



AEFFE S.p.A.

Registered Offices in San Giovanni in Marignano - RN

Via delle Querce 51

Share Capital € 26,840,626.00

Rimini Companies Register and Tax Code No. 01928480407

SHAREHOLDERS' MEETING

16TH APRIL 2014

REPORT ON AGENDA ITEMS

prepared pursuant to para. 1 of art. 125-ter of Decree No. 58 dated 24th February 1998 and subsequent amendments (“TUF”) and art. 84-ter of the regulations adopted by Consob Resolution No. 11971 dated 14th May 1999 and subsequent amendments (“Issuers' Regulation”).

ORDINARY SESSION

Item nos. 1 and 2

1. Approval of the financial statements of Aeffe S.p.A. as of 31st December 2013 and the report of the Board of Directors on operations; reception of the reports of the Independent Auditors and the Board of Statutory Auditors. Presentation to the Shareholders' Meeting of the consolidated financial statements as of 31st December 2013.
2. Resolutions regarding the results for the year ended 31st December 2013.

Shareholders,

With reference to the first two items on the agenda, you are invited, during the Shareholders' Meeting, to resolve on the approval of the Company's financial statements as of 31st December 2013. You are also invited to take note of the results reported in the consolidated financial statements as of 31st December 2013.

Regarding the above, please be informed that the draft financial statements as of 31st December 2013 and the related report on operations will be made available, by the legal deadline, at the registered offices of the Company and on its website at the address www.aeffe.com.

Item no. 3

3 Compensation Report pursuant to para. 6 of art. 123-ter of Decree No. 58/98; resolutions regarding the first section of the Compensation Report.

Shareholders,

You are reminded that the Shareholders' Meeting held on 18th April 2013 gave a consultative vote on the Company's remuneration policy pursuant to para. 6 of art. 123-ter of Decree No. 58/98. At that time, the Shareholders' Meeting resolved as follows:

"The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 18th April 2013, after receiving the report of the Board of Directors and taking note of the remuneration policy contained in the first section of the Compensation Report pursuant to para. 6 of art. 123-ter of Decree No. 58/98,

resolves

to approve the Company's remuneration policy contained in the first section of the Compensation Report pursuant to para. 6 of art. 123-ter of Decree No. 58/98."

The Remuneration Policy adopted, as presented to the Shareholders' Meeting held on 18th April 2013, has not changed since its effects are required to extend over the years 2013, 2014, 2015 and 2016.

Without prejudice to the other parts of the Remuneration Policy already adopted, at the Shareholders' Meeting held on 18th April 2013 it was clarified that the Long-Term Incentive (LTI) designed to (a) keep the remuneration structure competitive overall in order to attract and retain the loyalty of

experienced persons within the Company and the Aeffe Group; (b) guide the efforts of the directors and managers towards the achievement of long-term ratios and goals of strategic interest; (c) align the interests of directors and managers with those of the shareholders, may comprise a system of variable remuneration linked to objectives to be attained over the medium-long term (medium/long-term MBO), as well as remuneration plans based on financial instruments and plans for investment in the capital of the Company.

For further information about the Company's Remuneration Policy and about the remuneration of directors and executives with strategic responsibilities, reference is made to the Compensation Report prepared pursuant to art. 123-ter, TUF, which in accordance with art. 84-quater of the Issuers' Regulations will be made available, by the legal deadline, at the registered offices of the Company and on the following website www.aeffe.com.

At the Shareholders' Meeting, the Board of Directors will propose the following resolution to the Shareholders:

"The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 16th April 2014, after receiving the report of the Board of Directors and taking note of the remuneration policy contained in the first section of the Compensation Report pursuant to para. 6 of art. 123-ter of Decree No. 58/98,

resolves

1) to take note of the Company's remuneration policy contained in the first section of the Compensation Report pursuant to para. 6 of art. 123-ter of Decree No. 58/98."

Item no. 4

4 Appointment of the Board of Directors for the years 2014-2016, after determining the number of directors. Resolutions regarding the total emoluments of the directors not assigned special duties, pursuant to art. 2389, para. 1, of the Italian Civil Code. In particular:

- 4.1 determination of the number of members of the Board of Directors;
- 4.2 appointment of the members of the Board of Directors;
- 4.3 appointment of the Chairman of the Board of Directors;
- 4.4 resolutions regarding the total emoluments of the directors not assigned special duties.

Shareholders,

You are informed that the mandate of the Board of Directors of the Company, appointed for the three-year period 2011-2013 by resolution of the Ordinary Shareholders' Meeting held on 21st April 2011, will expire at the Ordinary Shareholders' Meeting called on 16th April 2014 to approve the financial statements as of 31st December 2013. You are therefore invited to (i) determine the number of members of the Board of Directors; (ii) appoint the new members of the Board of Directors; (iii) appoint the Chairman of the Board of Directors; and (iv) determine the annual remuneration of the directors pursuant to art. 2389 of the Italian Civil Code.

With regard to determining the number of members of the Board of Directors, you are reminded that, pursuant to the new para. 1-ter of art. 147-ter TUF, the Articles of association of the Company envisage that “The Company is administered by a Board of Directors comprising a variable number of members, between seven and nine“ and that “the directors to be elected must be distributed using a criterion that ensures gender balance”; in consideration of the fact, with regard to the first renewal of the corporate bodies subsequent to 12th August 2012, that Law 120/2011 contains specific transitional arrangements that introduce a principle of gradualness to the application of the regulation on gender balance; in fact, for the first mandate, the least represented gender must comprise "at least one fifth of the directors and statutory auditors elected", instead of one third, as specified in paras. 1-ter of art. 147-ter and 1-bis of art. 148 of the TUF. The controlling shareholders will propose that the Board of Directors shall comprise 8 members, who need not be shareholders, including at least two belonging to the least represented gender.

As already indicated in the notice of the Shareholders' Meeting, in conformity with art. 15 of the Articles of association, the members of the new Board of Directors must be appointed by list voting.

In particular, you are reminded that, pursuant to art. 15 of the Articles of association, Shareholders have the right to present lists if, individually or collectively, they represent at least 2.5% of the shares with voting rights at Ordinary Meetings.

The lists must be filed at the registered offices of the Company at least twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting and be accompanied by the curriculums and declarations of each candidate confirming, among other matters, their acceptance of nomination, the absence of reasons for which they would be ineligible, and their possession of the honorability and professionalism requirements established by current and applicable laws and/or regulations.

The lists must also include candidates from both genders, so that the least represented gender has the portion of candidates envisaged by the legislation in force at the time (rounded up to the nearest whole number in the case of a fraction).

Each Shareholder entitled to vote may only vote for one list.

If just one list is presented, all the members of the Board of Directors will be drawn from that list. The Shareholders' Meeting will appoint any directors remaining to be elected, applying the majorities envisaged by law. If, on the other hand, two or more lists are presented, the Board of Directors is appointed in the following manner:

- a) all the candidates, up to the number decided each time at the Shareholders' Meeting, less one, will be drawn from the list that obtains the majority of the votes cast by the shareholders and appointed as directors in the numerical order in which they are presented on that list;
- b) the remaining number of candidates to be elected will be drawn from the list that obtains the second-largest number of votes and appointed as directors in the numerical order in which they are presented on that list, on condition that such list is not linked in any way, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes;

c) the Directors to be elected who satisfy the independence requirements established in the Articles of Association are drawn from the list that obtains the largest number of votes cast by the shareholders or, to the extent that this is not possible, from that which obtains the second-largest number of votes;

d) in the event of a voting tie between two or more lists, the candidates on the list presented by shareholders with the greatest total equity interest or, failing this, by the largest number of shareholders, will be elected.

If the composition of the Board of Directors does not comply with the gender balance criterion then, having regard for the order of listing, the candidate from the most represented gender elected last from the list that obtained the largest number of votes (the "Majority List") shall be replaced, in consecutive numerical order, by the first candidate not elected from that list. Application of this replacement procedure will continue until the composition of the Board of Directors complies with the regulations in force at the time concerning gender balance.

If using the list voting mechanism the number of candidates is lower than the minimum number of Directors envisaged in the Articles of association, or if using the list voting mechanism the required number of candidates from the least represented gender is not reached, the Board of Directors shall be elected and supplemented at the Shareholders' Meeting, applying the majorities envisaged by law.

The Directors remain in office for three financial years and their appointments expire on the date of the Meeting called to approve the financial statements for the final year of their mandate; they may be re-elected.

The Board of Directors includes both executive and non-executive directors.

In all cases, at least two members of the Board must satisfy the independence requirements established in paras. 3 and 4 of art. 148, TUF.

In fact, with regard to the independent Directors of companies listed in the Star segment (to which Aeffe S.p.A. belongs), the Instructions to the Regulations for markets organized and managed by Borsa Italiana S.p.A. envisage determining the minimum numbers of independent directors as follows:

- at least two independent directors for Boards of Directors with up to 8 members;
- at least three independent directors for Boards of Directors with between 9 and 14 members;
- at least four independent directors for Boards of Directors with over 14 members.

In conformity with art. 19 of the Articles of association, the Board of Directors exercises the widest powers for the ordinary and extraordinary administration of the Company, without any exceptions, and has the right to perform all deeds deemed appropriate for the pursuit and achievement of the Company's objects, with the sole exclusion of those reserved by law for the Shareholders' Meeting.

You are reminded that, pursuant to art. 16 of the Articles of association, the Ordinary Meeting is entitled to appoint the Chairman of the Board of Directors.

In conformity with art. 21 of the Articles of association, you are required to determine the annual emoluments of those members of the Board of Directors who have not been assigned special duties.

In this regard, the current total gross annual remuneration of the members of the Board of Directors not assigned special duties was determined by resolution adopted at the Shareholders' Meeting held on 21st April 2011 to be Euro 87,000.

Given the above, you are invited to (i) appoint eight directors, including at least two independent directors, by voting in favor of the list presented by you, either alone or together with other Shareholders, or, if you did not present or contribute to the presentation of a list, by voting in favor of one of the lists presented; (ii) appoint the Chairman of the Board of Directors; and (iii) determine the annual emoluments of the members of the Board of Directors not assigned special duties.

Lastly, you are reminded that a detailed description of the method used to appoint members of the Board of Directors, the powers granted to that body, the rules governing the proper functioning of the Board, and the method used to determine emoluments can be found in the Articles of association and, in particular, in articles 14, 15, 16, 17, 18, 19, 20 and 21.

Item no. 5

5.1 Appointment of the Board of Statutory Auditors for the years 2014-2016 and resolutions regarding the remuneration of this Board. In particular:

5.1 appointment of the Board of Statutory Auditors

5.2 resolutions regarding the remuneration of the Board of Statutory Auditors.

Shareholders,

As indicated in the notice of the Ordinary Meeting called for 16th April 2014, you are also called to vote on the appointment of a new Board of Statutory Auditors, since the mandate of the current Board of Statutory Auditors - appointed at the Ordinary Meeting held on 21st April 2011 - expires at the Meeting called to approve the financial statements as of 31st December 2013.

You are therefore invited to appoint three Serving Auditors, two Alternate Auditors and the Chairman of the Board of Statutory Auditors, as well as to determine the emoluments of the Statutory Auditors to be elected. At least one of the three Serving Auditors must be a member of the least represented gender, while the Alternate Auditors must comprise one person from each gender.

As already indicated in the notice of the Meeting, you are reminded that, pursuant to art. 22 of the Articles of association, the members of the Board of Statutory Auditors must be appointed by presentation of lists of candidates. Shareholders have the right to present lists if, individually or collectively, they represent at least 2.5% of the shares with voting rights at Ordinary Meetings.

Each list must comprise two sections: one for the appointment of serving auditors, comprising three candidates, and the other for the appointment of alternate auditors, comprising two candidates, listed in consecutive numerical order. Each candidate can appear on just one list, or will be ineligible for election.

Such lists must be filed at the registered offices of the Company at least twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting and be accompanied by the curriculums and declarations of each candidate confirming, among other matters, their acceptance of nomination, the absence of reasons

for which they would be ineligible, and their possession of the honorability and professionalism requirements established by current and applicable laws and/or regulations.

Each Shareholder entitled to vote may only vote for one list. If no lists are presented, the Shareholders' Meeting appoints the Board of Statutory Auditors and its Chairman in accordance with the majorities established by current legislation. If only one list is presented, the Board of Statutory Auditors is drawn entirely from that list and the first candidate on the list is appointed as Chairman.

If, on the other hand, two or more lists are presented, the Board of Statutory Auditors is appointed in the following manner:

- a) the following candidates will be appointed, in the numerical order in which they appear, from the list that obtains the majority of the votes cast by the shareholders: (i) the first two candidates for the office of serving auditor and (ii) the first candidate for the office of alternate auditor;
- b) the following candidates will be appointed, in the numerical order in which they appear, from the list that obtains the second-largest number of votes, on condition that such list is not linked, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes: (i) the first candidate for the office of serving auditor, who will also be appointed as Chairman of the Board of Statutory Auditors, and (ii) the first candidate for the office of alternate auditor, if available; otherwise, the alternate auditor will be the first candidate for this office on the first list obtaining the next-largest number of votes that is not linked, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes.

In the event of a voting tie between two or more lists, the candidates on the list presented by shareholders with the greatest total equity interest or, failing this, by the largest number of shareholders, will be elected.

The statutory auditors elected in this manner remain in office for three financial years and their appointments expire on the date of the Meeting called to approve the financial statements for the final year of their mandate; they may be re-elected.

The Board of Statutory Auditors monitors compliance with the law and the Articles of association, and respect for the principles of proper administration including, in particular, the adequacy of the organization, administrative and accounting systems adopted by the Company and the way they function in practice, as well as how the corporate governance rules envisaged by the related regulations are applied in practical terms.

Given the above, you are invited to (i) appoint three Serving Auditors and two Alternate Auditors by expressing your vote in favor of one of the lists presented; (ii) appoint the Chairman of the Board of Statutory Auditors; and (iii) determine the remuneration of each elected auditor pursuant to art. 2402 of the Italian Civil Code.

If the composition of the Board of Statutory Auditors or the category of alternate auditors does comply with the gender balance criterion then, having regard for the order of listing in the respective sections, the candidates from the most represented gender elected last from the majority list shall be replaced by the first candidates not elected from the same list and the same section from the least represented gender.

Application of this replacement procedure will continue until the composition of the Board of Statutory Auditors complies with the regulations in force at the time concerning gender balance.

Lastly, you are reminded that a detailed description of the method used to appoint members of the Board of Statutory Auditors, as well as of the duties and rules governing the proper functioning of that body can be found in the Articles of association and, in particular, in articles 22 and 23.

San Giovanni in Marignano, 7th March 2014

for the Board of Directors

The Chairman

Massimo Ferretti