



**MONCLER**



**Half-Year Financial Report  
as of June 30, 2016**

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## CORPORATE INFORMATION

### REGISTERED OFFICE

Moncler S.p.A.  
Via Enrico Stendhal, 47  
20144 Milan – Italy  
Phone: + 39 02 422041

### ADMINISTRATIVE OFFICE

Via Venezia, 1  
35010 Trebaseleghe (Padua) – Italy  
Phone: +39 049 9323111  
Fax: +39 049 9323339

### LEGAL INFORMATION

Authorized and issued share capital Euro 50,034,498.60  
VAT, Tax Code and Chamber of Commerce enrollment No.: 04642290961  
Iscr. R.E.A. Milan No. 1763158

### OFFICE AND SHOWROOM

Milano Via Solari, 33  
Milano Via Stendhal, 47  
Parigi Rue du Faubourg St. Honoré, 7  
New York 568 Broadway suite 306  
Tokyo 5-4-46 Minami-Aoyama Omotesando Minato-Ku

## CORPORATE BODIES

### BOARD OF DIRECTORS

Remo Ruffini	Chairman
Virginie Morgon <sup>(2)</sup>	
Nerio Alessandri <sup>(1)</sup>	
Vivianne Akriche <sup>(3)</sup>	
Sergio Buongiovanni	
Marco De Benedetti <sup>(1) (2) (3) (4) (5)</sup>	
Gabriele Galateri di Genola <sup>(1) (3)</sup>	
Diva Moriani <sup>(1) (2) (4)</sup>	
Stephanie Phair <sup>(1)</sup>	
Guido Pianaroli <sup>(1) (4)</sup>	
Luciano Santel	

### BOARD OF STATUTORY AUDITORS

Mario Valenti	Chairman
Antonella Suffriti	Regular Auditor
Raoul Francesco Vitulo	Regular Auditor
Lorenzo Mauro Banfi	Alternate Auditor
Stefania Bettoni	Alternate Auditor

### EXTERNAL AUDITORS

KPMG S.p.A.

(1) Independent Director

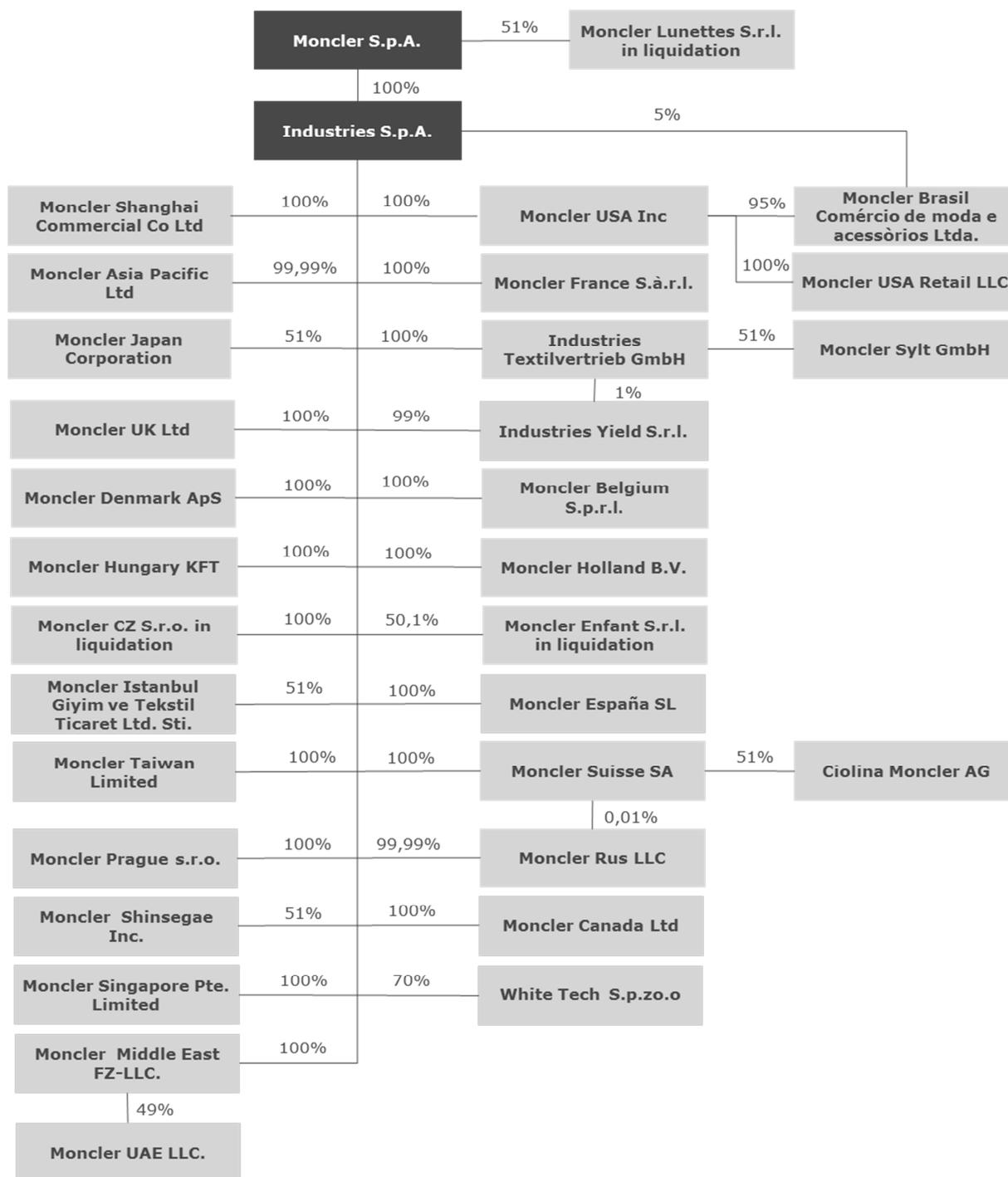
(2) Nomination and Remuneration Committee

(3) Control, Risks and Sustainability Committee

(4) Related Parties Committee

(5) Lead Independent Director

## ORGANIZATIONAL CHART AS OF JUNE 30, 2016



## GROUP STRUCTURE

The Half-year Financial Report as of June 30, 2016 includes Moncler S.p.A. (Parent Company), Industries S.p.A. and 31 consolidated subsidiaries in which the Parent Company holds, directly or indirectly, a majority of the voting rights, or over which it exercises control from which it is able to derive benefits by virtue of its power to govern both on a financial and an operating aspects.

<b>Moncler S.p.A.</b>	Parent company which holds the Moncler brand
<b>Industries S.p.A.</b>	Sub-holding company, directly involved in the management of foreign companies and distribution channels (DOS, Showroom) in Italy and licensee of the Moncler brand
<b>Industries Textilvertrieb GmbH</b>	Company that manages DOS and promotes goods in Germany and Austria
<b>Moncler Belgium S.p.r.l.</b>	Company that manages DOS in Belgium
<b>Moncler Denmark ApS</b>	Company that manages DOS in Denmark
<b>Moncler España SL</b>	Company that manages DOS in Spain
<b>Moncler France S.à.r.l.</b>	Company that manages DOS and promotes goods in France
<b>Moncler Istanbul Giyimve Tekstil Ticaret Ltd. Sti.</b>	Company that manages DOS in Turkey
<b>Moncler Holland B.V.</b>	Company that manages DOS in the Netherlands
<b>Moncler Hungary KFT</b>	Company that manages DOS in Hungary
<b>Moncler Prague s.r.o.</b>	Company that manages DOS in the Czech Republic
<b>Moncler Rus LLC</b>	Company that manages DOS in Russia
<b>Moncler Suisse SA</b>	Company that manages DOS in Switzerland
<b>Ciolina Moncler AG</b>	Company that manages DOS in Switzerland
<b>Moncler Sylt GmbH</b>	Company that manages DOS in Sylt
<b>Moncler UK Ltd</b>	Company that manages DOS in the United Kingdom
<b>Moncler Brasil Comércio de moda e acessórios Ltda.</b>	Company that manages DOS in Brazil
<b>Moncler Canada Ltd</b>	Company that manages DOS in Canada
<b>Moncler USA Inc</b>	Company promotes and distributes goods in North America

<b>Moncler USA Retail LLC</b>	Company that manages DOS in North America
<b>Moncler Asia Pacific Ltd</b>	Company that manages DOS in Hong Kong and in Macau
<b>Moncler Japan Corporation</b>	Company that manages DOS and distributes and promotes goods in Japan
<b>Moncler Shanghai Commercial Co. Ltd</b>	Company that manages DOS in China
<b>Moncler Shinsegae Inc.</b>	Company that manages DOS and distributes and promotes goods in Korea
<b>Moncler Singapore Pte. Limited</b>	Company that manages DOS in Singapore
<b>Moncler Taiwan Limited</b>	Company that manages DOS in Taiwan
<b>Moncler Enfant S.r.l. in liquidation</b>	Company that distributed and promoted goods from the Moncler Baby and Junior brand
<b>Moncler Lunettes S.r.l. in liquidation</b>	Company that was responsible for coordinating the production and marketing of products in the Moncler eyewear brand
<b>White Tech Sp.zo.o.</b>	Company that manages quality control of down
<b>Moncler CZ S.r.o. in liquidation</b>	Not operating company in liquidation
<b>Moncler Middle East FZ-LLC</b>	Not operating company, that will manage retail activities
<b>Moncler UAE LLC.</b>	Not operating company, that will manage DOS in the United Arab Emirates
<b>Industries Yield S.r.l.</b>	Company that manufactures apparel products

# HALF-YEAR DIRECTORS' REPORT

Financial results analysis

Significant events occurred during the first six months of 2016

Significant events occurred after June 30, 2016

Outlook

Related parties transactions

Atypical and/or unusual transactions

Treasury shares

## FINANCIAL RESULTS ANALYSIS

## CONSOLIDATED INCOME STATEMENT

Following are the consolidated income statements for the first half of Fiscal Year 2016 and 2015.

<b>Consolidated income statement</b>				
(Euro/000)	<b>First Half 2016</b>	<b>% on Revenues</b>	<b>First Half 2015</b>	<b>% on Revenues</b>
<b>Revenues</b>	<b>346,462</b>	<b>100.0%</b>	<b>295,789</b>	<b>100.0%</b>
<i>YoY growth</i>	+17%		+35%	
Cost of sales	(89,661)	(25.9%)	(80,783)	(27.3%)
<b>Gross margin</b>	<b>256,801</b>	<b>74.1%</b>	<b>215,006</b>	<b>72.7%</b>
Selling expenses	(128,902)	(37.2%)	(102,489)	(34.6%)
General & Administrative expenses	(44,113)	(12.7%)	(37,920)	(12.8%)
Advertising & Promotion	(24,790)	(7.2%)	(20,835)	(7.0%)
<b>EBIT Adjusted</b>	<b>58,996</b>	<b>17.0%</b>	<b>53,762</b>	<b>18.2%</b>
<i>YoY growth</i>	+10%		+53%	
Non-recurring items <sup>1</sup>	(5,527)	(1.6%)	(5,819)	(2.0%)
<b>EBIT</b>	<b>53,469</b>	<b>15.4%</b>	<b>47,943</b>	<b>16.2%</b>
<i>YoY growth</i>	+12%		+44%	
Net financial result <sup>2</sup>	(3,512)	(1.0%)	3,146	1.1%
<b>EBT</b>	<b>49,957</b>	<b>14.4%</b>	<b>51,089</b>	<b>17.3%</b>
Taxes	(16,370)	(4.7%)	(16,946)	(5.7%)
<i>Tax Rate</i>	32.8%		33.2%	
<b>Net Income</b>	<b>33,587</b>	<b>9.7%</b>	<b>34,143</b>	<b>11.5%</b>
Non-controlling interests	5	0.0%	(103)	(0.0%)
<b>Net Income, Group share</b>	<b>33,592</b>	<b>9.7%</b>	<b>34,040</b>	<b>11.5%</b>
<i>YoY growth</i>	-1%		+88%	
<hr/>				
<b>EBITDA Adjusted</b>	<b>78,345</b>	<b>22.6%</b>	<b>70,920</b>	<b>24.0%</b>
<i>YoY growth</i>	+10%		+53%	

EBITDA is not a recognized measure of financial performance under IFRS, but it is a measure commonly used by both management and investors when evaluating the operating performance of the Group. EBITDA is defined as EBIT (Operating income) plus depreciation and amortization.

<sup>1</sup> Non-cash costs related to stock based compensation plans and, in First Half 2015, also extraordinary costs related to the Other Brands Division.

<sup>2</sup> First half 2016: FX Gain/(Losses) (1,439) thousand euros;  
Other financial items (2,073) thousand euros.  
First half 2015: FX Gain/(Losses) 5,925 thousand euros;  
Other financial items (2,779) thousand euros.

## CONSOLIDATED REVENUES

In the first half of fiscal year 2016, Moncler recorded **revenues of 346.5 million euros**, an **increase of 17% at constant and current exchange rates** compared to revenues of 295.8 million euros in the same period of 2015.

Revenues by Region							
(Euro/000)	First Half 2016		First Half 2015		%	YoY growth reported	YoY growth constant currencies
Italy	54,172	15.6%	51,442	17.4%		+5%	+5%
EMEA (excl. Italy)	105,845	30.5%	98,896	33.4%		+7%	+8%
Asia & Rest of the World	133,920	38.7%	102,722	34.7%		+30%	+30%
Americas	52,525	15.2%	42,729	14.5%		+23%	+20%
<b>Total Revenues</b>	<b>346,462</b>	<b>100.0%</b>	<b>295,789</b>	<b>100.0%</b>		<b>+17%</b>	<b>+17%</b>

In the first half of 2016, Moncler recorded positive performances in all its markets, confirming trends seen in the first quarter of this fiscal year.

In **Asia & Rest of the World**, revenues increased 30% at constant and current exchange rates. All markets showed positive trends, similar to those recorded in the first quarter of this fiscal year. In particular, Mainland China and Japan have recorded above average growth, driven by the retail stores. Very good performance also in Korea, where Moncler opened a retail store in Seoul Incheon airport at the end of June, confirming the importance of the travel retail channel for the future development of the brand.

In the **Americas**, the company recorded revenue growth of 20% at constant exchange rates and 23% at current exchange rates, due to solid growth in both channels. The performance of the retail network was driven by solid organic growth, which accelerated in Q2, and by new openings.

In **EMEA**, Moncler achieved growth of 8% at constant exchange rates and 7% at current exchange rates. The increase was broadly consistent across all markets, in particular United Kingdom and Germany showed good results. Uncertainty persists in France, where the continued slowdown of tourist flows has been partly offset by the positive trends in local demand.

In **Italy** revenues rose 5%, driven by good results in both distribution channels, particularly retail stores.

Revenues by Distribution Channel						
(Euro/000)	First Half 2016	%	First Half 2015	%	YoY growth reported	YoY growth constant currencies
Retail	245,885	71.0%	201,358	68.1%	+22%	+22%
Wholesale	100,577	29.0%	94,431	31.9%	+7%	+6%
<b>Total Revenues</b>	<b>346,462</b>	<b>100.0%</b>	<b>295,789</b>	<b>100.0%</b>	<b>+17%</b>	<b>+17%</b>

In the first six months of 2016, revenues from the **retail distribution channel** were 245.9 million euros compared to 201.4 million euros in the same period of 2015, representing an increase of 22% at constant and current exchange rates. This performance was due to good organic growth and the continued development of our network of mono-brand retail stores (Directly Operated Stores, DOS).

The Group achieved Comparable Store Sales Growth<sup>3</sup> of 5% in the first half of 2016, with positive results in all markets where Moncler is present.

The **wholesale channel** recorded revenues of 100.6 million euros compared to 94.4 million euros in the first half of 2015, an increase of 6% at constant exchange rates and 7% at current exchange rates, supported by a good performance in the North American market.

### **Mono-brand Stores Distribution Network**

As at 30 June 2016, Moncler's mono-brand distribution network consisted of **179 retail directly operated stores (DOS)**, an increase of 6 units compared to 31 December 2015 (of which 4 units have been opened in the second quarter), and **36 wholesale shop-in-shops**, an increase of 2 units compared to 31 December 2015 (both opened in the second quarter).

	30/06/2016	31/12/2015	Net Openings First Half 2016
<b>Retail</b>	<b>179</b>	<b>173</b>	<b>6</b>
Italy	19	19	-
EMEA (excl. Italy)	54	53	1
Asia & Rest of the World	85	82	3
Americas	21	19	2
<b>Wholesale</b>	<b>36</b>	<b>34</b>	<b>2</b>
<b>Total Mono-brand</b>	<b>215</b>	<b>207</b>	<b>8</b>

<sup>3</sup> *Comparable Store Sales Growth* is based on sales growth in DOS (excluding outlets) which have been opened for at least 52 weeks and in the online store; stores that have been extended and/or relocated are excluded from the calculation.

## CONSOLIDATED OPERATING RESULTS

In the first half of 2016, the consolidated **gross margin was 256.8 million euros**, equivalent to 74.1% of revenues compared to 72.7% in the same period of 2015. This improvement was mainly attributable to the growth in the retail channel.

**Selling expenses were 128.9 million euros**, equivalent to 37.2% of revenues compared to 34.6% in the same period of 2015; this increase, primarily linked to the expansion of the retail channel, includes a 3 million euros net costs related to rents for stores yet to be opened. **General and administrative expenses were 44.1 million euros**, equivalent to 12.7% of revenues compared to 12.8% in the first half of 2015. **Advertising expenses were 24.8 million euros**, representing 7.2% of revenues compared to 7.0% in the first half of 2015.

**Adjusted EBITDA<sup>4</sup> rose to 78.3 million euros**, compared to 70.9 million euros in the first six months of 2015, resulting in an EBITDA margin of 22.6% compared to 24.0% in the first half of 2015.

**Adjusted EBIT<sup>4</sup> was 59.0 million euros**, compared to 53.8 million euros in the first six months of 2015, resulting in an EBIT margin of 17.0% (18.2% in the first half of 2015). Including non-recurring costs, EBIT was 53.5 million euros, representing an EBIT margin of 15.4% compared to 16.2% in the first half of 2015.

Non-recurring costs include non-cash costs related to the Moncler stock option plans equal to 5.5 million euros. In the first half of 2015, non-recurring costs of 5.8 million euros also included the effect of a revised valuation of receivables related to the sale of the "Other Brands Division" equal to 3 million euros.

**Net Income, Group share was 33.6 million euros**, equivalent to 9.7% of revenues, compared to 34.0 million euros in the same period of 2015.

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<sup>4</sup> Before non-recurring costs related to stock based incentive plans and, in the first half of 2015, the effect of a revised valuation on receivables related to the "Other Brands Division" sale.

## FINANCIAL POSITION

Following is the reclassified consolidated statement of financial position as of June 30, 2016, December 31, 2015 and June 30, 2015.

<b>Reclassified consolidated statement of financial position</b>			
(Euro/000)	<b>30/06/2016</b>	<b>31/12/2015</b>	<b>30/06/2015</b>
Intangible Assets	421,720	423,596	414,040
Tangible Assets	113,648	102,234	86,327
Other Non-current Assets/(Liabilities)	19,885	13,671	7,664
<b>Total Non-current Assets</b>	<b>555,253</b>	<b>539,501</b>	<b>508,031</b>
Net Working Capital	79,045	110,876	91,763
Other Current Assets/(Liabilities)	(3,150)	(43,683)	(244)
<b>Total Current Assets</b>	<b>75,895</b>	<b>67,193</b>	<b>91,519</b>
<b>Invested Capital</b>	<b>631,148</b>	<b>606,694</b>	<b>599,550</b>
Net Debt	84,936	49,595	175,347
Pension and Other Provisions	8,896	10,292	8,382
Shareholders' Equity	537,316	546,807	415,821
<b>Total Sources</b>	<b>631,148</b>	<b>606,694</b>	<b>599,550</b>

**Net Working Capital was 79.0 million euros**, compared to 110.9 million euros at December 31, 2015 and 91.8 million euros at June 30, 2015, equivalent to 8% of last-twelve-months revenues, compared to 12% as of June 30, 2015. This improvement has been largely driven by better management of inventories and receivables.

<b>Net working capital</b>			
(Euro/000)	<b>30/06/2016</b>	<b>31/12/2015</b>	<b>30/06/2015</b>
Accounts receivables	57,215	89,782	59,355
Inventory	178,511	134,063	175,167
Accounts payables	(156,681)	(112,969)	(142,759)
<b>Net working capital</b>	<b>79,045</b>	<b>110,876</b>	<b>91,763</b>
<i>% on Last Twelve Months Revenues</i>	<i>8%</i>	<i>13%</i>	<i>12%</i>

**Net Financial Debt at June 30, 2016 was 84.9 million euros** compared to 49.6 million euros at December 31, 2015, and 175.3 million euros at June 30, 2015, confirming the improvement of the financial position, even in a period of cash absorption due to the seasonality of the business.

<b>Net financial debt</b>			
(Euro/000)	<b>30/06/2016</b>	<b>31/12/2015</b>	<b>30/06/2015</b>
Cash and cash equivalents	(115,786)	(148,603)	(102,110)
Long-term borrowings, net	101,627	127,016	150,920
Short-term borrowings, net	99,095	71,182	126,537
<b>Net financial debt</b>	<b>84,936</b>	<b>49,595</b>	<b>175,347</b>

## CASH FLOW STATEMENT

Following is the reclassified consolidated statement of cash flow for first half 2016 and 2015:

<b>Reclassified consolidated statement of cash flow</b>		
<b>(Euro/000)</b>	<b>First Half 2016</b>	<b>First Half 2015</b>
EBITDA Adjusted	78,345	70,920
Change in NWC	31,831	5,328
Change in other curr./non-curr. assets/(liabilities)	(48,143)	(56,007)
Capex, net	(28,919)	(21,574)
<b>Operating Cash Flow</b>	<b>33,114</b>	<b>(1,333)</b>
Net financial result	(3,512)	3,146
Taxes	(16,370)	(16,946)
<b>Free Cash Flow</b>	<b>13,232</b>	<b>(15,133)</b>
Dividends paid	(34,883)	(30,403)
Changes in equity and other changes	(13,690)	(18,656)
<b>Net Cash Flow</b>	<b>(35,341)</b>	<b>(64,192)</b>
Net Financial Position - Beginning of Period	49,595	111,155
Net Financial Position - End of Period	84,936	175,347
<b>Change in Net Financial Position</b>	<b>(35,341)</b>	<b>(64,192)</b>

**Free Cash Flow** in the first half of 2016, including the investments made in the period, was positive and equal to **13.2 million euros**, compared to cash absorption of 15.1 million euros in the same period of 2015.

**Net Capital Expenditure** was **28.9 million euros** in the first six months of 2016, compared to 21.6 million euros in the same period of 2015. The increase is mainly due to investments made in the retail channel, particularly relating to the opening of important flagships in London, New York and Seoul.

<b>Capex</b>		
<b>(Euro/000)</b>	<b>First Half 2016</b>	<b>First Half 2015</b>
Retail	22,577	14,862
Wholesale	1,120	1,359
Corporate	5,222	5,353
<b>Capex</b>	<b>28,919</b>	<b>21,574</b>

### Disclaimer

This document contains forward-looking statements, in particular in the sections headed “Outlook” and “Significant events occurred after June 30, 2016” relating to future events and the operating income and financial results of the Moncler Group. These statements are based on the Group’s current expectations and forecasts regarding future events and, by their nature involve risks and uncertainties since they refer to events and depend on circumstances which may, or may not, happen or occur in the future and, as such, they must not be unduly relied upon. The actual results could differ significantly from those contained in these statements due to a variety of factors, including the conditions and in economic growth and other changes in business environment on the legal and institutional framework (both in Italy and abroad), and many other factors, most of which are beyond the Group’s control.

## **SIGNIFICANT EVENTS OCCURRED DURING THE FIRST SIX MONTHS OF 2016**

### **SHARE PURCHASES PLAN**

On February 2, 2016, Moncler launched a share purchases plan in implementation of the shareholders' meeting resolution of April 23, 2015, pursuant to arts. 2357 and 2357-ter of the Italian Civil Code. The treasury shares acquired in implementation of this resolution shall be used to establish a “stock of shares” that may be used to meet obligations deriving from possible programs for the distribution, against payment or free of charge, of the Company's stock options or shares to directors, employees and associates of the Company or its subsidiaries.

Under the aforementioned share purchases plan completed on February 12, 2016 Moncler bought 1,000,000 Company shares, equal to 0.4% of the current share capital, for a total amount of 12.8 million euros.

### **PRODUCTION UNIT IN ROMANIA**

On March 24, 2016 Moncler, through its Romanian subsidiary Industries Yield Srl, finalised the process of establishing a manufacturing unit in Romania by hiring approximately 600 employees.

This follows the Group's purchase of another manufacturing unit in 2015 and is part of a wider industrial project which aims to further consolidate Moncler's significant know-how in down jackets and to expand its direct production capacity.

The operation involves a total investment of approximately 5.0 million euros and includes investments to be made over the next months in new industrial and manufacturing technologies. This is in addition to the 1.5 million euro investment already made in 2015.

### **DIVIDENDS**

During the ordinary session, shareholders approved the 2015 Moncler S.p.A financial statements and approved a dividend distribution of Euro 0.14 per share, with a coupon date of May 23, 2016. On May 25, 2016 dividends have been paid for a total amount of Euro 34,882,539.02.

### **2016 – 2018 PERFORMANCE SHARES PLAN**

Based on the favorable opinion of the Nomination and Remuneration Committee and putting into effect the resolutions adopted by the Shareholders' Meeting of April 20, 2016, at its meeting held on May 10 and June 27, 2016, the Board of Directors resolved to implement the stock grant plan denominated “2016-2018 Performance Shares Plan” approved by that Shareholders' Meeting and, as a consequence, resolved also the granting of 2,856,000 shares to 94 beneficiaries.

Detailed information on the decisions adopted by the Board of Directors concerning the implementation of the “2016-2018 Performance Shares Plan” will be published within the time period and by the means prescribed by article 84-bis of the Regulation adopted by CONSOB by way of Resolution no. 11971 of May 14, 1999 as amended.

#### “OTHER BRANDS” DIVISION

With regard to disputes relating to the disposal of the “Other Brands” division (which took place in November 2013) and the disagreements relating to the interpretation and execution of the terms of the sale agreement, which resulted in an application to the London Court of Arbitration, in April 2016 the parties resolved all the disputes by mutual consent based on an agreement which settled all existing receivables and payables, including those arising from the “supply and service agreement”. The outcome of this transaction did not have any effect on the result of the period.

#### TAX AUDITS

Within the scope of the ordinary course of tax audits of large taxpayers, the subsidiary Industries S.p.A. was subject to a tax audit for the years 2011 to 2014. The audit began on October 29, 2015 and ended on June 28, 2016, with the delivery of the tax audit report which, being an interim document, does not constitute a claim according to which the company has to pay any specific amount.

The objections set forth in the report mainly relate to transfer prices connected with the transfer of goods and provision of services to foreign affiliates, all of which operate in countries with ordinary tax regimes, where the transactions being challenged were taxed in full. In fact, the Group does not implement any tax optimisation policies and all the profits generated are subject to tax in Italy or in countries where taxation is comparable to Italian taxation, if not higher, and with which Italy has double taxation treaties.

The calculation of the transfer prices, as all evaluation activities, is marked by a high degree of subjectivity. Therefore, it is not possible to exclude, a priori, that a new calculation, even if performed in compliance with the applicable legislation and principles, may lead to a different result from that adopted by the Company.

The Group believes that it has always operated in full compliance with Italian tax legislation and the tax legislation of the other countries in which it operates, and is therefore confident that it will be able to assert its rights in all relevant venues.

## **SIGNIFICANT EVENTS OCCURRED AFTER JUNE 30, 2016**

No significant events occurred after June 30, 2016.

## **OUTLOOK**

Notwithstanding the uncertain macro-economic and geopolitical environment, the Group is forecasting a scenario of growth also in 2016, based on clear strategic guidelines.

### **INTERNATIONAL DEVELOPMENT**

Moncler's strategy in recent years has been to focus on international growth, while always keeping strong control of the business and maintaining a direct dialogue with its customers, both in the wholesale and in the retail channel.

### **SELECTIVE EXPANSION OF PRODUCT CATEGORIES**

Moncler is working on a selective expansion in product categories that are complementary to its core business and where the Group can be readily recognized for having and developing strong know-how.

### **FOCUS ON CUSTOMERS**

Developing a direct relationship with its customers by establishing an ongoing dialogue with them and being able to anticipate their needs and desires are the pillars of Moncler's strategy with regards to customers.

### **BRAND EQUITY REINFORCEMENT**

Moncler has a unique heritage which is its core asset and pervades its strategy. Heritage, quality, uniqueness and consistency are the values that define and distinguish every Moncler product.

### **SUSTAINABLE DEVELOPMENT**

Moncler is committed to sustainable and responsible long-term development, taking care of stakeholders' expectations and focusing on shared value creation.

## **RELATED PARTIES TRANSACTIONS**

Information regarding transactions with related parties are provided in Note 10.1 of the Half-Year Condensed Consolidated Financial Statements.

## **ATYPICAL AND/OR UNUSUAL TRANSACTIONS**

There are no positions or transactions deriving from atypical and / or unusual transactions that could have a significant impact on the results and financial position of the Group.

## **TREASURY SHARES**

Moncler owns 1,000,000 Company shares, equal to 0.4% of the current share capital, for a total amount of 12.8 million euros.

Milan, 27 July 2016

For the Board of Directors

The Chairman

**Remo Ruffini**

# **HALF- YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

Half-year consolidated statements

Notes to the half-year condensed consolidated financial statements as of June 30, 2016

# HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

<b>Consolidated income statement</b>					
(Euro/000)	Notes	1H 2016	of which related parties (note 10.1)	1H 2015	of which related parties (note 10.1)
Revenue	4.1	346,462	252	295,789	245
Cost of sales	4.2	(89,661)	(4,410)	(80,783)	(4,492)
<b>Gross margin</b>		<b>256,801</b>		<b>215,006</b>	
Selling expenses	4.3	(128,902)	(466)	(102,489)	(451)
General and administrative expenses	4.4	(44,113)	(3,043)	(37,920)	(3,072)
Advertising and promotion expenses	4.5	(24,790)		(20,835)	
Non recurring income/(expenses)	4.6	(5,527)	(2,545)	(5,819)	(1,432)
<b>Operating result</b>	<b>4.7</b>	<b>53,469</b>		<b>47,943</b>	
Financial income	4.8	251		6,079	
Financial expenses	4.8	(3,763)		(2,933)	
<b>Income before taxes</b>		<b>49,957</b>		<b>51,089</b>	
Income taxes	4.9	(16,370)		(16,946)	
<b>Net Income</b>		<b>33,587</b>		<b>34,143</b>	
Net income, Group share		33,592		34,040	
Non-controlling interests		(5)		103	
<b>Earnings per share (unit of Euro)</b>	5.16	<b>0.13</b>		<b>0.14</b>	
<b>Diluted earnings per share (unit of Euro)</b>	5.16	<b>0.13</b>		<b>0.14</b>	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<b>Consolidated statement of comprehensive income</b>			
(Euro/000)	Notes	1H 2016	1H 2015
<b>Net profit (loss) for the period</b>		<b>33,587</b>	<b>34,143</b>
Gains/(Losses) on fair value of hedge derivatives	5.16	(2,916)	(105)
Gains/(Losses) on exchange differences on translating foreign operations	5.16	1,848	1,532
<b>Items that are or may be reclassified to profit or loss</b>		<b>(1,068)</b>	<b>1,427</b>
Other Gains/(Losses)	5.16	(199)	80
<b>Items that will never be reclassified to profit or loss</b>		<b>(199)</b>	<b>80</b>
<b>Other comprehensive income/(loss), net of tax</b>		<b>(1,267)</b>	<b>1,507</b>
<b>Total Comprehensive income/(loss)</b>		<b>32,320</b>	<b>35,650</b>
<b>Attributable to:</b>			
Group		32,325	35,530
Non controlling interests		(5)	120

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<b>Consolidated statement of financial position</b>					
(Euro/000)	Notes	June 30, 2016	of which related parties (note 10.1)	December 31, 2015	of which related parties (note 10.1)
Brands and other intangible assets - net	5.1	266,138		268,014	
Goodwill	5.1	155,582		155,582	
Property, plant and equipment - net	5.3	113,648		102,234	
Other non-current assets	5.9	23,899		22,676	
Deferred tax assets	5.4	73,345		65,970	
<b>Non-current assets</b>		<b>632,612</b>		<b>614,476</b>	
Inventories and work in progress	5.5	178,511		134,063	
Trade account receivables	5.6	57,215	18,744	89,782	7,013
Income taxes	5.12	16,195		4,155	
Other current assets	5.9	21,252		20,985	
Financial current assets	5.8	2,162		0	
Cash and cash equivalent	5.7	115,786		148,603	
<b>Current assets</b>		<b>391,121</b>		<b>397,588</b>	
<b>Total assets</b>		<b>1,023,733</b>		<b>1,012,064</b>	
Share capital	5.16	50,034		50,025	
Share premium reserve	5.16	108,765		108,284	
Other reserves	5.16	344,281		219,986	
Net result, Group share	5.16	33,592		167,863	
<b>Equity, Group share</b>		<b>536,672</b>		<b>546,158</b>	
<b>Non controlling interests</b>		<b>644</b>		<b>649</b>	
<b>Equity</b>		<b>537,316</b>		<b>546,807</b>	
Long-term borrowings	5.15	101,627		127,016	
Provisions non-current	5.13	3,935		5,688	
Pension funds and agents leaving indemnities	5.14	4,961		4,604	
Deferred tax liabilities	5.4	68,622		68,753	
Other non-current liabilities	5.11	8,737		6,222	
<b>Non-current liabilities</b>		<b>187,882</b>		<b>212,283</b>	
Short-term borrowings	5.15	101,257		71,182	
Trade account payables	5.10	156,681	23,923	112,969	8,445
Income taxes	5.12	9,180		36,613	
Other current liabilities	5.11	31,417	1,642	32,210	2,696
<b>Current liabilities</b>		<b>298,535</b>		<b>252,974</b>	
<b>Total liabilities and equity</b>		<b>1,023,733</b>		<b>1,012,064</b>	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Consolidated statement of changes in equity (Euro/000)	Notes	Share capital	Share premium	Legal reserve	Other comprehensive income		Other reserves			Result of the period, Group share	Equity, Group share	Equity, non controlling interest	Total consolidated Net Equity
					Cumulative translation reserve	Other OCI items	IFRS 2 reserve	FTA reserve	Retained earnings				
<b>Group shareholders' equity at January 1, 2015</b>	<b>5.16</b>	<b>50,000</b>	<b>107,040</b>	<b>10,000</b>	<b>(637)</b>	<b>(975)</b>	<b>4,522</b>	<b>1,242</b>	<b>117,973</b>	<b>130,338</b>	<b>419,503</b>	<b>1,071</b>	<b>420,574</b>
Allocation of Last Year Result		0	0	0	0	0	0	0	130,338	(130,338)	0	0	0
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	0	0
Dividends		0	0	0	0	0	0	0	(30,014)	0	(30,014)	(389)	(30,403)
Share capital increase		24	1,202	0	0	0	0	0	0	0	1,226	0	1,226
Other movements in Equity		0	0	0	0	0	2,714	(1,242)	(12,698)	0	(11,226)	0	(11,226)
Other changes of comprehensive income		0	0	0	1,515	(25)	0	0	0	0	1,490	17	1,507
Result of the period		0	0	0	0	0	0	0	0	34,040	34,040	103	34,143
<b>Group shareholders' equity at June 30, 2015</b>	<b>5.16</b>	<b>50,024</b>	<b>108,242</b>	<b>10,000</b>	<b>878</b>	<b>(1,000)</b>	<b>7,236</b>	<b>0</b>	<b>205,599</b>	<b>34,040</b>	<b>415,019</b>	<b>802</b>	<b>415,821</b>
<b>Group shareholders' equity at January 1, 2016</b>	<b>5.16</b>	<b>50,025</b>	<b>108,284</b>	<b>10,000</b>	<b>3,581</b>	<b>(40)</b>	<b>11,129</b>	<b>0</b>	<b>195,316</b>	<b>167,863</b>	<b>546,158</b>	<b>649</b>	<b>546,807</b>
Allocation of Last Year Result		0	0	300	0	0	0	0	167,563	(167,863)	0	0	0
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	0	0
Dividends		0	0	0	0	0	0	0	(34,883)	0	(34,883)	0	(34,883)
Share capital increase		9	481	0	0	0	0	0	0	0	490	0	490
Other movements in Equity		0	0	0	0	0	5,383	0	(12,801)	0	(7,418)	0	(7,418)
Other changes of comprehensive income		0	0	0	1,848	(3,115)	0	0	0	0	(1,267)	0	(1,267)
Result of the period		0	0	0	0	0	0	0	0	33,592	33,592	(5)	33,587
<b>Group shareholders' equity at June, 2016</b>	<b>5.16</b>	<b>50,034</b>	<b>108,765</b>	<b>10,300</b>	<b>5,429</b>	<b>(3,155)</b>	<b>16,512</b>	<b>0</b>	<b>315,195</b>	<b>33,592</b>	<b>536,672</b>	<b>644</b>	<b>537,316</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated statement of cash flows	1H 2016	of which related parties	1H 2015	of which related parties
(Euro/000)				
<b>Cash flow from operating activities</b>				
Consolidated result	33,587		34,143	
Depreciation and amortization	19,349		17,158	
Net financial (income)/expenses	3,513		2,779	
Other non cash (income)/expenses	5,383		2,714	
Income tax expenses	16,370		16,946	
Changes in inventories - (Increase)/Decrease	(44,478)		(52,346)	
Changes in trade receivables - (Increase)/Decrease	34,995	(11,731)	27,238	(16,490)
Changes in trade payables - Increase/(Decrease)	41,925	15,478	30,436	16,174
Changes in other current assets/liabilities	3,098	(1,054)	(4,742)	(627)
<b>Cash flow generated/(absorbed) from operating activities</b>	<b>113,742</b>		<b>74,326</b>	
Interest and other bank charges paid	(976)		(1,911)	
Interest received	239		154	
Income tax paid	(62,343)		(67,038)	
Changes in other non-current assets/liabilities	(6)		(3,490)	
<b>Net cash flow from operating activities (a)</b>	<b>50,656</b>		<b>2,041</b>	
<b>Cash flow from investing activities</b>				
Purchase of tangible and intangible fixed assets	(29,578)		(22,416)	
Proceeds from sale of tangible and intangible fixed assets	659		842	
<b>Net cash flow from investing activities (b)</b>	<b>(28,919)</b>		<b>(21,574)</b>	
<b>Cash flow from financing activities</b>				
Repayment of borrowings	(24,612)		(33,844)	
Proceeds from borrowings	0		31,808	
Short term borrowings variation	23,121		31,435	
Dividends paid to shareholders	(34,883)		(30,014)	
Dividends paid to non-controlling interests	0		(389)	
Share capital increase	490		1,226	
Treasury Shares variation	(12,801)		0	
Other changes in Net Equity	(3,511)		(1,379)	
<b>Net cash flow from financing activities (c)</b>	<b>(52,196)</b>		<b>(1,157)</b>	
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>(30,459)</b>		<b>(20,690)</b>	
<b>Cash and cash equivalents at the beginning of the period</b>	<b>146,081</b>		<b>122,400</b>	
Effect of exchange rate changes	164		0	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(30,459)</b>		<b>(20,690)</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>115,786</b>		<b>101,710</b>	

On behalf of the Board of Directors of Moncler S.p.A.

The Chairman  
**Remo Ruffini**

# EXPLANATORY NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2016

## 1. GENERAL INFORMATION ABOUT THE GROUP

### 1.1. THE GROUP AND ITS CORE BUSINESS

The parent company Moncler S.p.A. is a company established and domiciled in Italy. The address of the registered office is Via Stendhal 47 Milan, Italy, and its registration number is 04642290961.

The Half-year Condensed Consolidated Financial Statements as of June 30, 2016 (“Half-year Consolidated Financial Statements”) include the parent company and the subsidiaries (hereafter referred to as the “Group”).

To date, the Group's principal activities are the study, design, production and distribution of clothing for men, women and children and related accessories under the Moncler brand name.

### 1.2. BASIS FOR THE PREPARATION OF THE HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

#### 1.2.1. RELEVANT ACCOUNTING PRINCIPLES

The Half-year Consolidated Financial Statements as of June 30, 2016 have been prepared in accordance with Art. 154-ter of Legislative Decree 58 of February 24, 1998 (“Testo Unico della Finanza – TUF”), as amended, and in conformity with IAS 34. They do not include all the information that would be necessary for the yearly consolidated financial statements and should be read together with consolidated financial statements as December 31, 2015, which were prepared in accordance with the international financial reporting standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union. The term “IFRS” is also used to refer to all revised international accounting standards (“IAS”), all interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), formerly known as the Standing Interpretations Committee (“SIC”).

It should be noted that the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows are prepared in accordance and are the same as those used in the consolidated financial statements as of and for the year ended December 31, 2015. The following notes to the consolidated financial statements are presented in a summary format and do not include all the information required in an annual set of financial statements. It should be noted, as required by IAS 34, in order to avoid duplicating the information already provided, the notes refer exclusively to the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and

the consolidated statement of cash flows, whose nature and changes are essential in order to understand the financial position and results of operations of the Group.

The Half-year Consolidated Financial Statements as of June 30, 2016 are made up of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes thereto. The comparative information included in these consolidated financial statements, as required by IAS 34, compares December 31, 2015 for the consolidated statement of financial position and the half-year ended June 30, 2015 for the consolidated changes in equity, the consolidated statement of income, the consolidated statement of comprehensive income and the consolidated statement of cash flows.

#### 1.2.2. PRESENTATION OF THE FINANCIAL STATEMENTS

The Group presents the consolidated income statement by destination, the method that is considered most representative for the business. This method is in fact consistent with the internal reporting and management of the business.

With reference to the consolidated statement of financial position, a basis of presentation has been chosen which makes a distinction between current and non-current assets and liabilities, in accordance with the provisions of paragraph 60 and thereafter of IAS 1.

The consolidated statement of cash flows is prepared under the indirect method.

According to the provisions of IAS 24 and Consob, the next few paragraphs describe related party transactions with the Group and their impact, if significant, on the consolidated statement of financial position, results of operations and cash flows.

#### 1.2.3. BASIS FOR PREPARATION

The Half-year Consolidated Financial Statements have been prepared on the historical cost basis except for the measurement of certain financial instruments (i.e. derivative measured at fair value) and on a going concern basis.

The Half-year Consolidated Financial Statements are presented in Euro thousand, which is the functional currency of the markets where the Group mainly operates.

#### 1.2.4. USE OF ESTIMATES

The preparation of Half-year Consolidated Financial Statements and the related notes in conformity with IFRS requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date. The estimates and related assumptions are based on historical experience and other relevant factors. The actual results could differ from those estimates. The estimates and underlying assumptions are reviewed periodically and any variations are reflected in the consolidated income statement in the period in which the estimate is revised if the revision affects only that period or even in subsequent periods if the revision affects both current and future periods.

In the event that management's estimate and judgment had a significant impact on the amounts recognized in the Half-year Consolidated Financial Statements or in case that there is a risk of future adjustments on the amounts recognized for assets and liabilities in the period immediately after the reporting date, the following notes will include the relevant information.

The estimates pertain mainly to the following items of the consolidated financial statements:

- impairment of non-current assets and goodwill;
- impairment of trade receivables (bad debt provision);
- impairment of inventories (obsolescence provision);
- recoverability of deferred tax assets;
- provision for losses and contingent liabilities.

#### IMPAIRMENT OF NON-CURRENT ASSETS AND GOODWILL

Non-current assets include property, plant and equipment, intangible assets with indefinite useful life and goodwill, investments and other financial assets.

Management periodically reviews non-current assets for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is estimated based on the present value of future cash flows expected to derive from the asset or from the sale of the asset itself, at a suitable discount rate.

When the recoverable amount of a non-current asset is less than its carrying amount, an impairment loss is recognized immediately in profit or loss and the carrying amount is reduced to its recoverable amount determined based on value-in-use calculation or its sale's value in an arm's length transaction, with reference to the most recent Group business plan.

#### IMPAIRMENT OF TRADE RECEIVABLES

The bad debt provision represents management's best estimate of the probable loss for unrecoverable trade receivables. A provision for impairment is determined based on expected losses arising from doubtful debt taking into consideration the original credit terms, the economic environment and the company's historical trend together with the monitoring controls in place.

#### IMPAIRMENT OF INVENTORY

The Group manufactures and sells mainly clothing goods that are subject to changing consumer demands and fashion trends. Inventory impairment represents management's best estimate for losses arising from the sales of aged products, taking into consideration their saleability through the Group's distribution channels.

RECOVERABILITY OF DEFERRED TAX ASSETS

The Group is subject to income taxes in numerous jurisdictions. Judgment is required in determining the provision for income taxes in each territory. The Group recognizes deferred tax assets when there is a reasonable expectation of realisation within a period that is consistent with management estimation and business plans.

PROVISION FOR LOSSES AND CONTINGENT LIABILITIES

The Group is subject to legal and tax litigations arising in the countries where it operates. Litigations are inevitably subject to risk and uncertainties surrounding the events and circumstances associated with the claims and associated with local legislation and jurisdiction. In the normal course of the business, management requests advice from the Group legal consultants and tax experts. The recognition of a provision is based on management's best estimate when an outflow of resources is probable to settle the obligation and the amount can be estimated with reliability. In those circumstances where the outflow of resources is possible or the amount of the obligation cannot be measured with sufficient reliability, the contingent liabilities is disclosed in the notes to the Half-year Consolidated Financial Statements.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES USED IN THE PREPARATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The accounting policies set out below have been applied consistently as at and for the half-year ended June 30, 2016 and are the same used for the preparation of the consolidated financial statements as of and for the year ended December 31, 2015, to which refer for a detailed description.

### **2.1. ACCOUNTING STANDARDS AND RECENTLY PUBLISHED INTERPRETATIONS**

In addition to those referred to in the Consolidated Financial Statements for 2015 which should be consulted, below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union which were adopted as of January 1, 2015.

#### IMPROVEMENTS TO IFRS (2010-2012 CYCLE)

This document introduces amendments to IFRS 2 – Share-based Payment (new definitions of a vesting condition and a market condition and additional definitions of a performance condition and a service condition), IFRS 3 – Business Combinations (clarifications of certain aspects regarding the classification and measurement of contingent consideration, with the resulting amendments to IAS 39 and IAS 37), IFRS 8 – Operating Segments (new disclosure requirements are introduced for segment aggregation and clarifications are provided on the reconciliation of total segment assets), IFRS 13 – Fair Value Measurement (clarifications on short-term receivables and payables with no stated interest rates), IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible Assets (a clarification that if the revaluation model is used, adjustments to accumulated depreciation or amortisation are not always proportional to the adjustment of the gross carrying amount) and IAS 24 – Related Party Disclosures (clarifications on management entities and the relevant disclosures required).

#### DEFINED BENEFIT PLANS: EMPLOYEE CONTRIBUTIONS (AMENDMENTS TO IAS 19)

The aim of this amendment to IAS 19 is to enable entities to simplify their accounting for defined benefit plans if the contributions made by employees or third parties satisfy specific requirements.

#### ACCOUNTING FOR ACQUISITIONS OF INTERESTS IN JOINT OPERATIONS (AMENDMENTS TO IFRS 11)

In May 2014, the IASB issued amendments to IFRS 11 - Joint arrangements: Accounting for acquisitions of interests in joint operations which clarifies the accounting for acquisitions of an interest in a joint operation that constitutes a business.

AGRICULTURE: BEARER PLANTS (AMENDMENTS TO IAS 16 AND IAS 41)

This amendment introduces the possibility of accounting for bearer plants under IAS 16 rather than under IAS 41.

CLARIFICATION ON ACCEPTABLE METHODS OF DEPRECIATION (AMENDMENTS TO IFRS 16 AND TO IAS 38)

In May 2014, the IASB issued an amendment to IAS 16 - Property, Plant and Equipment and to IAS 38 – Intangible Assets. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The IASB also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

IMPROVEMENTS TO IFRS (2012-2014 CYCLE)

In September 2014 the IASB issued the Annual Improvements to IFRSs 2012-2014 cycle, a series of amendments to IFRSs in response to issues raised mainly on IFRS 5 - Non-current assets held for sale and discontinued operations, on the changes of method of disposal, on IFRS 7 - Financial Instruments: Disclosures on the servicing contracts, on the IAS 19 - Employee Benefits, on the discount rate determination.

DISCLOSURE INITIATIVE (AMENDMENTS TO IAS 1)

In December 2014 the IASB issued amendments to IAS 1- Presentation of Financial Statements as part of its major initiative to improve presentation and disclosure in financial reports. The amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.

EQUITY METHOD IN THE SEPARATE FINANCIAL STATEMENTS (AMENDMENTS TO IAS 27 (2011))

This document introduces the option of using the equity method even in the separate financial statements.

The adoption of the interpretations and standards did not have significant impact on the half-year condensed consolidated financial statements of the Group.

Please note that the Group has not early adopted the new standards, amendments or interpretations that have been issued but not yet effective.

## 2.2. EXCHANGE RATES

The main exchange rates used to translate in Euro the financial statements of foreign subsidiaries as at and for half-year period ended June 30, 2016 are as follows:

	Average rate		Rate at the end of the period		Rate at the end of the period	
	I half 2016	I half 2015	As at 30 June 2016	As at 30 June 2015	As at 31 December 2015	As at 31 December 2014
AED	4.096610	4.096720	4.075544	4.107482	3.996618	n/a
BRL	4.129550	3.310150	3.589800	3.469900	4.311700	3.220700
CAD	1.484400	1.377400	1.438400	1.383900	1.511600	1.406300
CHF	1.096050	1.056730	1.086700	1.041300	1.083500	1.202400
CNY	7.296460	6.940810	7.375500	6.936600	7.060800	7.535800
CZK	27.039600	27.502100	27.131000	27.253000	27.023000	27.735000
DKK	7.449720	7.456160	7.439300	7.460400	7.462600	7.445300
GBP	0.778769	0.732325	0.826500	0.711400	0.733950	0.778900
HKD	8.668400	8.651700	8.613500	8.674000	8.437600	9.417000
HUF	312.714000	307.506000	317.060000	314.930000	315.980000	315.540000
JPY	124.414000	134.204000	114.050000	137.010000	131.070000	145.230000
KRW	1,318.920000	1,227.310000	1,278.480000	1,251.270000	1,280.780000	1,324.800000
MOP	8.931760	8.911150	8.873309	8.935279	8.691862	n/a
PLN	4.368800	4.140900	4.436200	4.191100	4.263900	4.273200
RON	4.495550	n/a	4.523400	n/a	4.524000	n/a
RUB	78.296800	64.640700	71.520000	62.355000	80.673600	72.337000
SGD	1.539970	n/a	1.495700	n/a	1.541700	n/a
TRY	3.259270	2.862650	3.206000	2.995300	3.176500	2.832000
TWD	36.546800	34.815800	35.765800	34.548700	35.790800	38.413300
USD	1.115940	1.115790	1.110200	1.118900	1.088700	1.214100

### 3. SCOPE OF CONSOLIDATION

As at June 30, 2016 the Half-year Consolidated Financial Statements of the Moncler Group include the parent company Moncler S.p.A. and 32 consolidated subsidiaries as detailed in the following table:

Investments (in associates for consolidation)	Registered office	Share capital	Currency	% of ownership	Parent company
Moncler S.p.A.	Milan (Italy)	50,034,499	EUR		
Industries S.p.A.	Milan (Italy)	15,000,000	EUR	100.00%	Moncler S.p.A.
Moncler Enfant S.r.l. in liquidation	Milan (Italy)	200,000	EUR	50.10%	Industries S.p.A.
Industries Textilvertrieb GmbH	Munich (Germany)	700,000	EUR	100.00%	Industries S.p.A.
Moncler España S.L.	Madrid (Spain)	50,000	EUR	100.00%	Industries S.p.A.
Moncler Asia Pacific Ltd	Hong Kong (China)	300,000	HKD	99.99%	Industries S.p.A.
Moncler France S.à.r.l.	Paris (France)	8,000,000	EUR	100.00%	Industries S.p.A.
Moncler USA Inc	New York (USA)	1,000	USD	100.00%	Industries S.p.A.
Moncler UK Ltd	London (United Kingdom)	2,000,000	GBP	100.00%	Industries S.p.A.
Moncler Japan Corporation (*)	Tokyo (Japan)	195,050,000	JPY	51.00%	Industries S.p.A.
Moncler Shanghai Commercial Co. Ltd	Shanghai (China)	31,797,714	CNY	100.00%	Industries S.p.A.
Moncler Suisse SA	Chiasso (Switzerland)	3,000,000	CHF	100.00%	Industries S.p.A.
Ciolina Moncler SA	Berna (Switzerland)	100,000	CHF	51.00%	Moncler Suisse SA
Moncler Belgium S.p.r.l.	Bruxelles (Belgium)	500,000	EUR	100.00%	Industries S.p.A.
Moncler Denmark ApS	Copenhagen (Denmark)	2,465,000	DKK	100.00%	Industries S.p.A.
Moncler Holland B.V.	Amsterdam (Holland)	18,000	EUR	100.00%	Industries S.p.A.
Moncler Hungary KFT	Budapest (Hungary)	150,000,000	HUF	100.00%	Industries S.p.A.
Moncler CZ S.r.o.	Praga (Czech Republic)	1,000,000	CZK	100.00%	Industries S.p.A.
Moncler Lunettes S.r.l. in liquidation	Milan (Italy)	300,000	EUR	51.00%	Moncler S.p.A.
Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti. (*)	Istanbul (Turkey)	50,000	TRY	51.00%	Industries S.p.A.
Moncler Sylt GmbH (*)	Hamm (Germany)	100,000	EUR	51.00%	Industries Textilvertrieb GmbH
Moncler Rus LLC	Moscow (Russian Federation)	220,000,000	RUB	99.99%	Industries S.p.A.
Moncler Brasil Comércio de moda e acessórios Ltda.	Sao Paulo (Brazil)	6,280,000	BRL	0.01%	Moncler Suisse SA
Moncler Taiwan Limited	Taipei (China)	10,000,000	TWD	95.00%	Moncler USA Inc
Moncler Canada Ltd	Vancouver (Canada)	1,000	CAD	5.00%	Industries S.p.A.
Moncler Prague s.r.o.	Praga (Czech Republic)	200,000	CZK	100.00%	Industries S.p.A.
White Tech Sp.zo.o.	Katowice (Poland)	369,000	PLD	100.00%	Industries S.p.A.
Moncler Shinsegae Inc. (*)	Seoul (South Korea)	5,000,000,000	KRW	70.00%	Industries S.p.A.
Moncler Middle East FZ-LLC	Dubai (United Arab Emirates)	50,000	AED	51.00%	Industries S.p.A.
Moncler USA Retail LLC	New York (USA)	15,000,000	USD	100.00%	Industries S.p.A.
Moncler Singapore PTE, Limited	Singapore	650,000	SGD	100.00%	Moncler USA Inc
Industries Yield S.r.l.	Bacau (Romania)	7,536,000	RON	100.00%	Industries S.p.A.
Moncler UAE LLC (*)	Abu Dhabi (United Arab Emirates)	1,000,000	AED	99.00%	Industries S.p.A.
				49.00%	Industries S.p.A.

(\*) Fully consolidated (without attribution of interest to third parties)

As far as the scope of consolidation is concerned, the following changes occurred during the first half of 2016 when compared to December 31, 2015:

- Moncler UAE LLC was established in the first quarter of 2016 and it was included in the consolidation scope starting from the date of its establishment.

There are not subsidiaries excluded from the consolidation area.

## 4. COMMENTS ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

### 4.1. REVENUES

#### REVENUES BY DISTRIBUTION CHANNEL

Revenue per distribution channels are broken down as follows:

(Euro/000)	1H 2016	%	1H 2015	%
Total revenues	346,462	100.0%	295,789	100.0%
of which:				
Wholesale	100,577	29.0%	94,431	31.9%
Retail	245,885	71.0%	201,358	68.1%

Sales are made through two main distribution channels, wholesale and retail. The retail channel pertains to stores that are directly managed by the Group (free-standing stores, concessions, e-commerce and outlets), while the wholesale channel pertains to stores managed by third parties either single-brand (i.e. shop-in-shop) or multi-brand (corner or space reserved within department stores).

In the first six months of 2016, revenues from the retail distribution channel were Euro 245.9 million compared to Euro 201.4 million in the same period of 2015, representing an increase of 22%. This performance was due to good organic growth and the continued development of our network of mono-brand retail stores (Directly Operated Stores, DOS).

The wholesale channel recorded revenues of Euro 100.6 million compared to Euro 94.4 million in the first half of 2015, an increase of 7%, supported by a good performance in the North American market.

#### REVENUES BY REGION

Sales are broken down by region as reported in the following table:

Revenues by region - (Euro/000)						
(Euro/000)	1H 2016	%	1H 2015	%	2016 vs 2015	%
Italy	54,172	15.6%	51,442	17.4%	2,730	5.3%
EMEA, Italy excluded	105,845	30.6%	98,896	33.4%	6,949	7.0%
Asia and rest of world	133,920	38.7%	102,722	34.7%	31,198	30.4%
Americas	52,525	15.2%	42,729	14.4%	9,796	22.9%
<b>Total</b>	<b>346,462</b>	<b>100.0%</b>	<b>295,789</b>	<b>100.0%</b>	<b>50,673</b>	<b>17.1%</b>

In the first half of 2016, the Group recorded positive performances in all its markets, confirming the trend of the first quarter of the fiscal year.

In Asia and rest of the world, revenues increased 30.4%. All markets showed positive trends, similar to those recorded in the first quarter of this fiscal year. In particular, Mainland China and Japan have recorded above average growth, driven by the retail stores. Very good performance also in Korea, where the Group opened a retail store in Seoul Incheon airport at the end of June, confirming the importance of the travel retail channel for the future development of the brand.

In the Americas, the Group recorded revenue growth of 22.9%, due to solid growth in both channels. The performance of the retail network was driven by solid organic growth, which accelerated in Q2, and by new openings.

In EMEA, the Group achieved growth of 7.0%. The increase was broadly consistent across all markets, in particular United Kingdom and Germany showed good results. Uncertainty persists in France, where the continued slowdown of tourist flows has been partly offset by the positive trends in local demand.

In Italy revenues rose 5.3%, driven by good results in both distribution channels, particularly retail stores.

#### 4.2. COST OF SALES

In the first half of 2016, cost of sales grew by Euro 8.9 million (+11.0%) in absolute terms, from Euro 80.8 million in the first half of 2015 to Euro 89.7 million in the first half of 2016. This overall growth is due to increased sales volumes and the growth of the retail channel. Cost of sales as a percentage of sales has decreased from 27.3% in the first half of 2015 to 25.9% in the first half of 2016. This decrease is due to the fact that the retail channel has increased its importance in the total sales from 68.1% in the first half of 2015 to 71.0% in the first half of 2016, on total sales.

#### 4.3. SELLING EXPENSES

Selling expenses grew both in absolute terms, with an increase of Euro 26.4 million between the first half of 2016 and the first half of 2015, and as a percentage of sales, from 34.6% in the first half of 2015 to 37.2% in the first half of 2016 due to the development of the retail business. Selling expenses mainly include rent costs for Euro 57.8 million, personnel costs for Euro 34.2 million and costs for depreciation and amortization for Euro 16.8 million.

#### 4.4. GENERAL AND ADMINISTRATIVE EXPENSES

In the first half of 2016, general and administrative expenses amount to Euro 44.1 million, with an increase of Euro 6.2 million compared to the same period last year. General and administrative expenses as a percentage of sales remains almost constant (12.7% in the first half of 2016 compared to 12.8 % in the first half of 2015).

#### 4.5. ADVERTISING AND PROMOTION EXPENSES

Also during 2016, the Group continued to invest in marketing and advertising in order to support and spread awareness and the prestige of the Moncler brand. The weight of advertising expenses on turnover is equal to 7.2% for the first half of 2016 (7.0% for the first half of 2015), while in absolute value, it goes from Euro 20.8 million for the first half of 2015 to Euro 24.8 million for the first half of 2016, with an absolute change of Euro 4.0 million (+19.0%).

#### 4.6. NON RECURRING INCOME/(EXPENSES)

The item non recurring income and expenses for the first half of 2016 includes for the total amount, equal to Euro 5.5 million, the costs related to the stock based compensation plans approved by the Shareholder' Meeting of Moncler on February 28, 2014, on April 23, 2015 and on April 20, 2016 (Euro 2.8 in the first half of 2015).

The item in the first half of 2015 included, in addition of the costs related to the above-mentioned plans, the effect of a revised valuation of receivables related to the sale of the "Other Brands Division", for the residual amount. Please refer to the Half-year Directors' Report for more information about the resolution of all the disputes relating to the disposal of the "Other Brands" division.

The description of the stock based compensation plans and the related costs is included in note 10.2.

#### 4.7. OPERATING RESULT

For the first half of 2016, the operating result of the Group amounted to Euro 53.5 million (Euro 47.9 million for the same period of the last year) and as a percentage of revenues amounts to 15.4% (16.2% for the same period in the last year).

The operating result for the first half of 2016, net of non-recurring costs, amounted to Euro 59.0 (Euro 53.8 for the same period of 2015), and 17.0% as a percentage of revenue (18.2% for the same period of 2015), up in absolute value by Euro 5.2 million.

Management believes that EBITDA is an important indicator for the valuation of the Group's performance, insofar as it is not influenced by the methods for determining tax or amortisation/depreciation. However, EBITDA is not an indicator defined by the reference accounting standards applied by the Group and, therefore, it may be that the methods by which EBITDA is calculated are not comparable with those used by other companies.

EBITDA is calculated as follows:

(Euro/000)	1H 2016	1H 2015	2016 vs 2015	%
<b>Operating result</b>	<b>53,469</b>	<b>47,943</b>	<b>5,526</b>	<b>11.5%</b>
Non recurring income and expenses	5,527	5,819	(292)	-5.0%
<b>Operating result net of non recurring income and expenses</b>	<b>58,996</b>	<b>53,762</b>	<b>5,234</b>	<b>9.7%</b>
Amortization, depreciation and	19,349	17,158	2,191	12.8%
<b>EBITDA</b>	<b>78,345</b>	<b>70,920</b>	<b>7,425</b>	<b>10.5%</b>

In the first half of 2016, EBITDA increased by Euro 7.4 million (+10.5%), from Euro 70.9 million (24.0% of revenue) for the first half of 2015 to Euro 78.3 million (22.6% of revenue) for the first half of 2016.

Amortisation and depreciation for the first half of 2016 amounted to Euro 19.3 million (Euro 17.2 million for the same period of 2015) and grew by Euro 2.2 million.

#### 4.8. FINANCIAL INCOME AND EXPENSES

The item is broken down as follows:

(Euro/000)	1H 2016	1H 2015
Interest income and other financial income	251	154
Foreign currency differences - positive	0	5,925
<b>Total financial income</b>	<b>251</b>	<b>6,079</b>
Interests expenses and other financial charges	(2,324)	(2,933)
Foreign currency differences - negative	(1,439)	0
<b>Total financial expenses</b>	<b>(3,763)</b>	<b>(2,933)</b>
<b>Total net</b>	<b>(3,512)</b>	<b>3,146</b>

#### 4.9. INCOME TAX

The income tax effect on the consolidated income statement is as follows:

(Euro/000)	1H 2016	1H 2015
Current income taxes	(21,835)	(32,662)
Deferred tax (income) expenses	5,465	15,716
<b>Income taxes charged in the income statement</b>	<b>(16,370)</b>	<b>(16,946)</b>

#### 4.10. PERSONNEL EXPENSES

The following table lists the detail of the main personnel expenses by nature, compared with those of the same period of the previous year:

(Euro/000)	1H 2016	1H 2015
Wages and salaries	40,920	32,652
Social security costs	7,934	6,305
Accrual for employment benefits	2,591	1,983
<b>Total</b>	<b>51,445</b>	<b>40,940</b>

The remuneration related to the members of the Board of Directors is commented separately in the related party section.

The costs relating to the stock based compensation plans, equal to Euro 5.4 million (Euro 2.7 million in the first half of 2015) are separately commented in paragraph 10.2.

The following table reports the number of employees (full-time-equivalent, FTE) for the first half of 2016 compared to the same period of last year:

Average FTE by area	1H 2016	1H 2015
Number		
Italy	649	581
Other European countries	862	298
Asia and Japan	750	592
Americas	215	140
<b>Total</b>	<b>2,476</b>	<b>1,611</b>

The actual number of FTEs of the Group as at June 30, 2016 is 2,755 (1,576 as at June 30, 2015).

The total number of employees increased principally as a result of the openings of new directly operated stores, the incorporation of the manufacturing unit in Romania and the overall growth of the structure.

#### 4.11. DEPRECIATION AND AMORTIZATION

Depreciation and amortization are broken down as follows:

(Euro/000)	1H 2016	1H 2015
Depreciation of property, plant and equipment	(15,166)	(13,227)
Amortization of intangible assets	(4,183)	(3,931)
<b>Total Depreciation and Amortization</b>	<b>(19,349)</b>	<b>(17,158)</b>

The increase in both depreciation and amortization is mainly due to investments made associated with the new store openings. Please refer to comments made in paragraphs 5.1 and 5.3 for additional details related to investments made during the period.

## 5. COMMENTS ON THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 5.1. GOODWILL, BRANDS AND OTHER INTANGIBLE ASSETS

Brands and other intangible (Euro/000)	June 30, 2016			December 31, 2015
	Gross value	Accumulated amortization and impairment	Net value	Net value
Brands	223,900	0	223,900	223,900
Key money	48,629	(20,132)	28,497	23,346
Software	23,661	(14,100)	9,561	9,275
Other intangible assets	7,747	(4,043)	3,704	3,318
Assets in progress	476	0	476	8,175
Goodwill	155,582	0	155,582	155,582
<b>Total</b>	<b>459,995</b>	<b>(38,275)</b>	<b>421,720</b>	<b>423,596</b>

The movements in intangible assets over the comparable periods are summarized in the following table:

As at June 30, 2016

Gross value Brands and other intangible assets (Euro/000)	Brands	Licence rights	Key money and leasehold rights	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
<b>January 1, 2016</b>	<b>223,900</b>	<b>0</b>	<b>41,511</b>	<b>21,790</b>	<b>6,795</b>	<b>8,175</b>	<b>155,582</b>	<b>457,753</b>
Acquisitions	0	0	0	1,743	953	497	0	3,193
Disposals	0	0	0	(43)	0	0	0	(43)
Translation adjustment	0	0	(142)	171	(1)	(915)	0	(887)
Other movements, including transfers	0	0	7,260	0	0	(7,281)	0	(21)
<b>June 30, 2016</b>	<b>223,900</b>	<b>0</b>	<b>48,629</b>	<b>23,661</b>	<b>7,747</b>	<b>476</b>	<b>155,582</b>	<b>459,995</b>

Accumulated amortization and impairment Brands and other intangible assets (Euro/000)	Brands	Licence rights	Key money and leasehold rights	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
<b>January 1, 2016</b>	<b>0</b>	<b>0</b>	<b>(18,165)</b>	<b>(12,515)</b>	<b>(3,477)</b>	<b>0</b>	<b>0</b>	<b>(34,157)</b>
Amortization	0	0	(2,059)	(1,558)	(566)	0	0	(4,183)
Disposals	0	0	0	31	0	0	0	31
Translation adjustment	0	0	92	(58)	0	0	0	34
Other movements, including transfers	0	0	0	0	0	0	0	0
<b>June 30, 2016</b>	<b>0</b>	<b>0</b>	<b>(20,132)</b>	<b>(14,100)</b>	<b>(4,043)</b>	<b>0</b>	<b>0</b>	<b>(38,275)</b>

As at June 30, 2015

<b>Gross value Brands and other intangible assets</b>	<b>Brands</b>	<b>Licence rights</b>	<b>Key money and leasehold rights</b>	<b>Software</b>	<b>Other intangible assets</b>	<b>Assets in progress and advances</b>	<b>Goodwill</b>	<b>Total</b>
(Euro/000)								
<b>January 1, 2015</b>	<b>223,900</b>	<b>0</b>	<b>38,448</b>	<b>17,032</b>	<b>4,645</b>	<b>942</b>	<b>155,582</b>	<b>440,549</b>
Acquisitions	0	0	1,240	1,846	265	0	0	3,351
Disposals	0	0	0	(5)	(20)	0	0	(25)
Translation adjustment	0	0	1,076	112	77	30	0	1,295
Other movements, including transfers	0	0	0	444	37	(972)	0	(491)
<b>June 30, 2015</b>	<b>223,900</b>	<b>0</b>	<b>40,764</b>	<b>19,429</b>	<b>5,004</b>	<b>0</b>	<b>155,582</b>	<b>444,679</b>

<b>Accumulated amortization and impairment Brands and other intangible assets</b>	<b>Brands</b>	<b>Licence rights</b>	<b>Key money and leasehold rights</b>	<b>Software</b>	<b>Other intangible assets</b>	<b>Assets in progress and advances</b>	<b>Goodwill</b>	<b>Total</b>
(Euro/000)								
<b>January 1, 2015</b>	<b>0</b>	<b>0</b>	<b>(13,871)</b>	<b>(9,716)</b>	<b>(2,609)</b>	<b>0</b>	<b>0</b>	<b>(26,196)</b>
Amortization	0	0	(2,167)	(1,316)	(448)	0	0	(3,931)
Disposals	0	0	0	3	8	0	0	11
Translation adjustment	0	0	(464)	(16)	(43)	0	0	(523)
Impairment	0	0	0	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0	0	0	0
<b>June 30, 2015</b>	<b>0</b>	<b>0</b>	<b>(16,502)</b>	<b>(11,045)</b>	<b>(3,092)</b>	<b>0</b>	<b>0</b>	<b>(30,639)</b>

The increase in the item software pertains to the investments in information technology for the management of the business and the corporate functions.

## 5.2. IMPAIRMENT OF INTANGIBLE FIXED ASSETS WITH AN UNDEFINED USEFUL LIFE AND GOODWILL

The items Brands, Other intangible fixed assets with indefinite useful life and Goodwill deriving from previous acquisitions have not been amortised, but have been tested for impairment by management.

The dynamics of business recorded in the periods examined and updated forecasts of future trends are consistent with the assumptions used to determine the recoverable amount of goodwill and the Moncler brand carried out during the preparation of the annual consolidated financial statements as at December 31, 2015. No indicators of possible impairment losses were identified and therefore no specific impairment tests were performed on these items.

## 5.3. NET PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipments (Euro/000)	June 30, 2016		December 31, 2015	
	Gross value	Accumulated depreciation and impairment	Net value	Net value
Land and buildings	5,927	(2,772)	3,155	3,284
Plant and Equipment	9,975	(6,509)	3,466	2,151
Fixtures and fittings	65,834	(36,270)	29,564	29,234
Leasehold improvements	115,631	(53,880)	61,751	55,827
Other fixed assets	12,830	(9,178)	3,652	3,669
Assets in progress	12,060	0	12,060	8,069
<b>Total</b>	<b>222,257</b>	<b>(108,609)</b>	<b>113,648</b>	<b>102,234</b>

As at June 30, 2016

Gross value Property, plant and equipment (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
<b>January 1, 2016</b>	<b>5,922</b>	<b>8,327</b>	<b>62,001</b>	<b>101,633</b>	<b>12,316</b>	<b>8,069</b>	<b>198,268</b>
Acquisitions	5	378	5,980	9,010	832	10,180	26,385
Disposals	0	(51)	(1,225)	(2,025)	(280)	(109)	(3,690)
Translation adjustment	0	(2)	(166)	1,683	(10)	(251)	1,254
Other movements, including transfers	0	1,323	(756)	5,330	(28)	(5,829)	40
<b>June 30, 2016</b>	<b>5,927</b>	<b>9,975</b>	<b>65,834</b>	<b>115,631</b>	<b>12,830</b>	<b>12,060</b>	<b>222,257</b>

Accumulated depreciation and impairment PPE (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
<b>January 1, 2016</b>	<b>(2,638)</b>	<b>(6,176)</b>	<b>(32,767)</b>	<b>(45,806)</b>	<b>(8,647)</b>	<b>0</b>	<b>(96,034)</b>
Depreciation	(134)	(363)	(5,136)	(8,774)	(759)	0	(15,166)
Disposals	0	28	1,027	1,746	242	0	3,043
Translation adjustment	0	2	112	(549)	2	0	(433)
Other movements, including transfers	0	0	494	(497)	(16)	0	(19)
<b>June 30, 2016</b>	<b>(2,772)</b>	<b>(6,509)</b>	<b>(36,270)</b>	<b>(53,880)</b>	<b>(9,178)</b>	<b>0</b>	<b>(108,609)</b>

As at June 30, 2015

Gross value Property, plant and equipment (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
<b>January 1, 2015</b>	<b>3,358</b>	<b>7,132</b>	<b>47,435</b>	<b>74,046</b>	<b>10,903</b>	<b>2,385</b>	<b>145,259</b>
Acquisitions	1,992	578	4,318	3,837	655	7,685	19,065
Disposals	0	0	(1,181)	(574)	(502)	0	(2,257)
Translation adjustment	0	18	2,422	3,404	127	111	6,082
Other movements, including transfers	0	5	844	1,632	0	(1,990)	491
<b>June 30, 2015</b>	<b>5,350</b>	<b>7,733</b>	<b>53,838</b>	<b>82,345</b>	<b>11,183</b>	<b>8,191</b>	<b>168,640</b>

Accumulated depreciation and impairment PPE (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
<b>January 1, 2015</b>	<b>(2,433)</b>	<b>(5,635)</b>	<b>(22,613)</b>	<b>(29,899)</b>	<b>(7,425)</b>	<b>0</b>	<b>(68,005)</b>
Depreciation	(72)	(243)	(5,419)	(6,832)	(661)	0	(13,227)
Disposals	0	0	847	141	441	0	1,429
Translation adjustment	0	(13)	(957)	(1,487)	(53)	0	(2,510)
Other movements, including transfers	0	0	0	0	0	0	0
<b>June 30, 2015</b>	<b>(2,505)</b>	<b>(5,891)</b>	<b>(28,142)</b>	<b>(38,077)</b>	<b>(7,698)</b>	<b>0</b>	<b>(82,313)</b>

The changes in property plant and equipment in the first half of 2016 show an increase in the items fixtures and fittings, leasehold improvements and assets in progress and advances: those items are mainly related to the development of the retail network.

#### 5.4. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The balances of the items as at June 30, 2016, over the comparable period of last year is reported below:

<b>Deferred taxation</b>		
(Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Deferred tax assets	73,345	65,970
Deferred tax liabilities	(68,622)	(68,753)
<b>Net amount</b>	<b>4,723</b>	<b>(2,783)</b>

Deferred tax liabilities resulting from temporary differences associated with intangible assets are related to fiscal year 2008 in connection with the allocation of the brand name Moncler resulting from the excess price paid during acquisition.

Deferred tax assets and deferred tax liabilities are offset only when there is a law within a given tax jurisdiction, which provides for such right to offset.

#### 5.5. INVENTORY

Inventory as at June 30, 2016 is broken down as follows:

<b>Inventory</b>		
(Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Raw materials	50,414	49,891
Work-in-progress	34,193	9,244
Finished products	151,275	130,687
<b>Inventories, gross</b>	<b>235,882</b>	<b>189,822</b>
Obsolescence provision	(57,371)	(55,759)
<b>Total</b>	<b>178,511</b>	<b>134,063</b>

Finished products and work-in-progress in inventory in the first half of each year are impacted by seasonality; specifically, they tend to increase compared to December as the average production cost of the articles of the autumn/winter collection, in stock in June, is higher than the average production cost of the articles of the spring/summer collection, in stock in December.

In addition, the inventory as at June 30, 2016 is affected by the development of the retail business and the related service levels.

The obsolescence provision is calculated using management's best estimate based on the season needs and the inventory balance based on passed sales trends through alternative channels and future sales volumes.

## 5.6. TRADE RECEIVABLES

Trade receivables as at June 30, 2016 are as follows:

<b>Trade receivables</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Trade account receivables	65,435	98,328
Allowance for doubtful debt	(4,667)	(5,947)
Allowance for returns and discounts	(3,553)	(2,599)
<b>Total, net value</b>	<b>57,215</b>	<b>89,782</b>

Trade receivables are related to the Group's wholesale business and they include balances with a collection period not greater than three months. During the first half of 2016 there were no concentration of credit risk greater than 10% associated to individual customers.

The allowance for doubtful debts was calculated in accordance with management's best estimate based on the ageing of accounts receivable as well as the solvency of the oldest accounts and also taking into consideration any balances turned over into collection proceedings. Trade receivables written down are related to specific balances that were past due and for which collection is uncertain.

## 5.7. CASH AND BANKS

As at June 30, 2016 the item cash on hand and cash at banks amounts to Euro 115.8 million (Euro 148.6 million as at December 31, 2015), includes cash and cash equivalents as well as the funds available at banks.

The amount included in the Half-year Condensed Consolidated Financial Statements represents the fair value at the date of the financial statements. The credit risk is very limited since the other parties are class A financial institutions.

The consolidated statement of cash flows includes the changes in cash and cash at banks as well as the bank overdrafts.

The following table shows the reconciliation between cash and cash at banks with those included in the consolidated statement of cash flows:

<b>Cash and cash equivalents included in the</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Cash in hand and at banks	115,786	148,603
Bank overdraft	0	(2,522)
<b>Total</b>	<b>115,786</b>	<b>146,081</b>

## 5.8. FINANCIAL CURRENT ASSETS

The item financial current assets refers to the receivables arising from the market valuation of the derivatives on exchange rates hedges.

## 5.9. OTHER CURRENT AND NON-CURRENT ASSETS

<b>Other current and non-current assets</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Prepayments and accrued income - current	8,321	6,652
Other current receivables	12,931	14,333
<b>Other current assets</b>	<b>21,252</b>	<b>20,985</b>
Prepayments and accrued income - non-current	1,829	2,009
Security / guarantees deposits	21,668	20,283
Other non-current receivables	402	384
<b>Other non-current assets</b>	<b>23,899</b>	<b>22,676</b>
<b>Total</b>	<b>45,151</b>	<b>43,661</b>

As at June 30, 2016, the item prepayments and accrued income - current amounts to Euro 8.3 million (Euro 6.7 million as at December 31, 2015) and mainly pertains to the product style, rent and other assets.

The item other current receivables mainly contains the receivable due from the tax authority.

The decrease of the item other current receivables is attributable to the settlement agreement referred to the sale of the Other Brands division.

Prepayments and accrued income non-current amount to Euro 1.8 million (Euro 2.0 million as at 31 December 2015) and pertain to prepaid rents that extend over the current year.

Deposits are mostly related to the amounts paid on behalf of the lessee as a guarantee to the lease agreement.

There are no differences between the amounts included in the Half-year Consolidated Financial Statements and their fair values.

## 5.10. TRADE PAYABLES

Trade payables amount to Euro 156.7 million as at June 30, 2016 (Euro 113.0 million as at December 31, 2015) and pertain to current amounts due to suppliers for goods and services. These payables are all due in the short term and do not include amounts that will be paid over 12 months.

In the first half of 2016 there are no outstanding positions associated to individual suppliers that exceed 10% of the total value.

The increase in trade payables as at June 30, 2016 compared to December 31, 2015 is due to the fact that the balance as of June 30, 2015 pertains to purchases related to the fall/winter collection which has an average value higher when compared to the spring/summer collection making up the trade payable balance as of December, 31.

There are no difference between the amounts included in the Half-year Consolidated Financial Statements and their respective fair values.

## 5.11. OTHER CURRENT AND NON-CURRENT LIABILITIES

As at June 30, 2015, the item is detailed as follow:

<b>Other current and non-current liabilities</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Deferred income and accrued expenses - current	1,581	1,494
Advances and payments on account to customers	7,276	3,283
Employee and social institutions	15,483	16,556
Tax accounts payable, excluding income taxes	3,389	5,626
Other current payables	3,688	5,251
<b>Other current liabilities</b>	<b>31,417</b>	<b>32,210</b>
Deferred income and accrued expenses - non-current	8,737	6,222
<b>Other non-current liabilities</b>	<b>8,737</b>	<b>6,222</b>
<b>Total</b>	<b>40,154</b>	<b>38,432</b>

The item tax accounts payable mainly includes value added tax (VAT) and payroll tax withholding.

Deferred income and accrued expenses – non current pertain to rent payable extending over a year.

## 5.12. CURRENT TAX ASSETS AND LIABILITIES

Tax assets amount to Euro 16.2 million as at June 30, 2016 (Euro 4.2 million as at December 31, 2015) and pertain to receivables for advances paid on taxes.

Tax liabilities amounted to Euro 9.2 million as at June 30, 2016 (Euro 36.6 million as at December 31, 2015). The decrease in the item is mainly due to the payment of the taxes for the year 2014.

Tax liabilities are recognized net of current tax assets, where the offsetting relates to the same tax jurisdiction and tax system.

## 5.13. PROVISIONS NON-CURRENT

Non-current provisions as at June 30, 2016 are detailed in the following table:

<b>Provision for contingencies and losses</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Tax litigations	1,015	1,015
Other non current contingencies	2,920	4,673
<b>Total</b>	<b>3,935</b>	<b>5,688</b>

## 5.14. PENSION FUNDS AND AGENTS LEAVING INDEMNITIES

Pension funds and agents leaving indemnities as at June 30, 2016 are detailed in the following table:

<b>Employees pension funds</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Pension funds	2,358	1,988
Agents leaving indemnities	2,603	2,616
<b>Total</b>	<b>4,961</b>	<b>4,604</b>

The pension funds pertain mainly to Italian entities of the Group. Following the recent welfare reform, beginning on 1 January 2007, the liability has taken the form of a defined contribution plan. Therefore, the amount of pension fund (TFR) accrued prior to the application of the reform and not yet paid to the employees as of the date of the consolidated financial statements is considered as a defined benefit plan.

## 5.15. FINANCIAL LIABILITIES

Financial liabilities as at June 30, 2016 are detailed in the following table:

<b>Borrowings</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Bank overdraft	0	2,522
Short-term bank loans	23,125	3
Short-term portion of long-term bank loans	70,394	68,283
Other short-term loans	7,738	374
<b>Short-term borrowings</b>	<b>101,257</b>	<b>71,182</b>
<b>Long-term borrowings</b>	<b>101,627</b>	<b>127,016</b>
<b>Total</b>	<b>202,884</b>	<b>198,198</b>

Short-term borrowings include advance payments on invoices, bank receipts and short-term loans related to working capital as well as the current portion of long-term bank loans.

Long-term borrowings include the portion expiring beyond one year related both to banks and other parties.

The following tables show the break-down of the borrowing in accordance with their maturity date:

<b>Ageing of the financial liabilities</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Within 2 years	37,495	62,022
From 2 to 5 years	64,132	64,994
Beyond 5 years	0	0
<b>Total</b>	<b>101,627</b>	<b>127,016</b>

The loans do not include covenants.

The net financial position is detailed in the following tables:

<b>Net financial position</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
Cash and cash equivalents	115,786	148,603
Other short-term financial receivables	2,162	0
Debts and other current financial liabilities	(101,257)	(71,182)
Debts and other non-current financial liabilities	(101,627)	(127,016)
<b>Total</b>	<b>(84,936)</b>	<b>(49,595)</b>

<b>Net financial position</b>	<b>June 30, 2016</b>	<b>December 31, 2015</b>
(Euro/000)		
A. Cash in hand	404	976
B. Cash at banks and cash equivalents	115,382	147,627
C. Available for sale securities	0	0
<b>D. Liquidity (A)+(B)+(C)</b>	<b>115,786</b>	<b>148,603</b>
E. Current financial assets	2,162	0
F. Payable to banks, current	(23,125)	(2,526)
G. Current portion of long-term debt	(70,394)	(68,283)
H. Other current financial debt	(7,738)	(374)
<b>I. Current financial debt (F)+(G)+(H)</b>	<b>(101,257)</b>	<b>(71,183)</b>
<b>J. Net current financial debt (I)+(E)-(D)</b>	<b>16,691</b>	<b>77,420</b>
K. Payable to bank, non-current	(37,496)	(64,114)
L. Bonds issued	0	0
M. Other non-current payables	(64,131)	(62,901)
<b>N. Non-current financial debt (K)+(L)+(M)</b>	<b>(101,627)</b>	<b>(127,015)</b>
<b>O. Net financial debt (J)+(N)</b>	<b>(84,936)</b>	<b>(49,595)</b>

Net financial position as defined by the CESR Recommendation of February 10, 2005 (referred to by the Consob Communication of July 28, 2006).

## 5.16. SHAREHOLDERS' EQUITY

Changes in shareholders' equity for the first half of 2016 and the comparative period are included in the consolidated statements of changes in equity.

The legal reserve and premium reserve pertain to the parent company Moncler S.p.A.

In the first half 2016 the parent company distributed dividends to the Group Shareholders for an amount of Euro 34.9 million (Euro 30.0 million in 2015).

The increase of the share capital and the share premium reserve arises from the exercise of n. 48,035 vested options (for the same number of shares) in relation to the stock option plan approved by the shareholders meeting of Moncler S.p.A. dated February 28, 2014 at the exercise price of Euro 10.20 per share.

The other changes in shareholders' equity mainly relate to the impact of the accounting treatment of the stock based compensation plans.

The change in retained earnings is due to the dividends distribution to shareholders and the treasury shares purchase.

Other reserves includes other comprehensive income comprising the translation reserve referred to foreign entities, the reserve for exchange rate risks hedging and the reserve for actuarial gains/losses. The translation reserve includes the exchange differences emerging from the translation of the financial statements of the foreign consolidated companies; the changes are mainly due to the differences resulting from the consolidation of the Japanese subsidiary, partially mitigated by the differences resulting from the consolidation of the other Group companies. The hedging reserve includes the effective portion of the net differences accumulated in the fair value of the derivative hedging instruments. Changes to these reserves were as follows:

Other comprehensive income (Euro/000)	Cumulative translation reserve			Other OCI items		
	Value before tax effect	Tax effect	Value after tax effect	Value before tax effect	Tax effect	Value after tax effect
<b>Reserve as at January 1, 2015</b>	<b>(637)</b>	<b>0</b>	<b>(637)</b>	<b>(1,314)</b>	<b>339</b>	<b>(975)</b>
Changes in the period	1,515	0	1,515	(35)	10	(25)
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of	0	0	0	0	0	0
<b>Reserve as at June 30, 2015</b>	<b>878</b>	<b>0</b>	<b>878</b>	<b>(1,349)</b>	<b>349</b>	<b>(1,000)</b>
<b>Reserve as at January 1, 2016</b>	<b>3,581</b>	<b>0</b>	<b>3,581</b>	<b>(25)</b>	<b>(15)</b>	<b>(40)</b>
Changes in the period	1,848	0	1,848	(4,363)	1,248	(3,115)
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of	0	0	0	0	0	0
<b>Reserve as at June 30, 2016</b>	<b>5,429</b>	<b>0</b>	<b>5,429</b>	<b>(4,388)</b>	<b>1,233</b>	<b>(3,155)</b>

## EARNING PER SHARE

Earning per share for the half-year ended June 30, 2016 and June 30, 2015 is included in the following table and is based on the relationship between net income attributable to the Group and the average number of outstanding shares.

The diluted earnings per share is in line with the basic earnings per share as at June 30, 2016 as there are no significant dilutive effects arising from Stock Option Plans.

Earnings per share		
	1H 2016	1H 2015
Net result of the period (Euro/000)	33,592	34,040
Average number of shares related to parent's Shareholders	249,350,171	250,047,695
<b>Earnings attributable to Shareholders (Unit of Euro)</b>	<b>0.13</b>	<b>0.14</b>
<b>Diluted earnings attributable to Shareholders (Unit of Euro)</b>	<b>0.13</b>	<b>0.14</b>

## 6. SEGMENT INFORMATION

For the purposes of IFRS 8 "Operating Segments", the Group's activity is identified as a single operating segment.

## 7. SEASONALITY

The Moncler Group's results are influenced by various factors linked to seasonality, which are typical of the fashion and luxury industry in which the Group operates.

The Moncler Group's first trend of seasonality depends on sales typical of the wholesale distribution channel, where sales revenues are concentrated in the first and third quarters of each fiscal year. Sales are in fact concentrated in the months of January, February and March, when the third-party resellers

buy the goods for the spring/summer collection, and in the months of July, August and September, when purchases are made for the fall/winter collection.

Another trend related to seasonality of the Moncler Group pertains to the invoicing of sales for the retail distribution channel which is mainly concentrated in the second half of the year and, in particular, in the last quarter of each fiscal year when customers buy products from the fall/winter collection, which is the Group's traditional strength.

As a result, the interim results may not contribute equally to the financial results achieved by the Group during the year. In addition, this seasonality combined with other factors such as the change over time of the relationship between retail and wholesale results could make it impossible to compare the results of the same interim periods of several years.

Finally, the sales trend and the dynamics of the production cycles have an impact on the net working capital and net debt, which are at their peaks during the months of September and October, while the months of November, December and January are characterized by high cash generation.

## 8. COMMITMENTS AND GUARANTEES GIVEN

### 8.1. COMMITMENTS

The Group's commitments pertain mostly to lease agreements related to the location where sales are generated (stores, outlet and showroom), the location where inventories are stored and the location where the administrative functions are performed.

As at June 30, 2016, the outstanding operating lease balance was as follows:

<b>Operating lease commitments - future minimum payments</b> (Euro/000)	<b>Less than 1 year</b>	<b>Between 1 and 5 years</b>	<b>Beyond 5 years</b>	<b>Total</b>
DOS	45,719	144,652	97,056	287,427
Outlet	3,824	14,029	8,239	26,092
Other buildings	5,013	13,576	1,198	19,787

### 8.2. GUARANTEES GIVEN

As at June 30, 2016 the Group had given the following guarantees:

<b>Guarantees and bails given</b> (Euro/000)	<b>June 30, 2016</b>	<b>December 31, 2015</b>
<b>Guarantees and bails given for the benefit of:</b>		
Third parties/companies	10,797	10,115
<b>Total guarantees and bails</b>	<b>10,797</b>	<b>10,115</b>

Guarantees pertain mainly to lease agreements for the new stores.

## 9. CONTINGENT LIABILITIES

As the Group operates globally, it is subject to risks which may arise during the performance of its ordinary activities. Based on information available to date, the Group believes that as of the date of the half-year condensed consolidated financial statements, the provisions set up are adequate to ensure that the half-year condensed consolidated financial statements give a true and fair view of the Group's financial position and results of operations.

Within the scope of the ordinary course of tax audits of large taxpayers, the subsidiary Industries S.p.A. was subject to a tax audit for the years 2011 to 2014. For more information on this tax audit, please refer to the Half-year Directors' Report.

## 10. OTHER INFORMATION

### 10.1. RELATED PARTY TRANSACTIONS

Transactions and balances with consolidated companies have been eliminated upon consolidation, therefore there are no comments there.

Set out below are the transactions with related parties deemed relevant for the purposes of the "Procedure with related party" adopted by the Group.

The "Procedure with related party" is available on the Company's website ([www.monclergroup.com](http://www.monclergroup.com), under "Governance/Corporate documents").

During the first-half of 2016 related party transactions mainly relate to trading transactions carried out on an arm's length basis with the following parties:

- Yagi Tsusho Ltd, counterparty to the transaction which led to the establishment of Moncler Japan Ltd. acquires finished products from Moncler Group companies (Euro 27.9 million in the first half of 2016 and Euro 25.3 million for the same period last year) and then sells them to Moncler Japan Ltd. (Euro 32.3 million in the first half of 2016 and Euro 29.8 million in the same period last year) pursuant to contracts agreed upon the companies' establishment.
- GokseTekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi, company held by the minority share holder of Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti, provide services to that company by virtue of the contract signed at the time of incorporation of the company. Total costs recognized for the first half of 2016 amount to Euro 0.07 million (Euro 0.08 million in the first half of 2015).
- The company La Rotonda S.r.l., owned by a manager of the Moncler Group, acquires finished products from Industries SpA and provides services to the same. Total revenues recognized for the first half of 2016 amount to Euro 0.3 million (Euro 0.3 million in the first half of 2015) and total costs recognized for the first half of 2016 amount to Euro 0.08 million (Euro 0.07 in the first half of 2015).

- Shinsegae International Inc., counterparty to the transaction which led to the establishment of Moncler Shinsegae Inc., provides services to the latter pursuant to a contract agreed upon its establishment. Total costs recognized for the first half of 2016 amount to Euro 0.4 (Euro 0.5 in the first half of 2015).

Industries S.p.A., Moncler Lunettes S.r.l. and Moncler Enfant S.r.l. adhere to the Parent Company Moncler S.p.A. fiscal consolidation.

#### COMPENSATION PAID TO DIRECTORS, BOARD OF STATUTORY AUDITORS AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Compensation paid of the members of the Board of Directors in the first half 2016 are Euro 1,728 thousand (Euro 1,606 thousand in the first half 2015).

Compensation paid of the members of the Board of Auditors in the first half 2016 are Euro 90 thousand (Euro 97 thousand in the first half 2015).

In the first half of 2016 total compensation paid to executives with strategic responsibilities amounted to Euro 1.185 thousand (Euro 730 thousand in the first half 2015).

In the first half of 2016 the costs relating to Stock Option Plans (described in section 10.2) referring to members of the Board of Directors and Key management personnel amount to Euro 2,545 thousand (Euro 1,432 in the first half 2015).

The following tables summarize the afore-mentioned related party transactions that took place during the first half of 2016 and the comparative period.

<i>Euro/000</i>	<i>Type of relationship</i>	<i>Note</i>	<i>June 30, 2016</i>	<i>%</i>	<i>June 30, 2015</i>	<i>%</i>
Yagi Tsusho Ltd	<i>Distribution agreement</i>	<i>a</i>	27,912	(31.1)%	25,295	(31.3)%
Yagi Tsusho Ltd	<i>Distribution agreement</i>	<i>a</i>	(32,322)	36.0%	(29,787)	36.9%
GokseTekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	<i>Service agreement</i>	<i>b</i>	(67)	0.2%	(80)	0.2%
La Rotonda S.r.l.	<i>Trade transactions</i>	<i>c</i>	252	0.1%	245	0.1%
La Rotonda S.r.l.	<i>Trade transactions</i>	<i>d</i>	(79)	0.1%	(73)	0.1%
Shinsegae International Inc.	<i>Trade transactions</i>	<i>b</i>	(244)	0.6%	(334)	0.9%
Shinsegae International Inc.	<i>Trade transactions</i>	<i>e</i>	(116)	0.1%	(125)	0.1%
Directors, board of statutory auditors and executives with strategic responsibilities	<i>Labour services</i>	<i>b</i>	(2,732)	6.2%	(2,180)	5.7%
Executives with strategic responsibilities	<i>Labour services</i>	<i>d</i>	(271)	0.2%	(253)	0.2%
Directors and executives with strategic responsibilities	<i>Labour services</i>	<i>e</i>	(2,545)	46.0%	(1,432)	24.6%
Other related parties			0		(478)	
<b>Total</b>			<b>(10,212)</b>		<b>(9,202)</b>	

*a effect in % based on cost of sales*

*b effect in % based on general and administrative expenses*

*c effect in % based on revenues*

*d effect in % based on selling expenses*

*e effect in % based on non recurring income/(expenses)*

The item other related parties in the first half of 2015 included the services rendered by the company Allison S.p.A. to the company Moncler Lunettes S.r.l. pursuant to a contract agreed upon its establishment.

<i>Euro/000</i>	Type of relationship	Note	June 30, 2015	%	December 31, 2015	%
Yagi Tsusho Ltd	Trade payables	a	(23,789)	15.2%	(8,426)	7.5%
Yagi Tsusho Ltd	Trade receivables	b	18,375	32.1%	6,722	7.5%
Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	Trade payables	a	(2)	0.0%	(19)	0.0%
La Rotonda S.r.l.	Trade receivables	b	369	0.6%	291	0.3%
La Rotonda S.r.l.	Trade payables	a	(123)	0.1%	0	0.0%
Shinsegae International Inc.	Trade payables	a	(9)	0.0%	(101)	0.0%
Directors, board of statutory auditors and executives with strategic responsibilities	Other current liabilities	c	(1,642)	5.2%	(2,696)	8.4%
<b>Total</b>			<b>(6,821)</b>		<b>(4,229)</b>	

a effect in % based on trade payables

b effect in % based on trade receivables

c effect in % based on other current liabilities

The following tables summarize the weight of related party transactions on the items of the consolidated financial statements.

June 30, 2015					
	Revenue	Cost of sales	Selling expenses	General and administrative expenses	Non recurring income/ (expenses)
Total related parties	252	(4,410)	(466)	(3,043)	(2,545)
Total consolidated financial statements	346,462	(89,661)	(128,902)	(44,113)	(5,527)
<b>weight %</b>	<b>0.1%</b>	<b>4.9%</b>	<b>0.4%</b>	<b>6.9%</b>	<b>46.0%</b>

June 30, 2014					
	Revenue	Cost of sales	Selling expenses	General and administrative expenses	Non recurring income/ (expenses)
Total related parties	245	(4,492)	(451)	(2,594)	(1,432)
Total consolidated financial statements	295,789	(80,783)	(102,489)	(37,920)	(5,819)
<b>weight %</b>	<b>0.1%</b>	<b>5.6%</b>	<b>0.4%</b>	<b>6.8%</b>	<b>24.6%</b>

June 30, 2015			
	Trade receivables	Trade Payables	Other current liabilities
Total related parties	18,744	(23,923)	(1,642)
Total consolidated financial statements	57,215	(156,681)	(31,417)
<b>weight %</b>	<b>32.8%</b>	<b>15.3%</b>	<b>5.2%</b>

December 31, 2014			
	Trade receivables	Trade Payables	Other current liabilities
Total related parties	7,013	(8,546)	(2,696)
Total consolidated financial statements	89,782	(112,969)	(32,210)
<b>weight %</b>	<b>7.8%</b>	<b>7.6%</b>	<b>8.4%</b>

## 10.2. STOCK OPTION PLANS

The Half-year Consolidated Financial Statements at June 30, 2016 reflects the values of the Stock Option Plans approved in 2014 and 2015 and of the new Performance Share Plan approved in 2016.

With regard to stock option plans approved in 2014, please note that:

- The plan “key people” provides for a vesting period ending with the approval of the consolidated financial statements as at December 31, 2016. Each beneficiary may exercise the options granted on condition that the specific performance goals related to Group’s consolidated EBITDA are achieved. The exercise price of the options is equal to Euro 10.20 and allows for the subscription of shares in the ratio of one ordinary share for every option exercised;
- The plan “Corporate Structure” provides for three separate tranches with a vesting period starting from the grant date of the plan until the approval date by the Board of Directors of the consolidated financial statements respectively as at December 31, 2014, 2015 and 2016. Each beneficiary may exercise the options granted on condition that the specific performance goals related to Group’s consolidated EBITDA are achieved. The exercise price of the options is equal to Euro 10.20 and allows for the subscription of shares in the ratio of one ordinary share for every option exercised;
- The fair value of stock options was estimated at the grant date using the Black-Scholes method, based on the following assumptions:
  - share price at the grant date of the options Euro 13.27;
  - estimated life of options equal to the period from the grant date to the following estimated exercise dates:
    - Stock Option Plan for Top Management and Key People: March 1, 2018;
    - Stock Option Plan Structures corporate: I tranche March 1, 2017, II tranche August 31, 2017, III tranche March, 1 2018;
  - dividend yield 1%;
  - fair value per tranches from Euro 3.8819 to Euro 4.1597.
- The effect of the two plans on the income statement of the first half 2016 amounted to Euro 3.3 million, while the net equity increase following the exercise of the vested options in respect of the first tranche and the second tranche of the plan “Corporate Structure” amounts to Euro 0.5 million.
- As at June 30, 2016 the following options are still in circulation: 4,405,000 options for the Top Management Plan and Key People and 211,916 options for the Corporate Plan Structures, after that, during the first half of 2016, 48,035 options related to the first tranche and to the second tranche of the plan “Corporate Structure” were exercised.

With regard to stock option plans approved in 2015, please note that:

- The 2015 Plan is intended for executive directors and/or Key-managers with strategic responsibilities employees and external consultants and other collaborators of Moncler S.p.A. and its subsidiaries which are considered as having a strategic importance or are otherwise able to make a significant contribution to achieving Group's strategic objectives;
- The 2015 Plan provides for the assignment of maximum 2,548,225 options through 3 cycles of allocation, free of charge. The options allow, under the conditions established, to subscribe ordinary shares of Moncler S.p.A. The first grant cycle was completed on May 12, 2015, with the allocation of 1,385,000 options;
- The exercise price of the options is equal to Euro 16.34 and allows for the subscription of shares in the ratio of one ordinary share for every option exercised;
- The 2015 Plan provides for a vesting period of three years between the allocation date and the initial exercise date. The option can be exercised within June 30, 2020 maximum, for the first attribution cycle and June 30, 2021 or June 30, 2022, respectively, for the second and third attribution cycle;
- Each beneficiary may exercise the options granted on condition that the specific performance goals related to Group's consolidated EBITDA are achieved;
- The fair value of 2015 Plan was estimated at the grant date using the Black-Scholes method, based on the following assumptions:
  - share price at the grant date of the options Euro 16.34;
  - estimated life of options equal to the period from the grant date to the following estimated exercise: May 31, 2019;
  - dividend yield 1%;
  - fair value per tranches Euro 3.2877.
- The effect on the income statement of the first half of 2016 of the 2015 Plan amounts to Euro 0.6 million, which mainly includes the costs accrued during the period, which calculation is based on the fair value of the plans, which takes into account the value of the share at the grant date, the volatility, the flow of the expected dividends, the option term and the risk-free rate.
- As at June 30, 2016 the following options are still in circulation: 1,215,000 options.

On April 20, 2016, the shareholders meeting of Moncler approved the adoption of a stock grant plan entitled "2016-2018 Performance Shares Plan" ("2016 Plan") addressed to Executive Directors and/or Key Managers, and/or employees, and/or collaborators, and/or external consultants of Moncler S.p.A. and of its subsidiaries, which have strategically relevant roles or are otherwise capable of making a significant contribution, with a view to pursuing Group's strategic objectives.

The object of the Plan is the free granting of the Moncler shares in case certain Performance Targets are achieved at the end of the vesting period of 3 years.

The proposed maximum number of shares serving the Plan is equal to No. 3,800,000 resulting from a Capital Increase and/or from the allocation of treasury shares.

The Performance Targets will have to be assessed in compliance with the 2016-2018 approved business plan, and are expressed base on the earning per share index (“EPS”) of the Group in the Vesting Period, adjusted by the conditions of over\under performance.

The Plan provides for a maximum of 3 cycles of attribution; the first attribution cycle ended with the assignment of 2,856,000 Moncler Rights. The effect on the income statement of the first half of 2016 amounted to Euro 1.5 million.

As stated by IFRS 2, these plans are defined as equity settled share-based payments.

For information regarding the plan, please see the company's website, [www.monclergroup.com](http://www.monclergroup.com), in the "Governance" section.

### 10.3. SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

On April, 20 2016, the Moncler Ordinary Shareholders' Meeting approved a stock based compensation plan, known as " Performance Shares 2016-2018" (il “Piano 2016”).

The description of the stock based compensation plans and the related costs are included in note 10.2.

### 10.4. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

No atypical and/or unusual transactions were carried out by the Group during the first half of 2016.

### 10.5. FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Euro/000)				
June 30, 2016	Current	Non-current	Fair value	Level
<b>Financial assets measured at fair value</b>				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	2,162	-	2,162	2
Sub-total	2,162	-	2,162	
<b>Financial assets not measured at fair value</b>				
Trade and other receivables (*)	57,215	21,668		
Cash and cash equivalents (*)	117,984	-		
Sub-total	175,199	21,668		
<b>Total</b>	<b>177,361</b>	<b>21,668</b>	<b>2,162</b>	

(Euro/000)				
<b>December 31, 2015</b>	<b>Current</b>	<b>Non-current</b>	<b>Fair value</b>	<b>Level</b>
<b>Financial assets measured at fair value</b>				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	-	-	-	
Sub-total	-	-	-	
<b>Financial assets not measured at fair value</b>				
Trade and other receivables (*)	93,373	20,283		
Cash and cash equivalents (*)	148,603	-		
Sub-total	241,976	20,283		-
<b>Total</b>	<b>241,976</b>	<b>20,283</b>		

(Euro/000)				
<b>June 30, 2016</b>	<b>Current</b>	<b>Non-current</b>	<b>Fair value</b>	<b>Level</b>
<b>Financial liabilities measured at fair value</b>				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	(7,738)	-	(7,738)	2
Other financial liabilities	-	(64,131)	(64,131)	3
Sub-total	(7,738)	(64,131)	(71,869)	
<b>Financial liabilities not measured at fair value</b>				
Trade and other payables (*)	(167,645)	-		
Bank overdrafts (*)	-	-		
Short-term bank loans (*)	(23,125)	-		
Bank loans	(70,394)	(37,496)	(107,890)	3
Sub-total	(261,164)	(37,496)	(107,890)	
<b>Total</b>	<b>(268,902)</b>	<b>(101,627)</b>	<b>(179,759)</b>	

(Euro/000)				
<b>December 31, 2015</b>	<b>Current</b>	<b>Non-current</b>	<b>Fair value</b>	<b>Level</b>
<b>Financial liabilities measured at fair value</b>				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	(374)	-	(374)	2
Other financial liabilities	-	(62,902)	(62,902)	3
Sub-total	(374)	(62,902)	(63,276)	
<b>Financial liabilities not measured at fair value</b>				
Trade and other payables (*)	(121,503)	-		
Bank overdrafts (*)	(2,522)	-		
Short-term bank loans (*)	(4)	-		
Bank loans	(68,283)	(64,114)	(132,397)	3
Sub-total	(192,312)	(64,114)	(132,397)	
<b>Total</b>	<b>(192,686)</b>	<b>(127,016)</b>	<b>(195,673)</b>	

(\*) Such items refer to short-term financial assets and financial liabilities whose carrying value is a reasonable approximation of fair value, which was therefore not disclosed.

## 11. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the end of the period.

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These Half-Year Consolidated Financial Statements, comprised of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and notes thereto, are an accurate and fair representation of the Group's equity and financial situation and economic result, and corresponds to the accounting records of the parent company and the companies included in the consolidation.

On behalf of the Board of Directors of Moncler S.p.A.

The Chairman

**Remo Ruffini**

ATTESTATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-*TER* OF THE CONSOB REGULATION 11971 OF 14 MAY 1999 AS AMENDED

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of Moncler S.p.A. and Luciano Santel, as the executive officer responsible for the preparation of Moncler S.p.A.'s financial statements, having also taken into account the provisions of Article 154-*bis*, paragraphs 3 and 4, of the Italian Legislative Decree 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the characteristics of the company and
- the effective implementation of the administrative and accounting procedures for the preparation of the half-year condensed consolidated financial statements, during the first half 2016.

2. With regard to the above, there are no remarks.

3. It is also certified that:

3.1 the Half-year Condensed Consolidated Financial Statement:

- a) has been drawn up in accordance with the international accounting standards recognised in the European Union under the EC regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- b) is consistent with the entries in the accounting books and records;
- c) is capable of providing a true and fair representation of the assets and liabilities, profits and losses and financial position of the issuer and the group of companies included in the consolidation.

3.2 The half-year directors' report includes a reliable analysis of the significant events that took place in the first six months of the financial year and their impact on the half-year condensed consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the financial year. The half-year directors' report also includes a reliable analysis of the disclosure on significant related party transactions.

Milan, July 27, 2016

CHAIRMAN OF THE BOARD OF  
DIRECTORS AND CHIEF EXECUTIVE OFFICER

Remo Ruffini

EXECUTIVE OFFICER RESPONSIBLE  
FOR THE PREPARATION OF THE  
COMPANY'S FINANCIAL STATEMENTS

Luciano Santel



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

## Report on review of condensed interim consolidated financial statements

To the Shareholders of  
Moncler S.p.A.

### Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Moncler Group comprising the income statement and the statements of comprehensive income, financial position, changes in equity and cash flows and notes thereto, as at and for the six months ended 30 June 2016. The company's parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (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 condensed interim consolidated financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Moncler Group as at and for the six months ended 30 June 2016 have not been prepared, in all material



**Moncler Group**

*Report on review of condensed interim consolidated financial statements  
30 June 2016*

respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Treviso, 1 August 2016

KPMG S.p.A.

(signed on the original)

Francesco Masetto  
Director of Audit