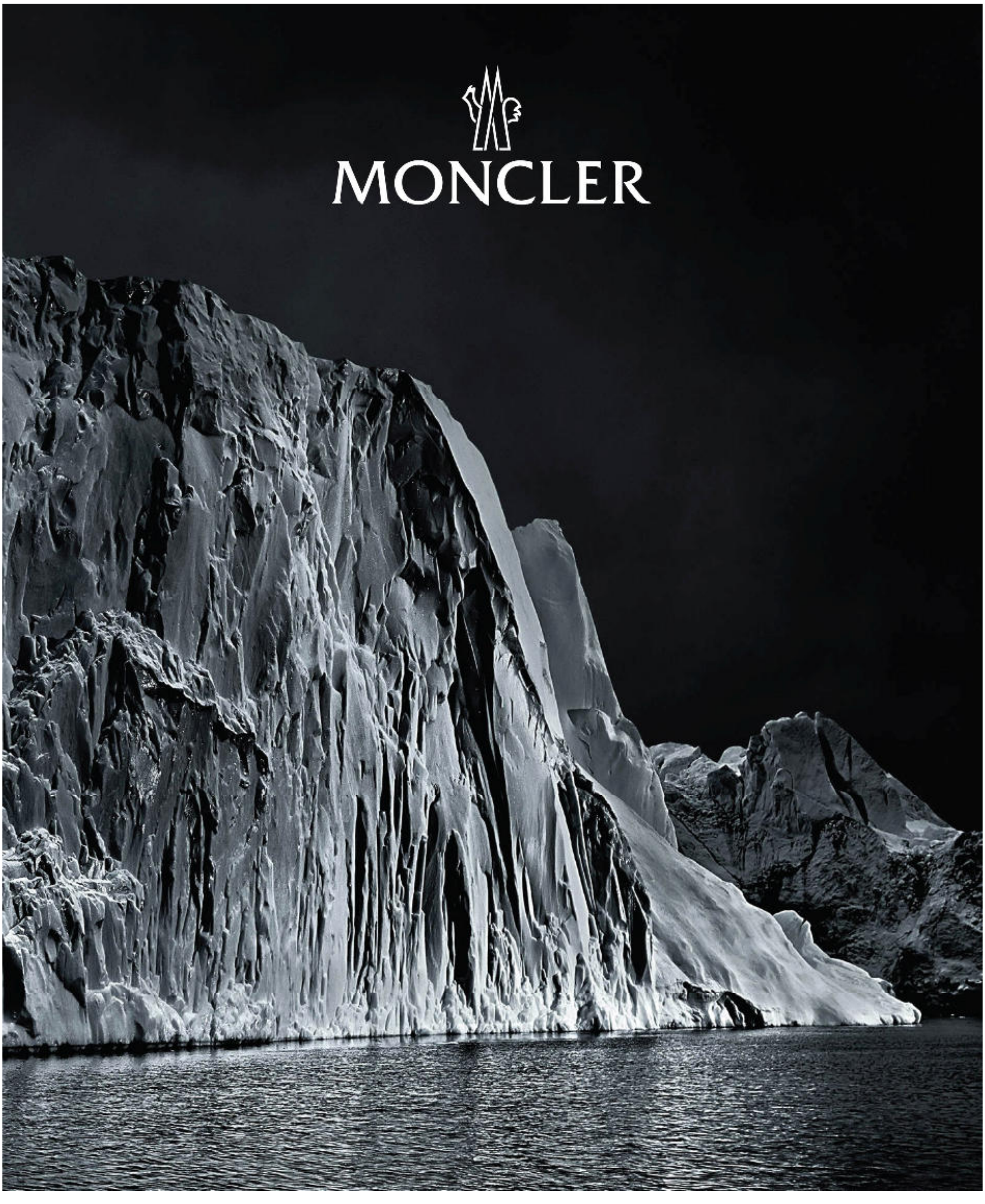

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CORPORATE INFORMATION

Registered Office
Moncler S.p.A.
Via Enrico Stendhal, 47
20144 Milan – Italy

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 50.000.000
VAT, Tax Code and Chamber of Commerce enrollment No.: 04642290961
Iscr. R.E.A. Milan No. 1763158

Office and Showroom
Milan, Via Solari, 33
Milan, Via Stendhal, 47
Paris, Rue du Faubourg St. Honoré, 7
New York, 568 Broadway suite 306
Tokyo, 5-4-46 Minami-Aoyama Omotesando Minato-Ku
Munich, Infanteriestrasse, 11 A

BOARD OF DIRECTORS' REPORT FOR THE YEAR ENDED DECEMBER 31, 2014

Section One

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Section One

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

Our 2014 results reflect the dedication and commitment of everyone at Moncler, the strength of our brand and the quality of our development strategy.

The year, once again, saw double-digit growth in terms of both revenues and profits, despite a macroeconomic environment that was undeniably more volatile and uncertain.

Revenues rose by 20% to reach 694 million euros, with significant expansion in all of our international markets which today account for 81% of our consolidated revenues. EBITDA reached 233 million euros, representing 33.5% of revenues, while net income closed at 130 million euros, with a 19% margin on sales. In addition, we generated 60 million euros of net cash during the year.

But it is not only the Group's financial results that give me reason to be particularly satisfied with the past year and have confidence in the future. I am also proud to be able to report that Moncler's brand perception has strengthened in all its markets, in those in which we are more established as well as in those that are "younger" for us. Heritage, quality, uniqueness and a high level of consistency are, and will continue to be, the pillars of a strategy that is acknowledged by our customers worldwide.

In 2014 we worked to strengthen all of the company's divisions, ranging from the production process through to marketing and distribution, so that we can continue guaranteeing our customers unmatched quality and uniqueness that are distinctive features of the Moncler brand's DNA. Whatever we achieve, though, we always want to do better: our commitment, therefore, is to continue to work following our own path always towards ever higher standards.

Our retail monobrand store network (DOS) consisted of 134 stores at 31 December 2014, contributing to 62% of consolidated revenues. I am especially pleased with the investments we have made in the American market, where we have taken the number of retail stores to 14. And not only. We have also made important investments on the Chinese market, in particular in Hong Kong, and more broadly in Asia. In addition I am particularly pleased with the results achieved by the wholesale distribution channel in 2014, which has confirmed itself to be strategic for Moncler.

In 2014 we also signed a letter of intent to establish a joint venture in Korea with our partner Shinsegae, with the majority interest being held by Moncler. The company has been operative since 1 January 2015. I have always believed that it is essential for Moncler to avoid "having filters with the market" and therefore have direct contact with all of our consumers and customers. With the launch of our joint venture in Korea we have now achieved direct control in all the markets in which we operate.

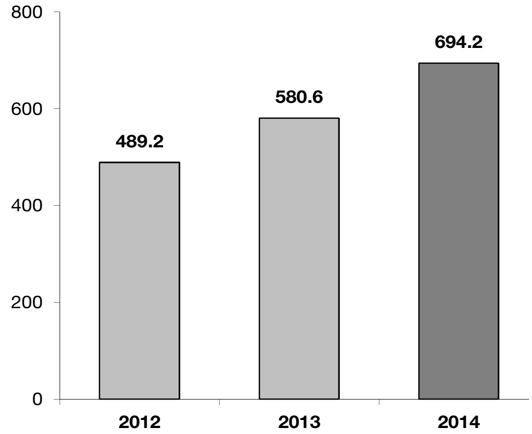
I would finally like to thank all of our shareholders who have believed in Moncler despite a year of significant uncertainties in the financial markets. To all of you I would like to confirm my personal commitment, together with that of everyone in my team, to working towards our long-term growth project. I am confident that Moncler will continue to create value in 2015 for all of its stakeholders in a manner consistent with its past and that is also sustainable for its future.

The Chairman
and Chief Executive Officer

Remo Ruffini

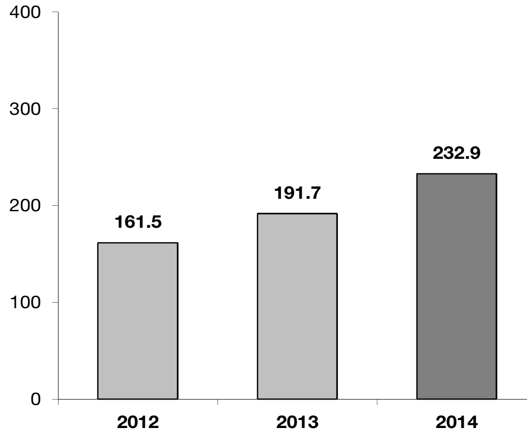
FINANCIAL HIGHLIGHTS

Revenues



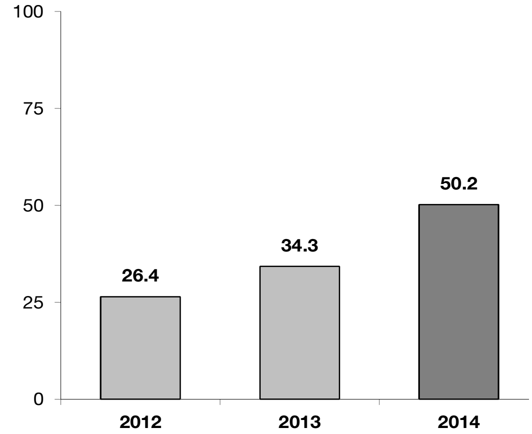
Million euros

EBITDA[1]



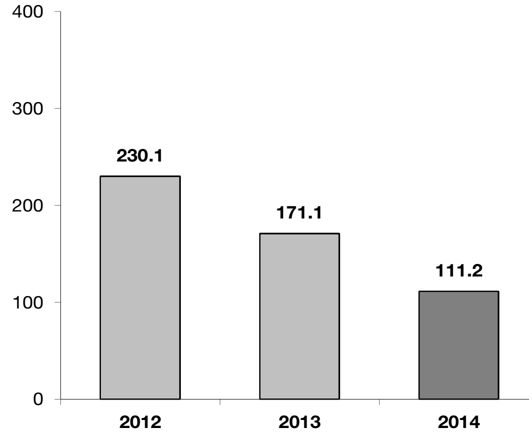
Million euros

Capital Expenditure



Million euros

Net Financial Debt



Million euros

[1] EBITDA *Adjusted* (before non recurring costs).

CORPORATE BODIES

Board of Directors

Remo Ruffini	Chairman
Virginie Sarah Sandrine Morgon (2)	
Nerio Alessandri (1) (2) (3)	
Vivianne Akriche (3)	
Alessandro Benetton (1)	
Christian Gerard Blanckaert	
Sergio Buongiovanni	
Marco Diego De Benedetti (2) (3)	
Gabriele Galateri di Genola (1) (2) (3) (4)	
Diva Moriani (1) (2) (3)	
Pier Francesco Saviotti	

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.

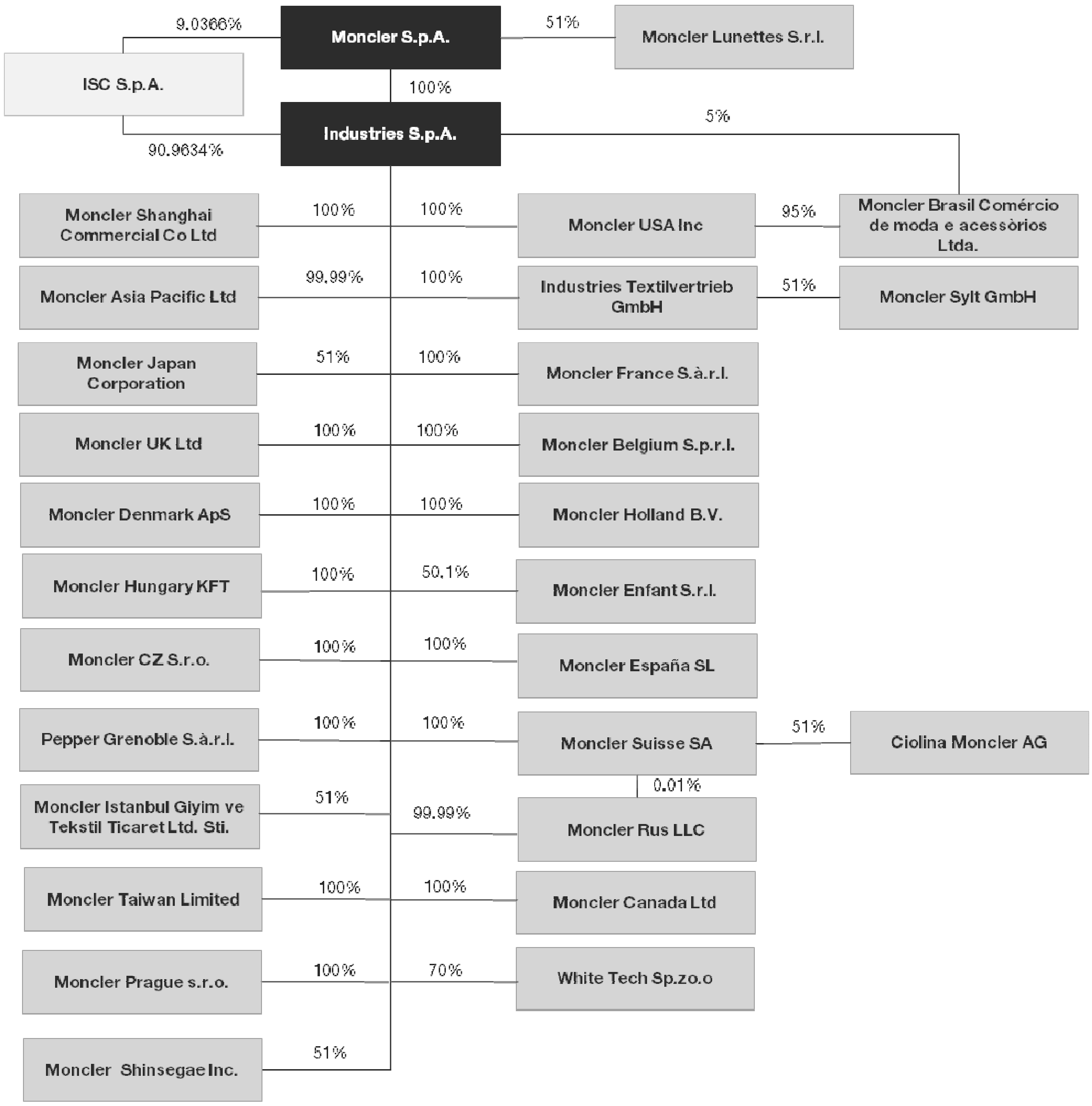
(1) Independent Director

(2) Nomination and Remuneration Committee

(3) Audit and Risk Committee

(4) Lead Indipendent Director

ORGANIZATIONAL CHART AS OF DECEMBER 31, 2014



GROUP STRUCTURE

The Annual Report as of December 31, 2014 includes Moncler S.p.A. (Parent Company), Industries S.p.A. and 28 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.

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

Moncler Japan Corporation	Company that manages DOS and distributes and promotes goods in Japan
Moncler Shanghai Commercial Co. Ltd	Company that manages DOS in China
Moncler Shinsegae Inc.	Company that manages DOS and distributes and promotes goods in Korea
Moncler Taiwan Limited	Company that manages DOS in Taiwan
Moncler Enfant S.r.l.	Company that distributed and promoted goods from the Moncler Baby and Junior brand
Moncler Lunettes S.r.l.	Company responsible for coordinating the production and marketing of products in the Moncler eyewear brand
White Tech Sp.zo.o.	Company that manages quality control of down
ISC S.p.A.	Company that managed the Other Brands Business, disposed of on November 8, 2013
Moncler CZ S.r.o.	Not operating company
Pepper Grenoble S.à.r.l.	Inactive company

THE MONCLER BRAND

The Moncler brand was created in 1952 in Monestier-de-Clermont, a small village in the mountains near Grenoble, with a focus on sports clothing for the mountain. Moncler has, in fact, built in 1954 the first nylon down jacket. In the same year, the Moncler products were chosen by the Italian expedition to K2 and in 1955 by the French expedition to Makalù. In 1968, the brand gained additional visibility as Moncler became the official supplier of the French Alpine skiing team at the Winter Olympics in Grenoble. In the 80s the Moncler products started to be used on a daily basis also in the cities and became a true fashion phenomenon among younger consumers.

Beginning in 2003, when Remo Ruffini entered in the Group, a process of repositioning of the brand was initiated through which Moncler products take on an ever more unique aspect.

The philosophy of Moncler is now focused on the creation of unique products of the highest quality, "timeless", versatile and innovative. The motto "born in the mountains, living in the city" tells how the Moncler brand has evolved from a line of products used purely for sport purposes to versatile lines that consumers of all gender, age, identity and culture can wear on any occasion.

The selection of Moncler brand products ranges from the high fashion segment, with the Gamme Rouge and Gamme Bleu collections, characterized by the exclusivity of the products and the limited distribution to the most prestigious boutiques in the world, to the Grenoble collections, where the technical and innovative aspect is greater, to the Special Projects, consisting of experimental labs, the result of ad hoc collaborations with avant-garde designers, to the products of the Main collection that combine high quality for various uses. The selection also offers a line dedicated to accessories (shoes "*A marcher*" and bags "*A porter*"), a line of eyewear and sunglasses (“*Moncler Lunettes*”) and the line *Enfant* dedicated to the child segment (0-14 years).

Lionel Terray
1954

Gamme Bleu
Fall - Winter 2015/16

Gamme Rouge
Fall - Winter 2014/15

Moncler Main
Spring - Summer 2015

Moncler Main
Spring - Summer 2015

VISION AND STRATEGY

Moncler's goal is the pursuance of the development of the brand in the luxury goods segment throughout the world, in harmony and in line to the uniqueness of its heritage.

Moncler's strategy is aimed at:

- the continued strengthening of the identity and uniqueness of brand positioning;
- the development and consolidation of international markets;
- the evaluation of a selective expansion of the product range into segments compatible with the distinctive characteristics of the brand.

The Moncler brand has a unique heritage which is its main asset and the entire strategy permeates through it.

Heritage, quality, uniqueness, consistency are the four words that best represent Moncler, a brand that can survive fashion, since today's real luxury consists in having a high quality product that lasts.

Moncler plans to pursue these objectives by strengthening and developing international markets mainly through the expansion of the retail channel and the consolidation of the wholesale channel with the aim of consolidating the presence in the most important luxury department stores worldwide, with the goal of both strengthening the markets where the brand is currently present as well as developing new markets.

Moncler's strategy is to open new Directly Operated Stores (DOS) in key prestigious locations worldwide, with each Moncler store conceived as a unique testimony to the brand itself. The Group's strategy in relation to the wholesale channel is primarily aimed at consolidating that segment.

Moncler intends to pursue also the selective strengthening and expansion of product categories closer to the brand's DNA, with the aim of creating special goods but manufactured with a specialist approach, while keeping unchanged the brand positioning.

The goal is the achievement of a sustainable and long-term growth of the brand. Acting quickly but with no hurry is Moncler's motto.

The Group has also agreed to implement a strategy of direct control of the key businesses in order to develop the brand's values in a consistent and controlled way. With the recent joint venture established in South Korea (active since January 1, 2015), Moncler now directly controls all the markets in which it operates.

CRITICAL SUCCESS FACTORS

“There is no present or future without a past and Moncler has a wonderful past”

Moncler has a heritage and a unique positioning in the luxury goods industry worldwide with over 60 years of history, which enables it to combine the brand DNA with innovative, versatile and "timeless" products.

“Nowadays the real luxury is to have a product that lasts in time and that does not change with the trends”

Moncler currently has a recognized excellence in the quality and the innovation of its product, thanks to the ability to perceive new trends, while respecting the brand distinctive characteristics.

Moncler has a business model, which is integrated and focused on quality control and value chain, with the direct management and coordination of the phases with higher added value.

“I believe in a versatile product which is able to capture different styles and ways of usage”

Currently, Moncler’s clientele consists of male and female, transversal and cross-generational individuals. The Moncler products fit a variety of lifestyles and lends itself to many occasions of use, including formal and elegant use as well as a purely sports and daily use.

“In order to communicate a unique product, one must have a unique communication strategy”

Moncler’s communication strategy is aimed at generating interest in the brand and product through an innovative and unpredictable process of communication, which will lead to perceive the values of the brand.

“Our stores are our statement”

Moncler pursue the objective to have a direct control over the distribution network, both wholesale, through direct sales force and through retail. Strengthen Moncler’s exclusive position has been made possible through the brand’s presence in the most important multibrand stores and the main luxury department stores and a retail strategy that hand-picks the world’s most prestigious shopping streets and resorts. The distribution network is also supported by an efficient value-chain.

"Moncler is a globofonic company: it has a global vision with a domestic strategy"

Moncler operates a direct control on the markets where the brand is present, while maintaining a strong coordination with headquarters.

In order to increase and consolidate its global presence, Moncler operates through headquarters and four regional structures (Regions): Europe, Asia Pacific, Japan and Americas.

Each of these regions, in coordination with the headquarters, manages the development of the retail and wholesale channels in the countries of operation.

"I want to be amazed by the talent of others"

Moncler has a cohesive, motivated and experienced senior management team, who is driven by Remo Ruffini as Chairman and CEO, and who has demonstrated the ability to generate significant results in key areas for the consolidation of the Group, such as the development of the retail channel and the strengthening of the wholesale one, the brand management and the geographic expansion.

BUSINESS MODEL

Design and Product Development

Moncler's success is based on a unique and consistent brand strategy, which also depends on the ability to develop innovative products that are strongly "anchored" to the history of the brand. Heritage, uniqueness, quality and innovation are the terms used in Moncler to define the concept of "luxury".

The journey, which began in 2003 when Remo Ruffini entered in the Group, has always been coherent and pursued “without compromise”.

The heart of Moncler and the source of its originality is the "**Archive**", from which the first collections of the brand were inspired and today continue to be a central and important part of the Moncler collections.

All products inspired by the archives have always had and continue to have the classic Moncler logo, but the Moncler collections include also many “no-logo” and “less visible logo” products. The logo is in fact always an integrated with the Moncler strategy.

Over the years, the Moncler collections have enriched themselves with the energy brought upon by some designers, both for Special Projects and, above all, for the Gammes.

In 2006 the **Moncler Gamme Rouge** was launched, which is tied to the Haute Couture tradition and currently designed by Giambattista Valli. In 2009 the **Moncler Gamme Bleu** was launched, designed by Thom Browne, and represents a perfect combination of a tailored approach and the sporting aspect of the brand.

Finally in 2010 the Grenoble collection was created inspired by a small group of ski products, in order to reiterate even more strongly the link between Moncler and its roots.

Production

The goods offered by Moncler are designed, manufactured and distributed in accordance with the guidelines of a business model characterized by the **direct oversight of all critical phases of the production chain**.

Moncler directly manages the design and creative activities and the purchase of raw materials, as well as the development of prototypes, while it assigns to third parties manufacturers only the “cut-make-trim” phase (façon) of the production.

The purchase of raw materials is one of the main areas of the value chain. In fact, by virtue of its market position and its values, Moncler focuses both on the quality of the feather used in its garments, which must comply with the highest standards in the industry, and the use of innovative fabrics that offer advanced functional and aesthetic features. The purchase of raw materials (i.e. textiles, feather and accessories) takes place in countries able to meet the highest quality standards, such as Italy and Japan.

The third-parties suppliers working for Moncler are mainly located in Eastern European countries, which are currently able to ensure quality standards that are among the highest in the world for the production of down jackets, over which the company carries out direct supervision by conducting audits designed to check aspects regarding product quality, brand protection and compliance with current laws and human rights.

The high end lines, Gamme Rouge and Gamme Bleu, are produced entirely in Italy as they require different production techniques and are inspired by the French and Italian *haute couture*.

Distribution

Moncler is present in all major markets both through the retail channel, consisting of directly operated stores (DOS)[2] and the online store, and through the wholesale channel, represented by multi-brand doors and shop-in-shops in department stores.

Moncler's strategy is aimed at the control of the distribution channel, not only retail but also wholesale, where it operates through a direct organization and owned showrooms.

In recent years, the business grew mainly through the development of the retail channel, which in 2014 accounted for 62% of consolidated revenues. In particular, within the retail channel, the online store is growing, too, and is now active in all Moncler's main markets.

The wholesale channel remains very important for Moncler but shows a more modest growth as the Group has been implementing for some time now a strong policy in its selection of doors, reducing the numbers of these doors, and a close monitoring of the quantities ordered by customers.

As of 31 December 2014, the mono-brand distribution network of Moncler consisted of 172 stores, including 134 directly operated stores (DOS) and 38 wholesale mono-brand stores (shop-in-shops).

[2] Includes free standing stores, concessions, travel retail stores and outlets

	31/12/2014	31/12/2013	Net Openings
Retail Mono-brand	134	107	+27
Italy	19	17	+2
EMEA (excl. Italy)	51	44	+7
Asia and Rest of World	50	38	+12
Americas	14	8	+6
Wholesale Mono-brand	38	28	+10
Total	172	135	+37

During the year Moncler opened 27 new directly operated stores, located in the most famous international locations, and in particular:

- the first store in the Canadian market in Toronto, and 5 new store openings in the United States;
- the consolidation of Moncler's presence in the Asia-Pacific region, with the expansion/relocation of the two main stores in Hong Kong, the opening of a directly operated travel retail store in the Hong Kong airport, and the opening of other DOS in some of the major cities in China;
- the conversion of two London stores in Harrods from shop-in-shops (wholesale) into concessions (retail).

It should be noted that, during 2014, 10 wholesale stores were opened in the major luxury department stores, especially in Korea.

Moncler's ability to distribute its products to such a large number of destinations is based on the careful attention it pays to the way in which logistics activities are managed. In this sphere too Moncler is attentive to optimizing processes and this has enabled it to contain both environmental effects and costs. More specifically, Moncler has made changes to the packaging it uses for shipping finished goods, thereby reducing the total volume consumed and optimizing the space taken up on the means of transport employed. This has led to a reduction in the number of transfers and therefore in the environmental effects caused in terms of energy consumption and atmospheric emissions. From this standpoint the Group is now arranging to increase the level of goods shipped by sea wherever possible, representing a further lever for reducing environmental effects.

Moncler store: Toronto, 3401 Dufferin Street

Moncler store: Hawaii Honolulu, 2120 Kalakaua

Moncler store: Hong Kong Central, IFC Mall

Moncler store: Paris, Rue des Archives 11

Marketing and Communication

Having a unique history also means being able to communicate it in a unique way and Moncler has always pursued such route.

The marketing and communication aspect of the business is an essential part of the strategy directed to transfer the unique and exclusive values of the Moncler brand to the market and has contributed to the creation of a luxury brand recognized at an international level. The marketing strategies adopted strive for consistency between the values of the brand, the targeted customers and the product, in order to maintain high and further raise the brand reputation and the value perceived by consumers.

The first advertising campaigns which were part of the relaunch of the brand had to highlight the Moncler Heritage and that is the reason why a series of strong campaigns centered around the product were created.

From the time this message was considered to be clear and perceived by the consumer, innovative and unique advertising campaigns focusing on the brand were launched which were able to transfer not only the concept of the brand but also its philosophy, allowing people to associate instinctively the advertising campaigns to the Moncler brand.

Communication is a key process and is included in all stages of the value chain, from the introduction of new collections up to the retail and wholesale sales; such communication is reflected both through magazine and newspaper – traditional and online - advertising campaigns and through the planning of trade shows, promotions and sponsorships and events organized within the stores.

The presentation of the Gamme Bleu, Gamme Rouge and Grenoble lines takes place during fashion week in Milan, Paris and New York respectively. These opportunities make it possible to convey to participants the originality and uniqueness of the Moncler brand.

In addition, Moncler has focused its strategy to significantly increase the brand's presence within social networking sites in the world, reaching key engagement goals with rising growth rates. In 2014 the Group consolidated its presence in all the digital perimeters paying specific attention to mobile and digital marketing, optimizing media activities and planning from a sales online standpoint with excellent results in terms of performance. The next medium-term target is an omnichannel approach which sees online and retail increasingly combined and digital as an essential source and business lever.

Furthermore, Moncler continues to be highly active on the question of brand protection, working closely in coordination with the international customs authorities, involving private investigators in the most critical areas and taking civil and criminal legal action to protect its rights. Moncler has been especially active on the matter of online enforcement in order to close unauthorized websites, remove links or advertising on the social media and take other measures. Through its customer care department and a dedicated section on its website (http://code.moncler.com) Moncler provides direct assistance to its customers on counterfeiting matters.

HUMAN RESOURCES

Moncler assigns vital importance to human resources, to their training, motivation and incentivization. The quality of human resources, professionalism and shared values are considered to be essentials for the development of the Company's strategy.

Moncler designs paths for executives and middle managers to enable them to develop management skills, consistent with the Moncler leadership model and the Company's values. The aim of these paths is to reinforce the sense of business identity, providing effective methodologies and tools for interpreting complex scenarios, stimulating innovation and contributing to the creation of value as well as ensuring continuity and succession for roles considered to be key. In addition, Moncler places considerable emphasis on attracting and enhancing the value of talented people who represent the future managerial class. For this reason significant investments are made, aimed at enhancement and retention, using targeted training and development programs. By way of detailed seminars also involving top class testimonials the path for enhancing the value of talented people aims at building the Company's future leaders, persons capable of holding positions of increasing responsibility.

The Group provided a total of 14,216 hours of training in 2014, of which 6,389 hours in the retail area.

Over time, Moncler has developed an internal performance appraisal system based on its skills model. As of today, this system involves 40% of Moncler's corporate employees.

In addition, the growth of the retail channel has driven Moncler to invest in projects specifically aimed at the development and enhancement of the professional and across-the-board skills of sales personnel.

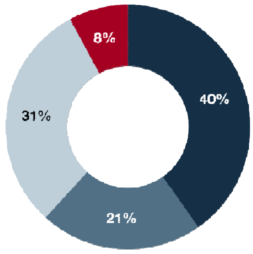
In 2014 Moncler had 1,407 FTE[3] employees, more than half of whom employed in direct stores (59%).

The distribution of personnel by geographical area sees EMEA (including Italy) having 61% of total FTE[3], followed by Asia with 31% and the Americas with 8%.

---

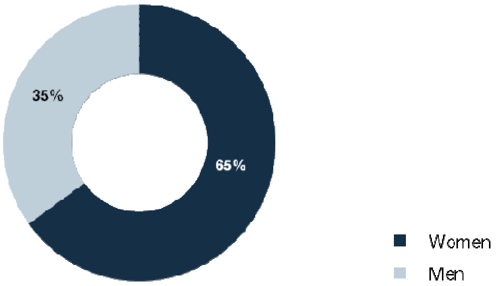
[3] Average full time equivalent

	31/12/2014	31/12/2013
Italy	568	500
EMEA (excl. Italy)	301	233
Asia & Rest of the World	428	321
Americas	110	78
Total	1.407	1.132
of which Retail Direct	834	621



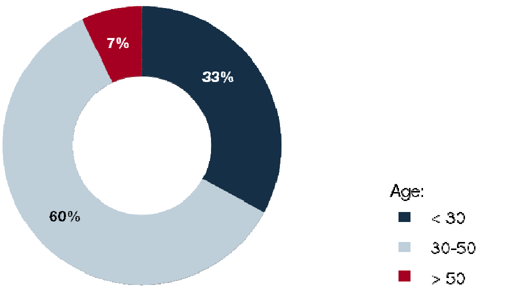
Full Time Equivalents in 2014

At 31 December 2014, approximately 65% of the Group's employees were women. This percentage is unchanged compared to 31 December 2013.



At 31/12/2014

Moncler places special emphasis on youth employment as shown by an analysis of personnel by age, in which employees under 30 represent 33% of the total. This percentage is unchanged compared to December 2013.



At 31/12/2014

During 2014 Moncler gave considerable attention to the development of its organizational structure in terms of strategy, growth and business challenges with the aim of further increasing its competitive abilities on the world markets of the sector in which it operates.

MONCLER AND THE FINANCIAL MARKETS

In 2014 there was considerable volatility on global financial markets in general, and in the luxury goods sector in particular.

This scenario also affected Moncler's share price, which despite results viewed by the financial community as having outperformed the expectations of even sell-side analysts, was nonetheless penalised by a reduction of the luxury goods securities held in the portfolios of the largest international funds.

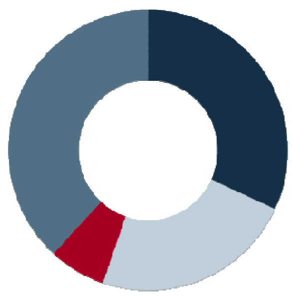
Nonetheless, Moncler closed 2014 up 9% on its listing price of 10.2 euro per share.

In March 2014, Moncler was included in the list of the 40 largest-capitalisation securities on the Milan Stock Exchange (the FTSE MIB).

In June, the private equity fund Carlyle sold its entire 7.13% interest in Moncler, held via CEP III, through accelerated book building on international markets, for 12.04 euro per share.

Shareholding

■	31.9%	Ruffini Partecipazioni S.r.l.
■	23.3%	ECIP M S.A.
■	6.6%	T. Rowe Price Associates, Inc.
■	38.2%	Market



Data as of March 2015

Financial Calendar

Following are the main events in 2015 related to the Moncler reporting timeline.

Date	Event
Wednesday 4 March 2015	Board of Directors: Approval of Financial Statements as of December 31, 2014
Thursday 23 April 2015	Annual Shareholder's Meeting for Approval of Financial Statements as of December 31, 2014
Tuesday 12 May 2015	Board of Directors: Approval of the Interim Financial Statements as of March 31, 2015 (*)
Wednesday 29 July 2015	Board of Directors: Approval of Interim Financial Statements as of June 30, 2015 (*)
Monday 9 November 2015	Board of Directors: Approval of Interim Financial Statements as of September 30, 2015 (*)

(*) A conference call with institutional investors and equity research analysts will take place following the Board of directors' meeting; details will be announced in due course.

Section Two

INTRODUCTION

In accordance with Article 40, paragraph 2 bis of the Legislative Decree 127 of 09/04/91, the Parent Company has prepared the Directors' Report as a single document for both the separate financial statements of Moncler S.p.A. and the Group consolidated financial statements.

PERFORMANCE OF THE MONCLER GROUP

In 2014 Moncler recorded revenues of 694.2 million euros, an increase of 20%, and net income of 130.3 million euros, an increase of 71% with respect to 76.1 million euros in 2013, which included 16.0 million euros of net loss from discontinued operations.

During 2013, in fact, the Group had a corporate reorganization with the aim of separating the Moncler "luxury" business Division, from the Other Brands "casualwear" Division. This process was completed with the disposal of the Other Brands Division, which took place on 8 November 2013.

As a result, the consolidated income statement for 2013 was presented reflecting the Other Brands Division as "discontinued operations" and indicating separately under the caption "Net result from discontinued operations" the results of this Division, inclusive of the loss on the disposal.

Financial Results

Following are the consolidated income statements for financial years 2014 and 2013.

Consolidated income statement (Million euros)	**Full Year 2014**	***% on Revenues***	**Full Year 2013**	***% on Revenues***
Revenues	**694.2**	***100.0%***	**580.6**	***100.0%***
YoY growth	*+20%*		*+19%*	
Cost of sales	(192.5)	*(27.7%)*	(166.5)	*(28.7%)*
Gross margin	**501.7**	***72.3%***	**414.1**	***71.3%***
Selling expenses	(183.0)	*(26.4%)*	(147.7)	*(25.4%)*
General & Administrative expenses	(66.0)	*(9.5%)*	(57.9)	*(10.0%)*
Advertising & Promotion	(46.1)	*(6.6%)*	(36.0)	*(6.2%)*
EBIT Adjusted	**206.6**	***29.8%***	**172.5**	***29.7%***
Non-recurring items[4]	(5.0)	*(0.7%)*	(6.1)	*(1.1%)*
EBIT	**201.6**	***29.0%***	**166.4**	***28.7%***
Net financial result[5]	(6.1)	*(0.9%)*	(21.2)	*(3.6%)*
EBT	**195.5**	***28.2%***	**145.2**	***25.0%***
Taxes	(65.4)	*(9.4%)*	(50.8)	*(8.8%)*
Tax Rate	*33.4%*		*35.0%*	
Net Income from Continuing Operations	**130.1**	***18.7%***	**94.4**	***16.3%***
Net Result from discontinued operations	0.0	*0.0%*	(16.0)	*(2.8%)*
Consolidated Net Income	**130.1**	***18.7%***	**78.4**	***13.5%***
Minority result	0.2	*0.0%*	(2.3)	*(0.4%)*
Net Income	**130.3**	***18.8%***	**76.1**	***13.1%***
YoY growth	*+71%*		*+164%*	

EBITDA Adjusted	**232.9**	***33.5%***	**191.7**	***33.0%***
YoY growth	*+21%*		*+19%*	

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, and can be directly derived from the Consolidated Financial Statements in accordance with IFRS, supported by the explanatory notes.

[4] Financial Year 2014: mainly non-cash costs related to stock option plans.
Financial Year 2013: non-recurring costs mainly related to IPO.

[5] Financial Year 2014: FX Gain/(Losses) 5.8 million euros; Other financial items (11.9) million euros.
Financial Year 2013: FX Gain/(Losses) (2.6) million euros; Other financial items (18.6) million euros.

Consolidated Revenues

In 2014 Moncler recorded **revenues of 694.2 million euros**, an **increase of 20% at current exchange rates** compared to revenues of 580.6 million euros in 2013 and of **21% at constant exchange rates**.

Revenues by Region

Revenues by Region (Euro/000)	Full Year 2014	%	Full Year 2013	%	YoY growth reported	YoY growth constant currencies
Italy	130,625	*18.8%*	130,931	*22.6%*	0%	0%
EMEA (excl. Italy)	232,743	*33.5%*	200,413	*34.5%*	+16%	+16%
Asia & Rest of the World	235,153	*33.9%*	181,633	*31.3%*	+29%	+35%
Americas	95,668	*13.8%*	67,600	*11.6%*	+42%	+42%
Total Revenues	**694,189**	***100.0%***	**580,577**	***100.0%***	**+20%**	**+21%**

In 2014, Moncler recorded **double-digit growth in all its international markets**.

In particular, the company achieved 42% growth at current and constant exchange rates in the **Americas**. The excellent results achieved in North America (United States and Canada) were driven by both the retail channel, including six new openings during the year, and the wholesale channel.

Moncler's revenue growth in **Asia** continued (+29% at current exchange rates, +35% at constant exchange rates), thanks to the strong performance achieved in the Chinese and Japanese markets. At current exchange rates the revenues from this region were partially affected by the weak performance of the yen against the euro.

The **EMEA** countries recorded revenue growth of 16% at current and constant exchange rates, with strong performances coming notably from France, the United Kingdom and Germany among others.

In **Italy**, FY2014 revenues were in line with the previous year, with the retail channel offsetting the performance of the wholesale channel impacted by the customers' selection strategy.

Revenues by Distribution Channel

Revenues by Distribution Channel (Euro/000)	Full Year 2014	%	Full Year 2013	%	YoY growth reported	YoY growth constant currencies
Retail	430,683	*62.0%*	333,553	*57.5%*	+29%	+31%
Wholesale	263,506	*38.0%*	247,024	*42.5%*	+7%	+7%
Total Revenues	**694,189**	***100.0%***	**580,577**	***100.0%***	**+20%**	**+21%**

In 2014, Moncler recorded **growth in both distribution channels**, with a particularly strong performance coming from the retail channel.

The **direct distribution channel** (***retail***) recorded revenues of Euro 430.7 million euros compared to 333.6 million euros in 2013, representing an increase of 29% at current exchange rates and 31% at constant exchange rates. This increase is attributable to the following factors:

- *Comp-Store-Sales Growth (CSSG)*[6], equal to 8%
- effect of the 27 new store openings during 2014.

The **indirect distribution channel** (***wholesale***) reported an increase in revenues of 7% at current and constant exchange rates, rising to 263.5 million euros in 2014 from 247.0 million euros in 2013, despite the planned reduction of wholesale doors and the conversion from wholesale (shop-in-shop) to retail (concessions) of 2 mono-brand stores.

Cost of Sales and Gross Margin

The consolidated **gross margin** in 2014 was 501.7 million euros, equivalent to 72.3% of revenues compared to 71.3% in 2013. This improvement is mainly due to growth in the retail channel.

Operating Expenses and EBIT

In 2014 **selling expenses** of 183 million euros were equivalent to 26.4% of revenues compared to 25.4% in 2013. This increase is mainly due to expansion in the retail channel.

General and administrative expenses amounted to 66 million euros, equivalent to 9.5% of revenues, compared to 10% of revenues in 2013.

Advertising expenses were 46.1 million euros compared to 36.0 million euros in 2013, representing 6.6% of revenues higher than the 6.2% in 2013, in line with the group's strategy to reinvest into the business the costs savings achieved at G&A level.

Adjusted EBITDA[7] rose to 232.9 million euros, compared to 191.7 million euros in 2013, equivalent to 33.5% of revenues compared to 33.0% in 2013.

Adjusted EBIT[7] was 206.6 million euros, compared to 172.5 million euros in 2013, equivalent to 29.8% of revenues (compared to 29.7% in 2013). Including non-recurring costs (non-monetary costs related to stock option plans), EBIT was 201.6 million euros representing 29.0% of revenues compared to 28.7% in 2013.

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

[7] Before non-recurring costs: non-cash costs of 5.0 million euros in 2014 relating to stock option plans; costs of 6.1 million euros in 2013, mainly from the IPO.

Net Income

Financial expenses decreased from 21.2 million euros in 2013 to 6.1 million euros in 2014. In 2014 the amount benefited from positive foreign currency differences, equal to 5.8 million euros, while in 2013 the amount included negative foreign currency differences equal to 2.6 million euros. Excluding FX Gain/(Losses), the financial items were equal to 11.9 million euros in 2014, compared to 18.6 million euros in 2013.

Taxes amounted to 65.4 million euros, with a 33.4% tax rate.

Net income rose to **130.3 million euros**, equivalent to 18.8% of revenues, compared to 76.1 million euros in 2013. The figure for 2013 includes losses from discontinued operations of 16.0 million euros (Other Brands Division). Excluding these losses, FY 2013 net income was equal to 92.1 million euros.

Financial Position

Following is the reclassified consolidated statement of financial position as at 31 December 2014 and 2013. In order to provide a clear and comparable picture, assets/(liabilities) related to the discontinued Other Brands Division have been reported separately.

Reclassified consolidated statement of financial position		
(Million euros)	**31/12/2014**	**31/12/2013**
Intangible Assets	414.4	408.3
Tangible Assets	77.3	58.2
Other Non-current Assets/(Liabilities)	(14.7)	(37.8)
Total Non-current Assets	**477.0**	**428.7**
Net Working Capital	97.1	46.9
Other Current Assets/(Liabilities)	(40.3)	(5.9)
Assets/(Liabilities) related to Other Brands Division	6.2	21.6
Total Current Assets	**63.0**	**62.6**
Invested Capital	**540.0**	**491.3**
Net Debt	111.2	171.1
Pension and Other Provisions	8.2	9.6
Shareholders' Equity	420.6	310.6
Total Sources	**540.0**	**491.3**

In particular, the item Assets/(liabilities) related to Other Brands Division in 2013 includes the portion of the sale price not yet collected, inclusive of tax and net of transaction charges. At 31 December 2014 the amount includes mainly the credit not yet collected.

The item Other current assets/(liabilities) includes mainly the tax liabilities, and the increase is due to the higher net income, and, as a consequence, the higher tax charges in the year.

Net Working Capital

Net working capital was 97.1 million euros compared to 46.9 million euros at 31 December 2013, equivalent to 14% of revenues; excluding the foreign exchange effect, this ratio falls to 13%. The change is mainly due to an increase in inventory, to a large extent arising from the decision to bring forward the production cycle and from the expansion of the retail channel.

In particular, at 31 December 2014, inventory amounted to 122.8 million euros, compared to 77.2 million euros at 31 December 2013, including a significant amount of raw materials and finished products related to Spring/Summer 2015 and Fall/Winter 2015.

Net working capital (Million euros)	**31/12/2014**	**31/12/2013**
Accounts receivables	86.6	76.5
Inventory	122.8	77.2
Accounts payables	(112.3)	(106.8)
Net working capital	**97.1**	**46.9**
% on Last Twelve Months Revenues	*14%*	*8%*

Net Debt

Net financial debt at 31 December 2014 was 111.2 million euros compared to 171.1 million euros at 31 December 2013, with a Net Cash Flow of 59.9 million euros in 2014.

Net financial debt (Million euros)	**31/12/2014**	**31/12/2013**
Cash and cash equivalents	(123.4)	(105.3)
Long-term borrowings	154.3	160.1
Short-term borrowings	80.3	116.3
Net financial debt	**111.2**	**171.1**

Following is the reclassified consolidated statement of cash flow for financial years 2014 and 2013:

Reclassified consolidated statement of cash flow (Million euros)	Full Year 2014	Full Year 2013
EBITDA Adjusted	232.9	191.7
Change in NWC	(50.2)	(10.4)
Change in other curr./non-curr. assets/(liabilities)	25.1	(17.0)
Capex	(50.2)	(34.3)
Disposals	0.7	0.4
Operating Cash Flow	**158.3**	**130.4**
Net financial result	(6.1)	(21.2)
Taxes	(65.4)	(50.8)
Free Cash Flow	**86.8**	**58.4**
Other changes related to Other Brands Division	0.0	8.1
Non-recurring items	(0.5)	(6.1)
Dividends paid	(28.6)	(2.2)
Other changes in equity	2.2	0.8
Net Cash Flow	**59.9**	**59.0**
Net Financial Position - Beginning of Period	171.1	230.1
Net Financial Position - End of Period	111.2	171.1
Change in Net Financial Position	**59.9**	**59.0**

Free Cash Flow in 2014 was 86.8 million euros compared to 58.4 million euros in 2013, despite the considerable increase in investments.

Capital Expenditure

Capital expenditure of 50.2 million euros was made in 2014 compared to 34.3 million euros in 2013, principally relating to the development of the network of mono-brand retail stores (37.2 million euros). Significant investments were also made in developing the shop-in-shop network, extending showrooms, and also in IT infrastructure.

The following table shows the breakdown of capex by category:

Capex (Million euros)	Full Year 2014	Full Year 2013
Retail	37.2	27.0
Wholesale	5.8	3.0
Corporate	7.2	4.3
Capex	**50.2**	**34.3**

PERFORMANCE OF THE PARENT COMPANY MONCLER S.P.A.

Following is the income statement of the Parent Company.

Income Statement - Moncler SpA				
(Million euros)	**Full Year 2014**	***% on Revenues***	**Full Year 2013**	***% on Revenues***
Revenues	**116.7**	***100.0%***	**96.1**	***100.0%***
General & Administrative expenses	(11.0)	*(9.4%)*	(7.8)	*(8.1%)*
Advertising & Promotion	(23.5)	*(20.1%)*	(19.0)	*(19.8%)*
Non-recurring items	(2.0)	*(1.7%)*	(9.0)	*(9.4%)*
EBIT	**80.2**	***68.7%***	**60.3**	***62.7%***
Net financial result	7.6	*6.5%*	(13.6)	*(14.1%)*
EBT	**87.8**	***75.2%***	**46.7**	***48.6%***
Taxes	(23.6)	*(20.2%)*	(15.4)	*(16.0%)*
Net Income from Continuing Operations	**64.2**	***55.0%***	**31.3**	***32.6%***
Net Result from discontinued operations	0.0	*0.0%*	(0.0)	*(0.0%)*
Net Income	**64.2**	***55.0%***	**31.3**	***32.6%***

Revenues (116.7 million euros in 2014 compared to 96.1 million euros in 2013) include income associated with the Moncler brand. The increase over the previous year, amounting to 20.6 million euros, was due to the overall growth in the business.

Advertising expenses amounting to 23.5 million euros (Euro 19.0 million in 2013) include costs for events and media, in support of brand equity.

General and administrative expenses amounted to 9.4% of revenues (8.1% in the previous year).

Non-recurring items, equal to 2.0 million euros in 2014, include mainly costs related to stock option plans approved on 28 February 2014 by Moncler Shareholders' Meeting. In 2013 the caption included mainly costs related to IPO.

Financial charges amounted to 7.6 million euros (13.6 million euros in the previous year); the amount in 2014 is mainly due to dividends that Moncler S.p.A. received from Industries S.p.A., equal to 15 million euros.

Net income amounted to 64.2 million euros compared to 31.3 million euros in 2013.

Following is a detail of the Parent Company's financial position:

Reclassified statement of financial position - Moncler SpA		
(Million euros)	**30/09/2014**	**31/12/2013**
Intangible Assets	225.1	224.8
Tangible Assets	0.9	1.0
Investments	220.8	215.3
Other Non-current Assets/(Liabilities)	(68.6)	(68.8)
Total Non-current Assets	**378.2**	**372.4**
Net Working Capital	(15.3)	(5.3)
Other Current Assets/(Liabilities)	(22.9)	(7.2)
Assets/(Liabilities) from discontinued operations	0.0	2.6
Total Current Assets	**(38.2)**	**(9.9)**
Invested Capital	**340.0**	**362.5**
Net Debt	70.8	137.0
Pension and Other Provisions	0.5	0.3
Shareholders' Equity	268.7	225.2
Total Sources	**340.0**	**362.5**

The balance sheet of Moncler S.p.A. includes shareholders' equity of 268.7 million euros, compared to 225.2 million euros at 31 December 2013, and net financial debt of 70.8 million euros, compared to 137.0 million euros at 31 December 2013.

Changes in the net debt are due to the generation of cash during the period, given the anticipated proceeds of royalties, in order to allow the repay of the existing pool financing agreement of 120 million euros on 31 December 2014. On the same day, a new financial loan agreement for 60 million euros has been signed.

The Assets/(Liabilities) from discontinued operations include in 2013 investment in ISC S.p.A., resulting from the transfer of the Other Brands Divison's assets.

MAIN RISKS

Moncler, through the normal business management and the development of its strategy, is exposed to different types of risks that could adversely affect the Group's operating results and financial position.

The most important business risks are constantly monitored by the Control and Risk Committee and periodically reviewed by the Board of Directors, which is responsible for the development of the strategy.

Risks associated with the market in which the Group operates and with general economic conditions

Moncler operates in the luxury goods sector which is characterized by a high level of competitiveness and volatility. In addition, the Group's ability to develop its business depends to a significant extent on the economic situation of the various countries in which it operates.

Although the Group operates in a significant number of countries around the world, thereby reducing the risk of high concentration, the possible deterioration of economic conditions in one or more markets in which it operates may have a negative impact on sales and financial results of the Group.

Risks associated with image and brand recognition

The luxury goods sector in which Moncler operates is influenced by changes in consumers' tastes and preferences. In addition, the Group's success is significantly influenced by the image, perception and recognition of the Moncler brand. The Group strives to maintain and enhance the strength of the Moncler brand, paying particular attention to the design, the quality of raw materials, the characterization and product presentation, communication and developing its own distribution model by being selective and adhering to quality.

In case Group will not be able in the future to maintain a high image and brand recognition, through its products and activities, sales and financial results may be affected negatively.

Risk associated with key mangement personnel

Moncler's results and success depend significantly on the ability of its executive directors and other members of management, which have had a decisive role in the development of the Group and which have a significant experience in the field of luxury goods.

Even though Moncler considers to have in place an operational and managerial structure capable of ensuring the continuity of the business, if the existing relationship with some of these individuals were to be interrupted without proper and timely replacement, the competitive ability of the Group and its growth prospects may be affected, with a resulting negative impact on the economic and financial position of the Group.

Risks associated with relationships with third party manufacturers

For the production of its garments, Moncler uses independent third party manufacturers, which are assigned exclusively to the production stages of the garment, while the purchase of raw materials is managed directly by Moncler. The third-party manufacturers operate under the close supervision of Moncler, mostly related to the stages of production and the quality control of the goods.

Although the Group does not depend to a significant extent on any given manufacturer, there is the possibility that any interruption or termination for any reason of the relationship with these manufacturers may materially affect the Group's business with a negative impact on sales and earnings.

Moncler maintains constant and continual control over its group of third-party manufacturers in order to ensure there is full compliance, among other things, with labor laws and environmental laws, as well as with the high quality requirements that have always been called for. Moncler performs audits at these third-party manufacturers and at their sub-suppliers. The risk cannot be excluded, however, that any one of these might not fully comply with the agreements entered with Moncler.

Risks related to the cost and availability of high quality raw materials and the relationships with suppliers

Moncler's products require raw materials of high quality, including but not limited to nylon, feather and cotton. The price of raw materials depends on a wide variety of factors largely beyond the control of the Group and difficult to predict.

Although in recent years Moncler has not encountered any particular difficulties in the acquisition of high quality raw materials to the extent appropriate, one cannot exclude that there could be some tension on the supply side that could lead to a shortage of supply resulting in an increase in costs that could have a negative impact on the financial results of the Group.

Moncler adopts a stringent policy with all its raw material suppliers, who are required to abide by clear commitments to quality and compliance with current legislation on worker protection, animal protection and environmental protection.

Risks associated with the distribution network

Moncler generates an increasing portion of its revenues through the retail channel, consisting of directly operated single-brand stores (DOS). The Group has over the years demonstrated the ability to open new stores in the most prestigious locations in the most important cities in the world and within high profile department stores, despite the competition among key players in the luxury goods sector in order to secure a strong position in that sector. This is the reason why the fact that the Group might face difficulties in openening new stores, which could have a negative impact on the growth of the business, should not be excluded.

Risks related to brand and product counterfeiting and the protection of intellectual property rights

The luxury good market is known to be proned to brand and product counterfeiting.

Moncler has made considerable investments in the adoption of innovative technologies which allow products to be tracked along the value chain, to prevent and mitigate the effects of counterfeiting of its brands and products and to protect its intellectual property rights in the territories in which it operates. However, it cannot be excluded that the presence on the market of significant quantities of counterfeit products may adversely affect the image of the brand, with a negative impact on sales and operating results.

Risks related to the evolution of the regulatory framework

Moncler operates in a complex international environment and is subject to rules and regulations in the various jurisdictions in which it operates, which are constantly monitored, especially for all matters relating to the health and safety of workers, environmental protection, rules around product manufacturing and their composition, consumer protection, the protection of intellectual and industrial property rights and competition rules.

The enactment of new legislation or amendments to existing laws which may require the adoption of more stringent standards could lead to additional costs linked to the manufacturing of the products or even limit the Group's operations with a negative impact on the results.

Exchange rates risks

Moncler operates in international markets using currencies other than the Euro, of which mainly Yen , U.S. Dollar, Renminbi and Hong Kong Dollar. Therefore it is exposed to the risk associated with fluctuations in exchange rates, equal to the transaction amount (mainly income) which are not covered by a matching transaction of the same currency. In 2014, the Group initiated a strategy to gradually cover the so called “Settlement” risks associated with exchange rates fluctuations of foreign transactions.

However, also due to the so called "Translation” risk, arising from the translation in Euro of financial statements of foreign companies denominated in local currency, one cannot exclude that significant changes in exchange rates could have an adverse impact on the Gropu’s financial position and results of operations.

For more information, please refer to the specific section of the Notes to the Financial Statements.

Interest rate risks

The Net Financial Position of the Group consists of cash and bank loans denominated primarily in Euros and is subject to interest rate risk. The Group, in order to partially hedge the interest rate risk, has entered into some hedging transactions.

However, any significant fluctuations in interest rates could lead to an increase in borrowing costs, with a negative impact on the Group's financial results.

For more information, please refer to the specific section of the Notes to the Financial Statements.

Credit risk

Moncler operates in accordance with the credit control policies aimed at reducing the risks resulting from non-solvency of its wholesale customers. These policies are based on preliminary in-depth analysis of the reliability of the customers and based on eventual insurance coverage and / or guaranteed form of payment. In addition, the Group has no significant concentrations of credit.

However, it can not be excluded that the difficulty of some customers may result in losses on receivables, with a negative impact on the Group's financial results.

For more information, please refer to the specific section of the Notes to the Financial Statements.

Liquidity risk

The Group's has implemented financial planning process aimed at reducing the liquidity risk. In addition, based upon the financial requirements, credit lines required to meet those needs are planned with the financial institutions and are classified between short-term and long-term.

For more information, please refer to the specific section of the Notes to the Financial Statements.

CORPORATE GOVERNANCE

Moncler S.p.A. (the "Parent Company") has adopted a traditional model of governance as follows:

- The Board of Directors manages the company and determines the Group guidelines;
- the Board of Statutory Auditors ensures compliance with applicable laws, the Company' Articles of Incorporation and its proper management;
- the independent auditor carries out the statutory audit.

The audit firm is appointed and replaced in accordance with the Articles of Incorporation during the shareholders meeting. In accordance with the laws of the Civil Code, the external auditor carries out its activities in an independent and autonomous fashion and therefore is not a representative of neither the minority or majority shareholders.

The Board of Statutory Auditors monitors the management of the company and oversees its compliance with the law and the articles of incorporation as well as verifies the adequacy of the internal control system in order to ensure the reliability of the facts and the adequacy of the support given to subsidiaries.

The Shareholders' meeting appointed KPMG SpA as the external auditor of the Stand Alone Financial Statements and Consolidated Financial Statements for the years 2013-2021.

For any further information on corporate governance, please refer to the Corporate Governance Report, published on the website www.monclergroup.com.

At its meeting of March 28, 2014 the Board of Directors of Moncler S.p.A. approved the "Organization, management and control model" pursuant to Legislative Decree no. 231 of June 8, 2001 on "Discipline of the administrative responsibility of legal persons, companies and associations including those not having a legal personality, in accordance with Article 11 of Law no. 300 of September 29, 2000". This Model establishes control principles and tools for activities considered potentially at risk and forms an integral part of the Internal Control System together with the Code of Ethics adopted by Moncler. The Code of Ethics expresses the ethical commitments and responsibilities in conducting business affairs and activities which each Recipient including those that do not belong to the Company (in particular Suppliers, Contractors, Consultants, Collaborators, Partners) must abide by when carrying out their working activities. On adopting the Model the Board of Directors simultaneously established the Supervisory Body, on which it bestowed the supervisory and control duties prescribed by the Decree.

RELATED PARTIES TRANSACTIONS

Information relating to related party transactions are provided in Note 11.1 to the Consolidated Financial Statements and Note 9.1 of the Stand Alone 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 and the Parent Company.

TREASURY SHARES

The company does not own nor did it own during the year, even through a third party or through trusts, treasury shares or shares in parent companies.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE AND OUTLOOK

Subsequent Events

On 1 January 2015, Moncler Shinsegae, a joint venture controlled by Moncler (51%), took over the 12 Moncler mono-brand stores in Korea from Shinsegae International.

In 2014, in fact, Moncler signed a joint venture contract with Shinsegae International, a Korean company listed on the Seoul stock exchange, Moncler's distributor in Korea and one of the country's leading retailers in the fashion and luxury sector.

This joint venture started operations in 1 January 2015 to promote, develop and manage Moncler stores in the Asian country's most prestigious locations. By reaching direct control on Korea, Moncler has realised its strategy of directly controlling all markets in which it operates.

Outlook

The Group is forecasting a scenario of increased revenues and profits in 2015, based on the following strategic lines:

- Growth on international markets, with the aim of consolidating the "more mature" markets and developing those where, despite the fact that brand awareness is high, the brand's growth potential is still fully or partially unexpressed;
- Developing the retail network, with an increased focus on the North American, Japanese and South East Asian markets;
- Selected development of the wholesale channel, with the Group's aim being to strengthen its presence in the best department stores and specialty stores in the luxury goods sector at an international level. The consolidation of the wholesale channel is mainly based on the development of international markets, starting with North America, while in Italy the Group will continue with its careful selection of doors;
- Reinforcement of brand equity using initiatives that are closely based on the Group's heritage, and also through innovative targeted advertising campaigns using both traditional means and digital marketing on the social media.

OTHER INFORMATION

Research and Development

Since the Moncler Group's success depends in part on the look, prestige and brand recognition, and in part on the ability to manufacture a set of collections in line with market trends, the company conducts research and development in order to design, create and implement new products and new collections. Research and development costs are expensed in the income statement as they occur on an accrual basis.

Reconciliation between net result and shareholders' equity of the parent company and the Group's amounts

The reconciliation between the Group's net result and shareholders equity at the end of the period and the parent Company Moncler's S.p.A. net results and shareholders' equity is detailed in the following table:

Reconciliation between result and net equity of the Parent company and the (Euro/000)	**Result** **2014**	**Net Equity** **31/12/14**	**Result** **2013**	**Net Equity** **31/12/13**
Parent company balances	64,176	268,675	31,299	225,221
Inter-group dividends	(31,608)	0	(27,821)	0
Share of consolidated subsidiaries net of book value of related equity interests	123,121	78,419	77,977	(10,532)
Allocation of the excess cost resulting from the acquisition of the subsidiaries and the corresponding Equity	0	159,011	530	158,350
Elimination of the intercompany profit and loss	(24,165)	(49,895)	(5,082)	(25,730)
Translation adjustments	0	(637)	0	(4,930)
Effects of other consolidation entries	(1,186)	(36,070)	(831)	(34,884)
Total Group shares	**130,338**	**419,503**	**76,072**	**307,495**
Share attributable to non-controlling interests	(229)	1,071	2,314	3,090
Total	**130,109**	**420,574**	**78,386**	**310,585**

Secondary Offices

The Company does not have any secondary offices.

Certification pursuant to art. 2.6.2, paragraph 8 and 9 of the Rules of the Markets organized and managed by the Italian Stock Exchange

In relation to art. 36 of Consob Regulation 16191 of 29/10/2007 as amended and integrated, concerning the conditions for the listing of companies with subsidiaries established and regulated under the laws of countries outside the European Union and of significance to the consolidated financial statements, please note that the above mentioned regulation is applicable to four companies belonging to the Group (Moncler Japan Corporation, Moncler USA Inc., Moncler Shanghai Commercial Co. Ltd. e Moncler Asia Pacific Ltd.) and that adequate procedures to ensure full compliance with said rules have been adopted and that the conditions referred to in that Article 36 were met.

MOTION TO APPROVE THE FINANCIAL STATEMENTS AND THE ALLOCATION OF THE RESULT FOR THE YEAR ENDED DECEMBER 31, 2014

Shareholders,

We invite you to approve the Moncler Group consolidated financial statements as at and for the year ended 31 December 2014 and invite you to approve Moncler S.p.A.'s stand alone financial statements which show a net income of Euro 64,175,546 which we propose be allocated as follows:

- Euro 30,000,000 to be distributed as dividends, equal to Euro 0.12 per share
- Euro 34,175,546 to be carried forward

Milan, 4 March 2015

For the Board of Directors

The Chairman

Remo Ruffini

CONSOLIDATED FINANCIAL STATEMENTS

MONCLER GROUP CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of income (Euro/000)	Notes	2014	of which related parties (note 11.1)	2013	of which related parties (note 11.1)
Revenue	4.1	694,189	385	580,577	
Cost of sales	4.2	(192,524)	(5,555)	(166,520)	(19,027)
Gross margin		**501,665**		**414,057**	
Selling expenses	4.3	(182,966)	(650)	(147,643)	(1,404)
General and administrative expenses	4.4	(66,043)	(5,375)	(57,911)	(8,967)
Advertising and promotion expenses	4.5	(46,072)		(35,985)	
Non recurring income/(expenses)	4.6	(5,034)	(2,420)	(6,119)	-
Operating result	**4.7**	**201,550**		**166,399**	
Financial income	4.8	6,100		627	
Financial expenses	4.8	(12,164)		(21,780)	(654)
Result before taxes		**195,486**		**145,246**	
Income taxes	4.9	(65,377)		(50,816)	
Net result from continuing operations		**130,109**		**94,430**	
Net result from discontinued operations	**6**	**0**		**(16,044)**	
Consolidated result		**130,109**		**78,386**	
Net result, Group share		130,338		76,072	
Non controlling interests		(229)		2,314	
Earnings per share (unit of Euro)	5.15	**0.52**		**0.30**	
Diluted earnings per share (unit of Euro)	5.15	**0.52**		**0.30**	

Earnings per share - continuing operations	2014	2013
Earnings attributable to Shareholders (Unit of Euro)	**0.52**	**0.37**
Diluited earnings attributable to Shareholders (Unit of Euro)	**0.52**	**0.37**

Consolidated statement of comprehensive income			
(Euro/000)	**Notes**	**2014**	**2013**
Net profit (loss) for the period		**130,109**	**78,386**
Gains/(Losses) on fair value of hedge derivatives	5.15	(646)	2,107
Gains/(Losses) on exchange differences on translating foreign operations	5.15	4,298	(5,878)
Items that are or may be reclassified to profit or loss		**3,652**	**(3,771)**
Other Gains/(Losses)	5.15	(178)	258
Items that are will never be reclassified to profit or loss		**(178)**	**258**
Other comprehensive income/(loss), net of tax		**3,474**	**(3,513)**
Total Comprehensive income/(loss)		**133,583**	**74,873**
Attributable to:			
Group		133,808	72,559
Non controlling interests		(225)	2,314

Consolidated statement of financial position (Euro/000)	Notes	December 31, 2014	of which related parties (note 11.1)	December 31, 2013	of which related parties (note 11.1)
Brands and other intangible assets - net	5.1	258,771		252,739	
Goodwill	5.1	155,582		155,582	
Property, plant and equipment - net	5.3	77,254		58,248	
Other non-current assets	5.8	17,251		11,663	
Deferred tax assets	5.4	45,968		25,133	
Non-current assets		**554,826**		**503,365**	
Inventories and work in progress	5.5	122,821		77,224	
Trade account receivable	5.6	86,593	1,130	76,521	2,523
Income taxes	5.11	5,938		21,350	
Other current assets	5.8	33,547		41,865	
Cash and cash equivalent	5.7	123,419		105,300	
Current assets		**372,318**		**322,260**	
Total assets		**927,144**		**825,625**	
Share capital	5.15	50,000		50,000	
Share premium reserve	5.15	107,040		107,040	
Other reserves	5.15	132,125		74,383	
Net result, Group share	5.15	130,338		76,072	
Equity, Group share		**419,503**		**307,495**	
Non controlling interests		**1,071**		**3,090**	
Equity		**420,574**		**310,585**	
Long-term borrowings	5.14	154,243		160,116	18,333
Provisions non-current	5.12	3,110		3,162	
Pension funds and agents leaving indemnities	5.13	5,112		6,455	
Deferred tax liabilities	5.4	74,436		72,551	
Other non-current liabilities	5.10	3,489		1,860	
Non-current liabilities		**240,390**		**244,144**	
Short-term borrowings	5.14	80,331		116,244	1,667
Trade accounts payables	5.9	112,323	7,163	107,077	23,758
Income taxes	5.11	43,556		13,930	
Other current liabilities	5.10	29,970	1,896	33,645	1,011
Current liabilities		**266,180**		**270,896**	
Total liabilities and equity		**927,144**		**825,625**	

Consolidated statement of changes in equity					Other comprehensive income		Other reserves						
(Euro/000)	Notes	Share capital	Share premium	Legal reserve	Cumulative translation adj. reserve	Other OCI items	IFRS 2 reserve	FTA reserve	Retained earnings	Result of the period, Group share	Equity, Group share	Equity, non controlling interest	Total consolidated Net Equity
Group shareholders' equity at January 1, 2013	**5.15**	**50,000**	**107,040**	**10,000**	**947**	**(2,516)**	**0**	**1,242**	**42,949**	**28,844**	**238,506**	**2,544**	**241,050**
Allocation of Last Year Result		0	0	0	0	0	0	0	28,844	(28,844)	0	0	0
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	490	490
Dividends		0	0	0	0	0	0	0	0	0	0	(2,258)	(2,258)
Share premium		0	0	0	0	0	0	0	0	0	0	0	0
Other movements in Equity		0	0	0	0	0	0	0	(3,570)	0	(3,570)	0	(3,570)
Other changes of comprehensive income		0	0	0	(5,878)	2,365	0	0	0	0	(3,513)	0	(3,513)
Result of the period		0	0	0	0	0	0	0	0	76,072	76,072	2,314	78,386
Group shareholders' equity at December 31, 2013	**5.15**	**50,000**	**107,040**	**10,000**	**(4,931)**	**(151)**	**0**	**1,242**	**68,223**	**76,072**	**307,495**	**3,090**	**310,585**
Group shareholders' equity at January 1, 2014	**5.15**	**50,000**	**107,040**	**10,000**	**(4,931)**	**(151)**	**0**	**1,242**	**68,223**	**76,072**	**307,495**	**3,090**	**310,585**
Allocation of Last Year Result		0	0	0	0	0	0	0	76,072	(76,072)	0	0	0
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	516	516
Dividends		0	0	0	0	0	0	0	(25,000)	0	(25,000)	(3,632)	(28,632)
Share premium		0	0	0	0	0	0	0	0	0	0	0	0
Other movements in Equity		0	0	0	0	0	4,522	0	(1,322)	0	3,200	1,322	4,522
Other changes of comprehensive income		0	0	0	4,294	(824)	0	0	0	0	3,470	4	3,474
Result of the period		0	0	0	0	0	0	0	0	130,338	130,338	(229)	130,109
Group shareholders' equity at December 31, 2014	**5.15**	**50,000**	**107,040**	**10,000**	**(637)**	**(975)**	**4,522**	**1,242**	**117,973**	**130,338**	**419,503**	**1,071**	**420,574**

Consolidated statement of cash flows (Euro/000)	**2014**	**of which related parties**	**2013**	**of which related parties**
Cash flow from operating activities				
Consolidated result	130,109		78,386	
Depreciation and amortization	26,276		19,185	
Net financial (income)/expenses	11,846		21,153	
Other non cash (income)/expenses	4,522		0	
Income tax expenses	65,377		50,816	
Net result from discontinued operations	0		16,044	
Changes in inventories - (Increase)/Decrease	(45,597)		(17,360)	
Changes in trade receivables - (Increase)/Decrease	(10,072)	1,393	(5,573)	(1,561)
Changes in trade payables - Increase/(Decrease)	5,246	(16,595)	12,826	(3,573)
Changes in other current assets/liabilities	8,516	885	(6,097)	468
Cash flow generated/(absorbed) from operating activities	**196,223**		**169,380**	
Interest and other bank charges paid	(9,950)		(14,531)	
Interest received	318		624	
Income tax paid	(39,289)		(65,694)	
Changes in other non-current assets/liabilities	(5,607)		635	
Net cash flow from operating activities (a)	**141,695**		**90,414**	
Cash flow from investing activities				
Purchase of tangible and intangible fixed assets	(50,216)		(34,346)	
Proceeds from sale of tangible and intangible fixed assets	659		1,976	
Net cash flow from discontinued operations	0		7,128	
Net cash flow from investing activities (b)	**(49,557)**		**(25,242)**	
Cash flow from financing activities				
Repayment of borrowings	(171,736)		(208,832)	(18,120)
Proceeds from borrowings	155,075		139,878	20,000
Short term borrowings variation	(26,778)		21,365	
Dividends paid to shareholders	(25,000)		0	
Dividends paid to non-controlling interests	(3,632)		(2,258)	
Other changes in Net Equity	3,057		838	
Net cash flow from financing activities (c)	**(69,014)**		**(49,009)**	
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**23,124**		**16,163**	
Cash and cash equivalents at the beginning of the period	**99,276**		**83,113**	
Net increase/(decrease) in cash and cash equivalents	23,124		16,163	
Cash and cash equivalents at the end of the period	**122,400**		**99,276**	

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

The Chairman

Remo Ruffini

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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,with its registered office located at Via Stendhal 47 Milan, Italy, and registration number of 04642290961.

The consolidated financial statements as at and for the year ended 31 December 2014 include the parent company and its subsidiaries (hereafter referred to as the "Group").

To date, the Group's core business 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 consolidated financial statements

1.2.1. Relevant accounting principles

The 2014 consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. IFRS also includes all International Accounting Standards ("IAS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The consolidated financial statements include the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the explanatory notes to the consolidated financial statements.

1.2.2. Presentation of the financial statements

The Group presents its consolidated income statement by destination, the method that is considered most representative for the business at hand. 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, the following few paragraphs describe related party transactions with the Group and their impact, if significant, on the consolidated statement of financial position, consolidated income statement and consolidated statement of cash flows.

1.2.3. Basis for measurement

The 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 in accordance with IAS 39) and on a going concern basis.

The 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 estimate

The preparation of the consolidated financial statements and the related explanatory 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 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 captions 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 expect 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 legth 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 probable 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 needs and fashion trends. As a result, it is necessary to consider the recoverability of the cost of inventories and the related required provision. 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 it is expected that they will be realised within a period that is consistent with management estimatie and business plans.

Provision for losses and contingent liabilities

The Group could be 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 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 reliably estimated. In those circumstances where the outflow of resources is possible or the amount of the obligation cannot be reliably measured, the contingent liabilities are disclosed in the notes to consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES USED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The accounting principles set out below have been applied consistently for fiscal year 2014 and the prior year.

2.1. Basis of consolidation

The consolidated financial statements comprises those of the Parent Company and its subsidiaries, of which the Parent owns, directly or indirectly, a majority of the voting rights and over which it exercises control, or from which it is able to benefit by virtue of its power to govern the subsidiaries' financial and operating policies.

The financial results of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where the Group loses control of a subsidiary, the consolidated financial statements include the results for the portion of the reporting period during which the parent company had control. In the consolidated financial statements, non-controlling interests are presented separately within equity and in the statement of income. Changes in parent's ownership interest, that do not result in a loss of control or changes that represent acquisition of non-controlling interests after the control has been obtained, are accounted for as changes in equity.

In preparing the consolidated financial statements the effects, the balances as well as the unrealized profit or loss recognized in assets resulting from intra-group transactions are fully eliminated.

Investments in associates

Investments in associates are accounted for using the equity method whereas the initial recognition is stated at acquisition cost and adjusted thereafter for the post-acquisition change in the investor's share of net assets. On acquisition of the investment any difference between the cost of the investment and the investor's share of the net fair value of the associate's assets and liabilities is included in the carrying amount of the investment. If the investor's share of losses of the associate equals or exceeds its interest in the associate, the investor's interest is reduced to zero and additional losses are provided for and a liability is recognized to the extent that the investor has incurred a legal obligation or has the intention to make payments on behalf of the associate.

2.2. Foreign currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

Transactions in foreign currencies
Foreign currency transactions are recorded by applying the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at year-end, are translated into the functional currency at the exchange rate ruling at the reporting date. Exchange differences arising on the settlement on the translation of monetary transactions at a rate different from those at which they were translated at initial recognition are recognized in the consolidated income statement in the period in which they arise.

Translation of the results of overseas businesses
Assets and liabilities of overseas subsidiaries included in the consolidated financial statements are translated into the Group's reporting currency of Euros at the exchange rate ruling at the reporting date. Income and expenses are translated at the average exchange rate for the reporting period, as it is considered to approximate at best the actual exchange rate at the transaction date. Differences arising on the adoption of this method are recognized separately in other comprehensive income and are presented in a separate component of equity as translation reserve until disposal of the foreign operation. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate ruling at the reporting date.

The main exchange rates used to convert into Euro the consolidated financial statements of foreign subsidiaries as at and for the years ended 31 December 2014 and 31 December 2013 are as follows:

	Average rate		Rate at the end of the period	
	2014	2013	As at 31 December 2014	As at 31 December 2013
CHF	1.214620	1.231060	1.202400	1.227600
CNY	8.185750	8.164630	7.535800	8.349100
CZK	27.535900	25.979700	27.735000	27.427000
DKK	7.454820	7.457920	7.445300	7.459300
GBP	0.806120	0.849255	0.778900	0.833700
HKD	10.302500	10.301570	9.417000	10.693300
HUF	308.706000	296.873000	315.540000	297.040000
JPY	140.306000	129.663000	145.230000	144.720000
USD	1.328500	1.328120	1.214100	1.379100
TRY	2.906500	2.533540	2.832000	2.960500
BRL	3.121130	3.086520	3.220700	3.257600
RUB	50.951800	44.074200	72.337000	45.324600
TWD	40.249900	40.014200	38.413300	41.140000
CAD	1.466100	n/a	1.406300	n/a
PLN	4.211200	n/a	4.273200	n/a
KRW	1,398.140000	n/a	1,324.800000	n/a

2.3. Business combinations

Business combinations are accounted under the acquisition method.

Under this method, the identifiable assets acquired and the liabilities assumed are measured initially at their acquisition-date fair values. The costs incurred in a business combination are accounted for as expenses in the periods in which the services are rendered.

Goodwill is determined as the excess of the aggregate of the considerations transferred, of any non-controlling interests and, in a business combination achieved in stages, the fair value of previously held equity interest in the acquiree compared to the net amounts of fair value of assets transferred and liabilities assumed at the acquisition date. If the fair value of the net assets acquired is greater than the acquisition cost, the difference is recognized directly in the statement of income at the acquisition date. Non-controlling interests could be measured either at their fair value at the acquisition date or at the non-controlling interests' proportionate share of the identifiable net assets. The election of either method is done for each single business combination.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurred, the Group shall report in the financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, that shall not exceed one year from the acquisition date, the provisional amounts are retrospectively adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of assets and liabilities recognized as of that date.

2.4. Non current assets available for sale and discontinued operations

Non-current assets available for sale and discontinued operations are classified as available for sale when their values are recoverable mainly through a probable sale transaction. In such conditions, they are valued at the lower of their carrying value or fair value, net of cost to sell if their value is mainly recoverable through a sale transaction instead of continued use.

Discontinued operations are operations that:

- include a separate line of business or a different geographical area;
- are part of a single coordinated plan for the disposal of a separate major line of business or geographical area of activity;
- consist of subsidiaries acquired exclusively for the purpose of being sold.

In the consolidated income statement, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 to be defined as "discontinued operations", are presented in a single caption that includes both gains and losses, as well as losses or gains on disposal and the related tax effect. The comparative period is subsequently restated in accordance with IFRS 5.

As far as the financial position is concerned, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 are reclassified as current assets and liabilities in the period in which such requirements arise. The comparative finacial statements are not restated or reclassified.

2.5. Property, plant and equipment

Property, plant and equipment are stated at acquisition or manufacturing cost, not revalued net of accumulated depreciation and impairment losses ("impairment"). Cost includes original purchase price and all costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation of property, plant and equipment is calculated and recognized in the consolidated income statement on a straight-line basis over the estimated useful lives as reported in the following table:

Category	Depreciation period
Land	No depreciation
Buildings	From 25 to 33 years
Plant and equipment	From 8 to 12 years
Fixtures and fittings	From 5 to 10 years
Electronic machinery and equipmen	From 3 to 5 years
Leasehold improvements	Lower between lease period and useful life of improvements
Other fixed assets	Depending on market conditions generally within the expected utility to the entity

Leased assets are depreciated over the shorter of the lease term and their useful lives Unless it is reasonably certain that the Group will take ownership of the asset by the end of the lease term.

Depreciation methods, useful lives and residual value are reviewed at each reporting period and adjusted if appropriate.

Gain/losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment represent the difference between the net proceeds and net book value at the date of sale. Disposals are accounted for when the relevant transaction becomes unconditional.

2.6. Intangible assets

Goodwill

Goodwill arising from business combination is initially recognized at the acquisition date as described in the notes related to “Business combinations”.

Goodwill is included within intangible assets with an indefinite useful life, and therefore, is not amortized but subject to impairment test performed annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. After the initial recognition, goodwill is measured at acquisition cost less accumulated impairment.

As part of the IFRS first time adoption, the Group chose not to apply IFRS 3 "Business Combinations" retrospectively regarding acquisitions made prior to the transition date (1 January 2009); consequently, goodwill resulting from acquisitions prior to the transition date to IFRS is still recorded under Italian GAAP, prior to any eventual impairment.

For further details please refer to section 2.7 "Impairment of non-financial assets."

Brands

Separately acquired brands are shown at historical cost. Brands acquired in a business combination are recognized at fair value at the acquisition date.

Brands have a indefinite useful life and are carried at cost less accumulated impairment. Brands are not amortized but subject to impairment test performed annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable.

For further details please refer to section 2.7 "Impairment of non-financial assets."

Intangible assets other than goodwill and brands

License rights are capitalized as intangible asset and amortized on a straight-line basis over their useful economic life. The useful economic life of license rights is determined on a case-by-case basis, in accordance with the terms of the underlying agreement.

Key money are capitalized in connection with the opening of new directly operated shop ("DOS") based on the amount paid. Key money in general have a definite useful life which is generally in line with the lease period. However, in certain circumstances, Key money have an indefinite useful life due legal protection or due to the fact that a refund could be received at the end of the lease period, which is considered a common practice. In such a case, provided adequate reasons, Key money are not amortized but subject to impairment test at least annually in accordance with what set out in the note related to impairment of non-financial assets.

Software (including licenses and separately identifiable external development costs) is capitalized as intangible asset at purchase price, plus any directly attributable cost of preparing that asset for its intended use. Software and other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization of intangible assets with a definite useful file

Intangible assets with a definite useful life are amortized on a straight line basis over their estimated useful lives as described in the following table:

Category	Depreciation period
License rights	Based on market conditions within the licence period or legal limits to use the assets
Key money	Based on market conditions generally within the lease period
Software	From 3 to 5 years
Other intangible assets	Based on market conditions generally within the period of control over the asset

2.7. Impairment of non-financial assets

On an annual basis, the Group tests for impairment property, plant and equipment and intangible assets with an definite useful life. Whenever events or changes in circumstance indicate that the carrying amount may not be recoverable, an impairment loss is recognized for the amount by which the carrying amount exceeds its recoverable amount.

Goodwill and assets with an indefinite useful life are not subject to amortization and are tested annually or more frequently for impairment, whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

When the recoverable amount for individual asset cannot be reliably estimated, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The Group determines the value in use as the present value of future cash flows expected to be derived from the asset or from the cash-generating unit, gross of tax effects, by applying an appropriate discount rate that reflects market time value of money and the risks inherent to the asset. An impairment loss is recognized for the amount by which the carrying amount exceeds its recoverable amount.

With the exception of impairment losses recognized on goodwill, when the circumstances that led to the loss no longer exist, the carrying amount of the asset is increased to its recoverable amount and cannot exceed the carrying amount that would have been determined had there been no loss in value. The reversal of an impairment loss is recognized immediately in the consolidated income statement.

2.8. Leased assets

Financial lease

Leases for which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at the amount equal to the lower of its fair value and the present value of the minimum lease payments.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating lease

Assets under a lease contracts (i.e. rent agreements) other than finance leases are not recognized in the Group's consolidated statement of financial position. The Group lessees property and gross rent expenses related to these operating leases are recognized on a straight line basis over the period of the leases. Certain rental expenses are determined on the basis of revenue achieved in specific retail locations and are accrued for on that basis.

2.9. Inventory

Raw materials and work in progress are valued at the lower of purchase or manufacturing cost calculated using the weighted average cost method and net realizable value. The weighted average cost includes directly attributable expenditures for raw material inventories and labour cost and an appropriate portion of production overhead based on normal operating capacity.

Provision is recorded to reduce cost to net realizable value taking into consideration the age and condition of inventory, the likelihood to use raw materials in the production cycle as well as the saleability of finished products through the Group's distribution channels (outlet and stock).

2.10. Financial instruments

Financial instruments are initially recognized at fair value when the entity becomes a party to a contractual obligation of the financial instruments.

The Group's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, other current and non-current assets and liabilities, investments, borrowings and derivative financial instruments.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term deposits held with banks and most liquid assets that are readily convertible into cash and that have insignificant risk of change in value. Bank overdrafts are recorded under current liabilities on the Group's consolidated statement of financial position.

Financial assets, trade receivables and other current and non-current receivables

Trade and other receivables generated when the Group provides money, goods or services directly to a third party are classified as current assets, except for items with maturity dates greater than twelve months after the reporting date.

Current and non-current financial assets, other current and non-current assets, trade receivable, excluding derivatives, with fixed maturity or determinable payment terms, are recognized at amortized cost calculated using the effective interest method. Notes receivable (due date greater than a year) with interest rate below that of the market rate are valued using the current market rate.

At the end of each reporting period the Group assesses whether there is any objective evidence that the financial asset or a group of financial assets is impaired. If any such evidence exists, an impairment loss is recognized immediately in the current period consolidated income statement.

Financial liabilities, trade payables and other current and non-current payables

Trade and other payables arise when the Group acquires money, goods or services directly from a supplier. They are included within current liabilities, except for items with maturity dates greater than twelve months after the reporting date.

Financial liabilities, excluding derivatives, are recognized initially at fair value which represents the amount at which the asset was bought in a current transaction between willing parties, and subsequently measured at amortized cost using the effective interest method. Financial liabilities that are designated as hedged items are subject to the hedge accounting requirements.

Derivatives instruments

In accordance with IAS 39, derivative instruments qualify for hedge accounting only if at the inception there is a formal designation and documentation of the hedging relationship, the hedge is expected to be highly effective and the effectiveness of the hedge can be reliably measured throughout the financial reporting periods for which the hedge was designated.

Fair value hedge

A derivative instrument is designated as fair value hedge when it hedges the exposure to changes in fair value of a recognized asset or liability, that is attributable to a particular risk and could affect profit or loss. The gain or loss on the hedged item, attributable to the hedged risk, adjusts the carrying amount of the hedged item and is recognized in the consolidated income statement.

Cash flow hedge

A derivative instrument is designated as cash flow hedge when it hedges the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss. The portion of gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in equity within other comprehensive income. The cumulative gain or loss is reclassified from equity to profit or loss in the same period in which the asset acquired or liability assumed affects profit or loss. Any gain or loss on the hedging instrument that is not an effective hedge is recognized immediately in the consolidated income statement. In the event that the hedge expires or is terminated or no longer meets the criteria for hedge accounting but the forecast transaction has not yet occurred, the cumulative gain or loss recognised in other comprehensive income from the period when the hedge was effective remains separately in equity and is recognised in the consolidated income statement in the same period during which the hedged forecast transaction affects profit or loss.

When the forecast transaction is no longer expected to occur, the cumulative gain or loss recognised in other comprehensive income from the period when the hedge was effective is reclassified immediately in the income statement.

2.11. Employee benefits

Short-term employee benefits, such as wages, salaries, social security contributions, paid leave and annual leave due within twelve months of the consolidated statement of financial position date and all other fringe benefits are recognised in the year in which the service is rendered by the employee.

Benefits granted to employees which are payable on or after the termination of employment through defined benefit and contribution plans are recognised over the vesting period.

Defined benefit schemes

Defined benefit schemes are retirement plans determined based on employees' remuneration and years of service.

The Group obligation to contribute to employees' benefit plans and the related current service cost is determined by using an actuarial valuation defined as the projected unit credit method. The cumulative net amount of all actuarial gains and losses are recognised in equity within other comprehensive income.

With reference to defined benefit plans, the increase in present value of the defined benefit obligation for employee service in prior periods (past service cost) is accounted as an expense on a straight-line basis over the average period until the benefits become vested.

The amount recognised as a liability under the defined benefit plans is the present value of the related obligation, taking into consideration expenses to be recognised in future periods for employee service in prior periods.

Defined contribution schemes

Contribution made to a defined contribution plan is recognised as an expense in the income statement in the period in which the employees render the related service.

Up to December 31, 2006 Italian employees were eligible to defined benefit schemes referred as post-employment benefit ("TFR"). With the act n. 296 as of December 27, 2006 and subsequent decrees ("Pension Reform") issued in early 2007, the rules and the treatment of TFR scheme were changed. Starting from contribution vested on or after January 1, 2007 and not yet paid at the reporting date, referring to entities with more than 50 employees, Italian post-employment benefits is recognised as a defined contribution plan. The contribution vested up to December 31, 2006 is still recognised as a defined benefit plan and accounted for using actuarial assumptions.

2.12. Provision for risks and charges

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic resources will be required to settle the obligation and where the amount of the obligation can be reliably estimated.

Restructuring provision is recognised when the Group has a detailed formal restructuring plan and the plan has been implemented or the restructuring plan has been publicly announced. Identifiable future operating losses up to the date of a restructuring are not included in the provision.

Changes in estimates are recognised in the income statement in the period in which they occur.

2.13. Share-based payments

The fair value at grant date of the incentives granted to employees in the form of share-based payments that are equity settled is usually included in expenses, with a matching increase in equity, over the period during which the employees obtain the incentives rights. The amount recognized as an expense is adjusted to reflect the actual number of incentives for which the continued service conditions are met and the achievement of non-market conditions, so that the final amount recognized as an expense is based on the number of incentives that fulfill these conditions at the vesting date. In case the incentives granted as share-based payments whose conditions are not to be considered to maturity, the fair value at the grant date of the share-based payment is measured to reflect such conditions. With reference to the non-vesting conditions, any differences between amounts the grant date and the actual amounts will not have any impact on the consolidated financial statements.

The fair value of the amount payable to employees related to share appreciation rights, settled in cash, is recognized as an expense with a corresponding increase in liabilities over the period during which the employees unconditionally become entitled to receive the payment. The liability is valued at each balance sheet date and the settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognized in profit or loss for the year.

2.14. Revenue recognition

Revenues are recognised when it is probable that the economic benefits associated with the transactions will flow to the Group and the amount can be reliably measured. Revenue, which is stated excluding value added tax and other sales related taxes, is the amount receivable for goods supplied less returns, trade discounts and allowances.

Wholesale sales are recognised when goods are dispatched to trade customers, reflecting the transfer of risks and rewards. The provision for returns and discounts is estimated and accounted for based on future expectation, taking into consideration historical return trends.

Retail sales are recognised at the date of transactions with final customers.

Royalties received from licensee are accrued as earned on the basis of the terms of the relevant royalty agreement which is typically based on sales volumes.

2.15. Borrowing costs

Borrowing costs are recognized on an accrual basis taking into consideration interest accrued on the net carrying amount of financial assets and liabilities using the effective interest rate method.

2.16. Taxation

Tax expense recognised in the consolidated income statement represents the aggregate amount related to current tax and deferred tax.

Current taxes are determined in accordance with enforced rules established by local tax authorities. Current taxes are recognised in the consolidated income statement for the period, except to the extent that the tax arises from transactions or events which are recognised directly either in equity or in other comprehensive income.

Deferred tax liabilities and assets are determined based on temporary taxable or deductible differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group consolidated financial statements. Current and deferred tax assets and liabilities are offset when income taxes are levied by the same tax authority and when there is a legally enforceable right to offset the amounts.

Deferred tax liabilities and assets are determined using tax rates that have been enacted by the reporting date and are expected to be enforced when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are not discounted.

Deferred tax assets recognised on tax losses and on deductible differences are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

2.17. Earning per share

The Group presents the basic and diluted earnings per share. The basic earnings per share is calculated by dividing the profit or loss attributable to holders of the Company shares by the weighted average of the number of shares for the financial year (defined as equal to the share capital), adjusted to consider any treasury shares held. The diluted earnings per share is calculated by adjusting the profit or loss attributable to shareholders, and the weighted average of the number of company shares as defined above, to consider the effects of all potential shares with a dilution effect.

2.18. Segment information

For purposes of IFRS 8 "Operating segments," the Group's business is conducted as a single operating segment known as the Moncler business.

2.19. Fair value

IFRS 13 is the only point of reference for the fair value measurement and related disclosures when such an assessment is required or permitted by other standards. Specifically, the principle defines fair value as the consideration received for the sale of an asset or the amount paid to settle a liability in a regular transaction between market participants at the measurement date. In addition, the new standard replaces and provides for additional disclosures required in relation to fair value measurements by other accounting standards, including IFRS 7.

IFRS 13 establishes a hierarchy that classifies within different levels the inputs used in the valuation techniques necessary to measure fair value. The levels, presented in a hierarchical order, are as follows:

- level 1: Fair values measured using quoted prices (unadjusted) in active markets for identicalassets or liabilities;
- level 2: it Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: Fair values measured using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

2.20. Accounting standards and recently published interpretations

Accounting standards, amendments and interpretations effective from January 1, 2014

IFRS 10 – Consolidated Financial Statements

IFRS 10 will replace SIC-12 – Consolidation: Special Purpose Entities and parts of IAS 27 – Consolidated and Separate Financial Statements (which has been renamed IAS 27 – Separate Financial Statements and addresses the accounting treatment of investments in separate financial statements). The new standard builds on existing principles by identifying a single control model applicable to all entities, including "structured entities". The standard also provides additional guidance to assist in the determination of control where this is difficult to assess.

IFRS 11 – Joint Arrangements

IFRS 11 supersedes IAS 31 – Interests in Joint Ventures and SIC-13 – Jointly Controlled Entities: Non-monetary Contributions by Venturers. The classification will focus on the rights and obligations of the arrangements, rather than their legal form.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other unconsolidated vehicles.

IAS 32 – Financial Instruments: Presentation (amendments)

On 16 December 2011, the IASB issued certain amendments to IAS 32 to clarify the application of certain offsetting criteria for financial assets and financial liabilities in IAS 32. The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively.

IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets (amendments)

On 29 May 2013, the IASB issued an amendment to IAS 36 addressing the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less cost of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied IFRS 13.

IAS 39 – Financial Instruments: Recognition and Measurement (amendments)

On 27 June 2013, the IASB issued narrow scope amendments to IAS 39 entitled "Novation of Derivatives and Continuation of Hedge Accounting". The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in IFRS 9 - Financial Instruments. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014.

IAS 27 (2011) Separate Financial Statements.
Following these amendments, which take into account the introduction of the new IFRS 10, this standard now only deals with the requirements for the preparation by an entity of its annual separate financial statements and the way in which it should account forinvestments in subsidiaries.

IAS 28 (2011) Investments in Associates and Joint Ventures.
The amendments to this standard take into account the introduction of the new IFRS 11 and have led to the introduction of the requirement to use the equity method in measuring investments in joint ventures.

Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12).
These amendments require that in general the retrospective application of the standards shall be solely limited to the comparative year preceding that of first-time application. If an entity decides voluntarily to present additional comparative periods, these may be presented without being adjusted for the retrospective effects of IFRS 10 and IFRS 11. In addition, specific requirements are provided for the first-time application of IFRS 10, IFRS 11 and IFRS 12.

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27(2011)).

This document introduces changes to the following standards:

- *IFRS 10 – Consolidated Financial Statements*: following the amendments made to IFRS 10, an entity qualifying as an investment entityshould not consolidate its subsidiaries or apply IFRS 3 – Business Combinations when it gains control of another entity, apart from specific exceptions, and should measure these investments at fair value through profit and loss in its separate financial statements and, where prepared, in its consolidated financial statements;

- *IFRS 12 –Disclosure of Interests in Other Entities*: IFRS 12 has been amended to include specific disclosure requirements applicable to investment entities, with particular reference to the significant judgements and assumptionsthey have made in determining that they qualify as an investment entity and to the disclosures required when an entity becomes or ceases to be an investment entity;

- *IAS27 (2011)- Separate Financial Statements*: introduces the requirement for investment entities to measure investments in subsidiaries at fair value through profit and loss in their separate financial statements if they are not permitted to consolidate these investments on a line-by-line basisunder the amendments to IFRS 10 discussed above. The optionfor investment entities to measure investments in subsidiaries at cost or in accordance with IAS 39 in their separate financial statements remains unchanged with regard to other subsidiaries that continue to be consolidated in the consolidated financial statements on a line-by-line basis.

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

New standards and interpretations not yet effective and not early adopted by the Group

IFRIC Interpretation 21 - Levies
On 20 May 2013, the IASB issued the IFRIC Interpretation 21, an interpretation of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. The interpretation sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognized. IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 with earlier adoption permitted.

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).

Improvements to IFRS (2011-2013 cycle)
This document introduces amendments to IFRS 1 – First-time Adoption of International Financial Reporting Standards (specifications regarding the early application by first-time adoptersof documents issued by the IASB), IFRS 3 – Business Combinations (clarifications that joint operations are outside the scope of this standard), IFRS 13 – Fair Value Measurement (introduction of the extension of the exception in IFRS 13for the measurement at fair value on a net basis of a portfolio of assets and liabilities), IAS 16 –Property, Plant and Equipment and IAS 40– Investment Property (clarifications on the interrelationship between IAS 40 and IFRS 3 regarding the acquisition of an investment property).

Defined Benefit Plans: Employee Contributions (amendments to IAS 19)
The aim of this amendment to IAS 19 is to enable entities to simplifytheir accounting for defined benefit plansif the contributions made by employees or third parties satisfy specific requirements.

In addition, at the date of these financial statements the competent bodies of the European Union had not yet completed their adoption process for the following accounting standards and amendments:

Document title	Issue date by IASB	Effective from
Standards		
IFRS 9 Financial Instruments	July 2014	1st January 2018
IFRS 14 Regulatory Deferral Accounts	January 2014	1st January 2016
IFRS 15 Revenue from Contracts with Customers	May 2014	1st January 2017
Amendments		
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	May 2014	1st January 2016
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	May 2014	1st January 2016
Amendments to IAS 16 and IAS 41: Bearer Plants	June 2014	1st January 2016
Amendments to IAS 27 (2011): Equity Method in Separate Financial Statements	August 2014	1st January 2016
Amendments to IFRS 10 and IAS 28 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	September 2014 (being amended)	1st January 2016 (being amended)
Annual Improvements to IFRSs (2012-2014 Cycle)	September 2014	1st January 2016
Disclosure Initiative (Amendments to IAS 1)	December 2014	1st January 2016
Investment entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)	December 2014	1st January 2016

The Group will comply with these new standards and amendments based on their relevant effective dates when endorsed by the European Union and it will evaluate their potential impacts on the consolidated financial statements.

3. SCOPE FOR CONSOLIDATION

As at 31 December 2014 the consolidated financial statements of the Moncler Group include the parent company Moncler S.p.A. and 29 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)	50,000,000	EUR		
Industries S.p.A.	Milan (Italy)	15,000,000	EUR	100.00%	Moncler S.p.A.
Moncler Enfant S.r.l.	Milan (Italy)	200,000	EUR	50.10%	Industries S.p.A.
Pepper Grenoble S.à.r.l.	Echirolles - Grenoble (France)	10,000	EUR	100.00%	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)	1,400,000	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)	15,000,000	CZK	100.00%	Industries S.p.A.
Moncler Lunettes S.r.l.	Milan (Italy)	300,000	EUR	51.00%	Moncler S.p.A.
Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti. (*)	Istanbul (Turkey)	50,000	TRL	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)	40,000,000	RUB	99.99% 0.01%	Industries S.p.A. Moncler Suisse SA
Moncler Brasil Comércio de moda e acessòrios Ltda	Sao Paulo (Brazil)	2,580,000	BRL	95,00% 5,00%	Moncler USA Inc Industries S.p.A.
Moncler Taiwan Limited	Taipei (China)	10,000,000	TWD	100.00%	Industries S.p.A.
Moncler Canada Ltd	Vancouver (Canada)	1,000	CAD	100.00%	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	70.00%	Industries S.p.A.
Moncler Shinsegae Inc. (*)	Seoul (Korea)	5,000,000,000	KRW	51.00%	Industries S.p.A.
ISC S.p.A.	Milan (Italy)	15,000,000	EUR	90.96% 9.04%	Industries S.p.A. Moncler S.r.l.

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

As far as the scope of consolidation is concerned, the following changes occurred during fiscal year 2014 when compared to the prior year:

- Moncler Canada Ltd was established in the second quarter of 2014 and it was included in the consolidation scope starting from the date of its establishment;
- Moncler Prague s.r.o. was acquired during the third quarter of 2014 and it was included in the consolidation scope starting from the acquisition date;
- White Tech Sp.zo.o. and Moncler Shinsegae Inc. were established in the fourth quarter of 2014 and they were included in the consolidation scope starting from the date of their establishment;

There are no subsidiaries excluded from the scope of consolidation.

4. COMMENTS ON THE CONSOLIDATED STATEMENT OF INCOME

4.1. Revenues

Revenues by distribution channel

Revenue by distribution channels are broken down as follows:

(Euro/000)	2014	%	2013	%
Total revenues	694,189	100.0%	580,577	100.0%
of which:				
Wholesale	263,506	38.0%	247,024	42.5%
Retail	430,683	62.0%	333,553	57.5%

Sales are made through two main distribution channels, wholesale and retail. The retail channel pertains to stores that are directly managed by the Group (DOS, 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 big name stores).

The increase in revenues (19.6% between 2014 and 2013) is a result of:

- growth in the retail channel of Euro 97.1 million (+29.1%) from Euro 333.6 million in 2013 to Euro 430.7 million in 2014;
- growth in the wholesale channel of Euro 16.5 million (+6.7%) from Euro 247.0 million in 2013 to Euro 263.5 million in 2014.

For further detailed analysis on revenues, please refer to comments included in the Directors' Report.

Revenues by geographical area

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

(Euro/000)	2014	%	2013	%	2014 vs 2013	%
Italy	130,625	18.8%	130,931	22.6%	(306)	(0.2)%
EMEA, Italy excluded	232,743	33.5%	200,413	34.5%	32,330	16.1%
Asia and rest of world	235,153	33.9%	181,633	31.3%	53,520	29.5%
Americas	95,668	13.8%	67,600	11.6%	28,068	41.5%
Total	**694,189**	**100.0%**	**580,577**	**100.0%**	**113,612**	**19.6%**

In 2014, the Group recorded double-digit growth in all its international markets.

In particular, the company achieved 41.5% growth in respect to 2013 in the Americas. The excellent results achieved in North America (United States and Canada) were driven by both the retail channel, including six new openings during the year, and the wholesale channel.

Group's revenue growth in Asia and resto of world continued (+29.5% in respect to 2013), thanks to the strong performance achieved in the Chinese and Japanese markets.

The EMEA countries recorded revenue growth of 16.1% in respect to 2013, with strong performances coming notably from France, the United Kingdom and Germany among others.

In Italy, 2014 revenues were in line with the previous year, with the retail channel offsetting the performance of the wholesale channel impacted by the customers' selection strategy.

4.2. Cost of sales

In 2014, cost of sales grew by Euro 26.0 million (+15.6%) in absolute terms, going from Euro 166.5 million in 2013 to Euro 192.5 million in 2014. 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, going from 28.7% in 2013 to 27.7% in 2014. This decrease is due to the fact that the retail channel has increased its importance in the total sales going from 57.5% in 2013 to 62.0% in 2014, on total sales.

4.3. Selling expenses

Selling expenses grew both in absolute terms, with an increase of Euro 35.3 million between 2014 and 2013, and as a percentage of turnover, going from 25.4% in 2013 to 26.4% in 2014 due to the development of the retail business.

4.4. Advertising expenses

Also during 2014, 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 6.6% in 2014 (6.2% in 2013), while in absolute value, it goes from Euro 36.0 million in 2013 to Euro 46.1 million in 2014, with an absolute change of Euro 10.1 million (+28.0%).

4.5. General and administrative expenses

In 2014, general and administrative expenses amount to Euro 66.0 million, up Euro 8.1 million when compared to last year and therefore showing a lower growth rate than revenues. General and administrative expenses as a percentage of turnover dropped from 10.0% in 2013 to 9.5 % in 2014.

4.6. Non recurring income / (costs)

The caption non recurring income and expenses for 2014 (Euro 5.0 million) includes mainly the costs incurred for the stock option plans approved by the Shareholder' Meeting of Moncler on February 28, 2014. The description of the incentive loyalty schemes and the related costs are included in note 11.2.

In 2013 the caption mainly included costs incurred for the listing process and reorganization, net of the gain realized on the disposal of a store in France

4.7. Operating results (EBITDA)

In 2014, the operating results of the Moncler Group amounted to Euro 201.6 million (Euro 166.4 million in 2013) and as a percentage of revenue amounted to 29.0% (28.7% in 2013).

Operating results in 2014, net of non-recurring income and costs, amounted to Euro 206.6 million (Euro 172.5 million in 2013), and 29.8% as a percentage of revenue (29.7% in 2013), up in absolute value by Euro 34.1 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)	2014	2013	2014 vs 2013
Operating result	**201,550**	**166,399**	**35,151**
Non recurring income and expense	5,034	6,119	(1,085)
Operating result net of non recurring income and expenses	**206,584**	**172,518**	**34,066**
Amortization, depreciation and impairment	26,276	19,185	7,091
EBITDA	**232,860**	**191,703**	**41,157**

In 2014, EBITDA increased by Euro 41.2 million (+21.5%), going from Euro 191.7 million (33.0% of revenue) in 2013 to Euro 232.9 million (33.5% of revenue) in 2014. This increase mainly derives from the margin contribution of the retail channel and the control of the fixed cost.

Amortisation/depreciation in 2014 amounted to Euro 26.3 million (Euro 19.2 million in 2013) and increased by Euro 7.1 million.

4.8. Financial income and expenses

The caption is broken down as follows:

(Euro/000)	2014	2013
Interest income and other financial income	318	627
Foreign currency differences - positive	5,782	0
Total financial income	**6,100**	**627**
Interests expenses and other financial charges	(12,164)	(19,132)
Foreign currency differences - negative	0	(2,648)
Total financial expenses	**(12,164)**	**(21,780)**
Total net	**(6,064)**	**(21,153)**

4.9. Income tax

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

(Euro/000)	2014	2013
Current income taxes	(80,593)	(56,384)
Deferred tax (income) expenses	15,216	5,568
Income taxes charged in the income statemen	**(65,377)**	**(50,816)**

The reconciliation between the theoretical tax burden by applying the theoretical rate of the parent company, and the effective tax burden is shown in the following table:

Reconciliation theoretic-effective tax rate (Euro/000)	**Taxable Amount 2014**	**Tax Amount 2014**	**Tax rate 2014**	**Taxable Amount 2013**	**Tax Amount**	**Tax rate 2013**
Profit before tax	195,486			145,246		
Income tax using the Company's theoretic tax rate		**(53,759)**	**27.5%**		**(39,943)**	**27.5%**
Temporary differences		(12,762)	6.5%		(3,380)	2.3%
Permanent differences		(507)	0.3%		(392)	0.3%
Other differences		(11,578)	5.9%		(12,669)	8.7%
Deferred taxes recognized in the income statement		13,228	(6.8%)		5,568	(3.8%)
Income tax at effective tax rate		**(65,377)**	**33.4%**		**(50,816)**	**35.0%**

The caption other differences mainly includes IRAP (current and deferred) and the other taxes different from IRES.

4.10. Personnel expenses

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

(Euro/000)	2014	2013
Wages and salaries	(55,239)	(45,379)
Social security costs	(11,993)	(10,761)
Accrual for employment benefits	(2,789)	(1,974)
Total	**(70,021)**	**(58,114)**

Personnel expenses increased by 20.5% when compared to prior year, from Euro 58.1 million in 2013 to Euro 70.0 million in 2014. This increase is mainly due to the increase in direct and indirect sales structure and overall growth in other functions.

The following table depicts the number of employees (full-time-equivalent) in 2014 compared to the prior year:

Average FTE by area Number	2014	2013
Italy	567	500
Other European countries	301	233
Asia and Japan	429	321
Americas	110	78
Total	**1,407**	**1,132**

The actual number of employees of the Group as at 31 December 2014 is 1.600 (1,376 as at 31 December 2013).

The total number of employees increased principally as a result of the openings of new stores.

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

4.11. Depreciation and amortization

Depreciation and amortization are broken down as follows:

(Euro/000)	2014	2013
Depreciation of property, plant and equipment	(20,393)	(12,941)
Amortization of intangible assets	(5,883)	(5,429)
Total Depreciation and Amortization	**(26,276)**	**(18,370)**
Impairment losses	**0**	**(815)**
Total	**(26,276)**	**(19,185)**

The increase in both depreciation and amortization is mainly due to investments made in connection 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 year.

5. COMMENTS ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.1. Goodwill, brands and other intangible assets

Brands and other intangible assets (Euro/000)	December 31, 2014			December 31, 2013
	Gross value	Accumulated amortization and impairment	Net value	Net value
Brands	223,900	0	223,900	223,900
Key money and leasehold rights	38,448	(13,871)	24,577	20,713
Software	17,032	(9,716)	7,316	4,893
Other intangible assets	4,645	(2,609)	2,036	2,038
Assets in progress	942	0	942	1,195
Goodwill	155,582	0	155,582	155,582
Total	**440,549**	**(26,196)**	**414,353**	**408,321**

Intangible assets rollforward is included in the following tables:

As of December 31, 2014

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
January 1, 2014	**223,900**	**0**	**31,364**	**12,611**	**3,984**	**1,195**	**155,582**	**428,636**
Acquisitions	0	0	6,586	3,830	756	912	0	12,084
Disposals	0	0	0	(11)	0	(47)	0	(58)
Translation adjustement	0	0	273	6	47	4	0	330
Impairment	0	0	0	0	0	0	0	0
Other movements, including transfers	0	0	225	596	(142)	(1,122)	0	(443)
December 31, 2014	**223,900**	**0**	**38,448**	**17,032**	**4,645**	**942**	**155,582**	**440,549**

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
January 1, 2014	**0**	**0**	**(10,651)**	**(7,718)**	**(1,946)**	**0**	**0**	**(20,315)**
Depreciation	0	0	(3,089)	(1,994)	(800)	0	0	(5,883)
Disposals	0	0	0	5	0	0	0	5
Translation adjustement	0	0	(131)	(1)	(21)	0	0	(153)
Impairment	0	0	0	0	0	0	0	0
Other movements, including transfers	0	0	0	(8)	158	0	0	150
December 31, 2014	**0**	**0**	**(13,871)**	**(9,716)**	**(2,609)**	**0**	**0**	**(26,196)**

As of December 31, 2013

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
January 1, 2013	**229,900**	**13,001**	**33,868**	**10,548**	**4,581**	**510**	**155,582**	**447,990**
Assets held for sale	(6,000)	(13,001)	(3,107)	(142)	(1,265)	0	0	(23,515)
Acquisitions	0	0	3,250	2,222	746	720	0	6,938
Disposals	0	0	(2,500)	(8)	(84)	0	0	(2,592)
Translation adjustement	0	0	(147)	(27)	(14)	0	0	(188)
Other movements, including transfers	0	0	0	18	20	(35)	0	3
December 31, 2013	**223,900**	**0**	**31,364**	**12,611**	**3,984**	**1,195**	**155,582**	**428,636**

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
January 1, 2013	**0**	**(6,501)**	**(11,529)**	**(6,315)**	**(2,278)**	**0**	**0**	**(26,623)**
Assets held for sale	0	6,501	2,912	103	898	0	0	10,414
Depreciation	0	0	(3,244)	(1,528)	(657)	0	0	(5,429)
Disposals	0	0	1,165	8	84	0	0	1,257
Translation adjustement	0	0	45	14	7	0	0	66
Other movements, including transfers	0	0	0	0	0	0	0	0
December 31, 2013	**0**	**0**	**(10,651)**	**(7,718)**	**(1,946)**	**0**	**0**	**(20,315)**

The most significant increase during the period pertains to Key money included in the same caption and mainly refers to key money paid for three European stores.

The increase in the caption software pertains to the right of use acquired in information technology for the development and management of the business and the finance functions.

Please refer to the Directors' report for additional information related to investments made during the year.

5.2. Impairment of intangible fixed assets with an indefinite useful life and goodwill

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

The impairment test on the brand was performed by comparing its carrying value with that derived from the discounted cash flow method applying the Royalty Relief Method, based on which the cash flows are linked to the recognition of a royalty percentage applied to revenues that the brand is able to generate.

The recoverable amount of goodwill has been tested based on the "asset side" approach which compares the value in use of the cash-generating unit with the carrying amount of its net invested capital.

For the 2014 valuation, the expected cash flows and revenues were derived from the Business Plan 2014-2016 approved by the Board of Directors on 26 September 2013 and from the projection on the year 2017 of the main assumptions below the aforementioned Business Plan.

The "g" rate used was 2%.

The discount rate was calculated using the weighted average cost of capital ("WACC"), by weighting the expected rate of return on invested capital, net of hedging costs from a sample of companies within the same industry. The calculation took into account fluctuation in the market as compared to the previous year and the resulting impact on interest rates. The cost of capital (WACC) was calculated at 7.42%.

The results of the sensitivity analysis indicate that the carrying amount of the Moncler brand is in line with the benchmark with a "g" rate = 0% and WACC = 14.96%.

Similarly, the same sensitivity analysis applied to the entire cash-generating unit shows a full recovery considering changes in parameters still higher than those indicated for the brand, showing the wide recoverability of goodwill.

It also shows that the market capitalization of the company, based on the average price of Moncler share in December 2014, shows a significant positive difference with respect to the Group net equity, confirming again the value of the goodwill.

5.3. Net property, plant and equipment

Property, plant and equipments	December 31, 2014			December 31, 2013
(Euro/000)	Gross value	Accumulated depreciation and impairment	Net value	Net value
Land and buildings	3,358	(2,433)	925	1,021
Plant and Equipment	7,132	(5,635)	1,497	1,324
Fixtures and fittings	47,435	(22,613)	24,822	20,150
Leasehold improvements	74,046	(29,899)	44,147	31,237
Other fixed assets	10,903	(7,425)	3,478	2,432
Assets in progress	2,385	0	2,385	2,084
Total	**145,259**	**(68,005)**	**77,254**	**58,248**

The rollforward of property, plant and equipment is included in the following tables:

As of December 31, 2014

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**
January 1, 2014	**3,358**	**6,675**	**35,208**	**50,442**	**8,738**	**2,084**	**106,505**
Acquisitions		1,131	13,480	18,845	2,301	2,375	38,132
Disposals		(33)	(889)	(1,903)	(147)	(209)	(3,181)
Translation adjustement		19	1,240	1,852	87	163	3,361
Other movements, including transfers		(660)	(1,604)	4,810	(76)	(2,028)	442
December 31, 2014	**3,358**	**7,132**	**47,435**	**74,046**	**10,903**	**2,385**	**145,259**

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**
January 1, 2014	**(2,337)**	**(5,351)**	**(15,058)**	**(19,205)**	**(6,306)**	**0**	**(48,257)**
Depreciation	(96)	(396)	(7,519)	(11,143)	(1,239)	0	(20,393)
Disposals	0	19	410	2,001	145	0	2,575
Translation adjustement	0	(15)	(629)	(1,086)	(51)	0	(1,781)
Other movements, including transfers	0	108	183	(466)	26	0	(149)
December 31, 2014	**(2,433)**	**(5,635)**	**(22,613)**	**(29,899)**	**(7,425)**	**0**	**(68,005)**

As of December 31, 2013

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**
January 1, 2013	**3,358**	**7,138**	**39,357**	**44,130**	**8,021**	**620**	**102,624**
Assets held for sale	0	(1,147)	(11,054)	(5,741)	(906)	0	(18,848)
Acquisitions	0	767	7,666	15,130	1,804	2,041	27,408
Disposals	0	(79)	(164)	(1,521)	(164)	0	(1,928)
Translation adjustement	0	(4)	(699)	(2,020)	(17)	(8)	(2,748)
Other movements, including transfers	0	0	102	464	0	(569)	(3)
December 31, 2013	**3,358**	**6,675**	**35,208**	**50,442**	**8,738**	**2,084**	**106,505**

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**
January 1, 2013	**(2,241)**	**(6,095)**	**(19,083)**	**(16,947)**	**(6,442)**	**0**	**(50,808)**
Assets held for sale	0	1,022	7,842	4,075	906	0	13,845
Depreciation	(96)	(310)	(4,213)	(7,379)	(943)	0	(12,941)
Disposals	0	28	86	1,011	162	0	1,287
Translation adjustement	0	4	310	850	11	0	1,175
Impairment	0	0	0	(815)	0	0	(815)
Other movements, including transfers	0	0	0	0	0	0	0
December 31, 2013	**(2,337)**	**(5,351)**	**(15,058)**	**(19,205)**	**(6,306)**	**0**	**(48,257)**

The rollforward of property plant and equipment from 2013 to 31 December 2014 shows an increase in the captions fixtures and fittings and leasehold improvements: both of these captions are mainly related to the development of the retail network and the investments done for the showroom in Milan.

Please refer to the Directors' report for an analysis of investments made during the year.

5.4. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are offset only when there is a law within a given tax jurisdiction that provides for such right to offset. The balances were as follows as at 31 December 2014 and 31 December 2013:

Deferred taxation (Euro/000)	December 31, 2014	December 31, 2013
Deferred tax assets	45,968	25,133
Deferred tax liabilities	(74,436)	(72,551)
Net amount	**(28,468)**	**(47,418)**

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.

The rollforward of deferred tax assets and liabilities, without taking into consideration the right of offset of a given tax jurisdiction, is detailed in the following table:

Deferred tax assets (liabilities) (Euro/000)	Opening balance - January 1, 2014	Discontinued operations	Taxes charged to the income statement	Taxes accounted for in Equity	Effect of currency translation	Other movements	Closing balance - December 31, 2014
Tangible and intangible assets	1,534	0	1,345	0	4	50	2,933
Financial assets	0	0	0	0	0	0	0
Inventories	17,209	0	14,505	0	1,586	122	33,422
Trade receivables	2,560	0	(2,305)	0	24	(1)	278
Derivatives	5	0	890	181	0	1	1,077
Employee benefits	629	0	905	53	30	4	1,621
Provisions	2,092	0	(155)	0	161	371	2,469
Trade payables	35	0	23	0	6	0	64
Other temporary items	984	0	708	0	(6)	1,897	3,583
Tax loss carried forward	85	0	893	0	(96)	(361)	521
Tax assets	**25,133**	**0**	**16,809**	**234**	**1,709**	**2,083**	**45,968**
Tangible and intangible assets	(70,327)	0	(1,581)	0	(317)	(29)	(72,254)
Financial assets	0	0	0	0	0	0	0
Inventories	0	0	(463)	0	(15)	0	(478)
Trade receivables	0	0	0	0	0	0	0
Derivatives	(63)	0	0	64	0	(1)	0
Employee benefits	(21)	0	0	22	0	(5)	(4)
Provisions	(16)	0	0	0	0	16	0
Trade payables	0	0	0	0	0	0	0
Other temporary items	(2,124)	0	451	0	0	(27)	(1,700)
Tax liabilities	**(72,551)**	**0**	**(1,593)**	**86**	**(332)**	**(46)**	**(74,436)**
Net deferred tax assets (liabilities)	**(47,418)**	**0**	**15,216**	**320**	**1,377**	**2,037**	**(28,468)**

Deferred tax assets (liabilities) (Euro/000)	**Opening balance - January 1, 2013**	**Discontinued operations**	**Taxes charged to the income statement**	**Taxes accounted for in Equity**	**Effect of currency translation**	**Other movements**	**Closing balance - December 31, 2013**
Tangible and intangible assets	1,003	(69)	673	0	23	(96)	1,534
Financial assets	17	0	0	0	0	(17)	0
Inventories	14,037	(387)	4,243	0	(951)	267	17,209
Trade receivables	2,165	0	408	0	(9)	(4)	2,560
Derivatives	726	0	0	(736)	0	15	5
Employee benefits	472	(120)	202	(1)	(55)	131	629
Provisions	2,173	163	(206)	0	(49)	11	2,092
Trade payables	0	0	26	0	(1)	10	35
Other temporary items	1,256	(149)	251	0	(152)	(222)	984
Tax loss carried forward	712	(712)	373	0	(2)	(286)	85
Tax assets	**22,561**	**(1,274)**	**5,970**	**(737)**	**(1,196)**	**(191)**	**25,133**
Tangible and intangible assets	(71,021)	1,435	(819)	0	78	0	(70,327)
Financial assets	(1)	0	0	0	0	1	0
Inventories	0	0	0	0	0	0	0
Trade receivables	0	0	0	0	0	0	0
Derivatives	(2)	0	0	(64)	0	3	(63)
Employee benefits	(1)	0	0	(19)	0	(1)	(21)
Provisions	(16)	0	0	0	0	0	(16)
Trade payables	0	0	0	0	0	0	0
Other temporary items	(2,434)	30	417	(139)	0	2	(2,124)
Tax liabilities	**(73,475)**	**1,465**	**(402)**	**(222)**	**78**	**5**	**(72,551)**
Net deferred tax assets (liabilities)	**(50,914)**	**191**	**5,568**	**(959)**	**(1,118)**	**(186)**	**(47,418)**

The taxable amount on which deferred tax assets have been calculated is detailed in the following table:

Deferred tax assets (Euro/000)	**Taxable Amount 2014**	**Closing balance - December 31, 2014**
Tangible and intangible assets	9,220	2,933
Financial assets	0	0
Inventories	109,446	33,422
Trade receivables	734	278
Derivatives	3,917	1,077
Employee benefits	5,186	1,621
Provisions	7,436	2,469
Trade payables	183	64
Other temporary items	11,899	3,583
Tax loss carried forward	2,421	521
Tax assets	**150,442**	**45,968**

5.5. Inventory

Inventory is broken down as follows:

Inventory (Euro/000)	December 31, 2014	December 31, 2013
Raw materials	40,887	28,567
Work-in-progress	7,626	9,991
Finished products	113,910	66,808
Inventories, gross	**162,423**	**105,366**
Obsolescence provision	(39,602)	(28,142)
Total	**122,821**	**77,224**

The raw material increased by approximately Euro 12.3 million principally as a result of volume increases linked to purchases made for the upcoming 2015 production, in order to be ready for the market requirements. The inventories of finished products increased by approximately Euro 47.1 million mainly due to the growth of the retail business.

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.

The rollforward of the obsolescence provision is summarized in the following table:

Obsolescence provision - movements (Euro/000)	January 1, 2014	Discontinued operations	Accrued	Used	Translation Difference	December 31, 2014
Obsolescence provision	(28,142)	0	(23,247)	12,299	(512)	(39,602)
Total	**(28,142)**	**0**	**(23,247)**	**12,299**	**(512)**	**(39,602)**

Obsolescence provision - movements (Euro/000)	January 1, 2013	Discontinued operations	Accrued	Used	Translation Difference	December 31, 2013
Obsolescence provision	(37,358)	14,573	(6,902)	863	682	(28,142)
Total	**(37,358)**	**14,573**	**(6,902)**	**863**	**682**	**(28,142)**

5.6. Trade receivables

Trade receivables are as follows:

Trade receivables (Euro/000)	December 31, 2014	December 31, 2013
Trade accounts receivable	91,956	85,786
Allowance for doubtful debt	(4,119)	(5,378)
Allowance for returns and discounts	(1,244)	(3,887)
Total, net value	**86,593**	**76,521**

Trade receivables are related to the Group's wholesale business and they include balances with a collection time not greater than three months. During 2014 and 2013, there were no concentration of credit risk greater than 10% associated to individual customers. Please refer to Section 10.1 for information regarding the exposure of trade receivables to currency risks.

The rollforward of the allowance for doubtful debt and sales return is detailed in the following tables:

Doubtful debt and sales returns allowance (Euro/000)	January 1, 2014	Discontinued operations	Accrued	Used	Translation Difference	December 31, 2014
Allowance for doubtful debt	(5,378)	0	(2,535)	3,841	(47)	(4,119)
Allowance for returns and discounts	(3,887)	0	(1,072)	3,737	(22)	(1,244)
Total	**(9,265)**	**0**	**(3,607)**	**7,578**	**(69)**	**(5,363)**

Doubtful debt and sales returns allowance (Euro/000)	January 1, 2013	Discontinued operations	Accrued	Used	Translation Difference	December 31, 2013
Allowance for doubtful debt	(6,459)	895	(2,953)	3,131	8	(5,378)
Allowance for returns and discounts	(7,667)	3,950	(3,933)	3,717	46	(3,887)
Total	**(14,126)**	**4,845**	**(6,886)**	**6,848**	**54**	**(9,265)**

The allowance for doubtful debt was calculated in accordance with management's best estimate based on the ageing of accounts receivable as well as the solvency of the most aged 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 bank

As of 31 December 2014 the caption cash on hand and in bank amounts to Euro 123.4 million (Euro 105.3 million as at 31 December 2012), and includes cash and cash equivalents as well as the funds available in banks.

The amount included in the 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 cah in bank as well as the bank overdrafts.

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

Cash and cash equivalents included in the Statement of cash flows (Euro/000)	December 31, 2014	December 31, 2013
Cash in hand and at banks	123,419	105,300
Bank overdraft	(1,019)	(6,024)
Total	**122,400**	**99,276**

5.8. Other current and non-current assets

Other current and non-current assets (Euro/000)	December 31, 2014	December 31, 2013
Prepayments and accrued income - current	10,655	14,755
Other current receivables	22,892	27,110
Other current assets	**33,547**	**41,865**
Prepayments and accrued income - non-current	2,304	2,872
Security / guarantees deposits	11,440	7,550
Other non-current receivables	3,507	1,241
Other non-current assets	**17,251**	**11,663**
Total	**50,798**	**53,528**

As of December 31, 2014, accrued income and deferred expenses amount to Euro 10.7 million (Euro 14.8 million as at December 31, 2013) and mainly pertain to the samples for subsequent seasons, product style and development, rent and other assets.

Other current receivables mainly comprise the receivable due from the tax authority for value added tax and the receivable, amounting to Euro 6.6 million, resulting from the disposal of the Other Brands Division occurred in November 2013.

The evaluation of the residual receivable arising from the Other Brands Division disposal has been made on the basis of the interpretation of the contract terms deemed reasonable by the directors. However it should be noted that, due to the fact that the negotiations with the counterparty are still ongoing, to date the final outcome is not predictable with certainty and therefore it may differ from the assessment made by the directors.

Prepayments and accrued income non-current amount to Euro 2.3 million (Euro 2.9 million as at 31 December 2013) 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 consolidated financial statements and their fair values.

5.9. Trade payables

Trade payables amount to Euro 112.3 million (Euro 107.1 million as at 31 December 2013) and pertain to current amounts due to suppliers for goods and services. These payables pertain to amounts that are payable within the upcoming year and do not include amounts that will be paid over 12 months.

In 2014 and 2013 there are no outstanding positions associated to individual suppliers that exceed 10% of the total value.

The trade payable as at 31 December 2014 increased when compared to those as at 31 December 2013 due to increase in the Group's business and to the afore-mentioned purchases made in order to anticipate production for 2015.

There are no difference between the amounts included in the consolidated financial statements and their respective fair values.

Please refer to paragraph 10.1 for an analysis of trade payable denominated in foreign currencies.

5.10. Other current and non-current liabilities

Other current and non-current liabilities (Euro/000)	**December 31, 2014**	**December 31, 2013**
Deferred income and accrued expenses - current	1,989	1,863
Advances and payments on account to customers	2,443	2,823
Employee and social institutions	13,416	9,973
Tax accounts payable, excluding income taxes	7,681	6,635
Other current payables	4,441	12,351
Other current liabilities	**29,970**	**33,645**
Deferred income and accrued expenses - non-current	3,489	1,860
Other non-current liabilities	**3,489**	**1,860**
Total	**33,459**	**35,505**

The caption deferred income pertains mainly to deferred revenue on samples related to collections for upcoming Seasons.

The caption taxes payable includes mainly value added tax (VAT) and payroll tax withholding.

The caption other current payables decreased from Euro 12.4 million to Euro 4.4 million; the 2013 amount was related to payable associated with the listing process.

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

5.11. Tax assets and liabilities

Tax assets amount to Euro 5.9 million as at 31 December 2014 (Euro 21.4 million as at 31 December 2013) and they pertain to receivables for advance payments.

Tax liabilities amounted to Euro 43.6 million as at 31 December 2014 (Euro 13.9 million as at 31 December 2013). They are recognized net of current tax assets, where the offsetting relates to the same tax jurisdiction and tax system.

5.12. Non-current provisions

Provision rollforward is described in the following table:

Provision for contingencies and losses (Euro/000)	**January 01, 2014**	**Discontinued operations**	**Increase**	**Decrease**	**Translation differences**	**Other movements**	**December 31, 2014**
Tax litigations	(1,015)	0	0	0	0	0	(1,015)
Other non current contingencies	(2,147)	0	(771)	817	6	0	(2,095)
Total	**(3,162)**	**0**	**(771)**	**817**	**6**	**0**	**(3,110)**

Provision for contingencies and losses (Euro/000)	**January 01, 2013**	**Discontinued operations**	**Increase**	**Decrease**	**Translation differences**	**Other movements**	**December 31, 2013**
Tax litigations	(1,179)	0	0	164	0	0	(1,015)
Other non current contingencies	(3,330)	1,675	(957)	275	190	0	(2,147)
Total	**(4,509)**	**1,675**	**(957)**	**439**	**190**	**0**	**(3,162)**

5.13. Pension funds and agents leaving indemnities

The rollforward of the funds are depicted in the following table:

Employees pension funds (Euro/000)	**January 01, 2014**	**Discontinued operations**	**Increase**	**Decrease**	**Translation differences**	**Other movements**	**December 31, 2014**
Pension funds	(1,814)	0	(182)	102	0	(252)	(2,146)
Agents leaving indemnities	(4,641)	0	(201)	1,876	0	0	(2,966)
Total	**(6,455)**	**0**	**(383)**	**1,978**	**0**	**(252)**	**(5,112)**

Employees pension funds (Euro/000)	**January 01, 2013**	**Discontinued operations**	**Increase**	**Decrease**	**Translation differences**	**Other movements**	**December 31, 2013**
Pension funds	(3,762)	1,892	(205)	179	0	82	(1,814)
Agents leaving indemnities	(8,174)	3,646	(825)	712	0	0	(4,641)
Total	**(11,936)**	**5,538**	**(1,030)**	**891**	**0**	**82**	**(6,455)**

The pension funds pertain mainly to the 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 which rollforward is included in the following table:

Employees pension funds - movements		
(Euro/000)	**December 31, 2014**	**December 31, 2013**
Net recognized liability - opening	(1,748)	(3,591)
Discontinued operations	0	1,812
Interest costs	(57)	(91)
Service costs	(125)	(114)
Payments	100	154
Actuarial Gains/(Losses)	(252)	82
Net recognized liability - closing	**(2,082)**	**(1,748)**

5.14. Financial liabilities

Financial liabilities are detailed in the following table:

Borrowings		
(Euro/000)	**December 31, 2014**	**December 31, 2013**
Bank overdraft	1,019	5,368
Short-term bank loans	27,356	56,146
Short-term portion of long-term bank loans	42,916	54,074
Other short-term loans	9,040	656
Short-term borrowings	**80,331**	**116,244**
Long-term borrowings	**154,243**	**160,116**
Total	**234,574**	**276,360**

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 with a due date greater than a year payable both to financial institution and third parties.

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

Ageing financial liabilities		
(Euro/000)	**December 31, 2014**	**December 31, 2013**
Within 2 years	66,703	38,940
From 2 to 5 years	87,540	121,176
Beyond 5 years	0	0
Total	**154,243**	**160,116**

On December 31, 2014, Moncler SpA paid off the outstanding amount of Euro 120 million related to the syndicated loan, which was set up in 2013 for the same amount, and the same date entered into a new syndicated loan in the amount of Euro 60 million, received in a lump sum, payable on a half-year basis and expiring on December 31, 2017.

At the same date, the Group had medium term unsecured loans for Euro 104.5 million (Euro 60.5 million as at December 31, 2013).

The loans do not include covenants.

The current portion of long-term bank loans also includes the negative fair value, equal to Euro 0.7 million, related to the IRS contract to hedge the exposure to the banking system. Please refer to note 10.1 for more details.

Finally, the caption other short-term loans includes also the negative fair value, equal to Euro 3.9 million, related to the contracts to hedge the exchange rate risk. Please refer to note 10.1 for more details.

The net financial position is detailed in the following table:

Net financial position (Euro/000)	**December 31, 2014**	**December 31, 2013**
Cash and cash equivalents	123,419	105,300
Debts and other current financial liabilities	(80,331)	(116,244)
Debts and other non-current financial liabilities	(154,243)	(160,116)
Total	**(111,155)**	**(171,060)**

Net financial position (Euro/000)	**December 31, 2014**	**December 31, 2013**
A. Cash in hand	947	478
B. Cash in bank and cash equivalents	122,472	104,822
C. Available for sale securities	0	0
D. Liquidity (A)+(B)+(C)	**123,419**	**105,300**
E .Current financial assets	0	0
F. Payable to banks, current	(28,375)	(61,514)
G. Current portion of long-term debt	(42,916)	(54,074)
H. Other current financial debt	(9,040)	(656)
I. Current financial debt (F)+(G)+(H)	**(80,331)**	**(116,244)**
J. Net current financial debt (I)-(E)-(D)	**43,088**	**(10,944)**
K. Payable to bank, non-current	(121,699)	(126,081)
L. Bonds issued	0	0
M. Other non-current payables	(32,544)	(34,035)
N. Non-curent financial debt (K)+(L)+(M)	**(154,243)**	**(160,116)**
O. Net financial debt (J)+(N)	**(111,155)**	**(171,060)**

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

5.15. Shareholders' equity

Changes in shareholders' equity for 2014 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 2014 the parent company distributed dividends to the Group Shareholders for an amount of Euro 25 million (no dividends paid in 2013).

The other changes in shareholders' equity result from the accounting treatment of stock option plans.

The caption other reserves includes other comprehensive income comprising the exchange rate translation reserve of financial statements reported in foreign currencies, the reserve for hedging interest rate risks and exchange rates risks and the reserve for actuarial gains/losses. The conversion reserve includes the exchange differences emerging from the conversion of the financial statements of the foreign consolidated companies; the changes are mainly due to the differences resulting from the consolidation of the American company and of the Chinese companies. The hedging reserve includes the effective portion of the net differences accumulated in the fair value of the derivative hedge instruments. Changes to these reserves were as follows:

Other comprehensive income	**Cumulative translation adj. reserve**			**Other OCI items**		
(Euro/000)	**Value before tax effect**	**Tax effect**	**Value after tax effect**	**Value before tax effect**	**Tax effect**	**Value after tax effect**
Reserve as at January 1, 2013	**947**	**0**	**947**	**(3,351)**	**835**	**(2,516)**
Changes in the period	(5,878)	0	(5,878)	3,181	(816)	2,365
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of	0	0	0	0	0	0
Reserve as at December 31, 2013	**(4,931)**	**0**	**(4,931)**	**(170)**	**19**	**(151)**
Reserve as at January 1, 2014	**(4,931)**	**0**	**(4,931)**	**(170)**	**19**	**(151)**
Changes in the period	4,294	0	4,294	(1,144)	320	(824)
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of	0	0	0	0	0	0
Reserve as at December 31, 2014	**(637)**	**0**	**(637)**	**(1,314)**	**339**	**(975)**

Earning per share

Earning per share for the years ended December 31, 2014 and December, 31 2013 is included in the following table and is based on the relationship between net income attributable to the Group and the outstanding shares.

The diluted earnings per share is in line with the basic earnings per share as at December, 31 2014 as there are no significant dilutive effects arising from stock option plans.

Earnings per share	2014	2013
Net result of the period (Euro/000)	130,338	76,072
Number of shares related to parent's Shareholders	250,000,000	250,000,000
Earnings attributable to Shareholders (Unit of Euro)	**0.52**	**0.30**
Diluited earnings attributable to Shareholders (Unit of Euro)	**0.52**	**0.30**

Earning per share – continuing operations

Earnings per share from continuing operations for the years ended December 31, 2014 and December 31, 2013 is indicated in the following table and is based on the relationship between income from continuing operations attributable to the parent and the number of shares.

The diluted earnings per share is in line with the basic earnings per share as at December, 31 2014 as there are no significant dilutive effects arising from stock option plans.

Earnings per share - continuing operations	2014	2013
Net result of the period - continuing operations (Euro/000)	130,338	92,116
Number of shares related to parent's Shareholders	250,000,000	250,000,000
Earnings attributable to Shareholders (Unit of Euro)	**0.52**	**0.37**
Diluited earnings attributable to Shareholders (Unit of Euro)	**0.52**	**0.37**

6. DISCONTINUED OPERATIONS

The net result from discontinued operations shows the 2013 result of Other Brands Division, disposed in November 2013.

7. SEGMENT INFORMATION

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

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 December 31, 2014, the outstanding operating lease balance was as follows:

Operating lease commitments - future minimum payments (Euro/000)	**Less than 1 year**	**Between 1 and 5 years**	**Beyond 5 years**	**Total**
DOS	30,408	73,181	49,732	153,321
Outlet	1,687	5,430	4,235	11,352
Other buildings	5,261	19,737	15,526	40,524

As of December 31 2013, the outstanding operating lease balance was as follows:

Operating lease commitments - future minimum payments (Euro/000)	**Less than 1 year**	**Between 1 and 5 years**	**Beyond 5 years**	**Total**
DOS	17,373	58,277	60,231	135,882
Outlet	1,726	6,739	6,918	15,383
Other buildings	6,479	19,534	10,679	36,691

8.2. Guarantees given

As at December 31, 2014 the Group had given the following guarantees:

Guarantees and bails given (Euro/000)	**December 31, 2014**	**December 31, 2013**
Guarantees and bails given for the benefit of:		
Third parties/companies	8,869	10,207
Total guarantees and bails	**8,869**	**10,207**

Guarantees pertain mainly to lease agreements for the new stores.

9. CONTINGENT LIABILITY

As the Group operates globally, it is subject to legal and tax 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 consolidated financial statements, the provisions set up in consolidated financial statements are adequate to ensure that the consolidated financial statements give a true and fair view of the Group's financial position and results of operations.

10. INFORMATION ABOUT FINANCIAL RISKS

The Group's financial instruments include cash and cash equivalents, loans, receivables and trade payables and other current receivables and payables and non-current assets as well as derivatives.

The Group is exposed to financial risks related to its operations: market risk (mainly related to exchange rates and interest rates), credit risk (associated with both regular client relations and financing activities), liquidity risk (with particular reference to the availability of financial resources and access to the credit market and financial instruments) and capital risk .

The financial risk management is carried out by the Headquarter, which ensures primarily that there are sufficient financial resources to meet the needs of business development and that resources are properly invested in income-generating activities.

The Group uses derivative instruments to hedge its exposure to specific market risks, such as the risk associated with fluctuations in exchange rates and interest rates, on the base of the policy established by the Board of Directors.

10.1. Market risk

Foreign exchange rate risk

The Group operates internationally and is exposed to foreign exchange rate risk primarily related to the U.S. dollars, the Japanese yen and the Chinese renminbi and to a lesser extent to the Hong Kong Dollars, the British Pounds and the Swiss Francs.

The Group regularly assesses its exposure to financial market risks and manages these risks through the use of derivative financial instruments, in accordance with its established risk management policies.

The Group's policy permits derivatives to be used only for managing the exposure to fluctuations in exchange rates connected with future cash flows and not for speculative purposes.

During 2014 the Group has put in place a policy to hedge the exchange rates risk on transactions with reference to the major currencies to which it is exposed: USD, JPY, CNY, HKD, GBP and CHF.

The instruments used for these hedges are mainly Currency Forward Contracts and Currency Option Contracts.

The Group uses derivative financial instruments as cash flow hedges for the purpose of redetermining the exchange rate at which forecasted transactions denominated in foreign currencies will be accounted for.

Counterparties to these agreements are major and diverse financial institutions.

The exposure of contingent assets and liabilities denominated in currencies is detailed in the following table (the Euro amount of each currency):

Details of the balances expressed in foreign currency (Euro/000)	December 31, 2014 Euro	JP Yen	US Dollar	CN Yuan	HK Dollar	CH Franc	GB Pound	Other	Total
Cash and cash equivalent	37,475	24,053	24,106	11,684	5,493	5,385	7,738	7,485	123,419
Trade receivable	35,581	18,143	6,644	19,895	716	15	2,731	2,868	86,593
Other current assets	29,865	260	777	565	435	51	326	1,268	33,547
Other non-current assets	7,489	818	2,177	1,701	3,088	459	544	975	17,251
Total assets	**110,410**	**43,274**	**33,704**	**33,845**	**9,732**	**5,910**	**11,339**	**12,596**	**260,810**
Trade payables	(83,104)	(11,703)	(6,655)	(3,917)	(3,277)	(373)	(1,238)	(2,056)	(112,323)
Borrowings	(234,574)	0	0	0	0	0	0	0	(234,574)
Other current payables	(22,243)	(2,092)	(1,565)	(1,278)	(491)	(243)	(1,261)	(797)	(29,970)
Other non-current payables	(437)	0	(3,052)	0	0	0	0	0	(3,489)
Total liabilities	**(340,358)**	**(13,795)**	**(11,272)**	**(5,195)**	**(3,768)**	**(616)**	**(2,499)**	**(2,853)**	**(380,356)**
Total, net foreign positions	**(229,948)**	**29,479**	**22,432**	**28,650**	**5,964**	**5,294**	**8,840**	**9,743**	**(119,546)**

Details of the balances expressed in foreign currency (Euro/000)	December 31, 2013 Euro	JP Yen	US Dollar	CN Yuan	HK Dollar	CH Franc	GB Pound	Other	Total
Cash and cash equivalent	36,067	30,796	12,588	5,455	7,629	4,166	4,794	3,805	105,300
Trade receivable	43,533	13,662	4,409	12,484	0	25	1,562	846	76,521
Other current assets	40,559	96	51	129	56	140	260	574	41,865
Other non-current assets	5,635	663	1,505	1,184	1,346	444	485	401	11,663
Total assets	**125,794**	**45,217**	**18,553**	**19,252**	**9,031**	**4,775**	**7,101**	**5,626**	**235,349**
Trade payables	(73,795)	(24,481)	(2,617)	(1,925)	(2,280)	(363)	(925)	(691)	(107,077)
Borrowings	(276,360)	0	0	0	0	0	0	0	(276,360)
Other current payables	(28,616)	(1,183)	(1,125)	(1,332)	(259)	(378)	(864)	112	(33,645)
Other non-current payables	0	0	(1,860)	0	0	0	0	0	(1,860)
Total liabilities	**(378,771)**	**(25,664)**	**(5,602)**	**(3,257)**	**(2,539)**	**(741)**	**(1,789)**	**(579)**	**(418,942)**
Total, net foreign positions	**(252,977)**	**19,553**	**12,951**	**15,995**	**6,492**	**4,034**	**5,312**	**5,047**	**(183,593)**

At the reporting date, the Group had outstanding hedges for Euro 39.6 million against receivables still to be collected and outstanding hedges for Euro 23.4 million against future revenues. As far as the currency transactions are concerned, it should be noted that a + / -1% change in their exchange rates would have the following effects:

Details of the transactions expressed in foreign currency (Euro/000)	JP Yen	US Dollar	CN Yuan	Other
Effect of an exchange rate increase amounting to +1%				
Revenue	1,063	1,157	615	1,111
Operating profit	593	940	331	741
Effect of an exchange rate decrease amounting to -1%				
Revenue	(1,063)	(1,148)	(615)	(1,017)
Operating profit	(552)	(869)	(298)	(837)

Interest rate risk

The Group's exposure to interest-rate risk is mainly related to cash, cash equivalents and bank loans and it is centrally managed by the Headquarter.

To mitigate the interest rate risk, the Group has hedged a portion of the financial debt at fixed rate, through "Interest rate swaps" contracts.

On December 31, 2014, Moncler S.p.A. paid off the outstanding amount of Euro 120 million related to the syndicated loan, which was set up in 2013 for the same amount, and the same date entered into a new syndicated loan in the amount of Euro 60 million, received in a lump sum, payable on a half-year basis and expiring on December 31, 2017. The applicable interest rate is Euribor plus a market spread.

As at December 31, 2013, the Group had medium term unsecured loans for Euro 104.5 million (Euro 60.5 million as at December 31, 2013). In order to hedge its exposure to interest rate risk, the Parent Company Moncler S.p.A., in January 2012, entered into an interest rate swap (IRS) to hedge the exposure against the banking system with the following conditions : notional amount of Euro 90 million, maturity date December 2015, fixed rate of 1.6050% adjusted every six months. As at 31 December 2014, the hedged outstanding notional amounted to Euro 48.5 million.

In addition, the subsidiary Industries S.p.A., in June 2012, following the signing of an unsecured loan for a period of 36 months amounting to Euro 10 million, entered into an Interest Rate Swap with a notional for the same amount, with a fixed rate of 0.77%, maturing on 30 June 2015 with quarterly installments. As at 31 December 2014 the hedged outstanding notional amounted to Euro 1.7 million.

As far as financial debts are concerned, a fluctuation of +/- 0.25% in the interest rate would have led to a worsening of Euro 424 thousand in financial charges and an improvement of Euro 424 thousand, respectively, on the net results for the year ended 31 December 2014, taking into consideration the effect of the IRS hedging and its fair value, resulting in a lower debt of Euro 27 thousand and a greater debt of Euro 49 thousand.

With reference to the provisions of IFRS 13, it should be pointed out that the category of financial instruments measured at fair value are mainly attributable to the hedging of interest rate risk and exchange rates risk. The valuation of these instruments is based on the discounting of future cash flows considering the interest rates and the exchange rates at the reporting date (level 2 as explained in the section related to principles).

10.2. Credit risk

The Group has no significant concentrations of financial assets (trade receivables and other current assets) with a high credit risk. The Group's policies related to the management of financial assets are intended to reduce the risks arising from non solvency of wholesale customers. Sales in the retail channel are made through cash and credit cards. In addition, the amount of loans outstanding is constantly monitored, so that the Group's exposure to bad debts is not significant and the percentage of writeoffs remain low. The maximum exposure to credit risk for the Group at 31 December 2014 is represented by the carrying amount of trade receivables reported in the consolidated financial statements.

As far as the credit risk arising from other financial assets other than trade receivables (including cash and short-term bank deposits) is concerned, the theoretical credit risk for the Group arises from default of the counterparty with a maximum exposure equal to the carrying amount of financial assets recorded in the consolidated financial statements, as well as the nominal value of guarantees given for third parties debts or commitments indicated in paragraph 8 of the Explanatory Notes. The Group's policies limit the amount of credit exposure in different banks.

10.3. Liquidity risk

Liquidity risk arises from the possible difficulty of obtaining financial resources at an acceptable cost in order for the Group to conduct its daily business operations. The factors that influence liquidity risk are related both to the resources generated or absorbed by operating activities, and those generated or absorbed by investing and financing activities. Liquidity risk related to financing activities pertain to the maturity or repayment of short-term and long-term borrowings and to the availability of funds in the financial market.

Following the dynamic nature of the business, the Group has centralized its treasury functions in order to maintain the flexibility in finding financial sources and maintain the availability of credit lines. The procedures in place to mitigate the liquidity risk are as follows:

- centralized treasury management and financial planning. Use of a centralized control system to manage the net financial position of the Group and its subsidiaries. Use of banking products and financial instruments in order to centralize bank accounts at the individual companies level and centralize to a maximum level payments to suppliers;
- obtaining adequate credit lines to create an adequate debt structure that will allow for a better usage within the short-term or long-term period granted by the banks;
- continuous monitoring of future cash flows based on the Group budget.

Management believes that the financial resources available today, along with those that are generated by the current operations will enable the Group to achieve its objectives and to meet its investment needs and the repayment of its debt at the agreed upon maturity date.

During 2014 the Group complied with financial parameters of covenants required by the sindicated loan that was reimbursed in December 2014.

It should also be noted, with reference to the provisions of IFRS 13, financial liabilities relating to commitment to purchase minority interests are accounted for at fair value based on valuation models primarily attributable to level 3, as explained in the section related to principles.

It is reported in the following table an analysis of the contractual maturities (including interests), for financial liabilities.

Non derivative financial liabilities	Total book value	Contractual cash flows							
		Total	6 months or less	6-12 months	1-2 months	2-3 months	3-4 months	4-5 months	more than 5 months
(Euro/000)									
Bank overdrafts	1,019	1,019	1,019	0	0	0	0	0	0
Self-liquidating loans	27,356	27,356	27,356	0	0	0	0	0	0
Financial debt to third parties	2,012	2,012	2,012	0	0	0	0	0	0
Unsecured loans	163,941	168,319	14,666	30,148	67,655	55,851	0	0	0

Derivative financial liabilities	Total book value	Contractual cash flows							
		Total	6 months or less	6-12 months	1-2 months	2-3 months	3-4 months	4-5 months	more than 5 months
(Euro/000)									
Interest rate swap hedging	674	674	4	670	0	0	0	0	0
Forward contracts on exchange rate hedging	3,905	3,905	3,905	0	0	0	0	0	0
- Outflows	3,905	3,905	3,905	0	0	0	0	0	0
- Inflows	0	0	0	0	0	0	0	0	0

10.4. Operating and capital management risks

In the management of operating risk, the Group's main objective is to manage the risks associated with the development of business in foreign markets that are subject to specific laws and regulations. The Group has implemented guidelines in the following areas:

- appropriate level of segregation of duties;
- reconciliation and constant monitoring of significant transactions;
- documentation of controls and procedures;
- technical and professional training of employees;
- periodic assessment of corporate risks and identification of corrective actions.

As far as the capital management risk is concerned, the Group's objectives are aimed at the going concern issue in order to ensure a fair economic return to shareholders and other stakeholders while maintaining a good rating in the capital debt market. The Group manages its capital structure and makes adjustments in line with changes in general economic conditions and with the strategic objectives.

11. OTHER INFORMATION

11.1. Related party transactions

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, under "Governance/Corporate documents").

Transactions and balances with consolidated companies have been eliminated during consolidation and are therefor not commented here.

During 2014, 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. And Henry Cotton Japan Ltd., acquires finished products from Moncler Group companies (Euro 42.2 million in 2014 and Euro 31.2 million in 2013) and then sells them to the Japanese companies (Euro 47.8 million in 2014 and Euro 37.3 million in 2013) pursuant to contracts agreed upon the companies' establishment.
- Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi, company held by the minority share holder of Moncler Istanbul GiyimveTekstil 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 2014 amount to Euro 0.2 million (Euro 0.8 million in 2013).
- Allison S.p.A., counterparty to the transaction which led to the establishment of Moncler LunettesS.r.l., provides finished products and charges rental and services to the latter pursuant to a contract agreed upon its establishment. Total costs recognized in 2014 amount to Euro 0.9 million (Euro 0.9 million in 2013).
- 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 2014 amount to Euro 0.4 million and total costs recognized for 2014 amount to Euro 0.2 million.

Industries S.p.A., ISC S.p.A. and Moncler Lunettes S.r.l. and, beginning in 2014, 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 2014 are Euro 3,212 thousand (Euro 2,009 thousand in 2013).

Compensation paid of the members of the Board of Auditors in 2014 are Euro 245 thousand (Euro 279 thousand in 2013).

In 2014 total compensation paid to executives with strategic responsibilities amounted to Euro 1,269 thousand (Euro 891 thounsand in 2013).

In 2014 the costs relating to stock option plans (described in section 11.2) referring to members of the Board of Directors and Key management personnel amount to Euro 2,420 thousand.

The following tables summarize the afore-mentioned related party transactions that took place during 2014 and the prior year.

Euro/000	Type of relationship	Note	December 31, 2014	%	December 31, 2013	%
Yagi Tsusho Ltd	*Distribution agreement*	*a*	42,200	(21.9)%	31,162	(18.7)%
Yagi Tsusho Ltd	*Distribution agreement*	*a*	(47,755)	24.8%	(37,319)	22.4%
GokseTekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	*Service agreement*	*b*	(219)	0.3%	(818)	1.4%
Allison S.p.A.	*Trade transactions/Service agreement*	*b*	(911)	1.4%	(914)	1.6%
La Rotonda S.r.l.	*Trade transactions*	*c*	385	0.1%	n.a.	n.a.
La Rotonda S.r.l.	*Trade transactions*	*d*	(167)	0.1%	n.a.	n.a.
Directors, board of statutory auditors and executives with strategic responsibilities	*Work performance*	*b*	(4,245)	0	(2,721)	0
Executives with strategic responsibilities	*Work performance*	*d*	(483)	0	(458)	0
Directors and executives with strategic responsibilities	*Work performance*	*e*	(2,420)	0	n.a.	n.a.
Other related parties			0		(18,984)	
Total			**(13,615)**		**(30,052)**	

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 expenses

The item other related parties in 2013 amounted to Euro 18,984 thousand included net costs for trade transactions from Altana S.p.A. for Euro 16,735 thousand, costs for product and fashion consulting from National S.r.l. for Euro 1.446 thousand, costs for financial consulting from Mittel Generali Investimenti S.p.A. for Euro 85 thousand and financial expenses from Mittel Generali Investimenti S.p.A. for Euro 654 thousand and costs for service from Meyer Potz for Euro 64 thousand.

Euro/000	Type of relationship	Note	December 31, 2014	%	December 31, 2013	%
Yagi Tsusho Ltd	*Trade payables*	*a*	(6,826)	6.1%	(22,193)	20.7%
Yagi Tsusho Ltd	*Trade receivables*	*b*	928	1.1%	2,412	3.2%
Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	*Trade payables*	*a*	(85)	0.1%	(161)	0.2%
Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	*Trade receivables*	*b*	0	0.0%	111	0.1%
Allison S.p.A.	*Trade payables*	*a*	(207)	0.2%	(295)	0.3%
La Rotonda S.r.l.	*Trade receivables*	*b*	202	0.2%	n/a	n/a
La Rotonda S.r.l.	*Trade payables*	*a*	(45)	0.0%	n/a	n/a
Directors, board of statutory auditors and executives with strategic responsibilities	*Other current liabilities*	*c*	(1,896)	6.3%	(1,011)	3.0%
Other related parties			0	0.0%	(21,109)	0.0%
Total			**(7,929)**		**(42,246)**	

a effect in % based on trade payables
b effect in % based on trade receivables
c effect in % based on other current liabilities

The item other related parties as of December 31, 2013 amounted to Euro 21,109 thousand is detailed as follows: financial payables to Mittel Generali Investmenti S.p.A. for Euro 20,000 thousand, trade payables to Mittel Generali Investimenti S.p.A. for Euro 104 thousand, trade payables to National S.r.l. for Euro 382 thousand and trade payables to Allison S.p.A. for Euro 623 thousand.

The following tables summarize the weight of related party trasactions on the consolidated financial statements as at and for the years ended 31 December 2014 and 2013:

December 31, 2014	Revenue	Cost of sales	Selling expenses	General and administrative expenses	Non recurring income/ (expenses)	Financial expenses
Total related parties	385	(5,555)	(650)	(5,375)	(2,420)	0
Total consolidated financial statements	694,189	(192,524)	(182,966)	(66,043)	(5,034)	(12,164)
weight %	0.1%	2.9%	0.4%	8.1%	48.1%	0.0%

December 31, 2014	Trade receivables	Trade Payables	Other current liabilities	Total financial debt
Total related parties	1,130	(7,163)	(1,896)	0
Total consolidated financial statements	86,593	(112,323)	(29,970)	(234,574)
weight %	1.3%	6.4%	6.3%	0.0%

December 31, 2013	Revenue	Cost of sales	Selling expenses	General and administrative expenses	Non recurring income/ (expenses)	Financial expenses
Total related parties	0	(19,027)	(1,404)	(8,967)	0	(654)
Total consolidated financial statements	580,577	(166,520)	(147,643)	(57,911)	(6,119)	(21,780)
weight %	0.0%	11.4%	1.0%	15.5%	0.0%	3.0%

December 31, 2013	Trade receivables	Trade Payables	Other current liabilities	Total financial debt
Total related parties	2,523	(23,758)	(1,011)	(20,000)
Total consolidated financial statements	76,521	(107,077)	(33,645)	(276,360)
weight %	3.3%	22.2%	3.0%	7.2%

11.2. Stock option plans

On 28 February 2014, the Moncler Ordinary Shareholders' Meeting approved two incentive loyalty schemes, known respectively as "Stock Option Plan for Top Management and Key People" and "Stock Option Plan Corporate Structure".

As stated by IFRS 2, these plans are defined as Equity Settled.

Both plans have been implemented through free allocation of valid options to subscribe to newly issued Moncler ordinary shares, resulting from paid in capital, excluding the option right pursuant to art. 2441, fifth, sixth and eighth paragraphs of the Civil Code.

The above mentioned stock option plans were approved for a maximum of 5,555,000 options, of which 5,030,000 as "Stock Option Plan for Top Management and Key People" and the remaining 525,000 as "Stock Option Plan Corporate Structures". As at December 31, 2014 the following options are still in circulation: 4,955,000 options for the Top Management Plan and Key People and 396,771 options for the Corporate Plan Structures.

The exercise price of the options is equal to Euro 10.20 and allows for the subscribtion of shares in the ratio of one ordinary share for every option exercised.

The first plan, "Stock Option Plan for Top Management and Key People", is reserved for executive directors, employees and consultants, including third party consultants of MonclerSpA and its subsidiaries.

The Plan provides for 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 as at December 31, 2016. The options are exercisable within September 30, 2018 maximum.

Each beneficiary may exercise the Options granted on condition that the specific performance goals related to Moncler's consolidated EBITDA are achieved.

The second plan, "Stock Option Plan Structures corporate", is reserved for employees part of MonclerS.p.A.'s Corporate Structure and the Italian companies which it controls.

The Plan 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. The options are exercisable within September 30, 2018 maximum.

Each beneficiary may exercise the Options granted on condition that the specific performance goals related to Moncler's consolidated EBITDA are achieved.

For information regarding the plan, please see the company's website, www.monclergroup.com, in the "Governance" section.

The effect on the income statement of the stock option plans amounts to Euro 4.7 million, which mainly includes the fair value of the plans, which takes into account the value of the share at the grant date, the IPO value of the share, the volatility, the flow of the expected dividends, the option term and the risk-free rate.

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.

11.3. Subsidiaries and minority interests

Following are the financial information of the subsidiaries that have significant minority interests.

Summary of subsidiary's financial information	December 31, 2014					
(Euro/000)	Assets	Liabilities	Net equity	Revenues	Profit/(Loss)	Profit/(Loss) attributable to minority
Moncler Enfant S.r.l.	1,319	187	1,131	387	(182)	(91)
Ciolina Moncler SA	902	330	572	1,301	130	64
Moncler Lunettes S.r.l.	3,893	3,300	593	3,119	(619)	(303)
White Tech Sp.zo.o.	86	11	75	7	(12)	(4)

Summary of subsidiary's financial information	December 31, 2013					
(Euro/000)	Assets	Liabilities	Net equity	Revenues	Profit/(Loss)	Profit/(Loss) attributable to minority
Moncler Enfant S.r.l.	12,826	4,234	8,592	36,753	5,577	2,783
Ciolina Moncler SA	897	465	432	1,456	184	90
Moncler Lunettes S.r.l.	3,656	3,444	212	2,931	(788)	(386)
White Tech Sp.zo.o.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Profit/(Loss) attributable to minority differs from consolidated Profit/(Loss) attributable to minority since the data are presented gross of intercompany eliminations.

Cash Flow 2014 (*) (Euro/000)	Moncler Enfant S.r.l.	Ciolina Moncler SA	Moncler Lunettes S.r.l.	White Tech Sp.zo.o.
Operating Cash Flow	2,609	17	(1,421)	(70)
Free Cash Flow	2,710	(21)	(1,264)	(68)
Net Cash Flow	(4,569)	(11)	(264)	18

Cash Flow 2013 (*) (Euro/000)	Moncler Enfant S.r.l.	Ciolina Moncler SA	Moncler Lunettes S.r.l.	White Tech Sp.zo.o.
Operating Cash Flow	13,716	207	(1,850)	-
Free Cash Flow	10,689	154	(1,556)	-
Net Cash Flow	6,289	27	(556)	-

(*) Amounts showed according to the Cash Flow Statements included in the Directors' Report (*)

11.4. Significant non-recurring events and transactions

On 28 February 2014, the Moncler Ordinary Shareholders' Meeting approved two incentive loyalty schemes, known respectively as "Stock Option Plan for Top Management and Key People" and "Stock Option Plan Corporate Structure".

The description of the incentive loyalty schemes and the related costs are included in note 11.2.

11.5. Atypical and/or unusual transactions

It should be noted that during 2014 the Group did not enter into any atypical and/or unusual transactions.

11.6. Fees paid to independent auditors

Fees paid to independent auditors are summarized below:

Audit and attestation services (Euro unit)	Entity that has provided the service	Company that has received KPMG services	Fees 2014
Audit	KPMG S.p.A.	Moncler S.p.A.	91,111
	KPMG S.p.A.	Società controllate	116,036
	Network KPMG S.p.A.	Società controllate	166,958
Attestation services	KPMG S.p.A.	Moncler S.p.A.	53,250
	KPMG S.p.A.	Società controllate	12,990
	Network KPMG S.p.A.	Società controllate	5,500
Other services	KPMG S.p.A.	Moncler S.p.A.	8,000
	Network KPMG S.p.A.	Società controllate	63,303
Total			**517,148**

12. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 1 January 2015, Moncler Shinsegae, a joint venture controlled by Moncler (51%), took over the 12 Moncler mono-brand stores in Korea from Shinsegae International.

In 2014, in fact, the subsidiary Industries S.p.A. signed a joint venture contractwith Shinsegae International, a Korean company listed on the Seoul stock exchange, Moncler's distributor in Korea and one of the country's leading retailers in the fashion and luxury sector.

This joint venture started operations in 1 January 2015 to promote, develop and manage Moncler stores in the Asian country's most prestigious locations. By reaching direct control on Korea,Moncler has realised its strategy of directly controlling all markets in which it operates.

***

The consolidated financial statements, comprised of the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and explinatory notes to the consolidated financial statements give a true and fair view of the financial position and the results of operations and cash flows 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

Moncler S.p.A.
Registered office: Via Stendhal 47, MILAN – ITALY
Share capital: Euro 50.000.000 i.v. – Registration number CCIAA: MI-1763158
Tax code: 04642290961

SEPARATE FINANCIAL STATEMENTS

MONCLER S.P.A. FINANCIAL STATEMENTS

Income statement (Euro)	Notes	2014	of which related parties (note 9.1)	2013	of which related parties (note 9.1)
Revenue	3.1	116,658,220	116,393,847	96,121,045	95,984,489
General and administrative expenses	3.2	(10,940,145)	(3,464,812)	(7,772,405)	(1,159,646)
Advertising and promotion expenses	3.3	(23,496,734)	(46,272)	(19,024,902)	
Non recurring income/(expenses)	3.4	(2,023,172)	(1,540,204)	(9,050,338)	(35,690)
Operating result		**80,198,169**		**60,273,400**	
Financial income	3.6	15,011,902		183,367	
Financial expenses	3.6	(7,454,205)	(669,666)	(13,729,524)	(869,851)
Result before taxes		**87,755,866**		**46,727,243**	
Income taxes	3.7	(23,580,320)		(15,416,905)	
Net result from continuing operations		**64,175,546**		**31,310,338**	
Net result from discontinued operations	5	**0**		**(11,794)**	
Net result		**64,175,546**		**31,298,544**	

Statement of comprehensive income (Euro)	Notes	December 31, 2014	December 31, 2013
Net profit (loss) for the period		**64,175,546**	**31,298,544**
Gains/(Losses) on fair value of hedge derivatives	4.14	(173,804)	2,077,397
Items that are or may be reclassified to profit or loss		**(173,804)**	**2,077,397**
Actuarial Gains/(Losses) on pension funds	4.14	(69,342)	(3,901)
Items that are will never be reclassified to profit or loss		**(69,342)**	**(3,901)**
Other comprehensive income/(loss), net of tax		**(243,146)**	**2,073,496**
Total Comprehensive income/(loss)		**63,932,400**	**33,372,040**

Statement of financial position (Euro)	Notes	December 31, 2014	of which related parties (note 9.1)	December 31, 2013	of which related parties (note 9.1)
Brands and other intangible assets - net	4.1	225,080,704		224,795,765	
Property, plant and equipment - net	4.3	933,839		1,040,329	
Investments in subsidiaries	4.4	220,813,523		217,939,022	
Deferred tax assets	4.5	2,572,014		1,968,335	
Non-current assets		**449,400,080**		**445,743,451**	
Trade accounts receivable	4.6	67,976		10,809	
Intra-group accounts receivable	4.6	323,806	323,806	2,667,678	2,667,678
Income taxes	4.13	0		17,794,903	
Other current assets	4.8	1,882,562		4,419,482	
Other current assets intra-group	4.8	21,393,248	21,393,248	0	0
Cash and cash equivalent	4.7	532,003		4,255,736	
Current assets		**24,199,595**		**29,148,608**	
Total assets		**473,599,675**		**474,892,059**	
Share capital	4.14	50,000,000		50,000,000	
Premium reserve	4.14	107,039,683		107,039,683	
Other reserve	4.14	47,460,246		36,882,570	
Net result	4.14	64,175,546		31,298,544	
Equity		**268,675,475**		**225,220,797**	
Long-term borrowings	4.12	47,911,236		109,712,030	18,333,333
Employees pension fund	4.11	469,156		265,454	
Deferred tax liabilities	4.5	71,152,180		70,736,342	
Non-current liabilities		**119,532,572**		**180,713,826**	
Short-term borrowings	4.12	12,588,900		10,175,349	1,666,667
Intra-group short-term borrowings	4.12	10,837,684	10,837,684	21,392,598	21,392,598
Trade accounts payable	4.9	14,304,352		7,969,091	103,700
Intra-group accounts payable	4.9	1,433,894	1,433,894	810,215	810,215
Income taxes	4.13	25,671,779		0	
Other current liabilities	4.10	2,537,715	1,448,317	9,652,045	400,950
Other current liabilities intra-group	4.10	18,017,304	18,017,304	18,958,138	18,958,138
Current liabilities		**85,391,628**		**68,957,436**	
Total liabilities and equity		**473,599,675**		**474,892,059**	

Statement of changes in equity (Euro)	Notes	Share capital	Premium reserve	Legal reserve	Other comprehensive income	Other IFRS 2 reserve	Retained earnings	Result of the period	Net Equity
Shareholders' equity at January 1, 2013	**4.14**	**50,000,000**	**107,039,683**	**10,000,000**	**(1,964,230)**	**0**	**27,860,169**	**(1,086,865)**	**191,848,757**
Allocation of Last Year Result		0	0	0	0	0	(1,086,865)	1,086,865	0
Reclassification		0	0	0	15,055	0	(15,055)	0	0
Other movements in Equity		0	0	0	2,073,496	0	0	0	2,073,496
Result of the period		0	0	0	0	0	0	31,298,544	31,298,544
Shareholders' equity at December 31, 2013	**4.14**	**50,000,000**	**107,039,683**	**10,000,000**	**124,321**	**0**	**26,758,249**	**31,298,544**	**225,220,797**
Shareholders' equity at January 1, 2014	**4.14**	**50,000,000**	**107,039,683**	**10,000,000**	**124,321**	**0**	**26,758,249**	**31,298,544**	**225,220,797**
Allocation of Last Year Result		0	0	0	0	0	31,298,544	(31,298,544)	0
Reclassification		0	0	0	0	0	0	0	0
Dividends		0	0	0	0	0	(25,000,000)	0	(25,000,000)
Other movements in Equity		0	0	0	(243,146)	4,522,278	0	0	4,279,132
Result of the period		0	0	0	0	0	0	64,175,546	64,175,546
Shareholders' equity at December 31, 2014	**4.14**	**50,000,000**	**107,039,683**	**10,000,000**	**(118,825)**	**4,522,278**	**33,056,793**	**64,175,546**	**268,675,475**

Statement of cash flow (Euro)	2014	of which related parties (note 9.1)	2013	of which related parties (note 9.1)
Cash flow from operating activities				
Net result of the period	64,175,546		31,298,544	
Depreciation and amortization	529,650		404,400	
Impairment of investments	346,307		1,651,181	
Net financial (income)/expenses	(7,904,004)		13,144,649	
Altri costi (ricavi) non monetari	1,811,470		0	
Income tax expenses	23,580,320		15,858,596	
Changes in trade receivables - (Increase)/Decrease	2,286,705	2,343,872	21,228,472	21,233,558
Changes in trade payables - Increase/(Decrease)	6,940,939	623,679	(2,916,932)	402,447
Changes in other current assets/liabilities	(4,496,621)	1,047,367	6,686,653	160,179
Cash flow generated/(absorbed) from operating activities	**87,270,312**		**87,355,563**	
Interest paid	(6,538,455)		(8,986,268)	
Interest received	11,902		97,490	
Income tax paid	(2,635,561)		(21,706,513)	
Changes in other non-current assets/liabilities	111,082		98,874	
Net cash flow from operating activities (a)	**78,219,280**		**56,859,146**	
Cash flow from investing activities				
Purchase of tangible and intangible fixed assets	(708,099)		(476,118)	
Investments	(510,000)		(510,000)	
Dividends received	15,000,000		0	
Net cash flow from investing activities (b)	**13,781,901**		**(986,118)**	
Cash flow from financing activities				
Repayment of borrowings	(120,000,000)		(192,143,419)	(13,019,566)
Proceeds from borrowings	59,830,000		118,587,124	20,000,000
Changes in intercompany short term borrowings	(10,554,914)	(10,554,914)	21,392,598	21,392,598
Dividends paid to shareholders	(25,000,000)		0	
Net cash flow from financing activities (c)	**(95,724,914)**		**(52,163,697)**	
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**(3,723,733)**		**3,709,331**	
Cash and cash equivalents at the beginning of the period	**4,255,736**		**546,406**	
Net increase/(decrease) in cash and cash equivalents	(3,723,733)		3,709,331	
Cash and cash equivalents at the end of the period	**532,003**		**4,255,736**	

On behalf of the Board of Directors

The Chairman

Remo Ruffini

EXPLANATORY NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1. Moncler S.p.A.

Moncler S.p.A. (the "Company" or "Moncler") is a company established and domiciled in Italy, with its registered office located at Via Stendhal 47 Milan, Italy, and registration number of 04642290961.

It is the parent company for the Moncler Group (hereinafter referred to as the "Group") comprising Industries S.p.A., the Italian subsidiary, and 29 other subsidiaries.

The Company'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.

The Moncler Group companies run their businesses in accordance with the guidelines and the strategies set up by Moncler's Board of Directors.

The Company also prepares the consolidated financial statements and the Management Report in a single document as permitted by. 40/2 bis, letter. B Legislative Decree 127/91.

1.2. Basis for the preparation of the separate financial statements

1.2.1. Relevant accounting principles

The 2014 separate financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. IFRS also includes all International Accounting Standards ("IAS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The financial statements include the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the explanatory notes to the financial statements.

1.2.2. Financial Statements

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

With reference to the 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 statement of cash flows is prepared under the indirect method.

1.2.3. *Basis for measurement*

The 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 in accordance with IAS 39) and on a going concern basis.

The financial statements are presented in Euro thousand, which is the functional currency of the markets where the Company mainly operates.

The explanatory notes have been prepared in thousands of Euros unless stated otherwise.

1.2.4. *Use of estimates*

The preparation of the financial statements and the related explanatory 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 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 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 impairment of non-current assets (brand and investments) and the recoverability of deferred tax assets. Following is a brief description of these captions.

Recoverable amount of non-current assets with indefinite useful lives and investments ("impairment")

Management periodically reviews non-current assets, assets held for sale and investments in subsidiaries 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 the income statement 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.

Recoverability of deferred tax assets

The Company is subject to income taxes in numerous jurisdictions. Judgment is required in determining the provision for income taxes in each territory. The Company recognizes deferred tax assets when it is expected that they will be realised within a period that is consistent with management estimate and business plans.

2. SIGNIFICANT ACCOUNTING PRINCIPLES

The accounting principles set out below have been applied consistently for fiscal year 2013 and the prior year.

2.1. Property, plant and equipment

Property, plant and equipment are stated at acquisition or manufacturing cost, not revalued net of accumulated depreciation and impairment losses ("impairment"). Cost includes original purchase price and all costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation of property, plant and equipment is calculated and recognized in the income statement on a straight-line basis over the estimated useful lives as reported in the following table:

Category	Depreciation period
Land	No depreciation
Buildings	From 25 to 33 years
Plant and equipment	From 8 to 12 years
Fixtures and fittings	From 5 to 10 years
Electronic machinery and equipmen	From 3 to 5 years
Leasehold improvements	Lower between lease period and useful life of improvements
Other fixed assets	Depending on market conditions generally within the expected utility to the entity

Leased assets are depreciated over the shorter of the lease term and their useful lives Unless it is reasonably certain that the Group will take ownership of the asset by the end of the lease term.

Depreciation methods, useful lives and residual value are reviewed at each reporting period and adjusted if appropriate.

Gain/Losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment represent the difference between the net proceeds and net book value at the date of sale. Disposals are accounted for when the relevant transaction becomes unconditional.

2.2. Intabgible assets

Brands

Separately acquired brands are shown at historical cost. Brands acquired in a business combination are recognized at fair value at the acquisition date.

Brands have a indefinite useful life and are carried at cost less accumulated impairment. Brands are not amortized but subject to impairment test performed annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable.

For further details please refer to section 2.3 "Impairment of non-financial assets."

Intangible assets with a definite useful life

Software (including licenses and separately identifiable external development costs) is capitalized as intangible asset at purchase price, plus any directly attributable cost of preparing that asset for its intended use. Software and other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Ammortization of intangible assets with a definite useful life

Intangible assets with a definite useful life are amortized on a straight line basis over their estimated useful lives as described in the following table:

Category	**Depreciation period**
License rights	Based on market conditions within the licence period or legal limits to use the assets
Software	From 3 to 5 years
Other intangible assets	Based on market conditions generally within the period of control over the asset

2.3. Non current assets available for sale and discontinued operations

Non-current assets available for sale and discontinued operations are classified as available for sale when their values are recoverable mainly through a probable sale transaction. In such conditions, they are valued at the lower of their carrying value or fair value, net of cost to sell if their value is mainly recoverable through a sale transaction instead of continued use.

Discontinued operations are operations that:

- include a separate line of business or a different geographical area;
- are part of a single coordinated plan for the disposal of a separate major line of business or geographical area of activity;
- consist of subsidiaries acquired exclusively for the purpose of being sold.

In the income statement, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 to be defined as "discontinued operations", are presented in a single caption that includes both gains and losses, as well as losses or gains on disposal and the related tax effect. The comparative period is subsequently restated in accordance with IFRS 5.

As far as the financial position is concerned, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 are reclassified as current assets and liabilities in the period in which such requirements arise. The comparative financial statements are not restated nor reclassified.

2.4. Investments

Investments in subsidiaries, associates and others are accounted for as follows:

- at cost; or
- in accordance with IAS 39.

The Company recognizes dividends from subsidiaries, associates and others in its income statement when the right to receive such dividends has materialized.

2.5. Impairment of non-financial assets

On an annual basis, the Company tests for impairment property, plant and equipment and intangible assets with a definite useful life. Whenever events or changes in circumstance indicate that the carrying amount may not be recoverable, an impairment loss is recognized for the amount by which the carrying amount exceeds its recoverable amount.

Assets with an indefinite useful life are not subject to amortization and are tested annually or more frequently for impairment, whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

When the recoverable amount for individual asset cannot be reliably estimated, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The Group determines the value in use as the present value of future cash flows expected to be derived from the asset or from the cash-generating unit, gross of tax effects, by applying an appropriate discount rate that reflects market time value of money and the risks inherent to the asset. An impairment loss is recognized for the amount by which the carrying amount exceeds its recoverable amount.

With the exception of impairment losses recognized on goodwill, when the circumstances that led to the loss no longer exist, the carrying amount of the asset is increased to its recoverable amount and cannot exceed the carrying amount that would have been determined had there been no loss in value. The reversal of an impairment loss is recognized immediately in the income statement.

2.6. Financial instruments

Financial instruments are initially recognized at fair value when the entity becomes a party to a contractual obligation of the financial instrument. A financial instrument is no longer recognized when the contractual rights to the cash flows has expired or when the Company is no longer exposed to that risk. A financial liability is no longer recognized when the obligation specified in the contract is canceled, expired or voided.

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, other current and non-current assets and liabilities, investments, borrowings and derivative financial instruments.

Cash and cash equivalents
Cash and cash equivalents include cash and short-term deposits held with banks and most liquid assets that are readily convertible into cash and that have insignificant risk of change in value. Bank overdrafts are recorded under current liabilities on the Company's statement of financial position.

Trade receivables and other current and non-current receivables
Trade and other receivables generated when the Company provides money, goods or services directly to a third party are classified as current assets, except for items with maturity dates greater than twelve months after the reporting date.

Receivables are measured at amortized cost using the effective interest method less the allowance for doubtful accounts. A provision for doubtful account is recorded when there is objective evidence that the value of the claim will not be recovered. The amount of the provision is recognized in the income statement.

Trade payables and other current and non-current payables
Trade and other payables arise when the Company acquires money, goods or services directly from a supplier. They are included in current liabilities, except for items with maturity dates greater than twelve months after the reporting date.

Payables are stated, at initial recognition, at fair value, which usually comprises the cost of the transaction, inclusive of transaction costs. Subsequently, they are stated at amortized cost using the effective interest method.

Financial liabilities
Financial liabilities, excluding derivatives, are recognized initially at fair value which represents the amount at which the asset was bought in a current transaction between willing parties, and

subsequently measured at amortized cost using the effective interest method. Financial liabilities are classified as non-current if the Company has an unconditional right to defer payments of at least twelve months from the reporting date.

Derivative instruments

The Company uses derivative instruments to hedge against exchange rate and interest rate risks.

In order to reduce interest rate risk, the Company hedges part of the fixed-rate financial liabilities through an Interest Rate Swap (IRS). In accordance with IAS 39, derivative instruments qualify for hedge accounting only if at the inception there is a formal designation and documentation of the hedging relationship, the hedge is expected to be highly effective and the effectiveness of the hedge can be reliably measured throughout the financial reporting periods for which the hedge was designated. The company documents the hedging relationship between the derivative and the financial instrument.

Derivative financial instruments are initially recognized at fair value at acquisition date and are subsequently remeasured at their fair value. the subsequent gain or loss recognition depends on whether the instrument itself is defined as a hedges and the nature of the hedged item.

<u>Fair value hedge</u>

A derivative instrument is designated as fair value hedge when it hedges the exposure to changes in fair value of a recognized asset or liability, that is attributable to a particular risk and could affect profit or loss. The gain or loss on the hedged item, attributable to the hedged risk, adjusts the carrying amount of the hedged item and is recognized in the income statement.

<u>Cash flow hedge</u>

A derivative instrument is designated as cash flow hedge when it hedges the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss. The portion of gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in equity within other comprehensive income. The cumulative gain or loss is reclassified from equity to profit or loss in the same period in which the asset acquired or liability assumed affects profit or loss. Any gain or loss on the hedging instrument that is not an effective hedge is recognized immediately in the income statement. In the event that the hedge expires or is terminated or no longer meets the criteria for hedge accounting but the forecast transaction has not yet occurred, the cumulative gain or loss recognized in other comprehensive income from the period when the hedge was effective remains separately in equity and is recognized in the income statement in the same period during which the hedged forecast transaction affects profit or loss.

When the forecast transaction is no longer expected to occur, the cumulative gain or loss recognised in other comprehensive income from the period when the hedge was effective is reclassified immediately in the income statement.

2.7. Employee benefits

Short-term employee benefits, such as wages, salaries, social security contributions, paid leave and annual leave due within twelve months of the statement of financial position date and all other fringe benefits are recognised in the year in which the service is rendered by the employee.

Benefits granted to employees which are payable on or after the termination of employment through defined benefit and contribution plans are recognised over the vesting period.

Defined benefit schemes

Defined benefit schemes are retirement plans determined based on employees' remuneration and years of service.

The Company's obligation to contribute to employees' benefit plans and the related current service cost is determined by using an actuarial valuation defined as the projected unit credit method. The cumulative net amount of all actuarial gains and losses are recognised in equity within other comprehensive income.

With reference to defined benefit plans, the increase in present value of the defined benefit obligation for employee service in prior periods (past service cost) is accounted as an expense on a straight-line basis over the average period until the benefits become vested.

The amount recognised as a liability under the defined benefit plans is the present value of the related obligation, taking into consideration expenses to be recognised in future periods for employee service in prior periods.

Defined contribution schemes

Contribution made to a defined contribution plan is recognised as an expense in the income statement in the period in which the employees render the related service.

Up to December 31, 2006 Italian employees were eligible to defined benefit schemes referred as post-employment benefit ("TFR"). With the act n. 296 as of December 27, 2006 and subsequent decrees ("Pension Reform") issued in early 2007, the rules and the treatment of TFR scheme were changed. Starting from contribution vested on or after January 1, 2007 and not yet paid at the reporting date, referring to entities with more than 50 employees, Italian post-employment benefits is recognised as a defined contribution plan. The contribution vested up to December 31, 2006 is still recognised as a defined benefit plan and accounted for using actuarial assumptions.

2.8. Share- based payments

The fair value at grant date of the incentives granted to employees in the form of share-based payments that are equity settled is usually included in expenses, with a matching increase in equity, over the period during which the employees obtain the incentives rights. The amount recognized as an expense is adjusted to reflect the actual number of incentives for which the continued service conditions are met and the achievement of non-market conditions, so that the final amount recognized as an expense is based on the number of incentives that fulfill these conditions at the vesting date. In case the incentives granted as share-based payments whose conditions are not to be considered to maturity, the fair value at the grant date of the share-based payment is measured to reflect such conditions. With reference to the non-vesting conditions, any differences between amounts the grant date and the actual amounts will not have any impact on the financial statements.

The fair value of the amount payable to employees related to share appreciation rights, settled in cash, is recognized as an expense with a corresponding increase in liabilities over the period during which the employees unconditionally become entitled to receive the payment. The liability is valued at each balance sheet date and the settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognized in profit or loss for the year.

2.9. Provisions for risks and charges

Provisions for risks and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and where the amount of the obligation can be reliably estimated.

Changes in estimates are recognised in the income statement in the period in which they occur.

2.10. Revenue recognition

Revenues are recognised when it is probable that the economic benefits associated with the transactions will flow to the Company and the amount can be measured reliably. Revenue, which is stated excluding value added tax and other sales related taxes, is the amount receivable for goods supplied less returns, trade discounts and allowances. Royalties received from licensee are accrued as earned on the basis of the terms of the relevant royalty agreement which is typically based on sales volumes.

2.11. Borrowing costs

Borrowing costs are recognized on an accrual basis taking into consideration interest accrued on the net carrying amount of financial assets and liabilities using the effective interest rate method.

2.12. Taxation

Tax expense recognised in the consolidated income statement represents the aggregate amount related to current tax and deferred tax.

Current tax are determined in accordance with enforced rules established by local tax authorities. Current taxes are recognised in the consolidated income statement for the period, except to the extent that the tax arises from transactions or events which are recognised directly either in equity or in other comprehensive income.

Deferred tax liabilities and assets are determined based on temporary taxable or deductible differences arising between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Current and deferred tax assets and liabilities are offset when income taxes are levied by the same tax authority and when there is a legally enforceable right to offset the amounts.

Deferred tax liabilities and assets are determined using tax rates that have been enacted by the reporting date and are expected to be enforced when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are not discounted.

Deferred tax assets recognised on tax losses and on deductible differences are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

2.13. Foreign currency

The amounts included in the financial statements of each Group company are prepared using the currency of the country in which the company conducts its business.

Foreign currency transactions
Foreign currency transactions are recorded at the exchange rate in effect at the transaction date. The assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate prevailing at that date. Exchange differences arising from the conversion or settlement of these items due to different rates used from the time of initial recognition are recorded in the income statement.

2.14. Fair value

IFRS 13 is the only point of reference for the fair value measurement and related disclosures when such an assessment is required or permitted by other standards. Specifically, the principle defines fair value as the consideration received for the sale of an asset or the amount paid to settle a liability in a regular transaction between market participants at the measurement date. In addition, the new standard replaces and provides for additional disclosures required in relation to fair value measurements by other accounting standards, including IFRS 7.

IFRS 13 establishes a hierarchy that classifies within different levels the inputs used in the valuation techniques necessary to measure fair value. The levels, presented in a hierarchical order, are as follows:

- level 1: Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: it Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: Fair values measured using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

2.15. Accounting standards and recently published interpretations

Accounting standards, amendments and interpretations effective from January 1, 2014

IFRS 10 – Consolidated Financial Statements

IFRS 10 will replace SIC-12 – Consolidation: Special Purpose Entities and parts of IAS 27 – Consolidated and Separate Financial Statements (which has been renamed IAS 27 – Separate Financial Statements and addresses the accounting treatment of investments in separate financial statements). The new standard builds on existing principles by identifying a single control model applicable to all entities, including "structured entities". The standard also provides additional guidance to assist in the determination of control where this is difficult to assess.

IFRS 11 – Joint Arrangements

IFRS 11 supersedes IAS 31 – Interests in Joint Ventures and SIC-13 – Jointly Controlled Entities: Non-monetary Contributions by Venturers. The classification will focus on the rights and obligations of the arrangements, rather than their legal form.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other unconsolidated vehicles.

IAS 32 – Financial Instruments: Presentation (amendments)

On 16 December 2011, the IASB issued certain amendments to IAS 32 to clarify the application of certain offsetting criteria for financial assets and financial liabilities in IAS 32. The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively.

IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets (amendments)
On 29 May 2013, the IASB issued an amendment to IAS 36 addressing the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less cost of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied IFRS 13.

IAS 39 – Financial Instruments: Recognition and Measurement (amendments)
On 27 June 2013, the IASB issued narrow scope amendments to IAS 39 entitled "Novation of Derivatives and Continuation of Hedge Accounting". The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in IFRS 9 - Financial Instruments. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014. No significant effect is expected from the first time adoption of these amendments.

IAS 27 (2011) Separate Financial Statements.
Following these amendments, which take into account the introduction of the new IFRS 10, this standard now only deals with the requirements for the preparation by an entity of its annual separate financial statements and the way in which it should account forinvestments in subsidiaries.

IAS 28 (2011) Investments in Associates and Joint Ventures.
The amendments to this standard take into account the introduction of the new IFRS 11 and have led to the introduction of the requirement to use the equity method in measuring investments in joint ventures.

Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12).
These amendments require that in general the retrospective application of the standards shall be solely limited to the comparative year preceding that of first-time application. If an entity decides voluntarily to present additional comparative periods, these may be presented without being adjusted for the retrospective effects of IFRS 10 and IFRS 11. In addition, specific requirements are provided for the first-time application of IFRS 10, IFRS 11 and IFRS 12.

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27(2011)).

This document introduces changes to the following standards:

- *IFRS 10 – Consolidated Financial Statements*: following the amendments made to IFRS 10, an entity qualifying as an investment entityshould not consolidate its subsidiaries or apply

IFRS 3 – Business Combinations when it gains control of another entity, apart from specific exceptions, and should measure these investments at fair value through profit and loss in its separate financial statements and, where prepared, in its consolidated financial statements;

- *IFRS 12 –Disclosure of Interests in Other Entities*: IFRS 12 has been amended to include specific disclosure requirements applicable to investment entities, with particular reference to the significant judgements and assumptionsthey have made in determining that they qualify as an investment entity and to the disclosures required when an entity becomes or ceases to be an investment entity;
- *IAS27 (2011)- Separate Financial Statements*: introduces the requirement for investment entities to measure investments in subsidiaries at fair value through profit and loss in their separate financial statements if they are not permitted to consolidate these investments on a line-by-line basisunder the amendments to IFRS 10 discussed above. The optionfor investment entities to measure investments in subsidiaries at cost or in accordance with IAS 39 in their separate financial statements remains unchanged with regard to other subsidiaries that continue to be consolidated in the consolidated financial statements on a line-by-line basis.

The adoption of the interpretations and standards did not have significant impact on the separate financial statements of the Company.

New standards and interpretations not yet effective and not early-adopted by the Company

IFRIC Interpretation 21 - Levies
On 20 May 2013, the IASB issued the IFRIC Interpretation 21, an interpretation of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. The interpretation sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognized. IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 with earlier adoption permitted.

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).

Improvements to IFRS (2011-2013 cycle)
This document introduces amendments to IFRS 1 – First-time Adoption of International Financial Reporting Standards (specifications regarding the early application by first-time adoptersof documents issued by the IASB), IFRS 3 – Business Combinations (clarifications that joint operations are outside the scope of this standard), IFRS 13 – Fair Value Measurement (introduction of the extension of the exception in IFRS 13for the measurement at fair value on a net basis of a portfolio of assets and liabilities), IAS 16 –Property, Plant and Equipment and IAS 40– Investment Property (clarifications on the interrelationship between IAS 40 and IFRS 3 regarding the acquisition of an investment property).

Defined Benefit Plans: Employee Contributions (amendments to IAS 19)
The aim of this amendment to IAS 19 is to enable entities to simplifytheir accounting for defined benefit plansif the contributions made by employees or third parties satisfy specific requirements.

In addition, at the date of these financial statements the competent bodies of the European Union had not yet completed their adoption process for the following accounting standards and amendments:

Document title	Issue date by IASB	Effective from
Standards		
IFRS 9 Financial Instruments	July 2014	1st January 2018
IFRS 14 Regulatory Deferral Accounts	January 2014	1st January 2016
IFRS 15 Revenue from Contracts with Customers	May 2014	1st January 2017
Amendments		
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	May 2014	1st January 2016
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	May 2014	1st January 2016
Amendments to IAS 16 and IAS 41: Bearer Plants	June 2014	1st January 2016
Amendments to IAS 27 (2011): Equity Method in Separate Financial Statements	August 2014	1st January 2016

Amendments to IFRS 10 and IAS 28 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	September 2014 (being amended)	1st January 2016 (being amended)
Annual Improvements to IFRSs (2012-2014 Cycle)	September 2014	1st January 2016
Disclosure Initiative (Amendments to IAS 1)	December 2014	1st January 2016
Investment entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)	December 2014	1st January 2016

The Company will comply with these new standards and amendments based on their relevant effective dates when endorsed by the European Union and it will evaluate their potential impacts on the financial statements.

3. COMMENTS ON THE STATEMENT OF INCOME

3.1. Revenue

The company's revenues mainly include royalty income from the use of trademarks, management fees and contributions for the provision of marketing services performed on behalf of Group companies.

The increase of Euro 20,537 thousand when compared to the prior year is due to greater business volume.

3.2. General and administrative expenses

General and administrative expenses primarily include designing and product development expenses in the amount of Euro 1,240 thousand (Euro 1,082 thousand in 2013), the personnel expenses of other functions in the amount of Euro 2,670 thousand (Euro 2,583 thousand in 2012), legal, financial and administrative expenses in the amount of Euro 1,468 thousand (Euro 1,314 thousand in 2013), directors' fees in the amount of Euro 3,202 thousand (Euro 727 thousand in 2013), auditing and attestation service, statutory auditors expenses, costs for "organism di vigilanza" and internal audit in the amount of Euro 419 thousand (Euro 357 thousand in 2013).

3.3. Advertising expenses

Advertising expenses amount to Euro 23,497 thousand (Euro 19,025 thousand in 2013) and are mostly made up of expenses related to media-plan and trade shows.

3.4. Non recurring income/(expenses)

The caption non recurring income and expenses for 2014 (Euro 2,023 thousand) mainly includes the costs incurred for the stock option plans approved by the Shareholder' Meeting of Moncler on February 28, 2014. The description of the incentive loyalty schemes and the related costs are included in note 9.2.

In 2013 the caption mainly included costs incurred for the listing process.

3.5. Personnel expenses, depreciaton and amortization

At 31 December 2014, the Company has 36 employees (33 at 31 December 2013).

The total personnel expenses, included under general and administrative expenses, amounted to Euro 3,010 thousand (Euro 2,773 thousand in 2013) including social security contribution of Euro 660 thousand (Euro 622 thousand in 2013) and leaving indemnity expenses of Euro 143 thousand (Euro 134 thousand in 2013).

In 2014 the depreciation and amortization amount to Euro 530 thousand (Euro 385 thousand in 2013).

3.6. Financial income and expenses

The caption is broken down as follows:

(Euro/000)	2014	2013
Interest income and other financial income	12	97
Dividends	15,000	0
Foreign currency differences - positive	0	86
Total financial income	**15,012**	**183**
Interests expenses and bank charges	(7,025)	(13,247)
Foreign currency differences - negative	(83)	(81)
Impairment of investments	(346)	(402)
Total financial expenses	**(7,454)**	**(13,730)**
Total net	**7,558**	**(13,547)**

The caption interests expenses and bank charges decreases in respect to the previous year for Euro 6,222 thousand. The decrease is mainly due to the lower costs incurred during the year on the syndicated loan.

In 2014 the company received dividends from the subsidiary Industries SpA for Euro 15,000 thousand (in 2013 no dividends have been received).

Please see note 4.12 for additional information.

The impairment of investments include the adjustment made related to the impairment of the subsidiary Moncler Lunettes S.r.l. and ISC S.p.A.

3.7. Income tax

The tax impact on the income statement is detailed as follows:

(Euro/1000)	2014	2013
Current income taxes	(23,679)	(16,852)
Deferred tax (income) expenses	99	1,435
income statement	**(23,580)**	**(15,417)**

The reconciliation between the theoretical tax burden by applying the theoretical rate of the parent company, and the effective tax burden is shown in the following table:

Reconciliation theoretic-effective tax rate (Euro/000)	Taxable Amount 2014	Tax Amount 2014	Tax rate 2014	Taxable Amount 2013	Tax Amount 201	Tax rate 2013
Profit before tax	87,756			46,727		
Income tax using the Company's theoretic tax rate		(24,133)	27.5%		(12,850)	27.5%
Temporary differences		38	0.0%		(68)	0.1%
Permanent differences		3,912	4.5%		(66)	0.1%
Other differences		(3,397)	(3.9)%		(2,433)	5.2%
Income tax at effective tax rate		(23,580)	26.9%		(15,417)	33.0%

The caption other differences mainly include the IRAP current and deferred.

4. COMMENTS ON THE STATEMENT OF FINANCIAL POSITION

4.1. Brands and other intangible assets

Brands and other intangible assets	2014			2013
(Euro/000)	Gross value	Accumulated depreciation and impairment	Net value	Net value
Brands	223,900	0	223,900	223,900
Software	444	(327)	117	189
Other intangible assets	1,775	(748)	1,027	488
Assets in progress	37	0	37	219
Total	**226,156**	**(1,075)**	**225,081**	**224,796**

Intangible assets roll-forward is included in the following tables:

As at December 31, 2014

Gross value Brands and other intangible assets *(Euro/000)*	Brands	Software	Other intangible assets	Assets in progress and advances	Total
January 1, 2014	**223,900**	**444**	**885**	**219**	**225,448**
Acquisitions	0	0	671	37	708
Disposals	0	0	0	0	0
Impairment	0	0	0	0	0
Other movements, including transfers	0	0	219	(219)	0
December 31, 2014	**223,900**	**444**	**1,775**	**37**	**226,156**

Accumulated amortization Brands and other intangible assets *(Euro/000)*	Brands	Software	Other intangible assets	Assets in progress and advances	Total
January 1, 2014	**0**	**(255)**	**(397)**	**0**	**(652)**
Depreciation	0	(72)	(351)	0	(423)
Disposals	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0
December 31, 2014	**0**	**(327)**	**(748)**	**0**	**(1,075)**

As at December 31, 2013

Gross value Brands and other intangible assets (Euro/000)	Brands	Software	Other intangible assets	Assets in progress and advances	Total
January 1, 2013	**229,900**	**444**	**896**	**0**	**231,240**
Discontinued operations	(6,000)	0	(252)	0	(6,252)
Acquisitions	0	0	241	219	460
Disposals	0	0	0	0	0
Impairment	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0
December 31, 2013	**223,900**	**444**	**885**	**219**	**225,448**

Accumulated amortization Brands and other intangible assets *(Euro/000)*	Brands	Software	Other intangible assets	Assets in progress and advances	Total
January 1, 2013	**0**	**(167)**	**(295)**	**0**	**(462)**
Discontinued operations	0	0	82	0	82
Depreciation	0	(88)	(184)	0	(272)
Disposals	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0
December 31, 2013	**0**	**(255)**	**(397)**	**0**	**(652)**

4.2. Impairment of intangible fixed assets with an indefinite useful life

The Moncler brand, which has an indefinite useful life, has not been amortized, but has been tested for impairment by management.

The impairment test on the brand was performed by comparing its carrying value with that derived from the discounted cash flow method applying the Royalty Relief Method, based on which the cash flows are linked to the recognition of a royalty percentage applied to the revenues that the brand is able to generate.

For the 2014 valuation, the expected cash flows and revenues were derived from the Business Plan 2014-2016 approved by the Board of Directors on 26 September 2013 and from the projection on the year 2017 of the main assumptions below the aforementioned Business Plan.

The "g" rate used was 2%.

The discount rate was calculated using the weighted average cost of capital (" WACC "), by weighting the expected rate of return on invested capital, net of hedging costs from a sample of companies within the same industry. The calculation took into account fluctuation in the market as compared to the previous year and the resulting impact on interest rates. The cost of capital (WACC) was calculated at 7.42%.

The results of the sensitivity analysis indicate that the carrying amount of the Moncler brand is in line with the benchmark with a “g” rate = 0% and WACC = 14.96%.

4.3. Property, plant and equipment

Property, plant and equipment (Euro/000)	2014 Gross value	2014 Accumulated depreciation and impairment	2014 Net value	2013 Net value
Land and buildings	3,358	(2,433)	925	1,021
Plant and Equipment	175	(175)	0	0
Fixtures and fittings	1,142	(1,139)	3	6
Leasehold improvements	7	(7)	0	0
Other fixed assets	145	(139)	6	13
Total	**4,827**	**(3,893)**	**934**	**1,040**

The roll forward of property, plant and equipment from for 2014 and 2013 is included in the following tables:

As at December 31, 2014

Gross value Property, plant and equipment *(Euro/000)*	**Land and buildings**	**Plant and Equipment**	**Fixtures and fittings**	**Leasehold improvements**	**Other fixed assets**	**Total**
January 1, 2014	**3,358**	**175**	**1,142**	**7**	**145**	**4,827**
Discontinued operations	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0	0
December 31, 2014	**3,358**	**175**	**1,142**	**7**	**145**	**4,827**

Accumulated depreciation *(Euro/000)*	**Land and buildings**	**Plant and Equipment**	**Fixtures and fittings**	**Leasehold improvements**	**Other fixed assets**	**Total**
January 1, 2014	**(2,337)**	**(175)**	**(1,136)**	**(7)**	**(132)**	**(3,787)**
Discontinued operations	0	0	0	0	0	0
Depreciation	(96)	0	(3)	0	(7)	(106)
Disposals	0	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0	0
December 31, 2014	**(2,433)**	**(175)**	**(1,139)**	**(7)**	**(139)**	**(3,893)**

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Gross value Property, plant and equipment *(Euro/000)*	**Land and buildings**	**Plant and Equipment**	**Fixtures and fittings**	**Leasehold improvements**	**Other fixed assets**	**Total**
January 1, 2013	**3,358**	**175**	**1,142**	**7**	**144**	**4,826**
Discontinued operations	0	0	0	0	0	0
Acquisitions	0	0	0	0	1	1
Disposals	0	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0	0
December 31, 2013	**3,358**	**175**	**1,142**	**7**	**145**	**4,827**

Accumulated depreciation and impairment PPE *(Euro/000)*	**Land and buildings**	**Plant and Equipment**	**Fixtures and fittings**	**Leasehold improvements**	**Other fixed assets**	**Total**
January 1, 2013	**(2,241)**	**(173)**	**(1,132)**	**(7)**	**(121)**	**(3,674)**
Discontinued operations	0	0	0	0	0	0
Depreciation	(96)	(2)	(4)	0	(11)	(113)
Disposals	0	0	0	0	0	0
Other movements, including transfers	0	0	0	0	0	0
December 31, 2013	**(2,337)**	**(175)**	**(1,136)**	**(7)**	**(132)**	**(3,787)**

4.4. Investments in subsidiaries

Investments in subsidiaries are detailed in the following table:

Investments in subsidiaries		**% ownership**		**Carrying amount**	
(Euro/000)	**Country**	**December 31, 2014**	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Industries S.p.A.	Italia	100%	100%	217,933	215,234
Moncler Lunettes	Italia	51%	51%	303	108
ISC S.p.A.	Italia	9.037%	9.037%	2,578	2,597
Total				**220,814**	**217,939**

Financial information related to the subsidiaries are detailed in the following table:

Summary of subsidiary's financial information		**December 31, 2014**			
(Euro/000)	**Assets**	**Liabilities**	**Net equity**	**Revenues**	**Profit/(Loss)**
Industries S.p.A.	445,507	297,174	148,333	484,071	62,769
Moncler Lunettes	3,893	3,300	593	3,119	(619)
ISC S.p.A.	29,301	768	28,533	0	(204)
Total	**478,701**	**301,242**	**177,459**	**487,190**	**61,946**

Summary of subsidiary's financial information		**December 31, 2013**			
(Euro/000)	**Assets**	**Liabilities**	**Net equity**	**Revenues**	**Profit/(Loss)**
Industries S.p.A.	361,055	262,230	98,825	396,075	17,822
Moncler Lunettes	4,656	3,444	1,212	2,931	(788)
ISC S.p.A.	31,626	2,889	28,737	60,782	(13,826)
Total	**397,337**	**268,563**	**128,774**	**459,788**	**3,208**

As far as Industries S.p.A. is concerned, it should be noted that the investment carrying value includes also the goodwill recognized during its acquisition and entirely attributable to the Moncler business. As at the date of the financial statements, management believed that the value of goodwill is fully recoverable given the positive performance of Moncler business and the current outlook; these assumptions are also supported by the impairment test performed on the consolidated cash generating unit of the Moncler business described in the consolidated financial statements of the Moncler Group. Consequently, there were no modifications made to the carrying value of the subsidiary due to impairment. The increase of the carrying value of the investment arises from the accounting treatment of the stock option plans adopted by the Company and described in paragraph 9.2.

Furthermore, the market capitalization of the Company, based on the average price of Moncler share in December 2014, shows a positive difference with respect to the net equity, indirectly confirming the value of the goodwill attributable to the Moncler business.

The net book value of the investments in the subsidiaries ISC S.p.A. and Moncler Lunettes S.r.l. has been carefully adapted to the portion of net equity held.

Please refer to the consolidated financial statements for a complete list of the Group companies directly and indirectly controlled by the Company

4.5. Deferred tax assets and deferred tax liabilities

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. The balances were as follows as at 31 December 2014 and 31 December 2013:

Deferred taxation (Euro/000)	**December 31, 2014**	**December 31, 2013**
Deferred tax assets	2,572	1,968
Deferred tax liabilities	(71,152)	(70,736)
Net amount	**(68,580)**	**(68,768)**

Changes in deferred tax assets and deferred tax liabilities are detailed in the following table:

Deferred tax assets (liabilities) (Euro/000)	Opening balance - January 1, 2014	Discontinued operations	Taxes charged to the income statement	Taxes accounted for in Equity	Other movements	Closing balance - December 31, 2014
Intangible assets	13	0	(1)	0	0	12
Derivatives	0	0	0	2	0	2
Employee benefits	6	0	0	22	0	28
Provisions	1	0	2	0	1	4
Other temporary items	1,948	0	578	0	0	2,526
Tax assets	**1,968**	**0**	**579**	**24**	**1**	**2,572**
Intangible assets	(67,906)	0	(480)	0	0	(68,386)
Financial assets	(2,766)	0	0	0	0	(2,766)
Derivatives	(64)	0	0	64	0	0
Tax liabilities	**(70,736)**	**0**	**(480)**	**64**	**0**	**(71,152)**
Net deferred tax assets (liabilities)	**(68,768)**	**0**	**99**	**88**	**1**	**(68,580)**

Deferred tax assets (liabilities) (Euro/000)	Opening balance - January 1, 2013	Discontinued operations	Taxes charged to the income statement	Taxes accounted for in Equity	Other movements	Closing balance - December 31, 2013
Intangible assets	15	0	(2)	0	0	13
Derivatives	725	0	0	(724)	(1)	0
Employee benefits	4	0	0	0	2	6
Provisions	26	0	(25)	0	0	1
Other temporary items	8	0	1,940	0	0	1,948
Tax assets	**778**	**0**	**1,913**	**(724)**	**1**	**1,968**
Intangible assets	(68,819)	1,392	(478)	0	(1)	(67,906)
Financial assets	(2,768)	0	0	0	2	(2,766)
Derivatives	0	0	0	(64)	0	(64)
Tax liabilities	**(71,587)**	**1,392**	**(478)**	**(64)**	**1**	**(70,736)**
Net deferred tax assets (liabilities)	**(70,809)**	**1,392**	**1,435**	**(788)**	**2**	**(68,768)**

The taxable amount on which deferred tax assets have been calculated is detailed in the following table:

Deferred tax assets (Euro/000)	Taxable Amount 2014	Closing balance - December 31, 2014
Tangible assets	1	0
Intangible assets	37	12
Derivatives	8	2
Employee benefits	102	28
Provisions	11	4
Other temporary items	8,849	2,526
Tax assets	**9,008**	**2,572**

The caption other temporary items mainly refers to the costs incurred for the listing process and to the Directors' remunerations.

4.6. Trade receivables

Trade receivables (Euro/000)	December 31, 2014	December 31, 2013
Trade receivables, third parties	75	18
Trade receivables, intra-group	324	2,668
Provision for impairment	(7)	(7)
Total, net value	**392**	**2,679**

Trade receivables are originated from the marketing and communication operations of the Company related to the brand development and Group operations and are mostly considered intercompany transactions.

There are no trade receivables with a due date greater than five years. There is no difference between the book value and the fair value of trade receivables.

4.7. Cash and cash equivalents

As at 31 December 2014, the caption cash on hand and in bank amounts to Euro 532 thousand (Euro 4,256 thousand as at 31 December 2013) and includes funds available in banks. Please refer to the statement of cash flows for further information related to cash fluctuation.

Cash and cash equivalents included in the Statement of cash flow (Euro/000)	December 31, 2014	December 31, 2013
Cash in hand and at the bank	532	1,120
Other current financial assets	0	3,136
Total	**532**	**4,256**

4.8. Other current assets

Other current assets (Euro/000)	December 31, 2014	December 31, 2013
Advances on account to vendors	20	46
Prepaid expenses	609	1,528
Tax receivables excluding income taxes	1,250	2,840
Other current assets	4	5
Other current assets, intra-group	21,393	0
Total other current assets	**23,276**	**4,419**

As at 31 December 2014, prepaid expenses amount to Euro 609 thousand (Euro 1,528 thousand as at 31 December 2013) and mainly pertain to style expenses.

The caption other current taxes consists mainly of the receivable due from the tax authority related to IRES receivable for personnel expenses not deducted for IRAP purposes as well as the VAT receivable.

The caption other current assets, intra-group includes amounts related to the fiscal consolidation. For additional information please see note 9.1.

There are no other receivable with a maturity date greater than five years. There are no differences between the amounts included in the consolidated financial statements and their fair values.

4.9. Trade payables

As at 31 December 2014, the caption trade payables pertains mostly to marketing and communication services.

Trade payables **(Euro/000)**	**December 31, 2014**	**December 31, 2013**
Trade payables, third parties	14,304	7,969
Trade payables, intra-group	1,434	810
Total	**15,738**	**8,779**

I dettagli relativi alle transazioni con le società controllate sono inclusi nel paragrafo relativo alle parti correlate.

4.10. Other current payables

As at 31 December 2014, the caption other current payables included the following:

Other current liabilities **(Euro/000)**	**December 31, 2014**	**December 31, 2013**
Directors and audit related payables	1,448	401
Amounts payable to employees and consultants	428	527
Employees taxation payables	416	219
Other current liabilities	246	8,505
Other current liabilities, intra-group	18,017	18,958
Total	**20,555**	**28,610**

As at 31 December 2014, similar to the prior year, the caption other current liabilities, intra-group includes mainly amounts related to the fiscal consolidation. For additional information please see note 9.1.

The caption other current liabilities decreases from Euro 8,505 thousand to Euro 246 thousand. The 2013 amount was mostly related to amounts due in connection with costs incurred for the listing process.

4.11. Pension fund (TFR)

As at 31 December 2014, the caption includes the employee pension fund as detailed in the following table:

Employees pension funds - movements (Euro/000)	December 31, 2014	December 31, 2013
Net recognized liability - opening	265	201
Discontinued operations	0	(33)
Interest costs	8	5
Service costs	119	104
Payments	(16)	(12)
Actuarial (Gains)/Losses	93	0
Net recognized liability - closing	**469**	**265**

4.12. Due to banks and financial debt

Borrowings (Euro/000)	December 31, 2014	December 31, 2013
Short-term portion of long-term bank loans	12,589	10,175
Intra-group short-term borrowings	10,838	21,393
Short-term borrowings	**23,427**	**31,568**
Long-term borrowings	**47,911**	**109,712**
Totale	**71,338**	**141,280**

On December 31, 2014, Moncler SpA paid off the outstanding amount of Euro 120 million related to the syndicated loan, which was set up in 2013 for the same amount, and the same date entered into a new syndicated loan in the amount of Euro 60 million, received in a lump sum, payable on a half-year basis and expiring on December 31, 2017. As at December 31, 2014 the short-term portion of this loan amounts to Euro 12 million and the long-term portion amounts to Euro 48 million.

The short-term portion of long-term bank loans also includes the negative fair value, equal to Euro 0.7 million, related to the IRS contract to hedge the exposure to the banking system. Please refer to note 8.1 for more details.

Intra-group short-term borrowings pertain to financing issued on arm length basis by the subsidiary Industries S.p.A.. For further information, please refer to note 9.1.

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

Ageing financial liabilities **(Euro/000)**	**December 31, 2014**	**December 31, 2013**
Within 2 years	23,939	25,216
From 2 to 5 years	23,972	84,496
Beyond 5 years	0	0
Total	**47,911**	**109,712**

The loans do not include covenants.

4.13. Tax assets and liabilities

Tax liabilities amounted to Euro 25,672 thousand as at 31 December 2014, net of current tax assets. The balance pertains to IRES and IRAP payable.

Tax assets amounted to Euro 17,795 thousand as at 31 December 2013 and pertain to receivables for advance payments, offset during the year 2014.

4.14. Shareholders' equity

As at 31 December 2013, the subscribed share capital was fully paid and amounted to Euro 50,000,000.

Please refer to the statement of changes in shareholders' equity for detail of changes in shareholders' equity for 2014 and 2013.

In 2014 the Company distributed dividends to the shareholders for an amount of Euro 25 million (no dividends paid in 2013).

The following table includes details about how the shareholders reserve should be used:

Information on reserves Euro	Amount	Possible use	Available amount	Non-available amount	Amounts used in the previous 3 years to hedge losses	Amounts used in the previous 3 years for other reason
Share capital	50,000,000	-	-	50,000,000	-	-
Reserves:						
Legal reserve	10,000,000	B	-	10,000,000	-	-
Share premium	107,039,683	A, B, C	107,039,683	-	-	128,130,254
OCI Reserve	(118,825)	-	-	(118,825)	-	-
IFRS 2 Reserve	4,522,278	A, B, C	4,522,278	-		
Retained earnings	33,056,793	A, B, C	32,937,968	118,825	-	21,869,746
Total share capital and reserves	**204,499,929**		**144,499,929**	**60,000,000**	**-**	**150,000,000**
Non distributable amount			**0**			
Distributable remaining amount			**144,499,929**			

Explanation: A share capital increase - B hedge of losses - C distribution to the shareholders

The caption OCI reserve includes hedging instruments against interest rate and actuarial risks related to the employee pension fund. The hedging reserve includes the effective portion of net accumulated differences in fair value of hedging instruments.

Changes in that reserve is as follows:

Other comprehensive income	Employees pension fund - actuarial valuation			Fair value IRS		
(Euro/000)	Value before tax effect	Tax effect	Value after tax effect	Value before tax effect	Tax effect	Value after tax effect
Reserve as at January 1, 2013	**(60)**	**5**	**(55)**	**(2,633)**	**724**	**(1,909)**
Reclassification to Other reserves	**14**	**1**	**15**	**0**	**0**	**0**
Changes in the period	(5)	1	(4)	232	(64)	168
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	2,633	(724)	1,909
Reserve as at December 31, 2013	**(51)**	**7**	**(44)**	**232**	**(64)**	**168**
Reserve as at January 1, 2014	**(51)**	**7**	**(44)**	**232**	**(64)**	**168**
Reclassification to Other reserves	0	0	0	0	0	0
Changes in the period	(93)	24	(69)	(240)	66	(174)
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at December 31, 2014	**(144)**	**31**	**(113)**	**(8)**	**2**	**(6)**

5. DISCONTINUED OPERATIONS

The net result from discontinued operations shows the 2013 result of Other Brands Division, disposed in November 2013.

6. COMMITMENTS AND GUARANTEES GIVEN

6.1. Commitments

The Company does not have any significant operating lease commitments.

6.2. Guarantees given

As of the date of the financial statements, the Company had no guarantees toward the Group companies nor third parties.

7. CONTINGENT LIABILITY

The Company is subject to risks which may arise during the performance of its ordinary activities. Based on information available to date, management believes that there currently are no contingent liability that need to be accrued in the financial statements.

8. INFORMATION ABOUT FINANCIAL RISKS

The Company's financial instruments include cash and cash equivalents, loans, receivables and trade payables and other current receivables and payables and non-current assets as well as derivatives.

The Company is mostly exposed to interest rate risk, liquidity risk and capital risk.

8.1. Market risk

Exchange rate risk

The Company operates mostly with companies in Europe and, as such, the exposure to exchange rate risk is limited. As at 31 December 2014, a small portion of the Company's assets and liabilities (i.e. trade receivables and payables) denominated in a currency different from its functional currency.

Interest rate risk

The Company's exposure to interest rate risk is connected mostly to changes in interest rates relate to outstanding loans.

On December 31, 2014, the Company paid off the outstanding amount of Euro 120 million related to the syndicated loan, which was set up in 2013 for the same amount, and the same date entered into a new syndicated loan in the amount of Euro 60 million, received in a lump sum, payable on a half-year basis and expiring on December 31, 2017. The applicable interest rate is Euribor plus a market spread.

In order to hedge its exposure to interest rate risk, the Company, in January 2012, entered into an interest rate swap (IRS) to hedge the exposure against the banking system with the following conditions: notional amount of Euro 90 million, maturity date December 2015, fixed rate of 1.6050% adjusted every six months. As at 31 December 2014, the hedged outstanding notional amounted to Euro 48.5 million.

As far as financial debts are concerned, a fluctuation of +/- 0.25% in the interest rate would have led to a worsening of Euro 151 thousand in financial charges and an improvement of Euro 151 thousand, respectively, on the net results for the year ended 31 December 2014, taking into consideration the effect of the IRS hedging and its fair value, resulting in a lower debt of Euro 24 thousand and a greater debt of Euro 49 thousand.

With reference to the provisions of IFRS 13, it should be pointed out that the category of financial instruments measured at fair value is mainly attributable to the hedging of interest rate risk. The valuation of these instruments is based on the discounting of future cash flows considering the interest rates at the reporting date (level 2 as explained in the section related to principles).

The Company is not exposed to changes in currency interest rates.

8.2. Credit risk

The Company has no significant concentrations of credit risk with companies that are not part of the Group and has in place policies which provide for a limited exposure when transacting with third parties. The maximum exposure to credit risk is represented by the amount reported in the financial statements.

As far as the credit risk arising from other financial assets other than trade receivables (including cash and short-term bank deposits) is concerned, the credit risk for the Company arises from default of the counterparty with a maximum exposure equal to the carrying amount of financial assets recorded in the financial statements.

8.3. Liquidity risk

Liquidity risk arises from the possible difficulty of obtaining financial resources at an acceptable cost in order for the Company to conduct its daily business operations. The factors that influence liquidity risk are related both to the resources generated or used by operating activities, and those generated or absorbed by investing and financing activities. Liquidity risk related to financing activities pertain to the maturity or repayment of short-term and long-term borrowings and to the availability of funds in the financial market.

Management believes that the financial resources available today, along with those that are generated by the current operations will enable the Company to achieve its objectives and to meet its investment needs and the repayment of its debt at the agreed upon maturity date.

8.4. Operating and capital management risks

In the management of operating risk, the Company’s main objective is to manage the risks associated with the development of business in foreign markets that are subject to specific laws and regulations.

The Group has implemented guidelines in the following areas:

- appropriate level of segregation of duties;
- reconciliation and constant monitoring of significant transactions;
- documentation of controls and procedures;
- technical and professional training of employees;
- periodic assessment of corporate risks and identification of corrective actions.

As far as the capital management risk is concerned, the Company's objectives are aimed at the going concern issue in order to ensure a fair economic return to shareholders and other stakeholders while maintaining a good rating in the capital debt market. The Company manages its capital structure and makes adjustments in line with changes in general economic conditions and with the strategic objectives.

9. OTHER INFORMATION

9.1. Related party transactions

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, under "Governance/Corporate documents").

Transactions with subsidiaries are of a commercial nature and are conducted at market conditions similar to those conducted with third parties and are detailed as follows:

Intercompany balances	December 31, 2014		
(Euro/000)	Receivables	Payables	Net value
Industries S.p.A.	21,393	(12,270)	9,123
Moncler Enfant S.r.l.	21	(382)	(361)
Moncler Lunettes S.r.l.	303	(415)	(112)
Moncler USA Inc.	0	0	0
ISC S.p.A.	0	(17,222)	(17,222)
Total	**21,717**	**(30,289)**	**(8,572)**

Intercompany transactions	2014		
(Euro/000)	Revenues	Expenses	Net value
Industries S.p.A.	116,070	(773)	115,297
Moncler Enfant S.r.l.	21	(2)	19
Moncler Lunettes S.r.l.	303	(37)	266
Moncler USA Inc.	0	(10)	(10)
Total	**116,394**	**(822)**	**115,572**

Moncler S.p.A. granted to the subsidiary Industries S.p.A. a license to use the Moncler brand. Based on the license agreement, the Company is remunerated through payments of royalties and advertising contributions. In addition, the Company has entered into a legal, fiscal and administrative consulting agreement with Industries S.p.A. The total amount of royalties, advertising contributions and consulting fees for fiscal year 2014 amounted to Euro 115.3 million (Euro 90.9 million in 2013).

In 2014, Moncler S.p.A. granted a license to the Moncler brand glasses line to Moncler Lunettes S.r.l. for an amount of 0.3 million (Euro 0.4 million in 2013)

Please note that Moncler S.p.A. is part of the Group's fiscal consolidation and is responsible for taxes payable and the related interests associated with taxable income of Industries S.p.A., ISC S.p.A., Moncler Lunettes S.r.l. and Moncler Enfant S.r.l.

Compensation paid of the members of the Board of Directors in 2014 are Euro 3.202 thousand (Euro 727 thousand in 2013).

Compensation paid of the members of the Board of Auditors in 2014 are Euro 157 thousand (Euro 208 thousand in 2013).

In 2014 the costs relating to stock option plans (described in section 9.2) referring to members of the Board of Directors amount to Euro 1,540 thousand.

There are no other related party transaction.

The following tables summarize the afore-mentioned related party transactions that took place during 2014 and the prior year:

(Euro thousand)	Type of relationship	Note	December 31, 2014	%	December 31, 2013	%
Industries S.p.A.	*Trade transactions*	*c*	116,070	99.5%	91,352	95.0%
Industries S.p.A.	*Trade transactions*	*b*	14	0.0%	50	(0.1)%
Industries S.p.A.	*Trade transactions*	*b*	(117)	0.3%	(149)	0.4%
Industries S.p.A.	*Interest expense on financing agreement*	*a*	(670)	9.0%	(344)	2.5%
Moncler Enfant S.r.l.	*Trade transactions*	*c*	21	0.0%	4,343	4.5%
Moncler Enfant S.r.l.	*Trade transactions*	*b*	(2)	0.0%	(22)	0.1%
Moncler Lunettes S.r.l.	*Trade transactions*	*c*	303	0.3%	290	0.3%
Moncler Lunettes S.r.l.	*Trade transactions*	*b*	0	0.0%	79	(0.2)%
Moncler Lunettes S.r.l.	*Trade transactions*	*b*	(37)	0.1%	(6)	0.0%
Moncler USA Inc.	*Trade transactions*	*b*	(10)	0.0%	(127)	0.4%
Directors and board of statutory auditors	*Work performance*	*b*	(3,359)	9.2%	(935)	2.6%
Directors	*Work performance*	*b*	(1,540)	4.2%	n.a.	n.a.
Other related parties			0		(611)	
Total			**110,673**		**93,920**	

a- % calculated based on total financial costs
b- % calculated on operating costs
c- % calculated on revenues

The item other related parties in 2013 amounted to Euro 611 thousand and included costs for financial consulting from Mittel Generali Investimenti S.p.A. for Euro 85 thousand and financial expenses from Mittel Generali Investimenti S.p.A. for Euro 526 thousand.

(Euro thousand)	Type of relationship	Note	December 31, 2014	%	December 31, 2013	%
Industries S.p.A.	*Trade payables*	*b*	(1,432)	9.1%	(673)	7.7%
Industries S.p.A.	*Financial debt*	*a*	(10,838)	15.2%	(21,393)	15.1%
Industries S.p.A.	*Debt from fiscal consolidation*	*d*	0	0.0%	(1,422)	5.0%
Industries S.p.A.	*Credit from fiscal consolidation*	*e*	21,393	91.9%	0	0.0%
Moncler Enfant S.r.l.	*Trade receivables*	*c*	21	5.4%	2,343	87.5%
Moncler Enfant S.r.l.	*Trade payables*	*b*	0	0.0%	(12)	0.1%
Moncler Enfant S.r.l.	*Debt from fiscal consolidation*	*d*	(382)	1.9%	0	0.0%
Moncler Lunettes S.r.l.	*Trade receivables*	*c*	303	77.3%	325	12.1%
Moncler Lunettes S.r.l.	*Trade payables*	*b*	(2)	0.0%	0	0.0%
Moncler Lunettes S.r.l.	*Debt from fiscal consolidation*	*d*	(413)	2.0%	(293)	1.0%
Moncler USA Inc.	*Trade payables*	*b*	0	0.0%	(125)	1.4%
ISC S.p.A.	*Debt from fiscal consolidation*	*d*	(17,222)	83.8%	(17,243)	60.3%
Directors and board of statutory auditors	*Other current liabilities*	*d*	(1,448)	7.0%	(401)	1.4%
Other related parties			0		(20,104)	
Total			**(10,020)**		**(58,998)**	

a effect in % based on total financial debt
b effect in % based on trade payables
c effect in % based on trade receivables
d effect in % based on other current liabilities
e effect in % based on other current assets

The item other related parties as of December 31, 2013 amounted to Euro 21,104 thousand is detailed as follows: financial payables to Mittel Generali Investmenti S.p.A. for Euro 20,000 thousand and trade payables to Mittel Generali Investimenti S.p.A. for Euro 104 thousand.

The following tables summarize the weight of related party transactions on the financial statements as at and for the years ended 31 December 2014 and 2013:

December 31, 2014								
(Euro/000)	**Revenues**	**Operating expenses**	**Total interest expenses**	**Trade receivables**	**Other current assets**	**Trade payables**	**Other payables, current**	**Total financial debt**
Total related parties	116,394	(5,051)	(670)	324	21,393	(1,434)	(19,465)	(10,838)
Total financial statement	116,658	(36,460)	(7,454)	392	23,276	(15,738)	(20,555)	(71,338)
weight %	**99.8%**	**13.9%**	**9.0%**	**82.7%**	**91.9%**	**9.1%**	**94.7%**	**15.2%**

December 31, 2013								
(Euro/000)	**Revenues**	**Operating expenses**	**Total interest expenses**	**Trade receivables**	**Other current assets**	**Trade payables**	**Other payables, current**	**Total financial debt**
Total related parties	95,985	(1,636)	(429)	2,668	0	(914)	(19,359)	(41,393)
Total financial statement	96,121	(35,848)	(13,730)	2,678	4,419	(8,779)	(28,610)	(141,280)
weight %	**99.9%**	**4.6%**	**3.1%**	**99.6%**	**0.0%**	**10.4%**	**67.7%**	**29.3%**

9.2. Stock option plans

On 28 February 2014, the Moncler Ordinary Shareholders' Meeting approved two incentive loyalty schemes, known respectively as "Stock Option Plan for Top Management and Key People" and "Stock Option Plan Corporate Structure".

As stated by IFRS 2, these plans are defined as Equity Settled.

Both plans have been implemented through free allocation of valid options to subscribe to newly issued Moncler ordinary shares, resulting from paid in capital, excluding the option right pursuant to art. 2441, fifth, sixth and eighth paragraphs of the Civil Code.

The above mentioned stock option plans were approved for a maximum of 5,555,000 options, of which 5,030,000 as "Stock Option Plan for Top Management and Key People" and the remaining 525,000 as "Stock Option Plan Corporate Structures". As at December 31, 2014 the following options are still in circulation: 4,955,000 options for the Top Management Plan and Key People and 396,771 options for the Corporate Plan Structures. With reference to Moncler S.p.A., as at December 31, 2014 the following options are still in circulation: 1,780,000 options for the Top Management Plan and Key People and 23,459 options for the Corporate Plan Structures.

The exercise price of the options is equal to Euro 10.20 and allows for the subscribtion of shares in the ratio of one ordinary share for every option exercised.

The first plan, "Stock Option Plan for Top Management and Key People", is reserved for executive directors, employees and consultants, including third party consultants of MonclerSpA and its subsidiaries.

The Plan provides for 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 as at December 31, 2016. The options are exercisable within September 30, 2018 maximum.

Each beneficiary may exercise the Options granted on condition that the specific performance goals related to Moncler's consolidated EBITDA are achieved.

The second plan, "Stock Option Plan Structures corporate", is reserved for employees part of MonclerS.p.A.'s Corporate Structure and the Italian companies which it controls.

The Plan 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. The options are exercisable within September 30, 2018 maximum.

Each beneficiary may exercise the Options granted on condition that the specific performance goals related to Moncler's consolidated EBITDA are achieved.

For information regarding the plan, please see the company's website, www.monclergroup.com, in the "Governance" section.

The effect on the income statement of the stock option plans amounts to Euro 2.0 million, which mainly includes the fair value of the plans, which takes into account the value of the share at the grant date, the IPO value of the share, the volatility, the flow of the expected dividends, the option term and the risk-free rate.

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.

9.3. Significant non recurring events and transactions

On 28 February 2014, the Moncler Ordinary Shareholders' Meeting approved two incentive loyalty schemes, known respectively as "Stock Option Plan for Top Management and Key People" and "Stock Option Plan Corporate Structure".

The description of the incentive loyalty schemes and the related costs are included in note 9.2.

9.4. Atypical and/or unusual transactions

It should be noted that during 2014 the Company did not enter into any atypical and/or unusual transactions.

9.5. Fees paid to independent auditors

Fees paid to independent auditors are summarized below:

Audit and attestation services *(Euro unit)*	Entity that has provided the service	Fees 2014
Audit	KPMG S.p.A.	91,111
	Network KPMG S.p	-
Attestation services	KPMG S.p.A.	53,250
	Network KPMG S.p	4,000
Other services	KPMG S.p.A.	8,000
	Network KPMG S.p	63,303
Total		**219,664**

10. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 1 January 2015, Moncler Shinsegae, a joint venture controlled by Moncler (51%), took over the 12 Moncler mono-brand stores in Korea from Shinsegae International.

In 2014, in fact, the subsidiary Industries S.p.A. signed a joint venture contractwith Shinsegae International, a Korean company listed on the Seoul stock exchange, Moncler's distributor in Korea and one of the country's leading retailers in the fashion and luxury sector.

This joint venture started operations in 1 January 2015 to promote, develop and manage Moncler stores in the Asian country's most prestigious locations. By reaching direct control on Korea,Moncler has realised its strategy of directly controlling all markets in which it operates.

***

The financial statements, comprised of the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and explanatory notes to the financial statements give a true and fair view of the financial position and the results of operations and cash flows and corresponds to the Company's accounting records.

On behalf of the Board of Directors

The Chairman

Remo Ruffini

ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ART. 154 BIS OF LEGISLATIVE DECREE NO. 58/98

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of the Company, and Luciano Santel, as the executive officer responsible for the preparation of MoncleS.p.A.'s financial statements, pursuant to the provisions of Article 154-bis, clauses 3 and 4, of Legislative Decree no. 58 of 1998, hereby attest:

- the adequacy with respect to the Company structure
- and the effective application

of the administrative and accounting procedures applied in the preparation of the Company's consolidated financial statements at 31 December 2014.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the consolidated financial statements at 31 December 2014 was based on a process defined by Moncler S.p.A. in accordance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, an internationally-accepted reference framework.

3. The undersigned moreover attest that:

3.1 the consolidated financial statements:

a) have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Council, dated 19 July 2002
b) correspond to the amounts shown in the Company's accounts, books and records; and
c) provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company and its consolidated subsidiaries as of 31 December 2014 and for the year then ended.

3.2 the director's report includes a reliable operating and financial review of the Company and of the Group as well as a description of the main risks and uncertainties to which they are exposed.

4 March 2015

CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER	EXECUTIVE OFFICER RESPONSIBLE FOR FOR THE PREPARATION OF THE COMPANY'S FINANCIAL STATEMENTS
Remo Ruffini	Luciano Santel

KPMG S.p.A.
Revisione e organizzazione contabile
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(Translation from the Italian original which remains the definitive version)

Report of the auditors in accordance with articles 14 and 16 of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Moncler S.p.A.

1 We have audited the consolidated financial statements of the Moncler Group as at and for the year ended 31 December 2014, comprising the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes thereto. The parent's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards recommended by Consob, the Italian Commission for Listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement and are, as a whole, reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors. We believe that our audit provides a reasonable basis for our opinion.

Reference should be made to the report dated 7 April 2014 for our opinion on the prior year consolidated financial statements, which included the corresponding figures presented for comparative purposes.

3 In our opinion, the consolidated financial statements of the Moncler Group as at and for the year ended 31 December 2014 comply with the International Financial Reporting Standards endorsed by the European Union. Therefore, they are clearly stated and give a true and fair view of the financial position of the Moncler Group as at 31 December 2014, the results of its operations and its cash flows for the year then ended.

4 The directors of Moncler S.p.A. are responsible for the preparation of a board of directors' report on the financial statements and a report on the corporate governance and shareholding structure, published in the "Governance/Documenti societari" section of Moncler S.p.A.'s website, in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the board of directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure with the financial statements to which they refer, as required by

the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the board of directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure are consistent with the consolidated financial statements of the Moncler Group as at and for the year ended 31 December 2014.

Treviso, 31 March 2015

KPMG S.p.A.

(signed on the original)

Francesco Masetto
Director of Audit

ATTESTATION OF THE SEPARATE FINANCIAL STATEMENTS PURSUANT TO ART. 154 BIS OF LEGISLATIVE DECREE NO. 58/98

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of the Company, and Luciano Santel, as the executive officer responsible for the preparation of MoncleS.p.A.'s financial statements, pursuant to the provisions of Article 154-bis, clauses 3 and 4, of Legislative Decree no. 58 of 1998, hereby attest:

- the adequacy with respect to the Company structure
- and the effective application

of the administrative and accounting procedures applied in the preparation of the Company's consolidated financial statements at 31 December 2014.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the separate financial statements at 31 December 2014 was based on a process defined by Moncler S.p.A. in accordance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, an internationally-accepted reference framework.

3. The undersigned moreover attest that:

3.1 the separate financial statements:

a) have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Council, dated 19 July 2002
b) correspond to the amounts shown in the Company's accounts, books and records; and
c) provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company as of 31 December 2014 and for the year then ended.

3.2 the director's report includes a reliable operating and financial review of the Company, as well as a description of the main risks and uncertainties to which they are exposed.

4 March 2015

CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

Remo Ruffini

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

Luciano Santel

KPMG S.p.A.
Revisione e organizzazione contabile
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PEC kpmgspa@pec.kpmg.it

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

Report of the auditors in accordance with articles 14 and 16 of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Moncler S.p.A.

1 We have audited the separate financial statements of Moncler S.p.A. as at and for the year ended 31 December 2014, comprising the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes thereto. The company's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards recommended by Consob, the Italian Commission for Listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free of material misstatement and are, as a whole, reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors. We believe that our audit provides a reasonable basis for our opinion.

Reference should be made to the report dated 7 April 2014 for our opinion on the prior year financial statements, which included the corresponding figures presented for comparative purposes.

3 In our opinion, the separate financial statements of Moncler S.p.A. as at and for the year ended 31 December 2014 comply with the International Financial Reporting Standards endorsed by the European Union. Therefore, they are clearly stated and give a true and fair view of the financial position of Moncler S.p.A. as at 31 December 2014, the results of its operations and its cash flows for the year then ended.

4 The directors of Moncler S.p.A. are responsible for the preparation of a board of directors' report on the financial statements and a report on the corporate governance and shareholding structure, published in the "Governance/Documenti societari" section of Moncler S.p.A.'s website, in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the board of directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure with the financial statements to which they refer, as required by

the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the board of directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure are consistent with the separate financial statements of Moncler S.p.A. as at and for the year ended 31 December 2014.

Treviso, 31 March 2015

KPMG S.p.A.

(signed on the original)

Francesco Masetto
Director of Audit

MONCLER S.p.A.

Share Capital Euro 50,000,000.00 fully paid

Based in Milan, Via Stendhal, 47

Milan Company Register and tax code 04642290961

REA 1763158

* * *

STATUTORY AUDITORS 'REPORT

MEETING OF SHAREHOLDERS

Under Article. 153 of Legislative Decree no. 24 February 1998 n. 58

Shareholders,

This report, prepared pursuant to art. 153 of Legislative Decree no. N. 58/1998 (hereinafter also "TUF"), reports on the work performed by the Statutory Auditors of Moncler SpA (Hereinafter "Moncler" or the "Company") during the year ended December 31, 2014. During the year the Board of Auditors met 10 times, including 3 times with the Audit and Risk Committee; and has participated in 13 meetings of the Board of Directors. As part of its meetings we have met with the Statutory auditors t of the subsidiaries and the Supervisory Board pursuant to Legislative Decree no. 231/2001. The Statutory Auditors also attended meetings of the Nomination and Remuneration Committee.

1. In the performance of the supervison and control the Board of Auditors have:

a) checked compliance with the law, the Articles of Association and Articles of Association;

b) obtained periodically from the Directors, including through participation in meetings of the Board of Directors, information about the activities and operations of major economic, financial and impacting the Company's capital as approved and implemented during the year by the company and its subsidiaries., pursuant to art. 150 of the TUF, paragraph 1. On the basis of available information, the Board can reasonably ensure that these operations, which are however highlighted in the notes to the financial statements , comply with the law and the articles of association and are not manifestly imprudent, hazardous or likely to compromise the integrity of corporate assets. In addition, transactions involving potential conflicts of interest have been approved in accordance with the law, and with the regulations and the Articles.

c) Noted that no atypical and unusual transactions took place with Group companies, third parties or with related parties;

d) monitored the compliance withthe procedures of transactions with related parties in relation to the current legislation and its proper application. As far as the Board of Auditors are aware there have been no intragroup transactions and related party transactions entered into which are in conflict with the interests of the Company.

e) acquired information and monitored the adequacy of the organizational structure, adherence to principles of proper management, the adequacy of the instructions given by the Company to its subsidiaries pursuant to art. 114, paragraph 2, of the TUF, by acquiring information from the management of the relevant company and held meetings with the independent auditors as part of the mutual exchange of relevant data and information. An examination of the annual reports issued by the statutory auditors of the subsidiaries did not reveal any critical matters.;

f) monitored the adequacy of the management and control of risk and internal control systems through:

   i) periodic meetings with the Internal Audit Division, in order to ascertain the terms of work planning based on the identification and evaluation of the main risks involved in the processes and organizational units;

   ii) examination of the periodic reports of the control functions and information relating to the outcome of the monitoring process and the implementation of corrective actions that may have been required,

   iii) Obtaining information from the heads of the corporate functions;

iv) meetings with the supervisory bodies of the subsidiaries pursuant to paragraphs 1 and 2 of art. 151 T.U.F. during which the Board of Auditors has acquired information on the events deemed significant that affected the group companies;

v) discussion of the results of the work of the Independent Auditors;

vi) participation in the work of the Audit and Risk Committee.

Our examination of the reports produced by the control functions and other tests carried out revealed continuing action to control risk within the group and the constant strengthening of supervision.

g) met regularly with the manager in charge of preparing the Company's financial reporting for an exchange of information on the administrative and accounting systems, and their reliability for the correct representation of management actions. The Board of Auditors also examined the statements made by the CEO and the manager responsible in accordance with the provisions of art. 154 bis of the Consolidated Finance Act. The Board of Auditors has no evidence of deficiencies that may affect the assessment of the adequacy of the administrative-accounting processeses. .

   The management of the Independent Auditors, in regular meetings with the Board of Auditors, reported no critical situations arising from their control of annual and interim reports as required by art. 36 of the Market Rules.

   The Board of Auditors, in the light of the information obtained and the meetings held, believes that the accounting systems and the financial reporting process of the Company are adequate;

h) evaluated the mode of implementation of the Code of Conduct promoted by the Italian Stock Exchange and adopted by the company under the terms described in the "Report on Corporate Governance and Ownership Structure". The Statutory Auditors also verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members;

i) examined and obtained information on organizational and procedural systems put in place pursuant to Legislative Decree. n. 231/2001 on corporate administrative liability. The Supervisory Board has reported on the activities it carried out during the year ended 31 December 2014 without reporting critical issues worthy of mention, highlighting on the whole, a satisfactory situation that is substantially in line with the provisions of the Organisation, Management and Control model;

k) verified business processes that have led to the definition of the remuneration policies of the Company, with particular reference to the criteria of remuneration and incentives.

The work performed did not reveal any exceptions that may be considered indicative of major inadequacies in the management and control of risk and in the internal control system. In conclusion, having regard to the information obtained, the Board believes that the Company's activity was carried out in compliance with the principles of good management and the organizational structure, the internal control system and the administrative-accounting system as a whole are adequate to support business needs.

2. In accordance with the provisions of art. 19 of Legislative Decree. N. 39/2010, the Board of Auditors, identified in this article as the "Committee for Internal Control and Audit", carried out the prescribed supervisory activities on the operation of the Independent Auditors.

The Board of Auditors has met several times the auditing firm KPMG SpA pursuant to art. 150 of T.U.F. in order to exchange information concerning the activities of the same. In these meetings the independent auditor has never revealed facts considered reprehensible or irregularities that would require reporting pursuant to art. 155, paragraph 2 of T.U.F.

On March 31, 2015, the Independent Auditors issued, pursuant to article 14 of Legislative Decree. N. 39/2010, the reports which show that the financial statements and consolidated financial statements at 31 December 2014 have been drawn up clearly and give a true and fair view of the financial position, results of operations and cash flows of the company and the Group for the year ended on that date. In the opinion of the Independent Auditors, in addition, the Management Reports accompanying the financial statements and the consolidated financial statements at 31

December 2014 and the information referred to in paragraph 1, letter c), d), f), l), m) and paragraph 2, letter b) of Article 123-bis of the CFA presented in the "Report on Corporate Governance and Ownership Structure" are consistent with the financial statements and consolidated financial statements at 31 December 2014.

The independent auditors presented to the Board of Auditors their report on the independence of the auditor, as required by art. 17 of Legislative Decree. N. 39/2010, from which no situations emerge that may compromise their independence or constitute grounds for incompatibility under the Decree.

The Company or the Group companies have given the KPMG SpA, or other companies belonging to its network, in addition to the duties prescribed by the regulations for listed companies, the following additional assignments,

Type of services	KPMG S.p.A.	KPMG Group
Certification services	68.240	5.500
Other services	8.000	63.303
Total	76.240	68.803

and in particular the services rendered by KPMG S.p.A.:

- Moncler SpA: Opinion on the fairness of the issue price of the ordinary shares relating to the capital increase with exclusion of option rights pursuant to art. 2441, fifth, sixth and eighth paragraphs of the Civil Code and art. 158, first paragraph, of Legislative Decree no. 58/98: Euro 32,000;
- Moncler SpA: Certification services relating to the issue of the stock option plan for the SRS document of the Japanese market: Euro 10,000;
- Moncler S.p.A., Industries S.p.A. and Moncler Enfant Srl: verification activities related to the subscription of VAT returns: Euro 9,000;
- Moncler SpA, Industries SpA, Moncler Enfant Srl, SAI SpA, Moncler Lunettes Srl: verification activities related to the signing of the Model Law in 2014 and for the purpose of offsetting tax credits: Euro 9,240;

- Moncler SpA: verification activities related to compliance with the covenants at June 30, 2014: Euro 3,000;
- Industries SpA: audit of the revenues of the store in Rome: Euro 3,000;
- Moncler SpA: English translation of the consolidated financial statements of Moncler SpA at 31 December 2013: Euro 8,000;

Services provided by other companies of the KPMG network:

- Moncler SpA: Assistance with integrated approach to the management of business risks: Euro 28,000;
- Moncler SpA: support activities and updated tax due diligence relating to the filing for the Japanese regulator of information related to the Stock Option Plan: Euro 4,000;
- Moncler SpA: Japanese translation (and related activities) of the Consolidated Financial Statements at 31 December 2013 for the Japanese regulator: Euro 24,268;
- Moncler SpA: Japanese translation (and related activities) of the Financial Report as at 30 June 2014: Euro 11,035;
- Moncler France SA: turnover certification requirements for local regulations: Euro 1,500.

Given the duties assigned to KPMG SpA and its network by Moncler S.p.A. and by the Group companies, the Board does not believe that there are critical issues related to the independence of KPMG SpA.

The Independent Auditors issued during the year 2014 an opinion pursuant to the law on the fairness of the issue price of the ordinary shares relating to the capital increase with exclusion of option rights pursuant to Article 2441, fifth, sixth and eighth paragraph, of the Civil Code and art. 158, first paragraph, of Legislative Decree no. 58/98.

3. The Board of Auditors is not aware, in addition to those listed below, of facts or issues to be presented to the shareholders in their AGM.e. The Statutory Auditors received a complaint by a former partner. art. 2408 Civil Code reporting to the Board of

Auditors the supposed irregular constitution of the Board of Directors as not respecting , in the opinion of the claimant, the rules on "balances between genres."

The Board of Auditors has discussed the issue and found the complaint to be unsubstatiated and sent a letter of reply to the claimant with copy to Consob illustrating how, in relation to the current legislation and the communication of 18 July 2013 issued by Consob and best practice, showing that the constitution of the Board of Directors respected the legislation.

Following the transmission of the response from the Board of Auditors, the whistleblower sent no further communications.

In the course of the activity and on the basis of the information obtained there were no omissions, irregularities or other significant circumstances such as to require reporting to the Regulatory Authorities or mention in this Report.

4. Finally, the Board of Auditors, taking into account the specific duties assigned to the external auditors regarding accounting control and verification of the reliability of the financial statements, has no comment to make to the Assembly, pursuant to art. 153 of the TUF, on the approval of the financial statements at December 31, 2014 accompanied by the management report as presented by the Board of Directors and the proposed allocation of net income and dividend distribution made by the Board.

Milan, March 31, 2015

THE BOARD OF AUDITORS

Mario Valenti

Antonella Suffriti

Raoul F. Vitulo