DE RIGO

WE SHARE THE VISION

Registered office in Villanova Industrial Zone, 12- 32013 Longarone (BL)
Share capital Euro 10,968,535.24 fully paid-in

DE RIGO
WE SHARE THE VISION

CH
CAROLINA HERRERA

CAROLINA HERRERA
NEW YORK

Blumarine

Chopard

ESCADA

FILA

FURLA

LANVIN
PARIS

LOEWE

1000 MIGLIA

momoDESIGN

TOUS
JEWELERS SINCE 1920

ZADIG&VOLTAIRE
EYEWEAR

dunhill
LONDON

NINA RICCI

TRUSSARDI
EYEWEAR

Lozza
Originale dal 1878.

Lozza
Originale dal 1878.
SARTORIALE

POLICE

STING

Directors' Report
on the 2015 separate and consolidated financial statements

In implementation of Legislative Decree No. 32, Article 1, point c) of February 2, 2007, the company utilises the option to present in a single document the consolidated Directors' Report and the separate Directors' Report, with a greater focus in the consolidated financial statements, where appropriate, upon matters of significance for the companies included in the consolidation.
Therefore, the present consolidated Directors' Report also contains the disclosure required by Article 2428 of the Civil Code, with reference to the separate financial statements of De Rigo S.p.A..

Corporate Boards

The Board of Directors of the parent company comprises 7 members:

Ennio De Rigo Piter	Chairman
Emiliana De Meio	Vice Chairman
Massimo De Rigo Piter	Executive Vice Chairman
Maurizio Dessolis	Executive Vice Chairman
Michele Aracri	Executive Director
Giorgio De Rigo Piter	Director
Roberto De Rigo	Director

The Board of Directors will remain in office until the approval of the 2017 Annual Accounts.

According to the motions of June 1, 2012, the Chairman assumes the broadest powers of ordinary and extraordinary administration, while the three Vice Chairmen, Emiliana De Meio, Massimo De Rigo Piter and Maurizio Dessolis and the Executive Director Michele Aracri have powers limited to ordinary administration.

The Board of Statutory Auditors is comprised of 5 members:

Mario Bampo	Chairman
Gianfilippo Cattelan	Statutory Auditor
Mario Sommavilla	Statutory Auditor
Federica Monti	Alternate Auditor
Stefano Lodolo	Alternate Auditor

The Board of Statutory Auditors will remain in office until the approval of the 2015 Annual Accounts.

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Group operating structure

De Rigo S.p.A.
(Industrial & property holding co. w/ brand management)

Wholesale business

Wholesale
EUROPE

De Rigo Vision S.p.A.
Italy

De Rigo Vision Espana S.a.
Spain

De Rigo France S.a.
France

De Rigo Uk Ltd.
Great Britain

De Rigo Hellas A.E.E.
Greece

De Rigo Vision Portugal Lda.
Portugal

De Rigo Hrvatska d.o.o.
Croatia

De Rigo Gozluk Sanayi Ticaret A.S.
Turkey

OPSA Optik Camlari Ticaret L.S.
Turkey

De Rigo Vision D.A.CH. Gmbh
Germany

THE AMERICAS

De Rigo Vision USA Inc.
U.S.A.

Wilvale De Rigo S.a.
Brazil

Marr International Inc.*
U.S.A.

REST OF THE WORLD

De Rigo Hong Kong Ltd.
Hong Kong

De Rigo Vision Trading (Guangzhou) Ltd.
China

De Rigo Japan Co. Ltd.
Japan

De Rigo Vision Middle East FZCO
U.A.E.

Retail business

Retail
EUROPA

General Optical S.a.
Spain and Portugal

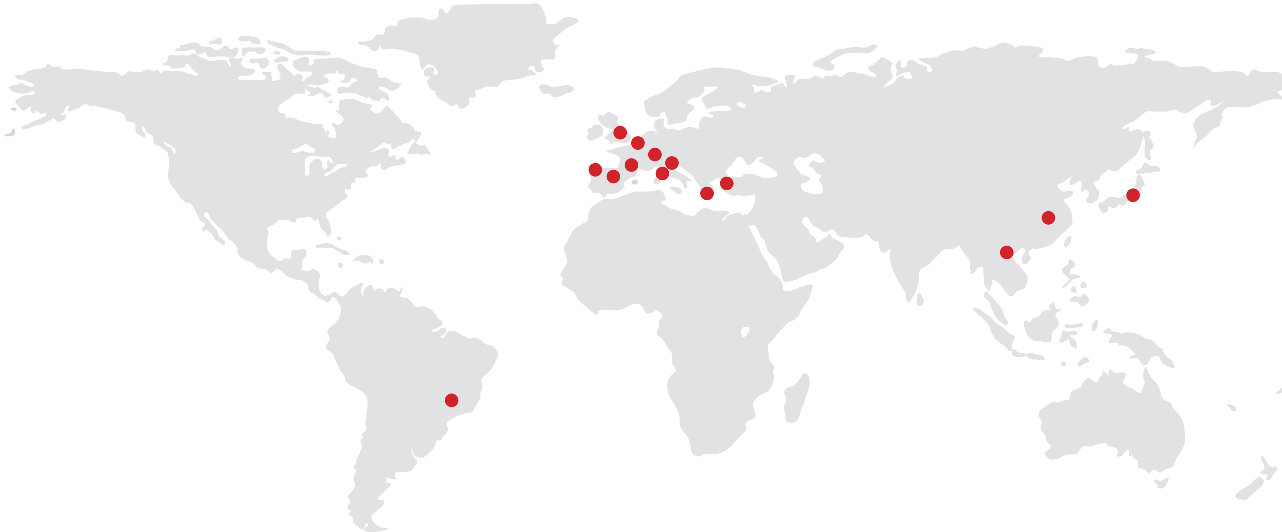
De Rigo Opmar Optik Ticaret A.S.
Turkey

Boots Optical Investment Holdings Ltd.*
Great Britain

Retail
ASIA

Sewon ITC*
Korea

*minority holding



Shareholders

At December 31, 2015, the shareholder structure of De Rigo S.p.A. comprised:

De Rigo Holding S.r.l.	96.889%
Ennio De Rigo Piter	0.951%
Roberto De Rigo	0.474%
Giorgio De Rigo Piter	0.474%
Others	1.212%

At December 31, 2015, De Rigo S.p.A. securities comprised only ordinary shares not listed on an official market.

At the reporting date, De Rigo S.p.A. does not hold treasury shares.
The subsidiaries do not directly or indirectly hold shares of the parent company.

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Operating conditions and developments

Dear Shareholders,

the continually evolving economic environment has required a significant refocus in line with the altered conditions, also in markets in which we have established a consolidated position.

The Wholesale division further consolidated its global market positioning, maintaining sales growth.
The Retail division confirmed once again considerable growth on the Iberian and Turkish markets. The General Optica chain has benefitted well from the uptake in local consumption, with growth outstripping that of the main competitors on the Spanish market.
2015 was again a very strong year for the Turkish chain Opmar Optik, which has now consolidated its position as the second largest player on the market, thanks also to the opening of an additional 18 sales points, despite the tragic events in the final months of the year.

Group overview

Group consolidated income statement

As reported below in the reclassified Income Statement, consolidated revenues grew 7.3% to Euro 403.0 million, from Euro 375.5 million in 2014. At like-for-like exchange rates, Group revenues were up 6.7%.

Wholesale division revenues increased 4.2% to Euro 231.0 million, from Euro 221.8 million in 2014.

Retail division revenues rose 9.6% to Euro 184.9 million, from Euro 168.7 million in 2014, thanks to sales growth delivered both by General Optica and Opmar Optik.

EBITDA, calculated as the operating profit before amortisation and depreciation, decreased 4.8% to Euro 31.8 million, from Euro 33.4 million in 2014, with a 7.9% revenue margin. The reduction in EBITDA is principally due to the increase in the product cost, due to the strengthening of the US Dollar against the Euro, the defensive commercial policies which saw the implementation of sales prices reductions in countries in which the local currencies significantly depreciated and the restructuring of the sales networks of a number of overseas subsidiaries.

EBIT decreased 9.8% to Euro 16.6 million, from Euro 18.4 million in 2014, and reported a 4.2% revenue margin (4.9% in 2014). The reduction is principally due to the poor performance of the Wholesale division, while the Retail division reported significantly improved profitability.

Net extraordinary and financial income of Euro 5.1 million was reported, compared to a net charge of Euro 1.6 million in 2014.

The Group net profit was up 13.6% to Euro 14.7 million, compared to Euro 12.9 million in 2014.

At December 31, 2015, the De Rigo Group reported a net cash position of Euro 65.3 million, compared to Euro 43.0 million at December 31, 2014.

The consolidated income statement reports the key operating figures (in thousands of Euro), reclassified for an improved understanding of operating events:

	2015	2014	Cge. %
NET SALES REVENUES	**403,034**	**375,529**	**7.3%**
Sold product cost	(177,779)	(161,011)	10.4%
GROSS PROFIT	**225,255**	**214,518**	**5.0%**
Advertising & promotion costs	(31,523)	(30,283)	4.1%
Sales costs	(142,489)	(133,000)	7.1%
General & administrative costs	(34,680)	(32,813)	5.7%
OPERATING COSTS	(208,692)	(196,096)	6.4%
EBIT	**16,564**	**18,422**	**-10.1%**
Interest income	564	495	13.9%
Interest charges	(4,349)	(3,367)	29.2%
Other non-operating income (charges)	8,834	1,242	611.3%
OTHER REVENUES (COSTS)	5,049	(1,631)	-409.6%
PROFIT BEFORE TAXES	**21,613**	**16,791**	**28.7%**
INCOME TAXES	(7,960)	(3,874)	105.5%
NET PROFIT/LOSS BEFORE MINORITY INTERESTS	**13,653**	**12,917**	**5.7%**
MINORITY INTEREST SHARE	1,036	11	9318.2%
NET PROFIT	**14,689**	**12,928**	**13.6%**

Group consolidated revenues by region

Consolidated revenues by region are broken down as follows:

- revenues in Europe totalled Euro 277.3 million, up 1.5%, principally following the improved sales of the Retail division on the Spanish, Portuguese and Turkish markets and of Wholesale sales in Spain, Italy and Portugal;
- revenues in the Americas reduced 4.3% to Euro 26.5 million, particularly due to the effect of the depreciation of the Brazilian Real on the sales of the Brazilian subsidiary;
- Rest of the World sales rose 32.0% to Euro 90.0 million, principally due to sales growth in Korea and of the Chinese subsidiary.

Sales by region	2015	2014	Change	Change %
Europe (including Italy)	277.3	273.1	4.2	1.5%
The Americas	26.5	27.7	(1.2)	-4.3%
Rest of the World	90.0	68.2	21.8	32.0%
Total	**393.8**	**369.1**	**24.7**	**6.7%**
Other revenues	9.2	6.5	2.7	41.8%
Consolidated revenues	**403.0**	**375.5**	**27.5**	**7.3%**

Consolidated Group revenues by business division

The following table outlines the financial highlights of the two divisions in 2015 and 2014 in millions of Euro:

	PRODUCTION AND SERVICE REVENUES			EBITDA			EBIT		
Group Divisions	2015	2014	Change %	2015	2014	Change %	2015	2014	Change %
Wholesale	**231.0**	**221.8**	4.1%	13.0	22.4	-42.0%	8.4	18.3	-54.1%
Retail	**184.9**	**168.7**	9.6%	18.9	11.2	68.8%	13.3	5.4	146.3%
Inter-company eliminations	**-12.9**	**-14.9**	-13.4%	-0.1	-0.2	-50.0%	-5.1	-5.2	-1.9%
Total	**403.0**	**375.5**	7.3%	**31.8**	**33.4**	-4.8%	**16.6**	**18.4**	-9.8%

Wholesale business

Wholesale division revenues reported further growth, thus surpassing the level achieved in 2014. Division revenues increased 4.1% to Euro 231.0 million, compared to Euro 221.8 million in 2014. The major growth across various markets - in particular Spain, Turkey, China and Korea - was however partially offset by the weakness in Russia, Brazil and the U.A.E. and the depreciation of a number of local currencies, such as the Turkish Lira and the Brazilian Real, which respectively impacted the significant real growth of the Turkish subsidiary and held back the development of sales by the Brazilian subsidiary.

Retail sales

The Group Retail network at December 31, 2015 comprised the following sales points:

	Directly owned stores			Stores under franchise			Total		
	2015	**2014**	**Change**	**2015**	**2014**	**Change**	**2015**	**2014**	**Change**
General Optica	198	196	2	57	55	2	255	251	4
Opmar Optik	74	56	18	0	0	0	74	56	18
Boots Opticians	461	448	13	178	181	-3	639	629	10
Total	**733**	**700**	**33**	**235**	**236**	**-1**	**968**	**936**	**32**

The network of Group stores comprises: General Optica, the leading chain of opticians on the Spanish market; Mais Optica, one of the main chains in Portugal; the Opmar Optik chain, the second largest retailer in Turkey; Boots Optical Investment Holdings Limited, the second largest chain of opticians on the British market, of which the De Rigo Group holds 42% (consolidated indirectly at Equity).

Retail sales, concerning General Optica, Mais Optica and Opmar Optik alone, totalled Euro 184.9 million, up 9.6% on Euro 168.7 million in 2014.

The commercial policies of the Spanish and Portuguese chain - after the restructurings of previous years - significantly boosted sales, while assisted also by a particularly strong local economy.
Opmar Optik continued its Retail expansion policy on the Turkish market, with the net opening of an additional 18 sales points.

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Consolidated costs

The principal operating costs reported the following movements (in thousands of Euro as per the financial statements):

Description	2015	2014	Cge. %
Personnel costs	113,045	106,684	6.0%
Raw materials, consumables and goods, adjusted by the change in the inventories of raw materials, consumables and goods and of the change in inventories of work in progress, semi-finished and finished goods.	148,385	130,453	13.7%
Service costs	82,428	80,378	2.6%
Rents, lease and similar	22,619	21,553	4.9%
Amortisation, depreciation & write-downs	16,635	16,118	3.2%
Provisions for risks, other provisions and other operating charges	6,879	6,532	5.3%
TOTAL COSTS OF PRODUCTION ADJUSTED BY THE CHANGE IN INVENTORIES	**389,990**	**361,717**	**7.8%**

The movements in operating costs related to:

Personnel costs: +6.0%, principally due to the increase in costs of De Rigo Vision S.p.A. and of the Turkish and Spanish retail chains, also due to the new sales point openings.

Raw material purchase costs and inventory changes: +13.7%, the account increased on the previous year due to a number of factors, mainly the increase in sales volumes and the increase of unitary costs due to the depreciation of the Euro against the US Dollar, which principally impacted the share of products purchased overseas.

Service costs: +2.6%, principally due to the increase in promotion, advertising, testimonial and trade fair costs.

Rents, lease and similar: +4.9%, principally following the increase in the cost for the rental of spaces following the rolling out of the sales point opening plan in Turkey and the indexing to the US Dollar of a number of Turkish store rental contracts.

Amortisation, depreciation and write-downs: +3.2%, following the investments incurred for the opening of sales points in Turkey.

Provisions for risks, other provisions and other operating charges: +5.3%, mainly due to the provision for restructuring costs of the sales networks of some group subsidiaries.

During the year, the Group undertook the following transactions with related parties:

Description	Financial receivables	Trade receivables	Other receivables	Financial payables	Other payables	Revenues	Costs	Financial income (charges)
DE RIGO HOLDING SRL	-	-	-	482	-	-	2	3
DE RIGO IMMOBILIARE SRL	-	-	10	-	-	10	67	-
SEWON I.T.C. CO. LTD.	-	4,789	-	-	36	15,833	334	-
AMSTERDAM PROPERTIES S.L.	-	-	8	-	-	5	169	-
BOOTS OPTICIANS*	-	1,337	1,868	-	906	7,900	358	28
MARR INTERNATIONAL GROUP LTD.	-	813	-	-	42	600	8	(38)
Total	-	**6,939**	**1,886**	**482**	**984**	**24,348**	**938**	**(7)**

*The chain Boots Opticians has in place an agreement with the company BBGR Ltd. for the supply and mounting of lenses and logistics management. Under this agreement, De Rigo Vision invoices the majority of orders received by the Boots Opticians chain to the company BBGR Ltd., which thereafter, once the requested service has been provided, invoices in turn Boots Opticians. Therefore, in order to provide a better representation for the reader, the items concerning BBGR are aggregated with those of Boots Opticians.

Payables to De Rigo Holding S.r.l. are of a financial nature and as a result of the loan granted by the parent company. Receivables and payables with other associates concern trade receivables.

Extraordinary and financial management and consolidated investments

Extraordinary and financial management reported Group net income of Euro 5.1 million compared to a charge of Euro 1.6 million in 2014.
This result was principally due to the combined effect of the positive contribution from the write-back of the investment in Boots Optical Investment Holding for Euro 17.1 million, the negative impact from the contribution to the deficit of the English pension fund for Euro 8.2 million and for Euro 2.4 million net financial charges, also concerning the English pension fund. The impact of exchange movements was substantially neutral, as in the previous year. The disposal of the English property complex, former headquarters of the Dollond & Aitchison chain, resulted in a gain of Euro 3.3 million.

The Group net financial position, in thousands of Euro, at year-end was as follows:

	2015	2014	Change
Bank deposits	76,599	49,645	26,954
Cash on hand and similar	571	549	22
Treasury shares	-	-	-
Cash and cash equivalents	77,170	50,194	26,976
Bonds and convertible bonds (within 12 months)	-	-	-
Shareholder loans (within one year)	(482)	(509)	27
Bank payables (within one year)	(11,344)	(6,355)	(4,989)
Other lenders (within one year)	(43)	(38)	(5)
Advances on foreign payments	-	-	-
Short-term portion of loans	-	-	-
Short-term financial payables	(11,869)	(6,902)	(4,967)
Short-term net financial position	**65,301**	**43,291**	**22,010**
Bonds and convertible bonds (over 12 months)	-	-	-
Shareholder loans (beyond one year)	-	-	-
Bank payables (beyond one year)	0	(230)	230
Other lenders (beyond one year)	(33)	(19)	(14)
Advances on foreign payments	-	-	-
Long-term portion of loans	-	-	-
Financial receivables	-	-	-
Net financial position - Medium/long-term	(33)	(249)	216
Net Financial Position	**65,268**	**43,042**	**22,226**

At the end of 2015, the Group reported a net cash position of Euro 65.3 million, compared to Euro 43.0 million in the previous year. The improved financial position is principally due to cash generated from operating activities of Euro 28.2 million, compared to Euro 35.7 million in the previous year, the gain on the disposal of fixed assets of Euro 5.6 million (Euro 0.6 million in 2014), despite the absorption of cash from gross investments for Euro 12.1 million, compared to Euro 7.7 million in 2014, and cash flow generated from financing activities for Euro 5.2 million, compared to an absorption of Euro 2 million in 2014.

The balance sheet reclassified to net capital employed is reported below, in thousands of Euro:

	2015	2014	Change
Trade receivables	72,252	70,865	1,387
Other receivables	44,409	46,667	(2,258)
Inventories	91,749	76,154	15,595
Current non-financial payables	(108,480)	(95,559)	(12,921)
A) Working capital	**99,930**	**98,127**	**1,803**
Net tangible and intangible assets	88,724	93,486	(4,762)
Investments	48,682	38,444	10,238
Non-current provisions and non-financial payables	(46,664)	(35,922)	(10,742)
B) Net fixed capital	**90,742**	**96,008**	**(5,266)**
A+B= Net capital employed	**190,672**	**194,135**	**(3,463)**
C) Net financial debt	**(65,268)**	**(43,042)**	**(22,226)**
Opening shareholders' equity	240,809	223,145	17,664
Treasury shares	-	-	-
Minority interest capital and reserves	442	1,104	(662)
Net Profit	14,689	12,928	1,761
D) Closing shareholders' equity	**255,940**	**237,177**	**18,763**
C+D = Total financial debt (cash) and shareholders' equity	**190,672**	**194,135**	**(3,463)**

Net investments for Euro 12.1 million refer principally to the opening of new sales points in Turkey and Spain and Group IT system investments, in addition to the upgrading of production plant at Group facilities.

Receivables were substantially in line with the previous year, while the increase in final inventories was principally due to the accelerated operating cycle of De Rigo Vision and the extension of the number of Retail division sales points.

The key earnings indicators are reported below (in millions of Euro):

Debt coverage index

The Group has a positive net financial position.

Return on sales (ROS):

	2015	2014
EBIT	16.6	18.4
Revenues	403.0	375.5
ROS %	**4.1%**	**4.9%**

Return on investment (ROI):

	2015	2014
EBIT	16.6	18.4
Net capital employed	190.7	194.1
ROI %	**8.7%**	**9.5%**

Return on equity (ROE):

	2015	2014
Net result	14.7	12.9
Net equity	255.5	236.1
ROE %	**5.8%**	**5.5%**

Consolidated tax charge

The Group reported an effective average tax rate of 36.8%, compared to 23.1% in the previous year. This significant increase is mainly due to the reduction of the Group's assessable income base following the increased proportion of tax losses incurred in foreign countries, against which the relative deferred tax assets had not been prudently recognised. This contribution, together with the adjustment to deferred tax assets following the change in the Italian rate, is reflected in an increased effective rate compared to the parent company's theoretical rate.

Social, political and trade union developments

Despite the challenging market and the difficult initiatives which the Group has needed to implement to contain costs (reduction of some overseas sales networks), again this year no difficulties were encountered with the trade unions or groups of workers, assisting therefore the harmonious operation of Group workplaces.

Personnel

The average Group workforce at December 31, 2015 and 2014, broken down by category and in FTE, is reported below:

Workforce	**2015**	**2014**	**Changes**
Executives	47	46	1
White-collar	2,199	2,088	111
Blue-collar	699	686	13
Other	133	103	30
Total	**3,078**	**2,923**	**155**

Other information

In accordance with Article 2428, paragraph 2, we report the following:

Research and development

The Group has always invested in aligning its production processes with the most advanced technological standards. The limited amount of technological developments on the market in recent times have restricted the need for significant industrial investment.

IT investments are increasingly important for our Group. The replacement of IT systems was extended also to other Group companies, which currently largely operate through a centralised SAP system. The activities to improve the level of computerisation of the sales networks in the countries in which the Group operates directly continued also in 2015. The intensive production research and development activities did not result in the capitalisation of costs, as mainly concerning individual product models, for which their utility is limited to the period of production of the model and is generally concentrated in a period of less than one year, or for the completion of plant and machinery for which these operations are outsourced and included in the acquisition cost of the asset.

Disclosure as per Article 2428, paragraph 2, point 6-bis of the Civil Code

In accordance with Article 2428, paragraph 2, point 6-bis of the Civil Code, the information concerning the use of financial instruments is detailed below, as relevant for the calculation of the company's equity and financial position.
Company management seek to hedge risks through the use of various types of existing beneficial financial instruments, to ensure that currency, interest rate and price risk are knowledgeably managed. Where risks may be covered through insurance, the Group undertakes the necessary policies. With regards to currency risks, the company usually hedges its currency surplus/deficit so as to minimise the economic effect.

In particular:

Credit Risk

The credit risk deriving from normal Group operations with commercial counterparties is managed and controlled within the procedures for the allocation and monitoring of client credit standings. Credit management activities are coordinated through reporting and periodic meetings concerning all Group companies.

The amount and measurement criteria for the Doubtful debt provision at the reporting date are outlined in the Explanatory Notes.
At the reporting date, any significant concentrations of credit risk have been monitored, with appropriate write-down provisions established where necessary.

Liquidity and cash flow risk

The majority of Group receivables are short-term. For some receivables for which late payment was considered as a potential insolvency indicator, the Group has already provisioned for the relative risk. The Group does not have significant exposures which may compromise its liquidation capacity.

The following is also noted:

- debt instruments or other lines of credit to service liquidity requirements are in place;
- the Group holds financial assets for which a liquid market does not exist, but from which financial cash flows are expected (capital or interest) which will be available to satisfy liquidity needs;
- various sources of financing exist;
- there is no significant concentration of liquidity risk, either from financial assets or from financing sources.

Market risk

A sensitivity indication at the reporting date is provided below, highlighting the effects of possible changes on the income statement in relation to the significant risk variables for each of the following components:

interest rate risk: the Group is exposed to interest rate risk from financial payables to credit institutions. As this debt is indexed to the Euribor rate, any change results in a positive or negative impact on the income statement. Management consider that the exposure to this risk is marginal in comparison to the amount of business generated.

currency risk: the Group undertakes commercial transactions (purchase and sale of goods) in currencies other than the Euro (principally the US Dollar, GB Sterling, Brazilian Real, Turkish Lira, Chinese Renminbi and Japanese Yen). The currency hedging policy therefore seeks to minimise the differences generated between the budget exchange rate and that relating to commercial transactions for the purchase or sale of goods and services in foreign currencies (receipts or payments). The derivative instruments utilised by the company to hedge currency risk principally concern options and forward contracts.

price risks: very few raw materials utilised by the company have historically reported significant price changes. These changes do not have significant impacts on the income statement.

The environment

The Group has always operated in compliance with environmental regulations, putting in place all actions necessary to align production standards with those required by the applicable regulations.

Parent company De Rigo S.p.A. overview

Parent Company Income Statement

Parent company revenues increased 6.2% to Euro 7.3 million, compared to Euro 6.9 million in 2014, following the increase in royalties received on brand licenses across all goods categories in which the brands are present.

EBIT rose 14.1% to Euro 5.7 million, from Euro 5.0 million in 2014.
The net profit amounted to Euro 0.2 million, compared to Euro 1.4 million in 2014.

The income statement reports the key operating figures of the parent company De Rigo S.p.A. (in thousands of Euro), reclassified for an improved understanding of operating events:

	2015	2014	Cge. %
NET SALES REVENUES	7,346	6,919	6.2%
Sold product cost	(288)	(286)	0.7%
GROSS PROFIT	**7,058**	**6,633**	**6.4%**
Advertising & promotion costs	(48)	(178)	-73.0%
Sales costs	(13)	(13)	0%
General & administrative costs	(1,293)	(1,442)	-10.3%
OPERATING COSTS	(1,354)	(1,633)	-17.1%
EBIT	**5,704**	**5,000**	**14.1%**
Interest income	44	65	-32.3%
Interest charges	-	-	0.0%
Other non-operating income (charges)	(3,516)	(2,000)	75.8%
OTHER REVENUES (COSTS)	(3,472)	(1,935)	79.4%
PROFIT BEFORE TAXES	**2,232**	**3,065**	**-27.2%**
INCOME TAXES	(2,034)	(1,688)	20.5%
NET PROFIT/LOSS BEFORE MINORITY INTERESTS	**198**	**1,377**	**-85.6%**

Costs of the Parent Company

The principal operating costs reported the following movements (in thousands of Euro as per the financial statements):

Description	2015	2014	Cge. %
Personnel costs	-	-	0.0%
Raw materials, consumables and goods, adjusted by the change in the inventories of raw materials, consumables and goods and of the change in inventories of work in progress, semi-finished and finished goods.	2	2	-4.2%
Service costs	1,045	1,268	-17.6%
Rents, lease and similar	-	-	0.0%
Amortisation, depreciation & write-downs	560	565	-0.9%
Provisions for risks, other provisions and other operating charges	116	113	2.6%
TOTAL COSTS OF PRODUCTION ADJUSTED BY THE CHANGE IN INVENTORIES	**1,723**	**1,948**	**-11.6%**

The account is substantially in line with 2014.

During the year, the company undertook the following transactions with related parties:

Description	Financial receivables	Trade receivables	Other receivables	Financial payables	Other payables	Revenues	Costs	Financial income (charges)
DE RIGO VISION S.p.A.	21,003	576	-	1,033	281	4,046	281	-
Total	**21,003**	**576**	**-**	**1,033**	**281**	**4,046**	**281**	**-**

Financial management and investments of the parent company De Rigo S.p.A

Net financial charges of Euro 44 thousand were reported, in line with the previous year.

Extraordinary items in 2014 included the write-down of Euro 2 million of the investment in De Rigo ve Sesa Grup Gozluk Sanayi Ticaret A.S.; in 2015 the account included the allocation to the share capital increase provision of the Turkish subsidiary De Rigo Ve Sesa Group Gozluk.

	2015	2014	Change
Bank deposits	39	72	(33)
Cash on hand and similar	0	1	(1)
Treasury shares	-	-	-
Cash and cash equivalents	40	73	(33)
Bonds and convertible bonds (within 12 months)	-	-	-
Shareholder loans (within one year)	-	-	-
Bank payables (within one year)	-	-	-
Other lenders (within one year)	(281)	(275)	(6)
Advances on foreign payments	-	-	-
Short-term portion of loans	-	-	-
Loans to subsidiaries	21,003	17,091	3,912
Short-term financial receivables (payables)	**20,723**	**16,816**	**3,907**
Short-term net financial position	**20,762**	**16,889**	**3,873**
Bonds and convertible bonds (over 12 months)	-	-	-
Shareholder loans (beyond one year)	-	-	-
Bank payables (beyond one year)	-	-	-
Other lenders (beyond one year)	-	-	-
Advances on foreign payments	-	-	-
Long-term portion of loans	-	-	-
Financial receivables	-	-	-
Net financial position - Medium/long-term	-	-	-
Net Financial Position	**20,762**	**16,889**	**3,873**

At December 31, 2015, De Rigo S.p.A. reported a net cash position of Euro 20.8 million, increasing on Euro 16.9 million at December 31, 2014.

The balance sheet reclassified to net capital employed is reported below, in thousands of Euro:

	2015	2014	Change
Trade receivables	1,483	1,164	319
Other receivables	1,324	2,035	(711)
Inventories	-	-	-
Current non-financial payables	(822)	(1,580)	758
A) Working capital	**1,985**	**1,619**	**366**
Net tangible and intangible assets	5,577	6,003	(426)
Financial assets	(0)	0	(1)
Investments	206,618	206,618	(0)
Non-current provisions and non-financial payables	(3,629)	(14)	(3,615)
B) Net fixed capital	**208,565**	**212,607**	**(4,042)**
A+B= Net capital employed	**210,551**	**214,226**	**(3,676)**
C) Net financial debt	**(20,762)**	**(16,889)**	**(3,873)**
Opening shareholders' equity	231,115	229,738	1,377
Treasury shares	-	-	-
Minority interest capital and reserves	-	-	-
Net Profit	198	1,377	(1,179)
D) Closing shareholders' equity	**231,313**	**231,115**	**198**
C+D = Total financial debt (cash) and shareholders' equity	**210,551**	**214,226**	**(3,675)**

For further information, reference should be made to the Explanatory Notes.

The key earnings indicators are reported below (in millions of Euro):

Debt coverage index

The company has a positive net financial position.

Return on sales (ROS)

	2015	2014
EBIT	5.7	5.0
Revenues	7.3	6.9
ROS %	**78.1%**	**72.3%**

Return on investment (ROI)

	2015	2014
EBIT	5.7	5.0
Net capital employed	210.6	214.2
ROI %	**2.7%**	**2.3%**

Return on equity (ROE):

	2015	2014
Net result	0.2	1.4
Net equity	231.3	231.1
ROE %	**0.1%**	**0.6%**

Parent Company tax charge

The company reported an effective average tax rate of 68.1%, compared to 55.1% in the previous year.

Human resources

The company did not have any employees in the years 2015 and 2014.

Subsequent events and outlook

Strong performances were reported across the various markets in which the Group operates in the initial months of 2016, despite the continued significant degree of uncertainty. The temporary strengthening of the Euro against the Dollar should have a positive impact on non-Eurozone procurement costs, although a part of these benefits are offset by lower revenues following the conversion of sales in US Dollars.

In the initial months of 2016, the sales numbers of the Spanish chain have continued to grow week after week, indicating therefore another strong year.

The wholesale division undertook a reorganisation of the production structure, adjusting therefore the excess production capacity to group needs. This has required, in an initial phase, a request to introduce a voluntary incentivised mobility programme at the Italian facilities.

Investment programmes have however been prudently maintained at a limited level, giving greater space to maintenance and replacement rather than any major expansion focused investment.
Recent terrorism has contributed to consumption instability, resulting in uncertain customer footfall at the Turkish network stores.

Privacy regulation (Legislative Decree No. 196/2003)

In accordance with Attachment B, point 26, of Legislative Decree 196/2003 in relation to the protection of personal data, the directors report that the Company has introduced adequate measures for the protection of personal data. In particular, the protection of Personal Data Document, filed at the registered office and freely available, was drawn up on March 31, 2005 and updated on March 21, 2016.

Further information

No atypical or unusual transactions were undertaken with related parties.
With regards to any investments held by directors, statutory auditors or general managers, reference should be made to the Explanatory Notes.

The information provided sets out a true, balanced and exhaustive analysis of the company's position, performance and operating results, overall and among the various sectors in which it operates, also through subsidiaries.

Proposal for the approval of the financial statements and the allocation of the net profit

It is proposed that the Shareholders’ Meeting allocates the net profit of the parent company De Rigo S.p.A. of Euro 198 thousand to the extraordinary reserve.

The Chairman of the Board of Directors
Ennio De Rigo Piter

The undersigned ENNIO DE RIGO PITER, Chairman of the Board of Directors of the company De Rigo S.p.A., declares that the present electronic document conforms to that transcribed and signed in the company’s accounting records.