Longarone, September 11th 2006

Press Release

Marcolin BoD approves 2006 1st-half (1H06) results.
Strong sales growth for all lines.

Sales: € 82,693 thousand (€ 88,201 thousand in 1H05, -6.2%; +42% at constant x-rates)
EBITDA: € 3,600 thousand (€ 5,870 thousand in 1H05)
EBIT: € 131 thousand (€ 1,271 thousand in 1H05)
Net result: € -3,677 thousand (€ -2,089 thousand in 1H05)
Net financial position: € -41,274 thousand (€ - 37,328 thousand in 1H05)

The Board of Directors of Marcolin SpA, which met today under the chairmanship of Giovanni Marcolin Coffen, has approved the Marcolin Group's consolidated report for the 1st half of 2006 (1H06). The full version of the report will be available on the company's Web site (www.marcolin.com) as from the date of filing.

SALES

Compared with the same period in the previous year (1H05), the Group reported a reduction in sales of € 5,508 thousand, which, expressed in percent terms, meant a YoY decrease of – 6.2%.

Net of 1H05 sales achieved with the Dolce & Gabbana lines (for which the licensing agreement terminated on December 31st 2005), the Marcolin Group's sales as up to June 30th 2006 increased by +110% over the same period in the previous year (or by +42% YoY excluding the contribution of new brands).

The major recovery in sales revenue was achieved thanks to sales of the new lines Tom Ford Eyewear and Just Cavalli Eyewear, which are achieving the success expected, and to the outstanding performance of the lines Roberto Cavalli Eyewear (+95% vs. 1H05), Montblanc Eyewear (+118%), Mix Sixty Glasses (+53%), Timberland (+35%) and, in the American market, Kenneth Cole (+23%).

Net sales detail *(Euro Thousands)*	30.06.2006		30.06.2005		Change	
- Italy	21.093	25,5%	20.293	23,0%	800	3,9%
- Europe	29.642	35,8%	35.659	40,4%	(6.017)	-16,9%
- U.S.A.	20.243	24,5%	20.569	23,3%	(326)	-1,6%
- Rest of the world	11.715	14,2%	11.680	13,2%	35	0,3%
Total by geographical area	82.693	100,0%	88.201	100,0%	(5.508)	-6,2%

Analysis of sales breakdown by geographical area shows a reduction of sales (-16.9%) generated in Europe – with the exception of the Italian market (+3.9%) – which was entirely due to absence of the Dolce & Gabbana lines' sales.

Cébé achieved sales revenues substantially in line with those of 1H05 (+1%).

The slight slippage of US sales (-1.6%) was offset by the 2% increase vs. 1H05 of Marcolin USA's sales (expressed in USD). This was achieved mainly thanks to the increase in the Kenneth Cole and Timberland lines' sales.

EBITDA/EBIT

EBITDA totalled € 3,599 thousand (with a 4.4% margin on sales) vs. € 5,870 thousand (6.7% margin on sales) achieved during 1H05.

The reduction in EBITDA vs. 1H05 was mainly ascribable to the following factors:
- Virtual absence of margin on sales generated by the Dolce & Gabbana lines
- Significant marketing costs for promotion of the new lines
- Higher costs for development and production of the new lines.

In 1H06 Cébé reported negative EBITDA of € 2,539 thousand (it was negative by € 2,068 thousand as up to June 30th 2005). The result was mainly influenced by the costs of inventory write-down, undertaken to allow for renewal of models and for the process of strategic, organisational, and commercial reorganisation still underway.
Marcolin USA achieved positive EBITDA of € 616 thousand vs. a negative figure of € 930 thousand as up to June 30th 2005.

In 1H06 consolidated EBIT margin on sales was 0.2% (vs. 1.4% in 1H05) and amounted to € 131 thousand (vs. € 1,271 thousand in 1H05).

NET RESULT

In 1H06 the consolidated result after tax was negative by € 3,677 thousand (it was negative by € 2,089 thousand in 1H05).

2006 2nd-QUARTER RESULTS

Operating figures for the 2nd quarter of 2006 (2Q06) show that:
- Sales revenues amounted to € 41,854 thousand vs. € 45,471 thousand in the second quarter of 2005 (2Q05) with a decrease of 8% YoY
- EBITDA totalled € 2,218 thousand (€ 1,686 thousand in 2Q05), with improvement of 31.5% YoY and a 5.3% margin on sales (vs. 3.7% in 2Q05)
- EBIT amounted to € 924 thousand (vs. negative EBITDA of € 1,217 thousand in 2Q05), improving by € 2,141 thousand and with a 2.2% margin on sales (vs. -2.7% in 2Q05)
- The net result was negative by € 1,755 thousand (it was negative by € 2,122 thousand in 2Q05).

We particularly highlight the return to operating profit, which confirms the soundness of actions initiated in previous months and that are still underway.

NET FINANCIAL POSITION

Net financial position improved by € 3,958 thousand vs. December 31st 2005 due to the effect of cash flow generated by operations. We point out that the net financial position is also associated with seasonality factors.

SIGNIFICANT EVENTS AFTER END OF 1ST HALF AND EXPECTED BUSINESS PROGRESS

During 2Q06 the license was renewed for production and sale of eyewear under the Montblanc brand. Sales of this brand's products are increasing in all markets, with especially positive results in Central and South America and in the Middle and Far East. This positive trend is enabling the Marcolin Group to establish itself also in markets where its presence had not been particularly significant.

July and August sales performance confirms the positive trend, also thanks to the contribution of the new lines in our portfolio.

As far as expected business progress is concerned, we confirm that FY2006 will feature significant, albeit gradual, sales and margin recovery. In addition, we will continue actions to strengthen the organisation, with the aim of adapting it making it better able to respond to corporate objectives and to our strategic business choice of focusing on the qualities of Italian-made products.
The consolidated results achieved by the Marcolin Group during 1H06, together with the considerations highlighted above, lead us to believe that, in the current financial year, the Group will report a net result that, although negative, will show clear improvement over the FY2005 result. More specifically, the 2nd half of 2006 will not suffer the adverse effects that conclusion of the relationship with Dolce & Gabbana caused in the 2nd half of FY2005.

The General Manager, Antonio Bortuzzo, made the following comments:
"Thanks to the significant sales growth achieved via brands already in our portfolio and to the significant contribution of sales relating to the new licensing agreements, the Group has achieved two important objectives – firstly, to replace the sales that ceased following conclusion of the Dolce & Gabbana license and, secondly, to have a more balanced license portfolio, endowed with strong potential, far more diversified and with long-term end dates. These features make us look ahead to the future with optimism".

Marcolin, listed on the Milan Bourse, is one of the leading eyewear companies, and stands out, in the luxury sector, for the premium quality of its products, its attention to detail, and for its premier distribution. In 2005 the company produced and distributed 6.3 million eyeglass frames and sunglasses in some 400 models.
Its licensed product portfolio includes: Costume National Eyewear, Cover Girl Eyewear, Ferrari, Just Cavalli Eyewear, Kenneth Cole Eyewear, Miss Sixty Glasses, Montblanc Eyewear, Replay Eyes, Roberto Cavalli Eyewear, The North Face Eyequipment, Timberland, Tom Ford Eyewear, and Web Eyewear. The Group's house brands include Marcolin and Cébé.

This press release is available on the Web site www.marcolin.com (section in English)

Attachments: summary financial statements of the Marcolin Group.
It is pointed out that, as regards legally required financial statements, independent auditing of these figures has not yet been completed.

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Consolidated Balance Sheet — Marcolin Group

(In Euro thousands)

	30.06.2006	30.06.2005	31.12.2005
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	15.975	16.151	16.046
INTANGIBLE ASSETS	4.593	6.642	5.096
GOODWILL	2.542	2.875	2.740
INVESTMENTS	1.138	554	1.123
DEFERRED TAX ASSETS	4.463	4.784	5.328
OTHER NON CURRENT ASSETS	1.270	1.969	1.527
TOTAL NON CURRENT ASSETS	**29.982**	**32.974**	**31.860**
CURRENT ASSETS			
INVENTORIES	43.664	46.136	41.496
TRADE AND OTHER RECEIVABLES	53.064	66.159	57.352
OTHER CURRENT ASSETS	757	1.165	722
CASH AND CASH EQUIVALENTS	11.733	12.885	10.071
TOTAL CURRENT ASSETS	**109.218**	**126.344**	**109.641**
TOTAL ASSETS	**139.200**	**159.318**	**141.500**
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	23.242	23.242	23.242
ADDITIONAL PAID IN CAPITAL	16.440	21.950	21.950
OTHER RESERVES	(538)	331	94
RETAINED EARNINGS (LOSSES)	(3.097)	8.096	8.097
PROFIT (LOSS) FOR THE PERIOD	(3.677)	(2.089)	(16.690)
MINORITY INTERESTS	0	0	0
TOTAL SHAREHOLDERS' EQUITY	**32.369**	**51.531**	**36.693**
LIABILITIES			
NON CURRENT LIABILITIES			
LONG TERM BORROWINGS	16.046	29.398	2.607
LONG TERM PROVISIONS	4.364	4.318	4.414
DEFERRED TAX LIABILITIES	2.592	2.227	2.664
OTHER NON CURRENT LIABILITIES	27	57	20
TOTAL NON CURRENT LIABILITIES	**23.029**	**36.000**	**9.705**
CURRENT LIABILITIES			
TRADE PAYABLES	36.812	33.546	30.683
SHORT TERM BORROWINGS	37.907	21.762	53.642
SHORT TERM PROVISIONS	2.342	3.934	2.975
INCOME TAXES	0	4.901	1.237
OTHER CURRENT LIABILITIES	6.741	7.644	6.565
TOTAL CURRENT LIABILITIES	**83.803**	**71.787**	**95.102**
TOTAL LIABILITIES	**106.831**	**107.787**	**104.807**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**139.200**	**159.318**	**141.500**

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Consolidated Income Statement — Marcolin Group

(in Euro thousands)	30.06.2006	30.06.2005
NET SALES	**82.693**	**88.201**
COST OF SALES	**(37.683)**	**(38.322)**
GROSS PROFIT	**45.010**	**49.879**
SELLING AND MARKETING COSTS	(39.691)	(41.742)
GENERAL AND ADMINISTRATIVE EXPENSES	(7.173)	(7.621)
OTHER INCOME AND EXPENSES	1.985	754
OPERATING PROFIT	**131**	**1.271**
FINANCIAL INCOME AND EXPENSES	(2.297)	(651)
NET RESULT BEFORE TAXES	**(2.166)**	**619**
INCOME TAXES	(1.511)	(2.709)
MINORITY INTERESTS	0	0
NET RESULT	**(3.677)**	**(2.089)**
EBITDA	**3.599**	**5.870**
EARNINGS (LOSSES) PER SHARE	**(0,082)**	**(0,047)**

Consolidated Cash Flow statement

(In euro thousands)	Half year 2006	Half year 2005
Operating activities :		
Operating profit before working capital changes	*4.341*	*9.955*
Cash flows provided (used) by working capital changes	*2.528*	*(3.609)*
Cash flows provided by operating activities	6.869	6.345
Cash flows used in investing activities	(2.040)	(988)
Cash flows provided (used) in financing activities	(2.991)	(2.037)
Cash and cash equivalents increase (decrease)	1.838	3.320
Effect of exchange rates on cash	(176)	285
Cash and cash equivalents at beginning of year	10.071	9.280
Cash and cash equivalents at year end	11.733	12.885

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