

## **REPORT OF THE BOARD OF STATUTORY AUDITORS**

### **To the Shareholders' Meeting of Safilo Group S.p.A. on the financial year 2012**

Dear Shareholders,

during the financial year ended 31 December 2012, the Board of Statutory Auditors of Safilo Group S.p.A. carried out the supervision activity required by law, in accordance with the principles of conduct of the Board of Statutory Auditors recommended by the *Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili* [Italian national council of graduate accountants and accounting experts], considering the recommendations made by Consob in Communication no. 1025564 dated 6 April 2001, as subsequently amended, on company controls and the activities of the Board of Statutory Auditors.

As regards the methods employed by the Board of Statutory Auditors to carry out its institutional activities, we confirm the following:

- we monitored compliance with the law and bylaws;
- we attended the Shareholders' Meeting and all the meetings of the Board of Directors held during this year, and obtained from the Directors quarterly reports on activities carried out and significant operations executed by the company or its subsidiaries and verified that the aforesaid operations were coherent with the assumed deliberations and in respect for the principles of correct management;
- we monitored, within our area of responsibility, the organisational adequacy of the company, its respect for the principles of correct management and the organisational evolution of the Group;
- we monitored the operation of the administrative and accounting system, in order to assess its adequacy for management requirements and its reliability for the reporting of business operations. During this activity, we relied on the information supplied by the executive Director in charge of the internal control system and the Internal Control Manager, together with the information obtained during periodic meetings with the auditing firm PricewaterhouseCoopers S.p.A., which reported

on the outcome of systematic checks and on the proper keeping of accounting records. We have no particular comments to make in this respect;

- not having been appointed to perform an analytical inspection of the content of the financial statements, we verified the general structure of the financial statements and consolidated financial statements, drawn up in compliance with IAS/IFRS international accounting principles, and of the respective management reports through direct checks and using specific information supplied by the auditing company;
- we verified that the impairment test had been carried out for the intangible asset entries made in the consolidated financial statements.

We report that:

- to the best of our knowledge, the Directors did not infringe the provisions of article 2423 paragraph 4 of the Civil Code in the Notes to the Financial Statements;
- we verified that, following adoption of its own “Internal Dealing Code”, the Company has set up specific operational and management procedures for any communications from “relevant” parties;
- we verified that, pursuant to the provisions of Legislative Decree No. 231 of 8/6/2001, your company has equipped itself with an Organisation, Management and Control Model that complies with the *Confindustria* Guidelines and fulfils the requirements of the aforementioned legislative decree, disseminated the Code of Ethics and established a Supervisory Committee that reported to the Internal Control Committee (now Control and Risk Committee) and the Board of Directors on its activities. The necessary actions and measures have been taken to ensure that the organisational model remains appropriate and up-to-date for the purpose of fulfilling its functions and complying with new regulatory requirements.
- among the significant operations accomplished during 2012 we point out the acquisition of Polaroid Eyewear via the acquisition of 100% of the holding company, StyleMark Eyewear Holding B.V.

In accordance with the aforementioned Consob communications, we hereby provide the following information:

1. The significant economic, financial and capital operations carried out by the company and its subsidiaries were executed in accordance with the law and

company bylaws. Based on the information acquired, we were able to ascertain that they were not manifestly imprudent or risky, that they did not result in a conflict of interest and did not compromise the integrity of the company's assets.

2. We ascertained that no atypical and/or unusual operations, as defined by Consob communication DEM/6064293 of 28 July 2006, were carried out within the group or with related or third parties, having found confirmation of this in the information supplied by the Board of Directors, the Auditing Firm and the Internal Control Manager. Furthermore, we ascertained that the standard operating procedures in force within the Group guarantee that all commercial operations with related parties take place according to market conditions.
3. We believe that the information presented by the Directors in their report on operations and explanatory notes in respect of the operations mentioned in paragraph 2 is adequate.
4. The reports prepared by the audit firm PricewaterhouseCoopers S.p.A., issued on March 29<sup>th</sup> 2013, regarding the individual and consolidated balance sheet of Safilo Group S.p.A. as of 31.12.2012 do not contain significant findings and/or disclosure requests. The auditing firm issued its assessment of the consistency of the Management Report with the relevant financial statements without any observations and/or objections.
5. During 2012, no reports were made to the Board of Statutory Auditors under article 2408 of the Civil Code, and no complaints were submitted by shareholders.
6. During 2012, Safilo Group S.p.A. has no appointed to PricewaterhouseCoopers S.p.A. engagement other than to perform the legal audit of the statutory and consolidated financial statements, the limited audit of the half-yearly report, the procedures for the verification of the regular bookkeeping and the correct presentation of the administrative facts in the bookkeeping writings and the the signature of the fiscal declarations.
7. At Group level, the following fees were paid for auditing and other services provided by the same Auditing Firm and by its network:

- **for auditing**

of Safilo Group Spa	to PWC Spa	€ 46,000
of the subsidiaries	to PWC Spa	€138,000
of the subsidiaries	to PWC network	€999,000

- **for certification services**

of Safilo Group Spa	to PWC Spa	€ 1,000
of the subsidiaries	to PWC Spa	€ 50,000
of the subsidiaries	to PWC network	€ 0

- **For other services**

for Safilo Group Spa	to PWC Spa	€ 0
for the subsidiaries	to PWC Spa	€11,000
for the subsidiaries	to PWC network	€303,000

8. During the 2012 financial year, the Board of Statutory Auditors expressed its opinion when required by current laws and verified that its members fulfilled the integrity and independence requirements by signing appropriate statements.
9. The Board of Statutory Auditors verified the accuracy of the criteria and assessment procedures employed by the Board of Directors to assert the independence of its members.
10. A list is attached to this Report on supervision activities that outlines the tasks performed, as of the date of issue of the Report, by the members of the Board of Statutory Auditors, drawn up according to sample 4, appendix 5-bis of the Issuers' Regulations.
11. During 2012, both the Board of Directors and the Board of Statutory Auditors held eight meetings. Additionally, the "Internal Control Committee" (now Control and Risk Committee) met three times, while the "Remuneration Committee" met four times. These meetings were attended by at least one member of the Board of Statutory Auditors.
12. On the basis of the information gathered from the company's departmental managers and during periodic meetings with the Auditing Firm, we believe that the principles of correct management were constantly observed.
13. We gathered information about and monitored the company's organisational structure to the extent of our responsibilities.
14. Based on the analyses performed and the information obtained during meetings with the Director in charge of the internal control system, with the Internal Control Manager, with the Manager in charge of preparing the accounting documentation and during meetings of the Internal Control Committee now Control and Risk Committee) and the Supervisory Board of Safilo Group S.p.A, we verified the adequacy and reliability of the internal control system and risks management.

15. We verified the adequacy of the administrative and accounting system and the reliability of the same in correctly representing business operations.
16. We verified the adequacy of the manner in which the parent company hands down instructions to its main subsidiaries.
17. During systematic meetings between the Board of Statutory Auditors and the Auditing Firm under art. 150, paragraph 2, Legislative Decree 58/1998, no significant findings emerged.
18. The Remuneration Report is prepared pursuant to art. 84 quater of the Issuers' Regulations and to Consob resolution No. 11971/1999 and subsequent amendments.
19. The "2012 Report on corporate governance and ownership structure" prepared by the Board of Directors contains a description of the governance of the Company and the Group that appears to be in line with the principles of the Self-Regulation Code and the Issuers' Regulations. This Report also presents information on the ownership structure pursuant to art. 123 bis of the TUF (consolidated finance act). The Board of Statutory Auditors monitored implementation of the corporate governance rules, which appear to be in line with the model adopted by the company.
20. The Managing Director and the Manager in charge of preparing the company's accounting documents provided the statements required by article 154-bis, paragraph 5, regarding the financial statements and consolidated financial statements in accordance with the model provided in appendix 3c-ter of the Issuers' Regulations.
21. We confirm that no omissions, irregularities or wrongful actions emerged from our supervisory activities that would need to be reported to the Supervisory Bodies or Shareholders.

To conclude, we express our approval, to the extent of our responsibilities, of the 2012 financial statements as presented by the Board of Directors in the Management Report, and the proposal for allocation of the results made by the Directors."

Padua, 29 March 2013

**THE BOARD OF STATUTORY AUDITORS**

Paolo Nicolai	President
Franco Corgnati	Regular auditor
Bettina Solimando	Regular auditor

**DR. PAOLO NICOLAI - CARICHE IN ESSERE AL 12 FEBBRAIO 2013**

N.	SOCIETA'	CODICE FISCALE	SEDE LEGALE	PR	CARICA	SCADENZA CARICA
1	S.I.T. S.R.L.	01430440063	San Martino B.A.	VR	Presidente C. S.	31/12/2014
2	KETTMEIR S.P.A.	00206460214	Caldaro	BZ	Presidente C. S.	31/12/2014
3	ZIGNAGO VETRO S.P.A.	00717800247	Fossalta di Portogruaro	VE	Presidente C. S.	31/12/2012
4	CONSORZIO TRIVENETO S.P.A.	02408060289	Padova	PD	Presidente C. S.	31/12/2014
5	MULTITECNO S.R.L.	00975890286	Fossalta di Portogruaro	VE	Presidente C. S.	31/12/2014
6	RIELLO S.P.A.	02641790239	Legnago	VR	Presidente C. S.	31/12/2012
7	CA' DEL BOSCO S.R.L. - SOCIETA' AGRICOLA	01749900989	Erbusco	BS	Presidente C. S.	31/12/2014
8	FIT SERVICE S.P.A.	03604820237	Legnago	VR	Presidente C. S.	31/12/2012
9	AQUAFIN HOLDING S.P.A.	01286160062	Milano	MI	Presidente C. S.	31/12/2014
10	MONEYNET S.R.L.	05221390825	Palermo	PA	Presidente C. S.	31/12/2012
11	SAFILO GROUP S.P.A.	03032950242	Pieve di Cadore	BL	Presidente C. S.	31/12/2013
12	SAFILO S.P.A.	03625410281	Pieve di Cadore	BL	Presidente C. S.	31/12/2013
13	BROKER TRUST MEDIAZIONE CREDITIZIA SPA	03420570248	Palermo	PA	Presidente C. S.	31/12/2013
14	HOLDING F.I.S. SPA	01348120930	Pordenone	PN	Presidente C. S.	31/12/2012
15	RPM S.P.A.	00226730299	Badia Polesine	RO	Sindaco Effettivo	31/12/2013
16	ELETTROTEST S.P.A.	00356140293	Badia Polesine	RO	Sindaco Effettivo	31/12/2013
17	CANTINE TORRESELLA S.P.A.	00251470738	Fossalta di Portogruaro	VE	Sindaco Effettivo	31/12/2014
18	CEMENTIZILLO S.P.A.	00203550280	Padova	PD	Sindaco Effettivo	31/12/2014
19	CALCESTRUZZI ZILLO S.P.A.	00867100281	Padova	PD	Sindaco Effettivo	31/12/2014
20	ZIGNAGO HOLDING S.P.A.	03781170281	Fossalta di Portogruaro	VE	Sindaco Effettivo	31/12/2014
21	S.M. TENIMENTI LAMOLE E VISTARENNI E SAN DISDAGIO S.R.L.	00308350529	Gaiole in Chianti	SI	Sindaco Effettivo	31/12/2014
22	ACCIAIERIE VENETE S.P.A.	00224180281	Padova	PD	Sindaco Effettivo	31/12/2012
23	CEMENTERIA DI MONSELICE S.P.A.	01575210164	Padova	PD	Sindaco Effettivo	31/12/2012
24	FININT S.P.A.	04310560265	Conegliano	TV	Sindaco Effettivo	31/12/2013
25	ERRE IMMOBILIARE S.R.L.	04251680288	Padova	PD	Amministratore Unico	fino a revoca
26	IMMOBILIARE E MOBILIARE EUROPEA S.R.L.	02952370969	Verona	VR	Amministratore Unico	fino a revoca

*Paolo Nicolai*

DR FRANCO CORGNATI - CARICHE IN ESSERE AL 18 FEBBRAIO 2013

N	SOCIETA'	COD. FISCALE	SEDE LEGALE	Pr	CARICA	SCADENZA CARICA
1	Az. Agricole L. Bennati S.p.A.	00647670272	Roma	RM	Sindaco effettivo	31/12/2013
2	B. & T. S.r.l.	09863770013	S. Mauro Torinese	TO	Sindaco effettivo	31/12/2013
3	Baglio di Pianetto S.r.l.	02940950245	Vicenza	VI	Presidente collegio sindacale	31/12/2013
4	Bauer S.p.A.	00443820311	Roma	RM	Presidente collegio sindacale	31/12/2014
5	Burgo Energia S.r.l.	08737780018	S. Mauro Torinese	TO	Sindaco effettivo	31/12/2014
6	Burgo Group S.p.A.	13051890153	Altavilla Vicentina	VI	Sindaco effettivo	31/12/2012
7	Burgo Distribuzione Srl	00623020377	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2014
8	Burgo Factor SpA	10209320158	Milano	MI	Presidente collegio sindacale	31/12/2014
9	Centro Servizi Metalli S.p.A.	01323290351	Reggio Emilia	RE	Presidente collegio sindacale	31/12/2014
10	Facchin Calcestruzzi S.r.l.	01992290245	Recoaro Terme	VI	Presidente collegio sindacale	31/12/2013
11	Ferriera di Cittadella S.p.A.	00800140246	Vicenza	VI	Sindaco effettivo	31/12/2012
12	Filivivi S.r.l.	04816000964	Milano	MI	Presidente collegio sindacale	31/12/2013
13	Fin.Vi. S.r.l.	04406420150	Vicenza	VI	Sindaco effettivo	31/12/2012
14	Finintes S.p.A.	01469900128	Milano	MI	Presidente collegio sindacale	31/12/2013
15	Forint S.p.A.	00167200245	Vicenza	VI	Presidente collegio sindacale	31/12/2014
16	Gemmo Holding S.p.A.	03214560249	Arcugnano	VI	Presidente collegio sindacale	31/12/2013
17	Gemmo S.p.A.	03214610242	Arcugnano	VI	Presidente collegio sindacale	31/12/2013
18	Holding Gruppo Marchi S.p.A.	01791370024	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2012
19	Immobili e Partecipazioni S.p.A.	00206040245	Milano	MI	Sindaco effettivo	31/12/2013
20	Immobiliare Stampa S.p.A.	09422020157	Vicenza	VI	Sindaco effettivo	31/12/2013
21	Imprenditori Riuniti S.p.A.	04209170283	Schio	VI	Presidente consiglio di amministr.	31/12/2014
22	IPI S.r.l.	00341780245	Vicenza	VI	Presidente collegio sindacale	31/12/2012
23	Linificio e Canapificio Nazionale S.p.A.	00739120152	Milano	MI	Sindaco effettivo	31/12/2012
24	Manifattura Lane G. Marzotto & Figli S.p.A.	00166580241	Milano	MI	Sindaco effettivo	31/12/2014
25	Margraf SpA	01317330247	Chiampo	VI	Presidente collegio sindacale	31/12/2013
26	Mosaico S.r.l.	03506890247	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2013
27	Palladio Zannini Industrie Grafiche Cartotecniche S.p.A.	03079210245	Dueville	VI	Presidente collegio sindacale	31/12/2014
28	PFC S.r.l.	03247130242	Vicenza	VI	Presidente collegio sindacale	31/12/2013
29	Prodotti Stella S.p.A.	01419130685	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2013
30	Safilo Group S.p.A.	03032950242	Pieve di Cadore	BL	Sindaco effettivo	31/12/2013
31	Safilo S.p.A.	03625410281	Pieve di Cadore	BL	Sindaco effettivo	31/12/2013
32	San Giorgio S.r.l.	03418240242	Schio	VI	Presidente consiglio di amministr.	a revoca
33	Società Agricola Motta Moresolo SpA	00592280275	Vicenza	VI	Presidente collegio sindacale	31/12/2013
34	Veninvest S.p.A.	01619690249	Vicenza	VI	Presidente collegio sindacale	31/12/2014
35	Vigel S.p.A.	01587520246	Vicenza	VI	Presidente collegio sindacale	31/12/2012

Dr Franco Corgnati



**DOTT.SSA BETTINA SOLIMANDO – CARICHE IN ESSERE AL 15 FEBBRAIO 2013**

N	SOCIETA'	COD. FISCALE	SEDE LEGALE	PR	CARICA	SCADENZA CARICA
1	Advin Partners Sim Spa	03714800236	Verona	VR	Sindaco Effettivo	31/12/2012
2	Bottega Veneta Srl	07078730152	Vicenza	VI	Sindaco Effettivo	31/12/2012
3	B.V. Italia Srl	12647870158	Vicenza	VI	Sindaco Effettivo	31/12/2012
4	Distributori Articoli Sanitari Srl	02656040017	Torino	TO	Sindaco Effettivo	31/12/2014
5	Equibox Holding Spa	04339950265	Asolo	TV	Sindaco Effettivo	31/12/2012
6	Fashion Five Srl	03737160287	Noventa Padovana	PD	Sindaco Effettivo	31/12/2012
7	GCE Mujelli Spa	02101430961	S. Martino B.A.	VR	Sindaco Effettivo	31/12/2012
8	Hartmann Foromed Srl	03329310233	Verona	VR	Sindaco Effettivo	31/12/2012
9	Hoerbiger Italiana Spa	00884990151	Verona	VR	Sindaco Effettivo	31/12/2014
10	Paul Hartmann Spa	07179150151	Verona	VR	Sindaco Effettivo	31/12/2013
11	Safilo Group Spa	03032950242	Pieve di Cadore	BL	Sindaco Effettivo	31/12/2013
12	Safilo Spa	03625410281	Pieve di Cadore	BL	Sindaco Effettivo	31/12/2013
13	Star Finance Srl	02910090980	Brescia	BS	Sindaco Effettivo	30/06/2013
14	Terre degli Svevi Srl	01371150762	Venosa	PZ	Sindaco Effettivo	31/12/2012
15	Volkswagen Group Firenze Spa	05671860483	Firenze	FI	Sindaco Effettivo	31/12/2014