

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

**To the Board of Directors of
Twin Set – Simona Barbieri S.p.A.**

We have audited the accompanying consolidated financial statements of Twin Set – Simona Barbieri S.p.A. (the "Company") and its subsidiaries (the "Twin Set – Simona Barbieri Group"), which comprise the consolidated balance sheet as at December 31, 2016, the consolidated income statement, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year then ended and the explanatory notes. The consolidated financial statements have been prepared to comply with certain reporting obligations provided in the offering memorandum and in the regulation of the Senior Secured Floating Rates Notes due 2019 issued by the Company on July 22, 2014.

Directors' Responsibility for the Consolidated Financial Statements

The Company's Directors are responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with the accounting principles issued by OIC (Organismo Italiano di Contabilità), the Italian Accounting Body ("Italian GAAP").

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA Italia) issued pursuant to art. 11 of Italian Legislative Decree 39/10. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Twin Set – Simona Barbieri Group as at December 31, 2016, and of its financial performance and cash flows for the year then ended in accordance with the Italian GAAP.

Other Matter

The Company has prepared for statutory purposes a separate set of statutory consolidated financial statements for the year ended December 31, 2016 in accordance with the Italian law governing financial statements on which we issued a separate independent auditors' report to the shareholders of the Company dated April 5, 2017.

DELOITTE & TOUCHE S.p.A.



Giacomo Bellia
Partner

Milan, Italy
April 20, 2017