%**	**1.5%**
Income taxes			(1,202)	(3.62)%			(1,153)	(3.57)%	4.25%
Profit for the half-year			**2,252**	**6.79%**			**2,249**	**6.95%**	**0.13%**
Result attributable to minority interests			0	0.0%			0	0.0%	
Group net profit			**2,252**	**6.79%**			**2,249**	**6.95%**	**0.13%**

Commitments

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

Relations with related parties

Piquadro S.p.A., the parent company of the Piquadro Group, operates in the leather goods market and designs, produces and markets articles under its own brand. The subsidiaries mainly carry out activities of distribution of products (Piquadro España SLU, Piquadro Hong Kong Ltd, Piquadro Deutschland GmbH, Piquadro Trading – Shenzhen- Ltd. and Piquadro Taiwan Co. Ltd., Piquadro France SARL, Piquadro Swiss SA, Piquadro UK Limited and Piquadro USA LLC), or production (Uni Best Leather Goods Zhongsanhg Co. Ltd.).

The relations with Group companies are mainly commercial and are regulated at arm’s length. There are also financial relations (inter-group loans) between the Parent Company and some subsidiaries, conducted at arm’s length.

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

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

In the first half-year of the 2015/2016 financial year, Piqubo S.p.A., the ultimate parent company, charged Piquadro S.p.A. the rent relating to the use of the plant located in Riola di Vergato (Province of Bologna) as a warehouse.
On 29 June 2012 a lease agreement was entered into between Piquadro Holding S.p.A. and Piquadro S.p.A., concerning the lease of a property to be used as offices and located in Milan, Piazza San Babila n. 5, used as a show room of Piquadro S.p.A. and the rent costs of which are reported in the table below. This lease agreement has been entered into at arm's length.

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

Below is reported the breakdown of the main financial relations maintained with related companies.

(in thousands of Euro)	**Receivables**		**Payables**	
	30 September 2015	**31 March 2015**	**30 September 2015**	**31 March 2015**
Financial relations with Piqubo S.p.A.	0	0	0	0
Financial relations with Piquadro Holding S.p.A.	0	0	0	0
Financial relations with Palmieri Family Foundation	0	0	0	0
Total Receivables from and Payables to controlling companies and affiliate companies	**0**	**0**	**0**	**0**

The table below reports the breakdown of the economic relations with these related companies in the first half of the 2015/2016 and 2014/2015 financial years:

(in thousands of Euro)	**Costs**		**Revenues**	
	30 September 2015	**30 September 2014**	**30 September 2015**	**30 September 2014**
Economic relations with Piqubo S.p.A.	38	35	0	0
Economic relations with Piquadro Holding S.p.A.	123	149	0	0
Economic relations with Palmieri Family Foundation	0	0	0	0
Total costs and revenues to controlling companies and affiliate companies	**161**	**184**	**0**	**0**

No economic transactions took place with the Palmieri Family Foundation in the 2015/2016 and 2014/2015 half-years.

Fees due to the Board of Directors

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

First and last name	**Position held**	**Period in which the position was held**	**Term of office**	**Fees due for the position**	**Non-monetary benefits**	**Bonuses and other incentives**	**Other fees**	**Total**
Marco Palmieri	Chairman and CEO	01/04/15-30/09/15	2016	200	3.5	-	-	203.5

Pierpaolo Palmieri	Managing Director	01/04/15-30/09/15	2016	100	2	-	-	102
Marcello Piccioli	Managing Director	01/04/15-30/09/15	2016	90	1.5	-	2,.	93.5
Roberto Trotta	Managing Director	01/04/15-30/09/15	2016		1.5	-	69	70.5
Gianni Lorenzoni	Director	01/04/15-30/09/15	2016	10	-	-	-	10
Paola Bonomo	Director	01/04/15-30/09/15	2016	10	-	-	-	10
Anna Gatti	Director	01/04/15-30/09/15	2016	10	-	-	-	10
				420	**8.5**	**-**	**71**	**499.5**

Events after the period end

No significant events are reported which occurred at Group level from 1 October 2015 to the date of this Report.

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CERTIFICATION ON THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-*Ter* of Consob Regulation No. 11971 of 14 May 1999, as amended and supplemented

1) The undersigned Marco Palmieri, in his capacity as Chief Executive Officer, and Roberto Trotta, in his capacity as Manager responsible for the preparation of corporate accounting documents of Piquadro S.p.A., certify, also taking account of the provisions under Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:
   - adequacy in relation to the characteristics of the Company and
   - actual application of administrative and accounting procedures for the preparation of the consolidated financial statements in the course of the half-year April 2015-September 2015.

2) The evaluation of the adequacy of administrative and accounting procedures for the preparation of the consolidated condensed interim financial statements as at 30 September 2015 has been based on a process defined by Piquadro S.p.A. consistently with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission which represents a reference framework generally accepted at international level

3) It is also certified that:

   1.1 the consolidated condensed interim financial statements as at 30 September 2015:

   a) have been prepared in accordance with the applicable international accounting standards acknowledged by the European Union pursuant to regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 and in particular to IAS 34 – Interim Financial Reporting, as well as with the measures issued to implement Article 9 of Legislative Decree no. 38/2005;
   b) correspond to the results in the accounting books and records;
   c) have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union, as well as with the measures issued to implement Article 9 of Legislative Decree no. 38/2005, and, as far as we know, are suitable to give a true and correct representation of the equity, economic and financial position of the Issuer and of all the companies included in the scope of consolidation.

   3.2. The interim report on operations includes a reliable analysis of the references to the significant events that occurred during the first six months of the financial year and of their impact on the consolidated condensed interim financial statements, together with a description of the main risks and uncertainties for the remaining six months of the financial year. The interim report on operations also includes a reliable analysis of the information on significant transactions with related parties.

Silla di Gaggio Montano (BO) 25 November 2015

Marco Palmieri
Chief Executive Officer

Marco Palmieri

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

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of Piquadro SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Piquadro SpA (hereinafter also the "Company") and its subsidiaries (the "Piquadro Group") as of 30 September 2015 and for the six months period then ended, comprising the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in equity, the cashflow statement and the related explanatory notes. The Directors of Piquadro SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by CONSOB in Resolution no.10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

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

September 2015 and for the six months period then ended are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Bologna, 25 November 2015

PricewaterhouseCoopers SpA

signed by

Gianni Bendandi
(Partner)

"This report has been translated into the English language from the original, which was issued in Italian language, solely for the convenience of international readers. References in this report to the financial statements refer to the financial statements in original Italian and not to any their translation."