THE BOARD OF DIRECTORS OF SAFILO GROUP S.P.A. APPROVES THE FINANCIAL RESULTS OF THE FIRST HALF OF 2019

ECONOMIC HIGHLIGHTS OF THE CONTINUING OPERATIONS (pre-IFRS 16):

Q2 2019 net sales growth accelerating to +9.7% and adjusted[1] EBITDA up 25.0%

H1 2019 on track with 2020 plan to recover top line growth and a sustainable economic profile:

- Net sales: Euro 495.9 million, +6.5% (+3.9% at constant exchange rates)
- Adjusted[1] EBITDA: Euro 34.2 million, +12.9%
- Adjusted[1] net result: profit of Euro 8.7 million compared to a net loss of 4.3 million in H1 2018
- Non-recurring items of Euro 255.4 million mainly related to the non-cash impairment of the entire goodwill

FINANCIAL HIGHLIGHTS OF THE TOTAL OPERATIONS (pre-IFRS 16):

Positive free cash flow generation and record low Group net debt:

- Free cash flow of Euro 10.4 million
- Group net debt of Euro 3.9 million and financial leverage of 0.1x

Padua, August 2, 2019 – The Board of Directors of Safilo Group S.p.A. has today reviewed and approved the results of the first half of 2019.

Angelo Trocchia, Safilo Chief Executive Officer, commented:

"The results we achieved in the first six months of 2019 showed a positive sales progression, with our Continuing Operations growing by 6.5% at current exchange rates and by 3.9% at constant exchange rates.

The performance of the second quarter was solid, with the top line up 9.7% at current exchange rates and 7.4% at constant exchange rates, also thanks to the double-digit growth of our own core brands driven by Carrera and supported by the continuing positive momentum of Polaroid and Smith.

The growth of the period materialized in both our two main geographical areas. Europe, in which our key markets and channels continued on the growth path started in the first quarter, and North America where in the second quarter we recovered positive momentum, taking the performance of the first six months in growth territory.

In the quarter, we saw good growth also in emerging markets, where the significant progress in Asia-Pacific was accompanied by the recovery of Latin America.

At the profit level, we are pleased with the evolution of our gross and operating margins, which continued to benefit from savings in costs of goods sold and our actions to reduce overhead costs. The adjusted EBITDA margin of our Continuing Operations reached 7.1% in the second quarter and 6.9% in the six months to June.

This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.

This operational improvement contributed to the positive free cash flow of Euro 10.4 million we achieved in the period, leading to a record low net debt position at the end of June of Euro 3.9 million.

A first half of the year that confirms our expectations for a positive 2019, reflecting a careful execution of our top and bottom line plans and where the sale of the Solstice store chain, completed at the beginning of July, further enables us to free up focus and resources to pursue existing and new strategic projects."

SALE OF SOLSTICE RETAIL OPERATIONS

On July 1, 2019 Safilo communicated the closing of the transaction to sell Solstice retail business for a cash consideration of USD 9.0 million. Such discontinued operations generated a total loss of Euro 26.2 million, of which Euro 17.0 related to the assets disposal and Euro 9.2 million to the net result of the chain in the period.

2019 results and comments focus on the Group's Continuing Operations, excluding the retail discontinued operations.

H1 2019 NET SALES BY GEOGRAPHIC AREA OF THE CONTINUING OPERATIONS

(Euro in millions)	H1 2019	%	H1 2018	%	Change % reported	Change % at constant forex
Europe	246.3	49.7%	239.9	51.5%	**+2.6%**	**+3.0%**
North America	169.5	34.2%	157.3	33.8%	**+7.8%**	**+1.0%**
Asia Pacific	43.5	8.8%	32.5	7.0%	**+33.7%**	**+27.9%**
Rest of the world	36.7	7.4%	36.0	7.7%	**+2.0%**	**+0.8%**
Total	**495.9**	**100.0%**	**465.7**	**100.0%**	**+6.5%**	**+3.9%**

Safilo closed the first half of 2019 with the **net sales of the Continuing Operations** at Euro 495.9 million, up 6.5% at current exchange rates and 3.9% at constant exchange rates compared to the same period of 2018 (+4.1% the wholesale business[3]).

Sales trends reflected the positive progression recorded by the Group's brands in the main European and North American markets, where the portfolio grew by respectively 3.0% and 1.0% at constant exchange rates. The recovery was strong in Asia-Pacific, up 27.9% at constant exchange rates, driven in particular by the travel retail channel and China, while sales in the Rest of the World turned slightly positive (+0.8% at constant exchange rates) after recovering in the second quarter.

H1 2019 performance was particularly positive for the Group's own core brands, with Polaroid, Smith and Carrera which recorded overall growth of around 8% at constant exchange rates.

On the licensed brands portfolio, Dior, Hugo Boss, Tommy Hilfiger and Max Mara continued to stand out as key positive drivers.

FIRST ADOPTION OF IFRS 16

The Group elected to implement IFRS 16, applying the modified retrospective approach, whereby the cumulative effect of adopting the standard has been recognized at its relevant effective date on January 1st 2019, without the restatement of 2018 comparative information. IFRS 16 has a significant impact on the Group's consolidated balance sheet side due to the right of use assets and lease liabilities that are now recognized for contracts in which the Group is a lessee.

In the consolidated statement of income, the majority of the current operating rental costs is now presented as depreciation of right of use assets and interest expenses on the lease liabilities, with a material positive impact in terms of EBITDA and a minor effect on EBIT and net income.

IFRS 16 impact on H1 2019

(Euro in millions)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS (SOLSTICE RETAIL BUSINESS)	TOTAL
Income Statement impacts			
Reduction of operating rental expenses (additional EBITDA)	7.0	5.8	12.8
Increase in depreciation expenses	(6.7)	(5.4)	(12.1)
Increase in interest expenses	(0.7)	(0.7)	(1.3)
Reduction of net result	(0.3)	(0.3)	(0.6)
Net debt impact as at June 30, 2019			
Increase of lease liabilities	(35.4)	(38.0)	(73.5)

<u>2019 Group's results are commented on a pre-IFRS 16 basis in order to support the transition and to allow proper comparison with the previous period.</u>

NON-CASH GOODWILL IMPAIRMENT AND WRITE-DOWN OF DEFERRED TAX ASSETS

Taking into account the most recent market, portfolio and competitive context for the Company, the Group has performed an impairment test for the purpose of its semester financial statements, which resulted in a non-cash impairment of the entire goodwill on the Balance Sheet, equal to a charge of Euro 227.1 million, and in a non-cash write down of deferred tax assets of Euro 23.3 million.

H1 2019 ECONOMIC HIGHLIGHTS OF THE CONTINUING OPERATIONS

(Euro in millions)	H1 2019 reported	**H1 2019 pre-IFRS 16**	**H1 2018**	**% Change pre-IFRS 16**
CONTINUING OPERATIONS				
Net sales	495.9	**495.9**	465.7	**+6.5%**
Gross profit	266.2	**266.2**	239.8	**+11.0%**
% on net sales	*53.7%*	***53.7%***	*51.5%*	
EBITDA	36.3	**29.2**	26.8	**+9.1%**
% on net sales	*7.3%*	***5.9%***	*5.8%*	
Adjusted[1] EBITDA	41.2	**34.2**	30.3	**+12.9%**
% on net sales	*8.3%*	***6.9%***	*6.5%*	
Operating result	(218.8)	**(219.2)**	5.5	**n.s.**
% on net sales	***-44.1%***	***-44.2%***	*1.2%*	
Adjusted[1] operating result	13.3	**12.9**	9.1	**+42.7%**
% on net sales	*2.7%*	***2.6%***	*1.9%*	
Group net result	(246.9)	**(246.7)**	(7.9)	**n.s.**
% on net sales	*-49.8%*	***-49.7%***	*-1.7%*	
Adjusted[1] Group net result	8.5	**8.7**	(4.3)	**n.s.**
% on net sales	*1.7%*	***1.8%***	*-0.9%*	
Total Group net result, incl. discontinued operations	(273.2)	**(272.6)**	(13.9)	n.s.
% on total net sales	*-52.4%*	***-52.3%***	*-2.8%*	
Total adjusted[1,2] Group net result, incl. discontinued operations	0.6	**1.1**	(10.4)	n.s.
% on total net sales	*0.1%*	***0.2%***	*-2.1%*	

H1 2019 gross profit of the Continuing Operations grew by 11.0% to Euro 266.2 million compared to Euro 239.8 million in H1 2018, with the margin on sales up by 220 basis points, from 51.5% to 53.7%. The improvement reflected in particular higher plant efficiencies and a favorable sales mix effect.

In the first semester of 2019, Safilo recovered also at the operating expenses level mainly thanks to the overheads cost savings totaling in the period Euro 9 million.

Positive sales dynamics together with the industrial and operational improvements achieved in the first six months of 2019 overbalanced the income of Euro 19.5 million booked in the first half of 2018 for the early termination of the Gucci license.

On a pre-IFRS 16 basis, **H1 2019 adjusted[1] EBITDA of the Continuing Operations** grew by 12.9% to Euro 34.2 million compared to the Euro 30.3 million recorded in H1 2018, with the margin on sales at 6.9%.

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On a pre-IFRS 16 basis, **H1 2019 adjusted[1] Operating result of the Continuing Operations** increased by 42.7% to Euro 12.9 million compared to Euro 9.1 million recorded in H1 2018, with the margin on sales to 2.6%.

On a pre-IFRS 16 basis, H1 2019 net financial charges of the Continuing Operations totaled Euro 2.2 million compared to Euro 8.1 million in H1 2018.

On a pre-IFRS 16 basis, **H1 2019 adjusted[1] net result of the Continuing Operations** equaled a profit of Euro 8.7 million compared to a loss of Euro 4.3 million recorded in H1 2018.

On a pre-IFRS 16 basis, **H1 2019 total adjusted[1,2] net result**, including the result of the retail discontinued operations, equaled a profit of Euro 1.1 million compared to a total adjusted loss of Euro 10.4 million recorded in H1 2018.

Q2 2019 NET SALES BY GEOGRAPHIC AREA OF THE CONTINUING OPERATIONS

(Euro in millions)	**Q2 2019**	**%**	**Q2 2018**	**%**	**Change % reported**	**Change % at constant forex**
Europe	121.7	48.9%	116.4	51.4%	**+4.5%**	**+4.8%**
North America	80.6	32.4%	74.3	32.8%	**+8.4%**	**+2.7%**
Asia Pacific	25.7	10.3%	18.2	8.0%	**+41.6%**	**+36.2%**
Rest of the world	20.6	8.3%	17.7	7.8%	**+16.2%**	**+14.0%**
Total	**248.6**	**100.0%**	**226.6**	**100.0%**	**+9.7%**	**+7.4%**

In the second quarter of 2019, Safilo **net sales of the Continuing Operations** equaled Euro 248.6 million, growing by 9.7% at current exchange rates and 7.4% at constant exchange rates compared to Euro 226.6 million in Q2 2018 (+7.5% the wholesale business[3]).

In the quarter, the recovery in sales was higher in the European markets more influenced by the contraction in sunglass sales experienced in the second quarter of 2018, while business performance in North America improved at the independent opticians' channel and in chains. At constant exchange rates, sales in Europe and North America increased respectively by 4.8% and 2.7%.

Sales in Asia-Pacific grew by 36.2% at constant exchange rates, in particular thanks to strong business trends continuing in the travel retail channel and the positive performance of China.

In Q2 2019, net sales turned to growth also in Rest of the World, up 14.0% at constant exchange rates, mainly driven by the positive business trends recorded in the Latin American markets of Brazil and Mexico.

Q2 2019 ECONOMIC HIGHLIGHTS OF THE CONTINUING OPERATIONS

(Euro in millions)	Q2 2019 reported	**Q2 2019 pre-IFRS 16**	**Q2 2018**	**% Change pre-IFRS 16**
Net sales	248.6	**248.6**	226.6	**+9.7%**
Gross profit	135.9	**136.0**	118.5	**+14.7%**
% on net sales	*54.7%*	***54.7%***	*52.3%*	
EBITDA	17.4	**13.8**	12.3	**+11.9%**
% on net sales	*7.0%*	***5.6%***	*5.4%*	
Adjusted EBITDA[1]	21.2	**17.7**	14.1	**+25.0%**
% on net sales	*8.5%*	***7.1%***	*6.2%*	

On a pre-IFRS 16 basis, **Q2 2019 adjusted[1] EBITDA of the Continuing Operations** equaled Euro 17.7 million, with the margin on sales standing at 7.1%. As in the first quarter of the year, the result achieved in the second quarter marked a significant operational improvement, up 25.0% compared to Euro 14.1 million recorded in Q2 2018, which included the income of Euro 9.8 million for the early termination of the Gucci license.

Q2 2019 economic performance reflected 1) the improvement registered at **the gross profit** level, which at Euro 136.0 million grew in the period by 14.7% compared to Euro 118.5 million in Q2 2018, with the margin on sales up by 240 basis points, from 52.3% to 54.7%, and 2) the additional recovery at the operating expenses level mainly reflecting further progress in the overheads saving program.

H1 2019 KEY CASH FLOW DATA OF THE TOTAL OPERATIONS

(Euro in millions)	H1 2019 reported	**H1 2019 pre-IFRS 16**	**H1 2018**
Cash flow from operating activities before changes in working capital	26.5	**15.0**	13.4
Changes in working capital	11.4	**11.2**	(37.7)
Cash flow from operating activities	37.9	**26.2**	(24.3)
Cash flow for investment activities	(17.3)	**(15.8)**	(13.0)
Free Cash Flow	20.6	**10.4**	(37.3)

On a pre-IFRS 16 basis, H1 2019 **Free Cash Flow** equaled a positive generation of Euro 10.4 million compared to the negative flow of Euro 37.3 million recorded in H1 2018.

In the period, the cash flow from operating activities was positive for Euro 26.2 million thanks to the significant improvement of the operating performance and favorable trends in net working capital management.

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Cash flow for investment activities totaled Euro 15.8 million in the first six months, mainly related to the ongoing investments on product supply, including the new logistic center in Denver, and the rollout of new IT systems.

On a pre-IFRS 16 basis, the total Group net debt at the end of June 2019 decreased to Euro 3.9 million compared to Euro 32.9 million at the end of December 2018, benefitting of the remaining proceeds, received on January 2, 2019 and equal to Euro 17.7 million, from the share capital increase executed in 2018, and of the free cash flow generation of the period. At the end of June, the financial leverage stood at 0.1x compared to 0.7 at the end of December 2018.

Following the first application of the new IFRS 16 standard to H1 2019, Group net debt stood at Euro 77.4 million, of which Euro 38 million related to the IFRS 16 impact on the retail discontinued operations.

PRESENTATION OF THE NEW GROUP BUSINESS PLAN

The Company will present a new Group Business Plan by the end of 2019.

Notes:

[1] In H1 2019, the adjusted economic results of the Continuing Operations exclude: (i) the impairment of the entire goodwill allocated to the Group's cash generating units for Euro 227.1 million, (ii) non-recurring costs for Euro 5 million (Euro 3.8 million in Q2 2019) due to restructuring expenses related to the ongoing cost saving program, and (iii) a write-down of deferred tax assets of Euro 23.3 million.

In H1 2018, the adjusted economic results excluded non-recurring costs for Euro 3.5 million (Euro 1.8 million in Q2 2018), mainly related to the CEO succession plan and reorganization costs in North America.

[2] In H1 2019, the adjusted economic results of the Total Operations also exclude non-recurring items related to the retail discontinued operations: (i) Euro 17.0 million for the loss on disposal and (ii) non-recurring costs for Euro 1.3 million.

[3] The wholesale business excludes the business of the production agreement with Kering, reported within the geographical area of Europe.

APPENDIX

H1 2019 ECONOMIC HIGHLIGHTS OF THE TOTAL OPERATIONS

(Euro in millions)	H1 2019 reported	**H1 2019 pre-IFRS 16**	**H1 2018**	**% Change pre-IFRS 16**
Net sales	521.6	**521.6**	492.2	**+6.0%**
Gross profit	276.6	**276.6**	254.1	**+8.9%**
% on net sales	*53.0%*	***53.0%***	*51.6%*	
EBITDA	33.0	**20.2**	21.7	**-7.0%**
% on net sales	*6.3%*	***3.9%***	*4.4%*	
Adjusted[1,2] EBITDA	39.3	**26.5**	25.1	**+5.2%**
% on net sales	*7.5%*	***5.1%***	*5.1%*	
Operating result	(241.4)	**(242.1)**	(0.4)	**n.s.**
% on net sales	***-46.3%***	***-46.4%***	*-0.1%*	
Adjusted[1,2] operating result	5.3	**4.6**	3.1	**+44.7%**
% on net sales	*1.0%*	***0.9%***	*0.6%*	
Group net result	(273.2)	**(272.6)**	(13.9)	**n.s.**
% on net sales	*-52.4%*	***-52.3%***	*-2.8%*	
Adjusted[1,2] Group net result	0.6	**1.1**	(10.4)	**n.s.**
% on net sales	*0.1%*	***0.2%***	*-2.1%*	

Q2 2019 ECONOMIC HIGHLIGHTS OF THE TOTAL OPERATIONS

(Euro in millions)	Q2 2019 reported	**Q2 2019 pre-IFRS 16**	**Q2 2018**	**% Change pre-IFRS 16**
Net sales	263.4	**263.4**	241.3	**+9.2%**
Gross profit	140.8	**140.9**	126.6	**+11.2%**
% on net sales	*53.5%*	***53.5%***	*52.5%*	
EBITDA	14.7	**8.3**	10.3	**-19.8%**
% on net sales	*5.6%*	***3.1%***	*4.3%*	
Adjusted EBITDA[1,2]	19.9	**13.5**	12.1	**+11.3%**
% on net sales	*7.5%*	***5.1%***	*5.0%*	

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Statement by the manager responsible for the preparation of the company's financial documents

The manager responsible for the preparation of the company's financial documents, Mr. Gerd Graehsler, hereby declares, in accordance with paragraph 2 article 154 bis of the "Testo Unico della Finanza", that the accounting information contained in this press release corresponds to the accounting results, registers and records.

Disclaimer

This document contains forward-looking statements, relating to future events and operating, economic and financial results for Safilo Group. Such forecasts, due to their nature, imply a component of risk and uncertainty due to the fact that they depend on the occurrence of certain future events and developments. The actual results may therefore vary even significantly to those announced in relation to a multitude of factors.

Alternative Performance Indicators

The definitions of the "Alternative Performance Indicators", not foreseen by the IFRS-EU accounting principles and used in this press release to allow for an improved evaluation of the trend of economic-financial management of the Group, are provided below:

- Ebitda (gross operating profit) is calculated by Safilo by adding to the Operating profit, depreciation and amortization;
- The Net Debt is for Safilo the sum of bank borrowings and short, medium and long-term loans, net of cash in hand and at bank;
- The Free Cash Flow for Safilo is the sum of the cash flow from/(for) operating activities and the cash flow from /(for) investing activities.

Conference Call and Webcast

Today, at 6.30 pm CET (5.30pm BST; 12.30pm EST) a conference call will be held with the financial community during which H1 2019 results will be discussed.
It is possible to follow the conference call by calling +39 06 87500896, +33 1 70732727, +44 844 4933857 or +1 917 7200178 (for journalists +39 06 87502026) and entering the access code: Safilo.
A recording of the conference call will be available until August 4, 2019 on +39 06 99721048, +44 844 5718951 or +1 917 6777532 (access code: 1964009).
The conference call can be also followed live in webcast: https://edge.media-server.com/mmc/go/Safilo_H1_2019_results

Interim condensed consolidated income statement

(Euro/000)	**First semester 2019**	**First semester 2018 (Restated) (*)**
Net sales	495,921	465,732
Cost of sales	(229,764)	(225,919)
Gross profit	**266,157**	**239,813**
Selling and marketing expenses	(192,871)	(186,501)
General and administrative expenses	(60,854)	(64,774)
Other operating income/(expenses)	(4,170)	16,991
Impairment loss on goodwill	(227,062)	-
Operating profit/(loss)	**(218,800)**	**5,529**
Financial charges, net	(2,898)	(8,057)
Profit/(Loss) before taxation	**(221,698)**	**(2,528)**
Income taxes	(1,913)	(5,393)
Write down of deferred tax assets	(23,327)	
Profit/(Loss) of the period from continuing operations	**(246,938)**	**(7,921)**
Profit/(Loss) of the period from discontinued operation	**(26,217)**	**(6,014)**
Profit/(Loss) of the period	**(273,155)**	**(13,934)**
Profit/(Loss) attributable to:		
Owners of the parent	(273,175)	(13,934)
Non-controlling interests	21	-
Earnings/(Losses) per share - basic (Euro)	(0.991)	(0.222)
Earnings/(Losses) per share - basic from continuing operations (Euro)	(0.896)	(0.126)
Earnings/(Losses) per share - diluted (Euro)	(0.991)	(0.222)
Earnings/(Losses) per share - diluted from continuing operations (Euro)	(0.896)	(0.126)

(*) The Group has reported in the current period the Solstice retail business as discontinued operations. The Group has elected to disclose a single amount of post-tax profit or loss of discontinued operations in the statement of profit or loss. The comparative consolidated income statement has been "restated" to show the contribution of the retail discontinued operation separately allowing a proper comparison with the current period.

Interim condensed consolidated balance sheet

(Euro/000)	**June 30, 2019**	**December 31, 2018**
ASSETS		
Current assets		
Cash and cash equivalents	102,910	178,247
Trade receivables	199,524	184,356
Inventory	218,089	237,710
Derivative financial instruments	612	389
Other current assets	39,027	52,582
Total current assets	**560,162**	**653,284**
Non-current assets		
Tangible assets	201,576	176,891
Intangible assets	54,930	58,486
Goodwill	-	226,267
Deferred tax assets	32,970	63,248
Derivative financial instruments	-	-
Other non-current assets	13,571	11,552
Total non-current assets	**303,047**	**536,444**
Assets classified as held for sale and discontinued operation	**62,102**	**-**
TOTAL ASSETS	**925,311**	**1,189,728**

(Euro/000)	June 30, 2019	December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	29,238	211,129
Trade payables	177,746	170,772
Tax payables	15,566	23,173
Derivative financial instruments	1,039	408
Other current liabilities	63,733	52,020
Provisions	25,750	26,736
Total current liabilities	**313,072**	**484,238**
Non-current liabilities		
Long-term borrowings	113,711	-
Employee benefit obligations	25,126	26,226
Provisions	13,958	13,748
Deferred tax liabilities	10,181	13,455
Derivative financial instruments	-	-
Other non-current liabilities	978	5,737
Total non-current liabilities	**163,954**	**59,166**
Liabilities classified as held for sale and discontinued operation	**53,448**	**-**
TOTAL LIABILITIES	**530,473**	**543,404**
Shareholders' equity		
Share capital	349,943	345,610
Share premium reserve	594,277	581,121
Retained earnings and other reserves	(276,200)	(247,961)
Cash flow hedge reserve	(47)	-
Income/(Loss) attributable to the Group	(273,175)	(32,446)
Total shareholders' equity attributable to the Group	**394,799**	**646,324**
Non-controlling interests	**39**	**-**
TOTAL SHAREHOLDERS' EQUITY	**394,838**	**646,324**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**925,311**	**1,189,728**

The Group has reported in the current period the Solstice retail business as discontinued operation and classified the assets and liabilities of the disposal segment as held for sale.

Interim condensed consolidated cash flow statement

(Euro/000)	**First semester 2019**	**First semester 2018**
A - Opening net cash and cash equivalents (net financial indebtedness - short term)	**174,968**	**20,842**
B - Cash flow from (for) operating activities		
Net profit/(loss) for the period (including minority interests)	(273,155)	(13,934)
Depreciation and amortization	21,982	22,061
Right to Use amortization IFRS 16	12,059	-
Impairment loss on goodwill	227,062	-
Other non-monetary items	12,074	(674)
Interest expenses, net	4,779	5,298
Income tax expenses	26,729	3,893
Flow from operating activities prior to movements in working capital	**31,530**	**16,644**
(Increase) Decrease in trade receivables	(14,225)	(9,337)
(Increase) Decrease in inventory, net	2,893	15,280
Increase (Decrease) in trade payables	7,080	(25,731)
(Increase) Decrease in other receivables	7,528	(3,692)
Increase (Decrease) in other payables	8,111	(14,258)
Interest expenses paid	(1,475)	(2,059)
Interest expenses paid on lease liability IFRS 16	(1,320)	-
Income taxes paid	(2,223)	(1,161)
Total (B)	**37,900**	**(24,315)**
C - Cash flow from (for) investing activities		
Investments in property, plant and equipment	(11,875)	(10,397)
Increase Right to Use - IFRS 16	(2,292)	-
Net disposals of property, plant and equipment and assets held for sale	256	1,629
Net disposals of Right to Use - IFRS 16	837	-
Purchase of intangible assets, net of disposals	(4,206)	(4,266)
Total (C)	**(17,280)**	**(13,034)**
D - Cash flow from (for) financing activities		
Proceeds from borrowings	107,000	134,971
Increase lease liability IFRS 16	2,520	-
Repayment of borrowings	(210,000)	(10,000)
Repayment lease liability IFRS 16	(12,744)	-
Increase in share capital, net of transaction costs	17,489	-
Dividends paid	-	-
Total (D)	**(95,735)**	**124,971**
E - Cash flow for the period (B+C+D)	**(75,115)**	**87,622**
Translation exchange differences	725	477
Total (F)	**725**	**477**
G - Closing net cash and cash equivalents (net financial indebtedness - short term) (A+E+F)	**100,578**	**108,941**

The Group has reported in the current period the Solstice retail business as discontinued operations. The Group has elected to present a statement of cash flows that includes an analysis of all cash flows in total, including both continuing and discontinued operations.

About Safilo Group
Safilo Group is a worldwide leader in the design, manufacturing and distribution of sunglasses, optical frames, sports eyewear and related products. Thanks to strong craftsmanship expertise dating back to 1878, Safilo translates its design projects into high-quality products created according to the Italian tradition. With an extensive wholly owned network of subsidiaries in 40 countries – in North and Latin America, Europe, Middle East and Africa, and Asia Pacific and China – and more than 50 distribution partners in key markets, Safilo is committed to quality distribution of its products in nearly 100,000 selected points of sale all over the world. Safilo's portfolio encompasses: own core brands Carrera, Polaroid, Smith, Safilo, and licensed brands: Dior, Dior Homme, Fendi, Banana Republic, BOSS, Elie Saab, Fossil, Givenchy, havaianas, HUGO, Jimmy Choo, Juicy Couture, kate spade new york, Liz Claiborne, Love Moschino, Marc Jacobs, Max Mara, Max&Co., Moschino, Pierre Cardin, rag&bone, Rebecca Minkoff, Saks Fifth Avenue, Swatch, and Tommy Hilfiger.

Listed on the Italian Stock Exchange (ISIN code IT0004604762, Bloomberg SFL.IM, Reuters SFLG.MI), in 2018 Safilo recorded net revenues for Euro 962.9 million.

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This press release may use 'alternative performance indicators' not foreseen by the IFRS-EU accounting standards (EBITDA, Net debt, Net capital employed and Free Cash Flow), and whose meaning and contents are illustrated in the specific section of the press release and in accordance with the CESR/05-178b recommendation published on 3rd November 2005.