Half Year Report as at 30 June

2015

(as per article 154-ter of legislative decree 58/1998)

TRANSLATION FROM THE ORIGINAL ITALIAN TEXT

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PREFACE

This quarterly financial report for the period ended 30 June 2015 (Interim Management Report as per Article 154-ter of Legislative Decree 58/1998) has been prepared in accordance with the above mentioned Legislative Decree and further amendments, as well as the Issuers Regulation issued by Consob.
It also conforms with the requirements of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) adopted by the European Union and has been prepared in accordance with IAS 34 - Interim Financial Reporting.

INTERIM MANAGEMENT REPORT AS AT 30 JUNE 2015

PERIOD HIGHLIGHTS

In the first part of 2015 economic growth stabilized in countries like the United States and the United Kingdom, while it continued unchanged in Asia and Oceania and weakened in a few emerging markets. The economy is expected to accelerate slightly in 2015, but uncertainty is still prevalent as a result of the conflicts in the Ukraine, Libya and the Middle East, as well as the situation in Greece where, despite the recent political agreement reached in Europe, a definitive solution has yet to be found.

Prices continue to be stagnant and in order to prevent the risks associated with a prolonged period of low inflation in the first part of the year the ECB expanded its quantitative easing program which had an immediate positive impact on the financial markets and inflation forecasts which improved for the first time after a period of stabilization.

In this context, the Group was able to achieve record results and strong growth compared to the same period of the previous year both in terms of sales and profitability and the Company jointly agreed with the Chief Executive Officer Franco Moscetti at the conclusion of a fully shared path - considering substantially achieved the goals set for his mandate - that the time has come for initiating a leadership transition marked by continuity and thus focused on pursuing growth and strengthening the Group's competitive advantage. Following this perspective, Franco Moscetti waives his office as Chief Executive Officer with effect from the Board of Director's meeting to be held on 22 October. From the aforementioned date onwards he will continue as a non-executive Deputy Chairman until the end of the mandate. Franco Moscetti will be paid a consideration of € 5.7 million as cash termination indemnity in addition to the accelerated vesting of 600,000 performance stock grant in his possession and a consideration of Euro 0.7 million as a non-compete covenant effective until 30 April 2017.

The first six months of the year closed with:

- turnover of €500,279 thousand, growing in all countries where the Group operates: up 20.1% against the first half of the prior year (+13.7% at constant exchange rates);
- a gross operating margin (EBITDA) of €71,798 thousand, an increase of 24.9% against first half 2014, an increase that net of the non recurring cost for the transition of leadership described above totaling €6,792 thousand and positive exchange differences growth reached 28.3%;
- a net profit of €18,549 thousand which, net of the non-recurring costs incurred in the period and the one-off tax income recorded in the prior year, increased €12,440 thousand (+102.9%) against the result posted in the comparison period.

The net financial position continues to be extremely solid with net financial indebtedness at 30 June 2015 amounting to €257,031 thousand, an increase of €8,614 thousand against 31 December 2014, but a decrease of €40,227 thousand against 30 June 2014 and with cash and cash equivalents of €157,342 thousand. Cash flow generated by current operations was very

strong and absorbed interest payable and other financial expense of €13,769 thousand (€4,265 thousand of which non-recurring as described below), capital expenditure of €18,566 thousand, investments of €20,592 thousand and the payment of taxes of €20,567 thousand and payment of dividends to shareholders of €9,356 thousand.

Given this scenario and considering that debt is primarily long term, the large amount of cash and cash equivalents, the interest rate of close to zero at which liquidity can be invested, the last tranche of the USD 70 million (€55.2 million at the hedging rate) private placement 2006-2016 was repaid in advance. The advance repayment resulted in the payment of €4.3 million in interest that would have been payable to investors in the period from the repayment date through the natural expiration of the private placement net of a discount which, as it was higher than the rate at which the liquidity could have been invested, had a positive impact of approximately €0.5 million pre-tax.

More in detail:

- in Europe, the Middle East and Africa revenue increased by 14.3% due primarily to the performances posted in Italy, France, Switzerland, Germany and the consolidation of the operations in Israel for the entire first half, as a result of which profitability at constant exchange rates and referred to recurring operations only rose by 26.9%;
- revenue in America rose 18.4% at constant exchange rates and was distributed equally over all the channels outright, but with the highest percentage increase coming from Amplifon Hearing Health Care (previously called Hear Po) which continues to benefit significantly from a new contract signed with a primary insurance company in the latter part of 2014. Profitability rose 25.8%;
- at constant exchange rates turnover in Asia Pacific rose 14.2% driven by the positive sales performance posted in New Zealand and Australia (+31.4% and +6.3%, respectively) and the 32.5% increase in profitability.

MAIN ECONOMIC AND FINANCIAL DATA

(€ thousands)	First Half 2015				First Half 2014				
	Recurring	Non recurring	Total	% on recurring	Recurring	Non recurring	Total	% on recurring	Change %
Economic data:									
Revenues from sales and services	500,279	-	500,279	100.0%	416,450	-	416,450	100.0%	20.1%
Gross operating margin (EBITDA)	78,590	(6,792)	71,798	15.7%	57,501	-	57,501	13.8%	36.7%
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	60,604	(6,792)	53,812	12.1%	42,651	-	42,651	10.2%	42.1%
Operating income (EBIT)	53,056	(6,792)	46,264	10.6%	35,358	-	35,358	8.5%	50.1%
Profit (loss) before tax	42,162	(9,732)	32,430	8.4%	23,415	-	23,415	5.6%	80.1%
Group net profit (loss)	24,527	(5,978)	18,549	4.9%	12,087	10,476	22,563	2.9%	102.9%

(€ thousands)	30/06/2015	31/12/2014	Change %
Financial data:			
Non-current assets	853,707	818,392	4.3%
Net invested capital	730,416	691,639	5.6%
Group net equity	472,476	442,165	6.9%
Total net equity	473,385	443,222	6.8%
Net financial indebtedness	257,031	248,417	3.5%

(€ thousands)	First Half 2015	First Half 2014
Free cash flow	19,796	19,608
Cash flow generated (absorbed) by acquisition activities	(20,592)	(26,317)
(Purchase) sale of other investments, businesses and securities	4,337	(167)
Cash flow provided by (used in) financing activities	(10,562)	(12,825)
Net cash flow from the period	(7,021)	(19,701)
Effect of the disposal of assets and of exchange rate fluctuations on the net financial position	(1,593)	(2,190)
Net cash flow from the period with changes for discontinued operations and exchange rate fluctuations	(8,614)	(21,891)

- EBITDA is the operating result before charging amortisation, depreciation and impairment of both tangible and intangible fixed assets.
- EBITA is the operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations.
- EBIT is the operating result before financial income and charges and taxes.
- Free cash flow represents the cash flow of operating activities and investment activities before the cash flows used in acquisitions and payment of dividends and the cash flows used or generated by the other financing activities.

RATIOS

	30/06/2015	31/12/2014	30/06/2014
Net financial indebtedness (€ thousands)	257,031	248,417	297,258
Net Equity (€ thousands)	473,385	443,222	413,839
Group Net Equity (€ thousands)	472,476	442,165	413,417
Net financial indebtedness/Net Equity	0.54	0.56	0.72
Net financial indebtedness/Group Net Equity	0.54	0.56	0.72
Net financial indebtedness/EBITDA	1.58	1.77	2.36
EBITDA/Net financial charges	6.54	6.51	5.83
Earnings per share (EPS) (€)	0.08534	0.21379	0.103792
Diluted EPS (€)	0.08263	0.20754	0.100789
Earnings per share – Recurring operations (EPS) (€)	0.11284	0.16472	0.05559
Diluted EPS – Recurring operations (€)	0.10927	0.15991	0.05398
Net Equity per share (€)	2.167	2.041	1.901
Period-end price	6.985	4.904	4.592
Highest price in period (€)	7.300	5.025	4.890
Lowest price in period (€)	4.824	3.996	3.996
Share price/net equity per share	3.223	2.403	2.416
Market capitalisation (€ millions)	1,522.83	1,065.06	998.54
Number of shares outstanding	218,014,298	217,181,851	217,451,512

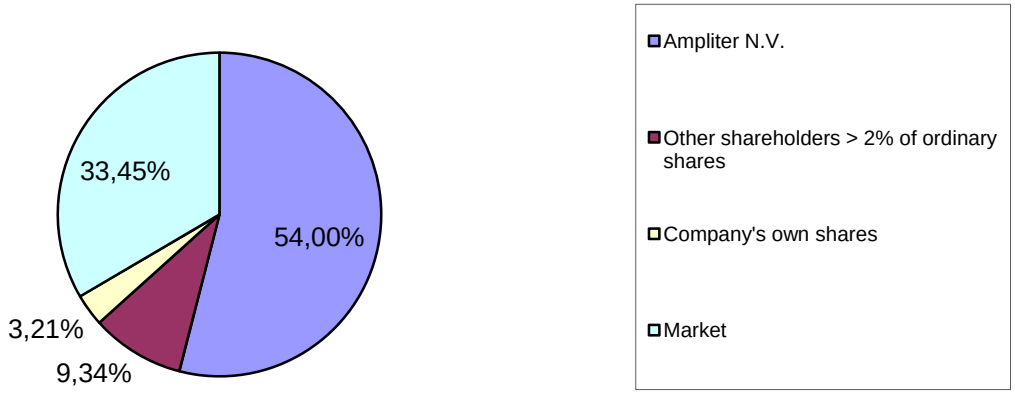
- The net financial indebtedness/Net Equity ratio is the ratio of net financial indebtedness to total net equity.
- The net financial indebtedness/Group net equity ratio is the ratio of the net financial indebtedness to the Group's net equity.
- The net financial indebtedness/EBITDA ratio is the ratio of net financial indebtedness to EBITDA for the last four quarters (determined with reference to recurring business only on the basis of pro forma figures where there were significant changes to the structure of the Group).
- The EBITDA/net financial charges ratio is the ratio of EBITDA for the last four quarters (determined with reference to recurring business only on the basis of restated figures where there were significant changes to the structure of the Group) to net interest payable and receivable of the same last 4 quarters.
- Earnings per share (EPS) (€) is net profit for the period attributable to the Parent's ordinary shareholders divided by the weighted average number of shares outstanding during the period, considering purchases and sales of treasury shares as cancellations or issues of shares, respectively.
- Diluted earnings per share (EPS) (€) is net profit for the period attributable to the Parent's ordinary shareholders divided by the weighted average number of shares outstanding during the period adjusted for the dilution effect of potential shares. In the calculation of outstanding shares, purchases and sales of treasury shares are considered as cancellations and issues of shares, respectively.

- Earnings per share – recurring operations (EPS) (€) is net income from recurring operations for the year attributable to the Parent's ordinary shareholders divided by the weighted average number of shares outstanding during the period, considering purchases and sales of treasury shares as cancellations or issues of shares, respectively.
- Diluted earnings per share – recurring operations (EPS) (€) is net income from recurring operations for the year attributable to the Parent's ordinary shareholders divided by the weighted average number of shares outstanding during the period adjusted for the dilution effect of potential shares. In the calculation of outstanding shares, purchases and sales of treasury shares are considered as cancellations and issues of shares, respectively.
- Net Equity per share (€) is the ratio of Group equity to the number of shares outstanding.
- Period-end price (€) is the closing price on the last stock exchange trading day of the period.
- Highest price (€) and lowest price (€) are the highest and lowest prices from 1 January to the end of the period.
- Share price/Net equity per share is the ratio of the share closing price on the last stock exchange trading day of the period to net equity per share.
- Market capitalisation is the closing price on the last stock exchange trading day of the period multiplied by the number of shares outstanding.
- The number of shares outstanding is the number of shares issued less treasury shares.

SHAREHOLDER INFORMATION

Main Shareholders

The main Shareholders of Amplifon S.p.A. as at 30 June 2015 are:

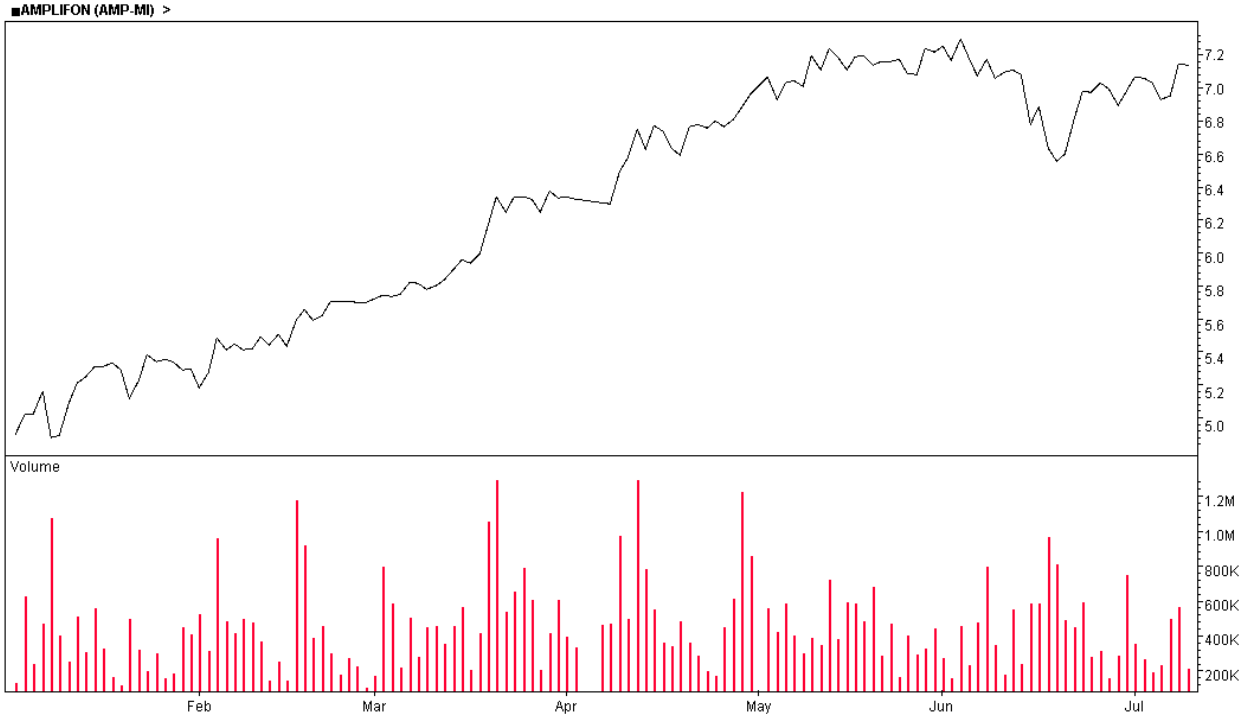


Shareholder	No. of ordinary shares	% held
Ampliter N.V.	121,636,478	54.00%
Other shareholders >2% of ordinary shares	21,039,736	9.34%
Treasury shares	7,230,583	3.21%
Market	75,338,084	33.45%
Total	225,244,881	100.00%

Pursuant to article 2497 of the Italian Civil Code, Amplifon S.p.A. is not subject to management and coordination either by its direct parent company Ampliter N.V. or other indirect controlling companies.

The shares of the parent company Amplifon S.p.A. have been listed on the screen-based Mercato Telematico Azionario (MTA) since 27 June 2001 and since 10 September 2008 in the STAR segment. Amplifon is also included in the FTSE Italy Mid Cap index.

The chart shows the performance of the Amplifon share price and its trading volumes from 2 January 2015 to 10 July 2015.



As at 30 June 2015 market capitalisation was €1,522.83 million.

Dealings in Amplifon shares in the screen-based stock market Mercato Telematico Azionario during the period 2 January 2015 – 30 June 2015, showed:

- average daily value: €2,899,595.57;
- average daily volume: 463,806 shares;
- total volume traded 57,975,808 shares or 26.59% of the total number of shares comprising company capital, net of treasury shares.

CONSOLIDATED INCOME STATEMENT

(€ thousands)	First Half 2015				First Half 2014				
	Recurring	Non recurring	Total	% on recurring	Recurring	Non recurring	Total	% on recurring	Change on recurring
Revenues from sales and services	500,279	-	500,279	100.0%	416,450	-	416,450	100.0%	83,829
Operating costs	(422,661)	(6,792)	(429,453)	-84.5%	(358,628)	-	(358,628)	-86.1%	(64,033)
Other costs and revenues	972	-	972	0.2%	(321)	-	(321)	-0.1%	1,293
Gross operating profit (EBITDA)	78,590	(6,792)	71,798	15.7%	57,501	-	57,501	13.8%	21,089
Depreciation and write-downs of non-current assets	(17,986)	-	(17,986)	-3.6%	(14,850)	-	(14,850)	-3.6%	(3,136)
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	60,604	(6,792)	53,812	12.1%	42,651	-	42,651	10.2%	17,953
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(7,548)	-	(7,548)	-1.5%	(7,293)	-	(7,293)	-1.8%	(255)
Operating profit (EBIT)	53,056	(6,792)	46,264	10.6%	35,358	-	35,358	8.5%	17,698
Income, expenses, valuation and adjustments of financial assets	162	1,325	1,487	0.0%	513	-	513	0.1%	(351)
Net financial expenses	(10,881)	(4,265)	(15,146)	-2.2%	(11,617)	-	(11,617)	-2.8%	736
Exchange differences and non hedge accounting instruments	(175)	-	(175)	0.0%	(839)	-	(839)	-0.2%	664
Profit (loss) before tax	42,162	(9,732)	32,430	8.4%	23,415	-	23,415	5.6%	18,747
Current tax	(17,937)	2,253	(15,684)	-3.6%	(10,535)	8,550	(1,985)	-2.5%	(7,402)
Deferred tax	179	1,501	1,680	0.0%	(876)	1,926	1,050	-0.2%	1,055
Net profit (loss)	24,404	(5,978)	18,426	4.9%	12,004	10,476	22,480	2.9%	12,400
Profit (loss) of minority interests	(123)	-	(123)	0.0%	(83)	-	(83)	0.0%	(40)
Net profit (loss) attributable to the Group	24,527	(5,978)	18,549	4.9%	12,087	10,476	22,563	2.9%	12,440

(€ thousands)	Second Quarter 2015				Second Quarter 2014				
	Recurring	Non recurring	Total	% on recurring	Recurring	Non recurring	Total	% on recurring	Change on recurring
Revenues from sales and services	268,938	-	268,938	100.0%	228,101	-	228,101	100.0%	40,837
Operating costs	(220,373)	(6,792)	(227,165)	-81.9%	(188,766)	-	(188,766)	-82.8%	(31,607)
Other costs and revenues	(291)	-	(291)	-0.1%	(481)	-	(481)	-0.2%	190
Gross operating profit (EBITDA)	48,274	(6,792)	41,482	17.9%	38,854	-	38,854	17.0%	9,420
Depreciation and write-downs of non-current assets	(9,135)	-	(9,135)	-3.4%	(7,659)	-	(7,659)	-3.4%	(1,476)
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	39,139	(6,792)	32,347	14.6%	31,195	-	31,195	13.7%	7,944
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(3,772)	-	(3,772)	-1.4%	(3,750)	-	(3,750)	-1.6%	(22)
Operating profit (EBIT)	35,367	(6,792)	28,575	13.2%	27,445	-	27,445	12.0%	7,922
Income, expenses, valuation and adjustments of financial assets	(135)	1,325	1,190	-0.1%	145	-	145	0.1%	(280)
Net financial expenses	(5,609)	-	(5,609)	-2.1%	(5,882)	-	(5,882)	-2.6%	273
Exchange differences and non hedge accounting instruments	122	-	122	0.0%	(527)	-	(527)	-0.2%	649
Profit (loss) before tax	29,745	(5,467)	24,278	11.1%	21,181	-	21,181	9.3%	8,564
Current tax	(10,439)	632	(9,807)	-3.9%	(6,291)	-	(6,291)	-2.8%	(4,148)
Deferred tax	(1,021)	1,501	480	-0.4%	(2,395)	-	(2,395)	-1.1%	1,374
Net profit (loss)	18,285	(3,334)	14,951	6.8%	12,495	-	12,495	5.5%	5,790
Profit (loss) of minority interests	(66)	-	(66)	0.0%	(57)	-	(57)	0.0%	(9)
Net profit (loss) attributable to the Group	18,351	(3,334)	15,017	6.8%	12,552	-	12,552	5.5%	5,799

- EBITDA is the operating result before charging amortisation, depreciation and impairment of both tangible and intangible fixed assets.
- EBITA is the operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations.
- EBIT is the operating result before financial income and charges and taxes.

RECLASSIFIED CONSOLIDATED BALANCE SHEET

The reclassified Consolidated Balance Sheet aggregates assets and liabilities according to operating functionality criteria, subdivided by convention into the following three key functions: investments, operations and finance.

For a complete analysis of the figures and variations with regard to the comparative period, please refer to the dedicated section of this report.

(€ thousands)	30/06/2015	31/12/2014	Change
Goodwill	565,371	534,822	30,549
Non-competition agreements, trademarks, customer lists and lease rights	99,964	98,650	1,314
Software, licences, other intangible fixed assets , fixed assets in progress and advances	38,185	36,458	1,727
Tangible assets	98,081	96,188	1,893
Financial fixed assets (1)	47,949	48,583	(634)
Other non-current financial assets (1)	4,157	3,691	466
Non-current assets	853,707	818,392	35,315
Inventories	31,271	28,690	2,581
Trade receivables	116,103	109,355	6,748
Other receivables	38,136	33,059	5,077
Current assets (A)	185,510	171,104	14,406
Operating assets	1,039,217	989,496	49,721
Trade payables	(108,242)	(101,788)	(6,454)
Other payables (2)	(114,587)	(124,418)	9,831
Provisions for risks and charges (current portion)	(6,900)	(978)	(5,922)
Current liabilities (B)	(229,729)	(227,184)	(2,545)
Net working capital (A) - (B)	(44,219)	(56,080)	11,861
Derivative instruments (3)	(7,826)	(9,820)	1,994
Deferred tax assets	46,206	44,653	1,553
Deferred tax liabilities	(55,490)	(51,998)	(3,492)
Provisions for risks and charges (non-current portion)	(44,292)	(40,569)	(3,723)
Liabilities for employees' benefits (non-current portion)	(17,570)	(15,712)	(1,858)
Loan fees (4)	2,547	3,023	(476)
Other non-current payables	(2,647)	(250)	(2,397)
NET INVESTED CAPITAL	730,416	691,639	38,777
Group net equity	472,476	442,165	30,311
Minority interests	909	1,057	(148)
Total net equity	473,385	443,222	30,163
Net medium and long-term financial indebtedness (4)	387,570	442,484	(54,914)
Net short-term financial indebtedness (4)	(130,539)	(194,067)	63,528
Total net financial indebtedness	257,031	248,417	8,614
OWN FUNDS AND NET FINANCIAL INDEBTEDNESS	730,416	691,639	38,777

Notes for reconciling the condensed balance sheet with the statutory balance sheet:

(1) “Financial fixed assets” and “Other non-current financial assets” include equity interests valued using the net equity method, financial assets at fair value through profit and loss and other non-current assets;

(2) “Other payables” includes other liabilities, accrued liabilities and deferred income, current portion of liabilities for employees’ benefits and tax liabilities;

(3) "Derivative instruments" includes cash flow hedging instruments not comprised in the net financial position;

(4) The item "loan fees" is presented in the balance sheet as a direct reduction of the short-term and medium/long-term components of the items "financial payables" and "financial liabilities" for the short term and long term portion respectively.

CONDENSED RECLASSIFIED CONSOLIDATED CASH FLOW STATEMENT

The condensed consolidated cash flow statement represents a summary version of the reclassified cash flow statement detailed in the following pages and its purpose is, starting from the EBIT, to detail the flows generated from or absorbed by operating, investing and financing activities.

(€ thousands)	First Half 2015	First Half 2014
Operating profit (EBIT)	46,264	35,358
Amortization, depreciation and write down	25,534	22,142
Provisions, other non-monetary items and gain/losses from disposals	15,330	6,910
Net financial expenses	(13,760)	(10,826)
Taxes paid	(20,567)	(5,431)
Changes in net working capital	(15,815)	(12,029)
Cash flow generated from (absorbed by) operating activities (A)	36,986	36,124
Cash flow generated from (absorbed by) operating investing activities (B)	(17,190)	(16,516)
Free cash flow (A+B)	19,796	19,608
Cash flow generated from (absorbed by) business combinations (C)	(20,592)	(26,317)
(Purchase) sale of other investments, businesses and securities (D)	4,337	(167)
Cash flow generated from (absorbed by) investing activities (B+C+D)	(33,445)	(43,000)
Cash flow generated from (absorbed by) operating and investing activities	3,541	(6,876)
Dividends	(9,356)	(9,350)
Treasury shares	(2,681)	-
Capital increases, third parties contributions, dividends paid to third parties by subsidiaries	3,286	1,165
Hedging instruments and other changes in non-current assets	(1,811)	(4,640)
Net cash flow from the period	(7,021)	(19,701)

Net financial indebtedness at the beginning of the period	(248,417)	(275,367)
Effect of the disposal of assets and of exchange rate fluctuations on the net financial position	(1,593)	(2,190)
Change in net financial position	(7,021)	(19,701)
Net financial indebtedness at the end of the period	(257,031)	(297,258)

CONSOLIDATED INCOME STATEMENT BY GEOGRAPHICAL AREA

(€ thousands)	First Half 2015				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	330,740	95,973	73,566	-	500,279
Operating costs	(300,829)	(77,811)	(50,813)	-	(429,453)
Other costs and revenues	788	285	(101)	-	972
Gross operating profit (EBITDA)	30,699	18,447	22,652	-	71,798
Depreciation and write-downs of non-current assets	(13,523)	(2,046)	(2,417)	-	(17,986)
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	17,176	16,401	20,235	-	53,812
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(3,855)	(338)	(3,355)	-	(7,548)
Operating profit (EBIT)	13,321	16,063	16,880	-	46,264
Income, expenses, valuation and adjustments of financial assets					1,487
Net financial expenses					(15,146)
Exchange differences and non hedge accounting instruments					(175)
Profit (loss) before tax					32,430
Current and deferred tax					(14,004)
Net profit (loss)					18,426
Profit (loss) of minority interests					(123)
Net profit (loss) attributable to the Group					18,549

(€ thousands)	First Half 2015 – Only recurring operations				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	330,740	95,973	73,566	-	500,279
Gross operating profit (EBITDA)	37,491	18,447	22,652	-	78,590
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	23,968	16,401	20,235	-	60,604
Operating profit (EBIT)	20,113	16,063	16,880	-	53,056
Profit (loss) before tax					42,162
Net profit (loss) attributable to the Group					24,527

(€ thousands)	First Half 2014				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	289,330	66,375	60,745	-	416,450
Operating costs	(259,421)	(54,785)	(44,422)	-	(358,628)
Other costs and revenues	(541)	292	(72)	-	(321)
Gross operating profit (EBITDA)	29,368	11,882	16,251	-	57,501
Depreciation and write-downs of non-current assets	(11,300)	(1,268)	(2,282)	-	(14,850)
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	18,068	10,614	13,969	-	42,651
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(3,665)	(511)	(3,117)	-	(7,293)
Operating profit (EBIT)	14,403	10,103	10,852	-	35,358
Income, expenses, valuation and adjustments of financial assets					513
Net financial expenses					(11,617)
Exchange differences and non hedge accounting instruments					(839)
Profit (loss) before tax					23,415
Current and deferred tax					(935)
Net profit (loss)					22,480
Profit (loss) of minority interests					(83)
Net profit (loss) attributable to the Group					22,563

(€ thousands)	First Half 2014 – Only recurring operations				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	289,330	66,375	60,745	-	416,450
Gross operating profit (EBITDA)	29,368	11,882	16,251	-	57,501
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	18,068	10,614	13,969	-	42,651
Operating profit (EBIT)	14,403	10,103	10,852	-	35,358
Profit (loss) before tax					23,415
Net profit (loss) attributable to the Group					12,087

(€ thousands)	Second Quarter 2015				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	179,185	49,642	40,111	-	268,938
Operating costs	(160,264)	(40,144)	(26,757)	-	(227,165)
Other costs and revenues	(424)	236	(103)	-	(291)
Gross operating profit (EBITDA)	18,497	9,734	13,251	-	41,482
Depreciation and write-downs of non-current assets	(6,878)	(1,091)	(1,166)	-	(9,135)
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	11,619	8,643	12,085	-	32,347
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(1,910)	(172)	(1,690)	-	(3,772)
Operating profit (EBIT)	9,709	8,471	10,395	-	28,575
Income, expenses, valuation and adjustments of financial assets					1,190
Net financial expenses					(5,609)
Exchange differences and non hedge accounting instruments					122
Profit (loss) before tax					24,278
Current and deferred tax					(9,327)
Net profit (loss)					14,951
Profit (loss) of minority interests					(66)
Net profit (loss) attributable to the Group					15,017

(€ thousands)	Second Quarter 2015 – Only recurring operations				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	179,185	49,642	40,111	-	268,938
Gross operating profit (EBITDA)	25,289	9,734	13,251	-	48,274
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	18,411	8,643	12,085	-	39,139
Operating profit (EBIT)	16,501	8,471	10,395	-	35,367
Profit (loss) before tax					29,745
Net profit (loss) attributable to the Group					18,351

(€ thousands)	Second Quarter 2014				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	161,391	33,404	33,306	-	228,101
Operating costs	(137,413)	(27,855)	(23,498)	-	(188,766)
Other costs and revenues	(613)	172	(40)	-	(481)
Gross operating profit (EBITDA)	23,365	5,721	9,768	-	38,854
Depreciation and write-downs of non-current assets	(5,896)	(592)	(1,171)	-	(7,659)
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	17,469	5,129	8,597	-	31,195
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(1,898)	(250)	(1,602)	-	(3,750)
Operating profit (EBIT)	15,571	4,879	6,995	-	27,445
Income, expenses, valuation and adjustments of financial assets					145
Net financial expenses					(5,882)
Exchange differences and non hedge accounting instruments					(527)
Profit (loss) before tax					21,181
Current and deferred tax					(8,686)
Net profit (loss)					12,495
Profit (loss) of minority interests					(57)
Net profit (loss) attributable to the Group					12,552

(€ thousands)	Second Quarter 2014 – Only recurring operations				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Revenues from sales and services	161,391	33,404	33,306	-	228,101
Gross operating profit (EBITDA)	23,365	5,721	9,768	-	38,854
Operating result before amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	17,469	5,129	8,597	-	31,195
Operating profit (EBIT)	15,571	4,879	6,995	-	27,445
Profit (loss) before tax					21,181
Net profit (loss) attributable to the Group					12,552

Revenues from sales and services

(€ thousands)	First Half 2015	First Half 2014	Change	Change %
Revenues from sales and services	500,279	416,450	83,829	20.1%

(€ thousands)	Second Quarter 2015	Second Quarter 2014	Change	Change %
Revenues from sales and services	268,938	228,101	40,837	17.9%

Consolidated revenue from sales and services reached €500,279 thousand in the first half of 2015, versus €416,450 thousand in the same period 2014, an increase of €83,829 thousand (+20.1%) driven by organic growth which reached €42,624 thousand (+10.2%), by the exchange differences linked to the weakening of the Euro against other currencies which had a positive impact of €26,982 thousand (+6.5%) and by acquisitions for some €14,223 thousand (+3.4%).

In the second quarter alone, consolidated revenue from sales and services amounted to € 268,938 thousand, an increase of €40,837 thousand (+17.9%) against the same period of the prior year explained for €20,055 thousand (+8.8%) by organic growth, for €14,003 thousand (+6.1%) by the positive exchange differences and for €6,779 thousand (3.0%) by acquisitions.

The following table shows the breakdown of revenues from sales and services by geographical area:

(€ thousands)	First Half 2015	%	First Half 2014	%	Change	Change %	Exchange diff.	Change % in local currency
Italy	120,366	24.1%	107,426	25.8%	12,940	12.0%		
France	58,848	11.8%	50,398	12.1%	8,450	16.8%		
The Netherlands	32,221	6.4%	30,852	7.4%	1,369	4.4%		
Germany	29,830	6.0%	27,172	6.5%	2,658	9.8%		
United Kingdom	20,732	4.1%	18,082	4.3%	2,650	14.7%	2,247	2.2%
Switzerland	19,768	4.0%	14,500	3.5%	5,268	36.3%	2,666	17.9%
Spain	17,195	3.4%	15,733	3.8%	1,462	9.3%		
Belgium	11,922	2.4%	11,887	2.9%	35	0.3%		
Israel	6,939	1.4%	1,822	0.4%	5,117	280.8%	153	272.4%
Hungary	4,293	0.9%	5,257	1.3%	(964)	-18.3%	(8)	-18.1%
Portugal	2,874	0.6%	2,198	0.5%	676	30.8%		
Turkey	1,991	0.4%	1,570	0.4%	421	26.8%	70	22.3%
Egypt	1,843	0.4%	1,305	0.3%	538	41.2%	227	23.8%
Poland	1,190	0.2%	537	0.1%	653	121.6%	10	119.8%
Ireland	430	0.1%	341	0.1%	89	26.1%		
Luxembourg	257	0.1%	303	0.1%	(46)	-15.2%		
Malta	105	0.0%	-	0.0%	105	n.a.		
Intercompany eliminations	(64)	0.0%	(53)	0.0%	(11)	20.8%		
Total EMEA	330,740	66.1%	289,330	69.5%	41,410	14.3%	5,365	12.3%
USA	92,406	18.5%	64,375	15.5%	28,031	43.5%	17,165	16.9%
Canada	2,989	0.6%	2,000	0.5%	989	49.4%	250	36.9%
Brazil	578	0.1%	-	0.0%	578	n.a.	n.a.	n.a.
Total The Americas	95,973	19.2%	66,375	15.9%	29,598	44.6%	17,415	18.4%
Australia	47,177	9.4%	42,215	10.1%	4,962	11.8%	2,292	6.3%
New Zealand	24,012	4.8%	17,046	4.1%	6,966	40.9%	1,534	31.4%
India	2,377	0.5%	1,484	0.4%	893	60.2%	376	34.8%
Total Asia Pacific	73,566	14.7%	60,745	14.6%	12,821	21.1%	4,202	14.2%
Total	500,279	100.0%	416,450	100.0%	83,829	20.1%	26,982	13.7%

Europe, Middle East and Africa

Period (€ thousands)	2015	2014	Change	Change %
I quarter	151,555	127,939	23,616	18.5%
II quarter	179,185	161,391	17,794	11.0%
I Half Year	330,740	289,330	41,410	14.3%

Consolidated revenue from sales and services for the European market reached €330,740 thousand in the first six months of 2015 versus €289,330 thousand in the same period 2014, an increase of €41,410 thousand (+14.3%) explained for €24,193 thousand (+8.4%) by organic growth, for €11,852 thousand (+4.1%) by acquisitions, while exchange differences had a positive impact of €5,365 thousand (+1.8%).

The strong growth against the comparison period, which in the first quarter was even higher due to the weak results posted in the prior year, was recorded in almost all countries but was boosted in particular:

- by the excellent results posted in Italy (+12.0%), where the comparison period was weak, which benefited from the increased investments made in marketing campaigns, as well as the contribution of the Audika Italia stores acquired in the second quarter of 2014;
- by the continuous growth recorded in France (+16.8%), linked to both organic growth (+10.8%) and acquisitions (+6.0%);
- by the significant results achieved in Switzerland (+17.9% at constant exchange rates);
- by the solid trend confirmed in Germany where, while the market shrank after the strong growth registered in 2014, Amplifon continues to grow, albeit slightly (+9.8%, +9.6% of which explained by acquisitions);
- by the positive performance of the Middle East and Africa where the growth (+129.4%) is explained by both the consolidation for the entire half of the acquisition made in Israel versus just May and June in 2014, which contributed €5,117 thousand to period sales, as well as the excellent results posted in Egypt (+23.8% in local currency) and in Turkey (+22.3% in local currency).

Hungary was the only country in the EMEA region where sales dropped due also to the comparison with the first half of the prior year which benefitted from the sale of cochlear implants to the national healthcare service for €2,075 thousand versus just €800 thousand in first half 2015. These sales are made as a result of having won one of the service's periodic tenders and, therefore, the different periods are not directly comparable.

In the second quarter alone, revenue from sales and services amounted to €179,185 thousand, an increase of €17,794 thousand (+11.0%), explained for €10,164 thousand (+6.3%) by organic growth, for €4,730 thousand (+2.9%) by acquisitions, while exchange differences had a positive impact of €2,900 thousand (+1.8%).

The Americas

Period (€ thousands)	2015	2014	Change	Change %
I quarter	46,331	32,971	13,360	40.5%
II quarter	49,642	33,404	16,238	48.6%
I Half Year	95,973	66,375	29,598	44.6%

Revenue from sales and services in the Americas reached €95,973 thousand in the first half of 2015 versus €66,375 thousand in 2014, an increase of €29,598 thousand (+44.6%) explained for €17,415 thousand (+26.2%) by exchange differences and for €1,186 thousand (+1.8%) by acquisitions.
In local currency revenue was up by 18.4% (16.6% of which linked to organic growth) which in outright terms was distributed equally across all channels, but with the highest percentage increase coming from Amplifon Hearing Health Care (previously called Hear Po) which continues to benefit significantly from a new contract signed with a primary insurance company in the latter part of 2014.
The contribution from the Brazilian business amounted to BRL 1,915 thousand (€578 thousand).

Revenue from sales and services in the second quarter alone amounted to €49,642 thousand, an increase of €16,238 thousand (+48.6%) against the comparison period explained for €9,351 thousand (+28.0%) by exchange differences, for €6.023 thousand (+18.0%) by organic growth and for €864 thousand (2.6%) by acquisitions.

Asia Pacific

Period (€ thousands)	2015	2014	Change	Change %
I quarter	33,455	27,439	6,016	21.9%
II quarter	40,111	33,306	6,805	20.4%
I Half Year	73,566	60,745	12,821	21.1%

Revenue from sales and services in Asia-Pacific amounted to €73,566 thousand in the first half of 2015 versus €60,745 thousand in the comparison period; an increase of €12,821 thousand (+21.1%) explained €4,202 thousand (6.9%) by positive exchange differences. In local currency growth reached 6.3% in Australia and 31.4% (of which 7,0% due to acquisitions) in New Zealand where a particularly weak first quarter 2014 was posted while waiting for the regulatory changes to take effect which, beginning July 2014, resulted in increased subsidies. Growth reached 34.8% in India.

In the second quarter alone revenue from sales and services amounted to €40,111 thousand, an increase of €6,805 thousand (+20.4%) explained for €3,868 thousand (+11.6%) by organic growth, for €1,752 thousand (+5.3%) by exchange differences and for €1,185 thousand (3.7%) by acquisitions.

Gross operating profit (EBITDA)

(€ thousands)	First Half 2015			First Half 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Gross operating profit (EBITDA)	78,590	(6,792)	71,798	57,501	-	57,501

(€ thousands)	Second Quarter 2015			Second Quarter 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Gross operating profit (EBITDA)	48,274	(6,792)	41,482	38,854	-	38,854

Gross operating profit (EBITDA) amounted to €71,798 thousand in the first six months of 2015 (with an EBITDA margin of 14.4%) versus €57,501 thousand in the same period of the prior year (and an EBITDA margin of 13.8%), an increase of €14,297 thousand (+24.9%). The EBITDA margin rose 0.6%.

In the second quarter alone, gross operating profit (EBITDA) amounted to €41,482 thousand, an increase of € 2,628 thousand (+6.8%) against the second quarter of the prior year. The EBITDA margin decreased by 1.6% against the comparison period to 15.4%.

The result for the period was affected by extraordinary cost of €6,792 thousand for the transition of the leadership of the Group and benefited from exchange rates fluctuations that resulted in an increase of €4,830 thousand, of which €2,614 thousand relating to the second quarter. Excluding these effects, the increase against the comparison period amounted to €16,259 thousand (+28.3%) with reference to the entire semester, and €6,806 thousand (+17.5%) in relation to the second quarter alone.
The margin on revenues from sales and services related to recurring operations stood at 15.7% (+ 1.9% on the comparison period) and 17.9% (+0.9% on the comparison period) with reference to the second quarter alone.

The following table shows a breakdown of EBITDA by geographical region:

(€ thousands)	First Half 2015	EBITDA Margin	First Half 2014	EBITDA Margin	Change	Change %
EMEA	30,699	9.3%	29,368	10.2%	1,331	4.5%
The Americas	18,447	19.2%	11,882	17.9%	6,565	55.3%
Asia Pacific	22,652	30.8%	16,251	26.8%	6,401	39.4%
Total	71,798	14.4%	57,501	13.8%	14,297	24.9%

(€ thousands)	Second Quarter 2015	EBITDA Margin	Second Quarter 2014	EBITDA Margin	Change	Change %
EMEA	18,497	10.3%	23,365	14.5%	(4,868)	-20.8%
The Americas	9,734	19.6%	5,721	17.1%	4,013	70.1%
Asia Pacific	13,251	33.0%	9,768	29.3%	3,483	35.7%
Total	41,482	15.4%	38,854	17.0%	2,628	6.8%

The table below shows the breakdown of the EBITDA by geographical area with reference to the recurring operations.

(€ thousands)	First Half 2015	EBITDA Margin	First Half 2014	EBITDA Margin	Change	Change %
EMEA	37,491	11.3%	29,368	10.2%	8,123	27.7%
The Americas	18,447	19.2%	11,882	17.9%	6,565	55.3%
Asia Pacific	22,652	30.8%	16,251	26.8%	6,401	39.4%
Total	78,590	15.7%	57,501	13.8%	21,089	36.7%

(€ thousands)	Second Quarter 2015	EBITDA Margin	Second Quarter 2014	EBITDA Margin	Change	Change %
EMEA	25,289	14.1%	23,365	14.5%	1,924	8.2%
The Americas	9,734	19.6%	5,721	17.1%	4,013	70.1%
Asia Pacific	13,251	33.0%	9,768	29.3%	3,483	35.7%
Total	48,274	17.9%	38,854	17.0%	9,420	24.2%

Europe, Middle-East and Africa

Gross operating profit (EBITDA) amounted to €30,699 thousand in the first six months of 2015 (with an EBITDA margin of 9.3%) versus €29,368 thousand in the same period of the prior year (and an EBITDA margin of 10.2%), an increase of €1,331 thousand (+4.5%). The EBITDA margin decreased by 0.9%.

In the second quarter alone gross operating profit (EBITDA) amounted to €18,497 thousand, a decrease of €4,868 thousand (-20.8%) against the second quarter of the prior year. The EBITDA margin amounts to 10.3% a decrease of 4.2% against the comparison period.

The result for the period was affected by extraordinary cost of €6,792 thousand for the transition of the leadership of the Group and benefited from exchange rates fluctuations that resulted in an increase of €218 thousand, of which €188 thousand relating only to the second quarter. Excluding these effects, the increase against the comparison period amounted to €7,905 thousand (+ 26.9%) with reference to the entire semester, and €1,736 thousand (+7.4%) in relation to the second quarter alone and it is mainly due to the results obtained in Italy, France, Switzerland as well as the contribution of the consolidation of the operations acquired in Israel in the second quarter of 2014.
The margin on revenues from sales and services related to recurring business amounted to 11.3% (+ 1.2% on the comparison period) and 14.1% (-0.4% on the comparison period) with reference to the second quarter alone.

The Americas

Gross operating profit (EBITDA) amounted to €18,447 thousand in the first six months of 2015 (with an EBITDA margin of 19.2%) versus €11,882 thousand in the same period of the prior year (and an EBITDA margin of 17.9%), an increase of €6,565 thousand (+55.3%). The EBITDA margin rose 1.3%. Net of the exchange differences which had a positive impact of €3,498 thousand, the increase in EBITDA reached €3,067 thousand (+25.8%).

In the second quarter alone gross operating profit (EBITDA) amounted to €9,734 thousand, an increase of €4,013 thousand (+70.1%) against the second quarter of the prior year. The EBITDA margin rose 2.5% against the comparison period to 19.6%. Net of the exchange differences which had a positive impact of €1,912 thousand, EBITDA increased by €2,101 thousand (+36.7%).

Asia Pacific

Gross operating profit (EBITDA) amounted to €22,652 thousand in the first six months of 2015 (with an EBITDA margin of 30.8%) versus €16,251 thousand in the same period of the prior year (and an EBITDA margin of 26.8%), an increase of €6,401 thousand (+39.4%) The EBITDA margin rose 4.0%. Net of the exchange differences which had a positive impact of €1,114 thousand; the increase in EBITDA reached €5,287 thousand (+32.5%) and reflects both the strong increase recorded in New Zealand and the continuous growth of business in Australia.

In the second quarter alone gross operating profit (EBITDA) amounted to €13,251 thousand, an increase of €3,483 thousand (+35.7%) against the second quarter of the prior year. The EBITDA margin rose 3.7% against the comparison period to 33.0%. Net of the exchange differences, which had a positive impact of €514 thousand, EBITDA increased by €2,969 thousand (+30.4%).

Operating profit (EBIT)

(€ thousands)	First Half 2015			First Half 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Operating profit (EBIT)	53,056	(6,792)	46,264	35,358	-	35,358

(€ thousands)	Second Quarter 2015			Second Quarter 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Operating profit (EBIT)	35,367	(6,792)	28,575	27,445	-	27,445

Operating profit (EBIT) amounted to €46,264 thousand in the first six months of 2015 versus €35,358 thousand in the same period of the prior year, an increase of €10,906 thousand (+30.8%) with the EBIT margin rising 0.7% against the 8.5% posted in first half 2014 to 9.2%.

In the second quarter alone operating profit (EBIT) amounted to €28,575 thousand, an increase of €1,130 thousand (+4.1%) against the second quarter of the prior year. The EBIT margin decreases by 1.4% against the comparison period to 10.6%.

The result for the period was affected by extraordinary cost of €6,792 thousand for the transition of the leadership of the Group and benefited from exchange rates fluctuations that resulted in an increase of €3,739 thousand, of which €1,778 thousand relating only to the second quarter. Excluding these effects, the increase against the comparison period amounted to €13,959 thousand (+39.5%) with reference to the entire semester and Euro 6,144 thousand (+22.4%) in relation to the second quarter alone.

The margin on revenues from sales and services related to recurring operations stood at 10.6% (+2.1% on the comparison period) and 13.2% (+1.2% on the comparison period) with reference to the second quarter alone.
The operating result compared to EBITDA for the period was affected by higher depreciation on investments made from 2014 in the opening of new stores and in information systems.

The following table shows the breakdown of EBIT by geographical region:

(€ thousands)	First Half 2015	EBIT Margin	First Half 2014	EBIT Margin	Change	Change %
EMEA	13,321	4.0%	14,403	5.0%	(1,082)	-7.5%
The Americas	16,063	16.7%	10,103	15.2%	5,960	59.0%
Asia Pacific	16,880	22.9%	10,852	17.9%	6,028	55.5%
Total	46,264	9.2%	35,358	8.5%	10,906	30.8%

(€ thousands)	Second Quarter 2015	EBIT Margin	Second Quarter 2014	EBIT Margin	Change	Change %
EMEA	9,709	5.4%	15,571	9.6%	(5,862)	-37.6%
The Americas	8,471	17.1%	4,879	14.6%	3,592	73.6%
Asia Pacific	10,395	25.9%	6,995	21.0%	3,400	48.6%
Total	28,575	10.6%	27,445	12.0%	1,130	4.1%

The following table shows the breakdown of EBIT by geographical region with reference to the recurring transactions:

(€ thousands)	First Half 2015	EBIT Margin	First Half 2014	EBIT Margin	Change	Change %
EMEA	20,113	6.1%	14,403	5.0%	5,710	39.6%
The Americas	16,063	16.7%	10,103	15.2%	5,960	59.0%
Asia Pacific	16,880	22.9%	10,852	17.9%	6,028	55.5%
Total	53,056	10.6%	35,358	8.5%	17,698	50.1%

(€ thousands)	Second Quarter 2015	EBIT Margin	Second Quarter 2014	EBIT Margin	Change	Change %
EMEA	16,501	9.2%	15,571	9.6%	930	6.0%
The Americas	8,471	17.1%	4,879	14.6%	3,592	73.6%
Asia Pacific	10,395	25.9%	6,995	21.0%	3,400	48.6%
Total	35,367	13.2%	27,445	12.0%	7,922	28.9%

Europe, Middle-East and Africa

Operating profit (EBIT) amounted to €13.321 thousand in the first six months of 2015 versus €14,403 thousand in the same period of the prior year, a decrease of €1,082 thousand (-7.5%). with the EBIT margin decreased by 1.0% against the 5.0% posted in first six months of 2014 to 4.0%.

In the second quarter alone operating profit (EBIT) amounted to €9,709 thousand, a decrease of €5,862 thousand (-37.6%) against the second quarter of the prior year. The EBIT margin fell 4.2% against the comparison period to 5.4%.

The result for the period was affected by extraordinary cost of €6,792 thousand for the transition of the leadership of the Group and benefited from exchange rates fluctuations that led to a decrease of €188 thousand, of which €339 thousand relating only to the second quarter. Excluding these effects, the increase against the comparison period amounted to €5,898 thousand (+40.9%) with reference to the entire semester and €1,269 thousand (+8.1%) in relation to the second quarter alone.
The margin on revenues from sales and services related to recurring operations stood at 6.1% (+1.1% on the comparison period) and 9.2% (-0.4% on the comparison period) with reference to the second quarter alone.
The operating result compared to EBITDA for the period was affected by higher depreciation on investments made from 2014 in the opening of new stores and in information systems.

The Americas

Operating profit (EBIT) amounted to €16,063 thousand in the first six months of 2015 versus €10,103 thousand in the same period of the prior year, an increase of €5,960 thousand (+59.0%). with the EBIT margin rising 1.5% against the 15.2% posted in first six months of 2014 to 16.7%. Net of the exchange differences, which had a positive impact of €3,150 thousand, the increase in EBIT reached €2,810 thousand (+27.8%), in line with the change in EBITDA described above.

In the second quarter alone operating profit (EBIT) amounted to €8,471 thousand, an increase of €3,592 thousand (+73.6%) against the second quarter of the prior year. The EBIT margin rose 2.5% against the comparison period. Net of the exchange differences, which had a positive impact of €1,723 thousand, EBIT came to €1,869 thousand (+38.3%).

Asia Pacific

Operating profit (EBIT) amounted to €16,880 thousand in the first six months of 2015 versus €10,852 thousand in the same period of the prior year, an increase of €6,028 thousand (+55.5%). With the EBIT margin rising 5.0% against the 17.9% posted in first six months of 2014 to 22.9%. Net of the exchange differences, which had a positive impact of €777 thousand, the increase in EBIT reached €5,251 thousand (+48.4%), in line with the change in EBITDA described above.

In the second quarter alone operating profit (EBIT) amounted to €10,395 thousand, an increase of €3,400 thousand (+48.6%) against the second quarter of the prior year. The EBIT margin rose 4.9% against the comparison period. Net of the exchange differences, which had a positive impact of €394 thousand, EBIT increased by €3,006 thousand (+43.0%).

Profit before tax

(€ thousands)	First Half 2015			First Half 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Profit before tax	42,162	(9,732)	32,430	23,415	-	23,415

(€ thousands)	Second Quarter 2015			Second Quarter 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Profit before tax	29,745	(5,467)	24,278	21,181	-	21,181

Profit before tax for the first six months of 2015 came to €32,430 thousand (with a gross profit margin of 6.5%) versus €23,415 thousand in the same period of the prior year (and a gross profit margin of 5.6%), an increase of €9,015 thousand (+38.5%).

The above figure reflects following non-recurring items:

- operating result was affected by extraordinary cost of €6,792 thousand for the Group's leadership transition;
- the make whole payment of €4,265 thousand made as a result of the advance repayment of the USD 70 million private placement 2006-2016. This amount represents the interest payable to investors as of the repayment date (13 May 2015) through the natural expiration of the private placement (2 August 2016) calculated by applying the discount rate established in the contract of 50 bps to future coupon payments increased by a reinvestment rate of 36 bps. If advance payment had not been made the coupons payable to investors would have amounted to €2,584 thousand in 2015 and €2,395 thousand in 2016. Since the return on cash and cash

equivalents is currently very low, with interest rates close to zero, the impact of this transaction in terms of lower interest income is negligible;

- financial income of €1,325 thousand recognized in New Zealand following the acquisition of 100% of Dilworth Hearing Ltd (already 40% held) based on the provisions of IFRS 3R relating to step up acquisitions.

Net of these transactions, the increase in profit before tax against the comparison period would have reached €18,747 thousand (+80.1%). In addition to the increase in EBIT described above, the profit before tax also benefitted from an initial decline in interest payable as a result of the advance repayment of the last tranche of the private placement 2006-2016.

In the second quarter alone the profit before tax reached €24,278 thousand, an increase of €3,097 thousand against the second quarter of the prior year (€8,564 thousand with reference to the recurring transactions only.

Net profit attributable to the Group

(€ thousands)	First Half 2015			First Half 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Net profit attributable to the Group	24,527	(5,978)	18,549	12,087	10,476	22,563

(€ thousands)	Second Quarter 2015			Second Quarter 2014		
	Recurring	Non recurring	Total	Recurring	Non recurring	Total
Net profit attributable to the Group	18,351	(3,334)	15,017	12,552	-	12,552

The net profit of the Group was affected by non-recurring expenses totaling €5,978 thousand net of taxes which, as described above, relate to the extraordinary cost for the termination agreement with the Chief Executive Officer, the make whole advance repayment of the private placement and the investment income in New Zealand came to €18,549 thousand in the first six months of 2015 (with a profit margin of 3.7%) versus €22,563 thousand in first half 2014 (and a profit margin of 5.4%), but which had also benefitted from the €10,476 thousand in one-off tax income recorded in Australia. Group profit of recurring transactions increased by €12,440 thousand (+102.9%) against the comparison period.

In the second quarter alone the Group's net profit amounted to €15,017 thousand, an increase of €2,465 thousand (+19.6%) against the comparison period. Net of the non-recurring items described above, the increase reached €5,799 thousand (+46.2%).

The tax rate, calculated net of the losses recorded in the United Kingdom for which, in accordance with the principle of prudence, deferred tax assets are not recognized, as well as the profit posted in the Germany for which no taxes were recognized due to carried forward tax losses against which no deferred tax assets were recognized and the investment income recorded in New Zealand not subject to tax, reached 38.4%. The rate is lower than the 42.5% recorded in first half 2015, calculated, again, net of the losses posted in the UK, the profits generated in Germany and the one-off tax income recorded in Australia, thanks to both the deductibility (allowed in Italy as of 2015) of labour cost from the tax base of IRAP [regional tax on productive activities] and the higher growth in profit before tax posted in countries with tax rates below the Group's average (namely Australia, New Zealand and Switzerland).

CONSOLIDATED BALANCE SHEET BY GEOGRAPHICAL AREA

(€ thousands)	30/06/2015				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Goodwill	234,968	74,780	255,623	-	565,371
Non-competition agreements, trademarks, customer lists and lease rights	33,240	3,332	63,392	-	99,964
Software, licences, other intangible fixed assets, fixed assets in progress and advances	22,528	10,907	4,750	-	38,185
Tangible assets	79,067	3,547	15,467	-	98,081
Financial fixed assets	3,845	44,104	-	-	47,949
Other non-current financial assets	3,788	24	345	-	4,157
Non-current assets	377,436	136,694	339,577	-	853,707
Inventories	28,707	498	2,066	-	31,271
Trade receivables	78,937	29,996	8,270	(1,100)	116,103
Other receivables	28,453	8,495	1,195	(7)	38,136
Current assets (A)	136,097	38,989	11,531	(1,107)	185,510
Operating assets	513,533	175,683	351,108	(1,107)	1,039,217
Trade payables	(66,546)	(33,592)	(9,204)	1,100	(108,242)
Other payables	(94,267)	(3,693)	(16,634)	7	(114,587)
Provisions for risks and charges (current portion)	(6,900)	-	-	-	(6,900)
Current liabilities (B)	(167,713)	(37,285)	(25,838)	1,107	(229,729)
Net working capital (A) - (B)	(31,616)	1,704	(14,307)	-	(44,219)
Derivative instruments	(7,826)	-	-	-	(7,826)
Deferred tax assets	41,642	1,643	2,921	-	46,206
Deferred tax liabilities	(13,948)	(23,801)	(17,741)	-	(55,490)
Provisions for risks and charges (non-current portion)	(20,835)	(22,632)	(825)	-	(44,292)
Liabilities for employees' benefits (non-current portion)	(15,840)	(212)	(1,518)	-	(17,570)
Loan fees	2,323	-	224	-	2,547
Other non-current payables	(2,453)	(13)	(181)	-	(2,647)
NET INVESTED CAPITAL	328,883	93,383	308,150	-	730,416
Group net equity					472,476
Minority interests					909
Total net equity					473,385
Net medium and long-term financial indebtedness					387,570
Net short-term financial indebtedness					(130,539)
Total net financial indebtedness					257,031
OWN FUNDS AND NET FINANCIAL INDEBTEDNESS					730,416

(€ thousands)	31/12/2014				
	EMEA	The Americas	Asia Pacific	Elim.	Total
Goodwill	219,994	67,325	247,503	-	534,822
Non-competition agreements, trademarks, customer lists and lease rights	31,054	2,129	65,467	-	98,650
Software, licences, other intangible fixed assets, fixed assets in progress and advances	22,158	10,257	4,043	-	36,458
Tangible assets	76,354	3,829	16,005	-	96,188
Financial fixed assets	6,962	40,978	643	-	48,583
Other non-current financial assets	3,346	19	326	-	3,691
Non-current assets	359,868	124,537	333,987	-	818,392
Inventories	26,917	312	1,461	-	28,690
Trade receivables	78,367	25,459	6,307	(778)	109,355
Other receivables	25,724	6,781	564	(10)	33,059
Current assets (A)	131,008	32,552	8,332	(788)	171,104
Operating assets	490,876	157,089	342,319	(788)	989,496
Trade payables	(65,650)	(28,587)	(8,329)	778	(101,788)
Other payables	(99,055)	(4,236)	(21,137)	10	(124,418)
Provisions for risks and charges (current portion)	(978)	-	-	-	(978)
Current liabilities (B)	(165,683)	(32,823)	(29,466)	788	(227,184)
Net working capital (A) - (B)	(34,675)	(271)	(21,134)	-	(56,080)
Derivative instruments	(9,820)	-	-	-	(9,820)
Deferred tax assets	40,857	782	3,014	-	44,653
Deferred tax liabilities	(12,709)	(21,143)	(18,146)	-	(51,998)
Provisions for risks and charges (non-current portion)	(19,404)	(20,385)	(780)	-	(40,569)
Liabilities for employees' benefits (non-current portion)	(14,075)	(181)	(1,456)	-	(15,712)
Loan fees	2,751	-	272	-	3,023
Other non-current payables	-	(12)	(238)	-	(250)
NET INVESTED CAPITAL	312,793	83,327	295,519	-	691,639
Group net equity					442,165
Minority interests					1,057
Total net equity					443,222
Net medium and long-term financial indebtedness					442,484
Net short-term financial indebtedness					(194,067)
Total net financial indebtedness					248,417
OWN FUNDS AND NET FINANCIAL INDEBTEDNESS					691,639

Non-current assets

Non-current assets amounted to €853,707 thousand at 30 June 2015 versus €818,392 thousand at 31 December 2014, an increase of €35,315 thousand explained (i) for €18,566 thousand by capital expenditure; (ii) for €26,628 thousand by acquisitions; (iii) for €25,534 thousand by depreciation and amortization, and for €15,655 thousand by other net increases relating primarily to positive exchange differences.

The following table shows the breakdown of non-current assets by geographical region:

(€ thousands)		30/06/2015	31/12/2014	Change
EMEA	Goodwill	234,968	219,994	14,974
	Non-competition agreements, trademarks, customer lists and lease rights	33,240	31,054	2,186
	Software, licences, other intangible fixed assets, fixed assets in progress and advances	22,528	22,158	370
	Tangible assets	79,067	76,354	2,713
	Financial fixed assets	3,845	6,962	(3,117)
	Other non-current financial assets	3,788	3,346	442
	Non-current assets	377,436	359,868	17,568
The Americas	Goodwill	74,780	67,325	7,455
	Non-competition agreements, trademarks, customer lists and lease rights	3,332	2,129	1,203
	Software, licences, other intangible fixed assets, fixed assets in progress and advances	10,907	10,257	650
	Tangible assets	3,547	3,829	(282)
	Financial fixed assets	44,104	40,978	3,126
	Other non-current financial assets	24	19	5
	Non-current assets	136,694	124,537	12,157
Asia Pacific	Goodwill	255,623	247,503	8,120
	Non-competition agreements, trademarks, customer lists and lease rights	63,392	65,467	(2,075)
	Software, licences, other intangible fixed assets, fixed assets in progress and advances	4,750	4,043	707
	Tangible assets	15,467	16,005	(538)
	Financial fixed assets	-	643	(643)
	Other non-current financial assets	345	326	19
	Non-current assets	339,577	333,987	5,590

Europe, Middle-East and Africa

Non-current assets came to €377,436 thousand at 30 June 2015 versus €359,868 thousand at 31 December 2014, an increase of €17,568 thousand explained:

- for €11,479 thousand, by investments in plant, property and equipment, relating primarily to the renewal of stores as part of the continuing introduction of the new concept store;
- for €2,933 thousand, by investments in intangible assets, relating primarily to technological infrastructure, implementation of new store and sales support systems and, more specifically, to the renewal of the front-office system;
- for €17,734 thousand, by acquisitions made during the period;
- for €17,379 thousand, by amortization, depreciation and impairment;
- for €2,801 thousand, by other net increases, relating primarily to positive exchange differences.

The Americas

Non-current assets came to €136.694 thousand at 30 June 2015 versus €124,537 thousand at 31 December 2014, an increase of €12,157 thousand explained:

- for €934 thousand, by investments in plant, property and equipment, relating primarily to the renewal and opening of stores in Canada;
- for €1,036 thousand, by investments in intangible assets relating primarily to joint investment plans with the franchisees for the renewal and relocation of stores and further implementation of front-office systems;
- for €3,724 thousand, by acquisitions made during the period;
- for €2,384 thousand, by amortization and depreciation;
- for €8,847 thousand, by other net decreases relating primarily to positive exchange differences.

Asia Pacific

Non-current assets came to €339,577 thousand at 30 June 2015 versus €333,987 thousand at 31 December 2014, an increase of €5,590 thousand explained:

- for €1,600 thousand, by investments in plant, property and equipment, relating primarily to the opening, restructuring and relocation of a few stores;
- for €584 thousand by investments in intangible assets, relating primarily to the implementation of a new front-office system;
- for €4,525 thousand, by acquisitions made during the period;
- for €5,772 thousand, by amortization and depreciation;
- for €4,653 thousand, by other net increases, primarily exchange differences.

Net invested capital

Net invested capital came to €730,416 thousand al 30 June 2015 versus €691,639 thousand at 31 December 2014, an increase of €38,777 thousand. The increase in non-current assets described above was accompanied by an increase in working capital which was partially offset by an increase in long-term liabilities.

The following table shows the breakdown of net invested capital by geographical area.

(€ thousands)	30/06/2015	31/12/2014	Change
EMEA	328,883	312,793	16,090
The Americas	93,383	83,327	10,056
Asia Pacific	308,150	295,519	12,631
Total	730,416	691,639	38,777

Europe, Middle-East and Africa

Net invested capital came to €328,883 thousand at 30 June 2015, an increase of €16,090 thousand against the amount recorded at 31 December 2014, basically in line with the increase in non-current assets described above. Factoring without recourse in the period involved trade receivables with a face value of €22,873 thousand (€24,528 thousand in the first half of the prior year) and VAT credits with a face value of €8,375 thousand (€7,162 thousand in the first half of the prior year).

The Americas

Net invested capital came to €93,383 thousand at 30 June 2015, an increase of €10,056 thousand against the amount recorded at 31 December 2014. The increase in non-current assets described above and trade receivables as a direct consequence of higher sales was partially offset by an increase in long-term liabilities.

Asia Pacific

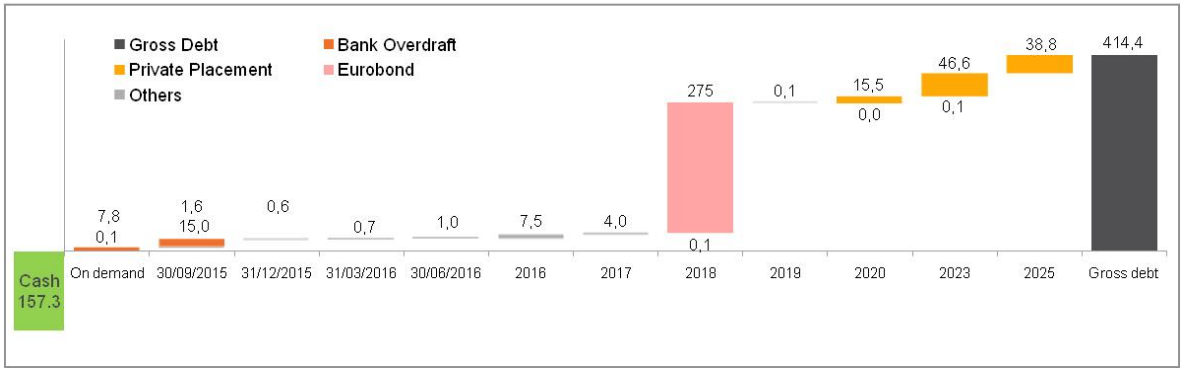
Net invested capital came to €308,150 thousand at 30 June 2015, an increase of €12,631 thousand against the amount recorded at 31 December 2014. The increase in non-current assets described above was accompanied by a rise in working capital linked to the payment of taxes accrued at December 2014.

Net financial indebtedness

(€ thousands)	30/06/2015	31/12/2014	Change
Net medium and long-term financial indebtedness	387,570	442,484	(54,914)
Net short-term financial indebtedness	26,803	17,057	9,746
Cash and cash equivalents	(157,342)	(211,124)	53,782
Net financial indebtedness	257,031	248,417	8,614
Group net equity	472,476	442,165	30,311
Minority interests	909	1,057	(148)
Net Equity	473,385	443,222	30,163
Financial indebtedness/Group net equity	0.54	0.56	
Financial indebtedness/net equity	0.54	0.56	

Net financial indebtedness amounted to €257,031 thousand at 30 June 2015, an increase of €8,614 thousand with respect to 31 December 2014. In the first half, despite the seasonality that characterizes the first few months of the year, cash flow generated by current operations in the period reached a positive €71,322 thousand: the higher debt is, in fact, a direct consequence of the acquisitions made during the period (€20,592 thousand), dividends paid to shareholders during the second quarter(€9,356 thousand) and non-recurring financial expenses of €4,265 thousand relating to the make whole amount due as a result of the advance repayment in May of the private placement 2006-2016. The cash flow generated by current operations also absorbed interest payable and other financial charges of €9,504 thousand, capital expenditure totaling €18,566 thousand and €20,567 thousand in taxes.

At 30 June 2015 total financial indebtedness amounted to €257,031 thousand against cash and cash equivalents totaling €157,342 thousand. Long term debt amounted to €387,570 thousand, €9,931 thousand of which relating to the best estimate of the deferred payments for acquisitions. Short term debt amounted to €26,803 thousand, €14,982 thousand of which explained by the interest payable in July on the Eurobond and the private placement. Excluding these items, as shown in the chart below, debt is primarily long term (falling due beginning in 2018). Cash and cash equivalents, which amount to €157.3 million, ensure the flexibility needed to take advantage of any opportunities to consolidate and develop business that might materialize.



Interest payable on financial indebtedness amounted to €15,072 thousand at 30 June 2015, versus €11,052 thousand at 30 June 2014. When looking at this number it is important to bear in mind that the financial expenses recorded in the period were impacted by the make whole payment of €4,265 thousand incurred when the USD 70 million private placement 2006-2016 was repaid in advance on 13 May 2015. This amount represents the interest payable to investors as of the repayment date through the natural expiration of the private placement (2 August 2016) and was calculated by applying the discount rate established in the contract of 50 bps to future coupon payments increased by an estimated reinvestment rate of 36 bps. If advance payment had not been made the coupons payable to investors would have amounted to €2,584 thousand in 2015 and €2,395 thousand in 2016. Since the return on cash and cash equivalents is currently very low, with interest rates close to zero, the impact of this transaction in terms of lower interest income is negligible.

Interest receivable on bank deposits at 30 June 2015 reached €441 thousand, versus €429 thousand at 30 June 2014.

Covenants:

The USD 130 million private placement 2013-2025 (equal to €100.9 million including the fair value of the currency hedges which set the Euro/USD exchange rate at 1.2885) is subject to the following covenants:

- ratio of Group net debt/equity must not exceed 1.5;
- ratio of Group net debt/EBITDA in the last 4 quarters (determined based solely on recurring operations and figures which have been restated in the event the Group's structure has changed significantly) must not exceed 3.5.

In the event of relevant acquisitions, the above ratios may be increased to 2.0 and 4.0, respectively, for a period of not more than 12 months, 2 times over the life of the loan.

At 30 June 2015 these ratios were as follows:

	Value
Net financial indebtedness/Group net equity	0.54
Net financial indebtedness/EBITDA for the last 4 quarters	1.58

In accordance with typical international practices, the private placement is subject to other covenants, which limit the issue of guarantees, certain sale and lease back transactions, as well as other extraordinary transactions.

Neither the Euro 275 million Eurobond maturing in 2018 issued in July nor the remaining €0.4 million of long term debt, including the short term portions, are subject to covenants.

The ratio of net debt/net invested capital at 30 June 2015 was 35.19% (35.92% at 31 December 2014).

The reasons for the changes in net debt are detailed in the next paragraph on the statement of cash flows.

CASH FLOW

The reclassified statement of cash flows shows the change in net financial indebtedness from the beginning to the end of the period.
Pursuant to IAS 7 the financial statements include a statement of cash flows that shows the change in cash and cash equivalents from the beginning to the end of the period.

(€ thousands)	First Half 2015	First Half 2014
OPERATING ACTIVITIES		
Net profit (loss) attributable to the Group	18,549	22,563
Minority interests	(123)	(83)
Amortization, depreciation and write-downs:		
- Intangible fixed assets	12,106	10,326
- Tangible fixed assets	13,428	11,816
- Goodwill	-	-
Total amortization, depreciation and write-downs	*25,534*	*22,142*
Provisions	15,253	6,847
(Gains) losses from sale of fixed assets	78	62
Group's share of the result of associated companies	43	(168)
Financial income and charges	13,790	12,111
Current and deferred income taxes	14,004	935
Change in assets and liabilities:		
- Utilization of provisions	*(3,268)*	*(3,671)*
- (Increase) decrease in inventories	*(810)*	*994*
- Decrease (increase) in trade receivables	*(3,485)*	*9,538*
- Increase (decrease) in trade payables	*2,379*	*(789)*
- Changes in other receivables and other payables	*(10,631)*	*(18,101)*
Total change in assets and liabilities	(15,815)	(12,029)
Dividends received	9	106
Net interest charges	(13,769)	(10,931)
Taxes paid	(20,567)	(5,431)
Cash flow generated from (absorbed by) operating activities	36,986	36,124
INVESTING ACTIVITIES:		
Purchase of intangible fixed assets	(4,553)	(4,041)
Purchase of tangible fixed assets	(14,013)	(14,793)
Consideration from sale of tangible fixed assets and businesses	1,376	2,318
Cash flow generated from (absorbed by) investing activities	*(17,190)*	*(16,516)*
Cash flow generated from operating and investing activities (Free cash flow)	19,796	19,608
Business combinations (*)	(20,592)	(26,317)
(Purchase) sale of other investments and securities	4,337	(167)
Cash flow generated from acquisitions	*(16,255)*	*(26,484)*
Cash flow generated from (absorbed by) investing activities	(33,445)	(43,000)

(€ thousands)	First Half 2015	First Half 2014
FINANCING ACTIVITIES:		
Other non-current assets	(1,811)	(4,640)
Distributed dividends	(9,356)	(9,350)
Treasury shares	(2,681)	-
Capital increases (reduction)/third parties contributions in subsidiaries / dividends paid to third parties by the subsidiaries	3,286	1,165
Cash flow generated from (absorbed by) financing activities	(10,562)	(12,825)
Changes in net financial indebtedness	(7,021)	(19,701)
Net financial indebtedness at the beginning of the period	(248,417)	(275,367)
Effect of exchange rate fluctuations on net financial indebtedness	(1,593)	(2,190)
Changes in net indebtedness	(7,021)	(19,701)
Net financial indebtedness at the end of the period	*(257,031)*	*(297,258)*

(*) The item refers to the net cash flow absorbed by the acquisition of businesses and equity investments.

The change in net financial indebtedness of €8,614 thousand is attributable to:

(i) Investment activities:

- capital expenditure on property, plant and equipment and intangible investments of €18,566 thousand relating primarily to the renewal and repositioning of stores based on the concept store, technological infrastructure, the implementation of new front-office systems and of the new version of the Group's back-office system;
- acquisitions of €20,592 thousand including the debt of the acquired companies;
- net proceeds from the disposal of other assets, equity investments and securities amounting to €5,713 thousand of which €4,337 thousands due to the sale of securities portfolios belonging to Amplinsure RE AG as the Group's reinsurance activities were transferred to Malta.

(ii) Operating activities:

- interest payable on financial indebtedness and other net financial charges of €13,769 thousand, €4,265 thousand of which relative to the make whole amount due as a result of the advance repayment of the private placement 2006-2016;
- payment of taxes amounting to €20,567 thousand, a significant increase against the comparison period which had benefitted from the €7,869 thousand one-off tax refund posted in Australia;
- cash flow generated by operations of €71,322 thousand.

(iii) Financing activities:
- payment of €9,356 thousand in dividends to shareholders;
- net proceeds from capital increases following the exercise of stock options of €3,286 thousand;
- purchase of treasury shares amounting to €2,681 thousand;
- increase in non-current assets of €1,811 thousand relating primarily to loans granted by the American companies to franchisees for the renewal of stores, investments and development in the US.

(iv) Negative exchange differences of €1,593 thousand.

ACQUISITION OF COMPANIES AND BUSINESSES

In first half 2015 the Group continued to grow externally and made a series of acquisitions involving small regional chains (for a total of 56 stores and contact points) with a view to increasing regional coverage.

More in detail:
- 23 stores were acquired in Germany;
- 19 stores were acquired in France;
- the remaining shares of Dilworth Hearing Limited, already 40% held, were purchased in New Zealand. Dilworth Hearing, manages 6 stores in Auckland and Hamilton;
- 3 stores were acquired in Canada;
- a client list relating to 5 stores in Oklahoma was purchased in the United States;

The total investment amounted to €20,592 thousand, including the debt consolidated and the best estimate of the earn-out linked to sales and profitability targets payable over the next few years.

TREASURY SHARES

The implementation of the buyback program approved during the Shareholders' Meetings held on 16 April 2014 and on 21 April 2015 continued in the first half. The program, the purpose of which is to increase treasury shares in order to service stock-based incentive plans, as well as ensure the availability of treasury shares to use as a form of payment for acquisitions. As resolved by the shareholders, the treasury shares may be purchased on one or more occasions on a revolving basis for up to a total number of new shares, which together with the treasury shares already held and in accordance with the law, amounts to 10% of the company's share capital. The purchase price of the shares may not be 10% higher or lower than the stock price registered at the close of the trading session prior to each single purchase. At 30 June 2015 407,000 shares had been purchased at an average price of €6.59 as part of this program.
In June 2015 the performance stock grants assigned in 2011 vested for a total of 1,349,958 rights, 596,417 of which were exercised in the period as a result of which the Company transferred the same number of treasury shares to the beneficiaries.
The treasury shares held at 30 June 2015, therefore, now total 7,230,583 or 3.21% of the Company's share capital.

Treasury Shares purchased in 2005, 2006, 2007, 2014 and 2015 held in the Company's portfolio are listed below.

	N. of shares	Average purchase price (Euro) FV of transferred rights (Euro)	Total amount (Euro)
Held at 31 December 2014	7,420,000	6.273	46,547,235
Purchased in 2015	407,000	6.586	2,680,600
Transfers due to Performance Stock grants - January 2011	(409,000)	4.161	(1,701,645)
Transfers due to Performance Stock grants - April 2011	(187,417)	4.432	(830,621)
Total at 30 June 2015	7,230,583	6.458	46,695,570

SUBSEQUENT EVENTS AFTER 30 JUNE 2015

On 1 July 2015 the Articles of Incorporation were updated following the partial subscription of a capital increase servicing stock option plans which resulted in the issue of 48,530 ordinary shares of Amplifon S.p.A. with a par value of €0.02 each subscribed in June 2015. The share capital, entirely subscribed and paid-in, amounted to €4,504,898 at 1 July 2015.

In the United States on 1 July 2015 a member of the Elite network (and former Sonus franchisee) terminated its contract with Amplifon and settled all outstanding debt and amounts owed for supplies. As a result of this transaction Amplifon cashed in a total of USD 12.0 million, including a penalty of USD 2.4 million, which had a positive impact on the income statement of USD 4.4 million pre-tax: the above mentioned USD 2.4 million penalty was accompanied by USD 1.6 million in financial income relating to the termination of the loans granted in the past and a capital gain on disposals of USD 0.4 million.

At the opening of the Board of Directors of 23 July 2015 the CEO Franco Moscetti waived from his office with effect from the Board of Directors' meeting to be held on 22 October. From the aforementioned date onwards he will continue as a non-executive Deputy Chairman until the end of the mandate. In this context, the Board of Directors delegated the Chairman to call a Shareholder's Meeting to be held in October, in order to elect a new Director who shall be appointed as Chief Executive Officer by the Board of Directors during the meeting on 22 October.
According to the proposal put forward by the Remuneration and Appointment Committee, which carried out the appropriate process for the identification and evaluation of the candidates for the position of Chief Executive Officer, the Board of Directors informs to have identified Enrico Vita, current Chief Operating Officer, as the candidate fully meeting the requirements of leadership and competencies requested to hold the position. Thus the Board of Directors, in view of the Shareholders' meeting to be convened shortly, recommends to the Shareholders the candidacy of Enrico Vita as a member of the Board.
The burden of the Group's leadership will be charged to income on an accrual basis during this period.

In July 2015 implementation of the buyback program approved during the Shareholders' Meeting held on 16 April 2014 continued and a total of 65,000 shares were purchased between the end of the half and the date of this report at an average price of €7.207. Exercise of the performance stock grants assigned in 2011 continued as a result of which the Company transferred a total of 367,375 treasury shares to the beneficiaries. The treasury shares held at the date of this report, therefore, now total 6,928,208 or 3.08% of the Company's share capital.

In July the Group also continued to grow externally and made a series of minor acquisitions: three points of sale were purchased in France, three stores in Germany and two stores in Belgium.

OUTLOOK

As 2015 progresses, the Amplifon Group will be operating in an economic environment that is expected to stabilize in Europe, remain positive in both the United States and Asia Pacific, making it possible to record continuous growth and further improve profitability:

- in Europe, thanks to the positive outcome of the new marketing and communication strategy in Italy and despite the persistent pressure on sale prices in the Netherlands where, at the end of the year, insurance tenders are expected to be re-launched. Toward this end, Amplifon has already secured the first significant contract for the two-year period 2016-2017;
- in the United States, thanks to the development of new initiatives, particularly the contracts signed with premiere insurance companies;
- in Asia Pacific, thanks to stable organic growth in Australia and reinforcement of the growth recorded in New Zealand.

We believe that the growth in profitability reported in the period will continue. The Group will continue to sustain organic growth including through adequate investments in the opening of new stores, digital marketing and CRM initiatives. External growth will remain a priority in order to reach adequate critical mass in specific regions, as well as enter other new countries with a growing and wealthy elderly population.

CONTINGENT LIABILITIES AND UNCERTAINTIES

With regard to the investigation, mentioned in the 2014 Annual Financial Report, begun by the Financial Administration on a series of Italian banks in reference to medium/long term loans granted by the latter abroad in order to verify if the loans were subject to substitute tax, ordinary duties, stamps, liens, surveys and government subsidies, including the syndicated loan of €303.8 million and AUD 70 million granted to the Amplifon Group in December 2010 by a pool of 15 Italian and foreign banks to finance the acquisition of the Australian group NHC, in first half 2015, in addition to what had already taken place in 2014, other Provincial branches of the Financial Administration submitted motions for self-assessment, canceling previously issued notices due to dismissal of the claims, including the Provincial branch in Milan with regard, specifically, to the Amplifon loan.
In light of the above Amplifon, its consultants and the banks involved believe, though the uncertainty typical of any dispute remains, the other motions will likely be granted and that the banks will be able to begin the procedures needed to request restitution of any advance payments made.

In Spain, the owner of three stores leased to Amplifon and regularly returned in 2014 when the lease expired, filed suit against Amplifon complaining about the state of the property when it was returned and other alleged breaches. Amplifon believes that the court will find in its favor. In any case, any damage award would not exceed a few hundred thousand Euros.

Currently the Group is not subject to any other particular risks or uncertainties.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ thousands)		30/06/2015	31/12/2014	Change
ASSETS				
Non-current assets				
Goodwill	Note 5	565,371	534,822	30,549
Intangible fixed assets with finite useful life	Note 6	138,149	135,108	3,041
Tangible fixed assets	Note 7	98,081	96,188	1,893
Investments valued at equity		1,261	2,000	(739)
Financial assets measured at fair value through profit or loss		371	4,512	(4,141)
Long- term hedging instruments		7,467	7,568	(101)
Deferred tax assets		46,206	44,653	1,553
Other assets		50,473	45,762	4,711
Total non-current assets		907,379	870,613	36,766
Current assets				
Inventories		31,271	28,690	2,581
Trade receivables		116,103	109,355	6,748
Other receivables		38,136	33,059	5,077
Hedging instruments		172	467	(295)
Cash and cash equivalents		157,342	211,124	(53,782)
Total current assets		343,024	382,695	(39,671)
TOTAL ASSETS		1,250,403	1,253,308	(2,905)

(€ thousands)		30/06/2015	31/12/2014	Change
LIABILITIES				
Net Equity				
Share capital	Note 8	4,505	4,492	13
Share premium account		196,420	191,903	4,517
Treasury shares	Note 8	(46,696)	(46,547)	(149)
Other reserves		7,308	(9,568)	16,876
Profit (loss) carried forward		292,390	255,410	36,980
Profit (loss) for the period		18,549	46,475	(27,926)
Group net equity		472,476	442,165	30,311
Minority interests		909	1,057	(148)
Total net equity		473,385	443,222	30,163
Non-current liabilities				
Medium/long-term financial liabilities	Note 10	391,091	438,719	(47,628)
Provisions for risks and charges		44,292	40,569	3,723
Liabilities for employees' benefits		17,568	15,711	1,857
Hedging instruments		-	8,773	(8,773)
Deferred tax liabilities		55,490	51,998	3,492
Payables for business acquisitions		9,931	10,034	(103)
Other long-term debt		2,647	250	2,397
Total non-current liabilities		521,019	566,054	(45,035)
Current liabilities				
Trade payables		108,242	101,788	6,454
Payables for business acquisitions		2,792	1,692	1,100
Other payables		113,650	123,667	(10,017)
Hedging instruments		23	362	(339)
Provisions for risks and charges		6,900	978	5,922
Liabilities for employees' benefits		937	752	185
Short-term financial liabilities	Note 10	23,455	14,793	8,662
Total current liabilities		255,999	244,032	11,967
TOTAL LIABILITIES		1,250,403	1,253,308	(2,905)

CONSOLIDATED INCOME STATEMENT

(€ thousands)	First Half 2015			First Half 2014			Change
	Recurring	Non Recurring	Total	Recurring	Non Recurring	Total	
Revenues from sales and services	500,279	-	500,279	416,450	-	416,450	83,829
Operating costs	(422,661)	(6,792)	(429,453)	(358,628)	-	(358,628)	(70,825)
Other income and costs	972	-	972	(321)	-	(321)	1,293
Gross operating profit (EBITDA)	78,590	(6,792)	71,798	57,501	-	57,501	14,297
Amortisation, depreciation and impairment							
Amortisation of intangible fixed assets	(12,022)	-	(12,022)	(10,327)	-	(10,327)	(1,695)
Depreciation of tangible fixed assets	(13,266)	-	(13,266)	(11,624)	-	(11,624)	(1,642)
Impairment and impairment reversals of non-current assets	(246)	-	(246)	(192)	-	(192)	(54)
	(25,534)	-	(25,534)	(22,143)	-	(22,143)	(3,391)
Operating result	53,056	(6,792)	46,264	35,358	-	35,358	10,906
Financial income, charges and value adjustments to financial assets							
Group's share of the result of associated companies valued at equity	(43)	-	(43)	168	-	168	(211)
Other income and charges, impairment and revaluations of financial assets	205	1,325	1,530	344	-	344	1,186
Interest income and charges	(10,366)	(4,265)	(14,631)	(10,246)	-	(10,246)	(4,385)
Other financial income and charges	(515)	-	(515)	(1,370)	-	(1,370)	855
Exchange gains and losses	3,526	-	3,526	2,279	-	2,279	1,247
Gain (loss) on assets measured at fair value	(3,701)	-	(3,701)	(3,118)	-	(3,118)	(583)
	(10,894)	(2,940)	(13,834)	(11,943)	-	(11,943)	(1,891)
Profit (loss) before tax	42,162	(9,732)	32,430	23,415	-	23,415	9,015
Current and deferred income tax (Note 14)							
Current tax	(17,937)	2,253	(15,684)	(10,535)	8,550	(1,985)	(13,699)
Deferred tax	179	1,501	1,680	(876)	1,926	1,050	630
	(17,758)	3,754	(14,004)	(11,411)	10,476	(935)	(13,069)
Total net profit (loss)	24,404	(5,978)	18,426	12,004	10,476	22,480	(4,054)
Net profit (loss) attributable to Minority interests	(123)	-	(123)	(83)	-	(83)	(40)
Net profit (loss) attributable to the Group	24,527	(5,978)	18,549	12,087	10,476	22,563	(4,014)

Income (loss) and earnings per share (€ per share)	Note 12	First Half 2015	First Half 2014
Earnings per share			
- base		0.08534	0.103792
- diluted		0.08263	0.100789

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ thousands)	First Half 2015	First Half 2014
Net income (loss) for the period	18,426	22,480
Other comprehensive income (loss) that will not be reclassified subsequently to profit or loss:		
Re-measurement of defined benefit plans	(994)	(683)
Tax effect on components of other comprehensive income that will not be reclassified subsequently to profit or loss	172	125
Total other comprehensive income (loss) that will not be reclassified subsequently to profit or loss after the tax effect (A)	(822)	(558)
Other comprehensive income that will be reclassified subsequently to profit or loss		
Gains/(losses) on cash flow hedging instruments	2,615	(2,689)
Gains/(losses) on exchange differences from translation of financial statements of foreign entities	14,059	18,002
Tax effect on components of other comprehensive income that will be reclassified subsequently to profit or loss	(662)	734
Total other comprehensive income (loss) that will be reclassified subsequently to profit or loss after the tax effect (B)	16,012	16,047
Total other comprehensive income (loss) (A)+(B)	15,190	15,489
Comprehensive income (loss) for the period	33,616	37,969
Attributable to the Group	33,766	38,061
Attributable to Minority interests	(150)	(92)

STATEMENT OF CHANGES IN CONSOLIDATED NET EQUITY

(€ thousands)	Share capital	Share premium account	Legal reserve	Other reserves	Treasury shares reserve	Stock option reserve
Balance at 1 January 2014	4,482	189,312	934	2,770	(44,091)	15,614
Appropriation of FY 2013 result						
Share capital increase	6	947				
Dividend distribution						
Implicit cost of stock options and stock grants						3,272
Other changes		366				(428)
- Hedge accounting						
- Actuarial gains (losses)						
- Translation difference						
- Result for HY 2014						
Total comprehensive income (loss) for the period						
Balance at 30 June 2014	4,488	190,625	934	2,770	(44,091)	18,458

(€ thousands)	Share capital	Share premium account	Legal reserve	Other reserves	Treasury shares reserve	Stock option reserve
Balance at 1 January 2015	4,492	191,902	934	3,607	(46,547)	21,761
Appropriation of FY 2014 result						
Share capital increase	13	3,273				
Treasury shares					(2,681)	
Dividend distribution						
Implicit cost of stock options and stock grants						5,435
Other changes		1,245		29	2,532	(3,806)
- Hedge accounting						
- Actuarial gains (losses)						
- Translation difference						
- Result for HY 2015						
Total comprehensive income (loss) for the period						
Balance at 30 June 2015	4,505	196,420	934	3,636	(46,696)	23,390

Cash flow hedge reserve	Actuarial gains and losses	Profit (loss) carried forward	Translation difference	Profit (loss) for the period	Total Shareholders' equity	Minority interests	Total net equity
(2,716)	598	249,432	(48,567)	12,848	380,616	460	381,076
		12,848		(12,848)	-		-
					953		953
		(9,350)			(9,350)		(9,350)
					3,272		3,272
	(2,483)	2,410			(135)	54	(81)
(1,955)					*(1,955)*		*(1,955)*
	(558)				*(558)*		*(558)*
			18,011		*18,011*	*(9)*	*18,002*
				22,563	*22,563*	*(83)*	*22,480*
(1,955)	(558)		18,011	22,563	38,061	(92)	37,969
(4,671)	(2,443)	255,340	(30,556)	22,563	413,417	422	413,839

Cash flow hedge reserve	Actuarial gains and losses	Profit (loss) carried forward	Translation difference	Profit (loss) for the period	Total Shareholders' equity	Minority interests	Total net equity
(7,421)	(4,567)	255,410	(23,881)	46,475	442,165	1,057	443,222
		46,475		(46,475)			
					3,286		3,286
					(2,681)		(2,681)
		(9,356)			(9,356)		(9,356)
					5,435		5,435
		(139)			(139)	2	(137)
1,953					*1,953*		*1,953*
	(822)				*(822)*		*(822)*
			14,086		*14,086*	*(27)*	*14,059*
				18,549	*18,549*	*(123)*	*18,426*
1,953	(822)		14,086	18,549	33,766	(150)	33,616
(5,468)	(5,389)	292,390	(9,795)	18,549	472,476	909	473,385

CONSOLIDATED CASH FLOW STATEMENT

(€ thousands)	First Half 2015	First Half 2014
OPERATING ACTIVITIES		
Net profit (loss)	18,426	22,480
Amortization, depreciation and write-downs:		
- intangible fixed assets	12,106	10,326
- tangible fixed assets	13,428	11,816
- goodwill		
Provisions	15,253	6,847
(Gains) losses from sale of fixed assets	78	62
Group's share of the result of associated companies	43	(168)
Financial income and charges	13,790	12,111
Current, deferred tax assets and liabilities	14,004	936
Cash flow from operating activities before change in working capital	*87,128*	*64,410*
Utilization of provisions	(3,268)	(3,671)
(Increase) decrease in inventories	(809)	994
Decrease (increase) in trade receivables	(3,485)	9,538
Increase (decrease) in trade payables	2,378	(789)
Changes in other receivables and other payables	(10,631)	(18,101)
Total change in assets and liabilities	*(15,815)*	*(12,029)*
Dividends received	9	106
Interest received (paid)	(9,178)	(4,419)
Taxes paid	(20,567)	(5,413)
Cash flow generated from (absorbed by) operating activities (A)	41,577	*42,655*
INVESTING ACTIVITIES:		
Purchase of intangible fixed assets	(4,553)	(4,041)
Purchase of tangible fixed assets	(14,013)	(14,793)
Consideration from sale of tangible fixed assets	1,376	2,318
Cash flow generated from *(absorbed by) operating investing activities (B)*	*(17,190)*	*(16,516)*
Purchase of subsidiaries and business units	(21,270)	(27,453)
Increase (decrease) in payables through business acquisition	922	5,518
(Purchase) sale of other investments, business units and securities	4,337	(167)
Cash flow generated from (absorbed by) acquisition activities (C)	*(16,011)*	*(22,102)*
Cash flow generated from (absorbed by) investing activities (B+C)	*(33,201)*	*(38,618)*
FINANCING ACTIVITIES:		
Increase (decrease) in financial payables	(57,153)	4,210
(Increase) decrease in financial receivables	2,515	2,085
Derivatives instruments and other non-current assets	-	-
Commissions paid for medium/long-term financing	-	-
Other non-current assets and liabilities	(1,811)	(4,640)
Treasury shares	(2,681)	-
Dividends distributed	(9,356)	(9,350)
Capital increases and minority shareholders' contributions and dividends paid to third parties by subsidiaries	3,286	1,165
Cash flow generated from (absorbed by) financing activities (D)	(65,200)	*(6,530)*
Net increase in cash and cash equivalents (A+B+C+D)	(56,824)	(2,493)

(€ thousands)	First Half 2015	First Half 2014
Cash and cash equivalents at beginning of period	211,124	170,322
Effect of discontinued operations on cash & cash equivalents	-	(163)
Effect of exchange rate fluctuations on cash & cash equivalents	2,364	1,455
Liquid assets acquired	678	1,137
Cash and cash equivalents flows	(56,824)	(2,493)
Cash and cash equivalents at the end of period	157,342	170,258

Related-party transactions relate to rentals of the main office and certain stores, to recharges of maintenance costs and general services of the above-mentioned buildings and to commercial transactions, personnel costs and loans. They are detailed in Note 13. The impact of these transactions on the Group's cash flows is not material.

SUPPLEMENTARY INFORMATION TO CONSOLIDATED CASH FLOW STATEMENT

The fair values of the assets and liabilities acquired are summarised in the following table:

(€ thousands)	First Half 2015	First Half 2014
- Goodwill (*)	15,600	8,935
- Customer lists	8,245	12,653
- Trademarks and non-competition agreements	-	462
- Other intangible fixed assets	129	167
- Tangible fixed assets	915	3,272
- Financial fixed assets	-	585
- Current assets	2,503	12,544
- Provisions for risks and charges	(1,252)	(1,677)
- Current liabilities	(4,219)	(9,970)
- Other non-current assets and liabilities	(1,390)	(2,453)
- Minority interests	(130)	6
Total investments	20,401	24,523
Net financial debt acquired	869	2,931
Total business combinations	21,270	27,453
(Increase) decrease in payables for businesses combinations	(922)	(5,518)
Disposal of businesses (reduction in earn-outs), purchase of investments and shares	(4,337)	167
Cash flow absorbed by (generated from) acquisitions	16,011	22,102
(Cash and cash equivalents acquired)	(678)	(1,137)
Net cash flow absorbed by (generated from) acquisitions	15,333	20,966

(*) The caption “Goodwill” is represented net of the step-up acquisition, as per IFRS 3R, of the Group Dilworth Hearing Limited in New Zealand. The impact, amounting to €1,673 thousand, represents the fair value at the acquisition date of this investment, 40% of which was already held.

EXPLANATORY NOTES

1. General Information

The Amplifon Group is global leader in the distribution of Hearing Aid systems and in their fitting and customization to meet the needs of hearing impaired patients.

The parent company, Amplifon S.p.A. is based in Milan, in Via Ripamonti 133. The Group is controlled directly by Ampliter N.V. and indirectly by Amplifin S.p.A., owned by Susan Carol Holland, with 100% of the shares, whilst Anna Maria Formiggini Holland retains usufruct.

The consolidated financial statements at 30 June 2015 have been prepared in accordance with International Accounting Standards and the implementation regulations set out in Article 9 of legislative decree no 38 of 28 February 2005. These standards include the IAS and IFRS issued by the International Accounting Standard Board, as well as the SIC and IFRIC interpretations issued by the International Financial Reporting Interpretations Committee, which were endorsed in accordance with the procedure set out in Article 6 of Regulation (EC) no. 1606 of 19 July 2002 by 30 June 2015. International Accounting Standards endorsed after that date and before the preparation of these financial statements are adopted in the preparation of the consolidated financial statements only if early adoption is allowed by the Endorsing Regulation and the accounting standard itself and the Group has elected to do so. The condensed consolidated interim financial statements have been prepared in accordance with the provisions of IAS 34 – Interim Financial Reporting.

The condensed consolidated interim financial statements at 30 June 2015 do not include all the additional information required by the financial statements, and must be read together with the financial statements of the Group at 31 December 2014.

The valuation criteria adopted in the preparation of the condensed consolidated interim financial statements as at 30 June 2015 did not change from those of the consolidated accounts as at 31 December 2014.

The publication of the condensed consolidated interim financial statements of the Amplifon Group at 30 June 2015 was authorised by a resolution of the Board of Directors of 23 July 2015 which approved their distribution to the public.

2. Accounting policies

2.1. Presentation of financial statements

The condensed consolidated interim financial statements at 30 June 2015 have been prepared in accordance with the historical cost convention with the exception of derivative financial instruments, certain financial investments measured at fair value and assets and liabilities hedged by a fair value hedge, as more fully explained hereafter, as well as on the going concern assumption.
The following table lists the international accounting standards and the interpretations approved by IASB and endorsed to be adopted in Europe and applied for the first time in the financial year under review.

Description	Endorsement date	Publication in O.J.E.C	Effective date	Effective date for Amplifon
Interpretation IFRIC 21 Levies	13 Jun '14	14 Jun '14	Financial years beginning on or after 17 June '14	1 Jan '15
Annual improvements to IFRSs 2011-2013	18 Dec '14	19 Dec '14	Financial years beginning on or after 1 Jan '15	1 Jan '15

IFRIC 21 "Levies", an interpretation of IAS 37 "Provisions, contingent liabilities and contingent assets" provides guidance on when to recognize a liability for a levy imposed other than income tax and, in particular, establishes which event triggers the obligation and when the liability should be recognized.

The annual improvements include minor amendments to different standards relating to sections of a few standards that were unclear.

The adoption of these principles does not significantly affect the valuation of assets, liabilities, costs and revenues of the Group.

With respect to the presentation of the financial statements the following should be noted that:

- statement of financial position: the Group distinguishes between current and non-current assets and liabilities;
- income statement: the Group classifies costs by nature, as such classification is deemed to be more representative of the mainly commercial and distribution activities carried out by the Group;
- statement of comprehensive income (loss): this includes the net result of the period and the effects of changes in exchange rates, the cash flow hedge reserve and actuarial gains and losses that are recognised directly in net equity; those items are disclosed on the basis of whether they will potentially be reclassified subsequently to profit or loss;
- statement of changes in net equity: the Group includes all changes in net equity, including those arising from transactions with the shareholders (dividend distributions, increases in share capital);

- cash flow statement: this is prepared using the indirect method for defining cash flows deriving from operating activities.

2.2. Use of estimates in preparing the financial statements

Preparation of the financial statements schedules and explanatory notes required the use of estimates and assumptions in respect of the following items:

- provisions for impairment, calculated on the basis of the asset's estimated realisable value;
- provisions for risks and charges, calculated on the basis of a reasonable estimate of the amount of the potential liability, not least in relation to any claim made by the counterparty;
- provisions for obsolescence, in order to adjust the carrying value of inventory to reflect realisable value;
- provisions for employee benefits, recognised on the basis of the actuarial valuations made;
- amortisation and depreciation, recognised on the basis of the estimated remaining useful life and recoverable amount;
- income tax, which is recognised on the basis of the best estimate of the expected tax rate for the full year;
- IRSs and currency swaps (instruments not traded on regulated markets), marked to market at the reporting date based on the yield curve and exchange rate fluctuations and subject to credit/debit valuation adjustments, which are supported by market quotations.

Estimates are periodically reviewed and any adjustments due to changes in the circumstances which determined such estimates or additional information are recognised in the income statement. The use of reasonable estimates is an essential part of the preparation of the financial statements and does not affect their overall reliability.

The Group tests goodwill for impairment at least once a year .This requires an estimation of the value in use of the cash-generating unit to which the goodwill pertains. This calculation requires estimating of future cash flows and the after-tax discount rate reflecting market conditions at the date of the valuation.

2.3. Future accounting principles and interpretations

The following table lists the international accounting standards and the interpretations approved by IASB and to be adopted in Europe after 30 June 2015:

Description	Endorsement date	Publication in O.J.E.C	Effective date	Effective date for Amplifon
Defined benefit plans: employee contributions (amendments to IAS 19)	17 Dec '14	9 Jan '15	Financial years beginning on or after 1 Feb '15	1 Jan '16
Annual improvements to IFRSs 2010-2012	17 Dec '14	9 Jan '15	Financial years beginning on or after 1 Feb '15	1 Jan '16

The amendment to IAS 19 “Employee benefits” relates to the accounting of defined benefit plans that call for third party or employee contributions.

The annual improvements include minor amendments to different standards relating to sections of a few standards that were unclear.

Below are the International Financial Reporting Standards, interpretations, amendments to existing standards and interpretations, or specific provisions contained in the standards and interpretations approved by the IASB which on 22 July 2015 had not yet been endorsed for adoption in Europe:

Description	Effective date
IFRS 9: financial Instruments (issued on 24 July 2014)	Financial years beginning on or after 1 Jan ’18
IFRS 15 revenue from contracts with customers (issued on 28 May 2014)	Financial years beginning on or after 1 Jan ‘17
IFRS 14 regulatory deferral accounts (issued on 30 January 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IFRS 11: accounting for acquisitions of interests in Joint Operations (issued on 6 May 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IAS 16 and IAS 38: clarification of acceptable methods of depreciation and amortization (issued on 12 May 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IAS 16 and IAS 41: bearer plants (issued on 30 June 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IFRS 10 and IAS 28: sale or contribution of assets between an Investor and its associate or joint venture (issued on 11 September 2014)	To be defined
Annual Improvements to IFRSs 2012–2014 Cycle (issued on 25 September 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IAS 27: equity method in separate financial statements (issued on 12 August 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IFRS 10, IFRS 12 and IAS 28: investment entities: applying the consolidation exception (issued on 18 December 2014)	Financial years beginning on or after 1 Jan ‘16
Amendments to IAS 1: disclosure initiative (issued on 18 December 2014)	Financial years beginning on or after 1 Jan ‘16

The issue of the definitive version of IFRS 9 “Financial instruments” completed the project to revise the accounting standard relating to financial instruments. The new standard: (i) changes the way in which financial assets are classified and measured; (ii) introduces the concept of expected credit losses as one of the variables to be considered in the measurement and impairment of financial assets (iii) changes the hedge accounting model. The new IFRS 9 is effective for annual periods beginning on or after 1 January 2018.

Based on IFRS 15 “Revenue from contracts with customers”, the company must recognize revenue when the control of the goods or services is transferred to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard introduces a five step model to be used to analyze and recognize revenue in relation to the timing and the amount. It is foreseeable that the new standard could result in a change in the timing of revenue recognition (earlier or later with respect to current standards), as well as the use of new methods (for example, the recognition of revenue at a specific point in time versus over time or vice versa). The new standard calls for additional

information about the nature, amount, timing and uncertainty of the revenue streams and cash flows generated by contracts with customers. IFRS 15 will be effective for annual periods beginning on or after 1 January 2017 and may be applied in advance. It is however noteworthy the fact that the International Accounting standard Board published in consultation an exposure draft: "Effective Date of IFRS 15 (Proposed amendments to IFRS 15)" that suggests to postpone of one year, that is the 1 January 2018, the enter into force of the accounting standard.

IFRS 14 "Regulatory deferral accounts" relates to rate regulated activities, namely sectors subject to regulated tariffs.

The objective of IFRS 11 "Accounting for acquisitions of interests in joint operations" is to clarify the accounting treatment of acquisitions of interests in jointly run business operations.

With the amendments to IAS 16 and IAS 38, IASB clarified that revenue-based amortization cannot be used for property, plant and equipment, insofar as this method is based on factors, such as volumes and sale prices, that do not reflect the actual consumption of the economic benefits pertaining to the underlying asset.

Amendments to IAS 16 "Property, plant and equipment" and IAS 41 "Agriculture", refer to the accounting of fruit trees.

The amendments to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in associates and joint ventures" resolved a conflict between the two standards relating to the accounting to be used when a parent entity sells or transfers a subsidiary to another entity subject to joint control ("joint venture") or "significant influence" ("associate entity").

The "Annual Improvements to IFRSs (2012-2014 Cycle)" include amendments to different standards relating to sections of a few standards that were unclear.

Based on the amendment to IAS 27 "Separate financial statements" investments in subsidiaries, joint ventures and associates must be accounted for using the equity method in the separate financial statements.

"Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)" clarifies certain aspects of investment entities.

"Disclosure initiative (Amendments to IAS 1)", clarifies certain aspects relating to the presentation of financial statements, stressing the importance of materiality in the disclosures found in financial statements, pointing out that a specific order in the presentation of the explanatory notes is no longer called for and also provides for the possibility of aggregating/separating items in the financial statements and the items qualifying for minimum disclosure under IAS 1 may be aggregated if not viewed as material.

With regard to IFRS 9 and IFRS 15 described above, the Amplifon Group started the activities aimed at the identification and quantification of the impacts on the consolidated financial statements, while the adoption of all the other standards and interpretations described above is not expected to have a material impact on the measurement of the Group's assets, liabilities, costs and revenue.

3. Financial risk management

The condensed consolidated interim financial statements at 30 June 2015 do not include all the additional information on financial risk management that is required in annual financial statements, therefore reference is made to the financial statements of the Group at 31 December 2014 for a detailed analysis of financial risk management.

Fair value hierarchy levels and financial instruments measurement techniques

At 30 June 2015, the Amplifon Group held the following financial instruments measured at fair value:

- financial assets designated at fair value through profit or loss: this item includes investments in bonds and other listed securities made by the subsidiary Amplinsure RE AG. the assets owned by the company are valued at fair value based on the stock exchange prices of the last trading day;
- hedging derivatives: these are instruments not listed in official markets; entered into for the purpose of hedging interest-rate and/or currency risk. The fair value of these instruments is determined by the dedicated department using valuation models based on market-derived inputs such as forward interest-rate curve, exchange rates, etc. (source: Bloomberg). The measurement technique adopted is the discounted cash flow approach. Own risk and counterparty risk (credit/debit value adjustments) were taken into account when calculating fair value. These credit/debit value adjustments were determined based on market information such as the value of CDSs (Credit Default Swaps) in order to determine the counterparty risk of individual banks and the yield to maturity of the Eurobond when determining Amplifon's risk and taking into account the mutual break clause where present.

The following table shows the fair value measurement on the basis of a hierarchy reflecting the level of significance of the data used for the valuation.

This hierarchy consists of the following levels:

1. quoted (unadjusted) prices in active markets for identical assets and liabilities;
2. input data other than the above quoted prices, but which can be observed directly or indirectly in the market;
3. input data on assets or liabilities not based on observable market data.

	30/06/2015				31/12/2014			
(€ thousands)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Financial assets at fair value through profit and loss	371			371	4,512			4,512
Hedging instruments								
- Long-term		7,467		7,467		7,568		7,568
- Short-term		172		172		467		467
Liabilities								
Hedging instruments								
- Long-term						(8,773)		(8,773)
- Short-term		(23)		(23)		(362)		(362)

4. Segment information

The Amplifon Group operates in a single business and is present in three geographical macro-areas that refer to specific managerial responsibilities: Europe, Middle East and Africa - EMEA - (Italy, France, The Netherlands, Germany, UK, Ireland, Spain, Portugal, Switzerland, Belgium, Luxembourg, Hungary, Malta, Egypt, Turkey Poland and Israel), the Americas (USA, Canada and Brazil) and Asia-Pacific (Australia, New Zealand and India).

Performance is monitored for each macro geographical area, down to operating profit including amortization and depreciation (EBIT), along with the portion of the results of equity investments in associated companies valued using the equity method. Items in the statement of financial position are measured and monitored as individual financial statements line items. Financial charges are not monitored insofar as they are based on corporate decisions regarding the financing of each region (capital versus borrowings) and, consequently, neither are taxes.

Profit and loss and statement of financial position data by region are determined using the same methods and accounting principles as are applied when preparing the consolidated accounts.

Statement of Financial Position as at 30 June 2015

(€ thousands)	EMEA	THE AMERICAS	ASIA PACIFIC	ELIM.	CONSOLIDATED
ASSETS					
Non-current assets					
Goodwill	234,968	74,780	255,623		565,371
Intangible fixed assets with finite useful life	55,768	14,239	68,142		138,149
Tangible fixed assets	79,067	3,547	15,467		98,081
Investments valued at equity	1,261				1,261
Financial assets measured at fair value through profit and loss	371				371
Hedging instruments	7,467				7,467
Deferred tax assets	41,642	1,643	2,921		46,206
Other assets	6,001	44,127	345		50,473
Total non-current assets					907,379
Current assets					
Inventories	28,707	498	2,066		31,271
Receivables	107,390	38,491	9,465	(1,107)	154,239
Hedging instruments	172				172
Cash and cash equivalents					157,342
Total current assets					343,024
TOTAL ASSETS					1,250,403
LIABILITIES					
Net Equity					473,385
Non-current liabilities					
Medium/long-term financial liabilities					391,091
Provisions for risks and charges	20,835	22,632	825		44,292
Liabilities for employees' benefits	15,838	212	1,518		17,568
Deferred taxes	13,949	23,801	17,740		55,490
Payables for business acquisitions	5,535	1,909	2,487		9,931
Other long-term debt	2,453	13	181		2,647
Total non-current liabilities					521,019
Current liabilities					
Trade payables	66,546	33,592	9,204	(1,100)	108,242
Payables for business acquisitions	2,189	603			2,792
Other payables	93,430	3,593	16,634	(7)	113,650
Hedging instruments	23				23
Provisions for risks and charges	6,900				6,900
Liabilities for employees' benefits	837	100			937
Short-term financial liabilities					23,455
Total current liabilities					255,999
TOTAL LIABILITIES					1,250,403

Statement of Financial Position as at 31 December 2014

(€ thousands)	EMEA	THE AMERICAS	ASIA PACIFIC	ELIM.	CONSOLIDATED
ASSETS					
Non-current assets					
Goodwill	219,994	67,325	247,503		534,822
Intangible fixed assets with finite useful life	53,212	12,386	69,510		135,108
Tangible fixed assets	76,354	3,829	16,005		96,188
Investments valued at equity	1,357		643		2,000
Financial assets measured at fair value through profit and loss	4,512				4,512
Hedging instruments	7,568				7,568
Deferred tax assets	40,857	782	3,014		44,653
Other assets	4,439	40,997	326		45,762
Total non-current assets					870,613
Current assets					
Inventories	26,917	312	1,461		28,690
Receivables	104,091	32,240	6,871	(788)	142,414
Hedging instruments	467				467
Cash and cash equivalents					211,124
Total current assets					382,695
TOTAL ASSETS					1,253,308
LIABILITIES					
Net Equity					443,222
Non-current liabilities					
Medium/long-term financial liabilities					438,719
Provisions for risks and charges	19,404	20,385	780		40,569
Liabilities for employees' benefits	14,074	181	1,456		15,711
Hedging instruments	8,773				8,773
Deferred taxes	12,709	21,143	18,146		51,998
Payables for business acquisitions	5,282	2,444	2,308		10,034
Other long-term debt		12	238		250
Total non-current liabilities					566,054
Current liabilities					
Trade payables	65,650	28,587	8,329	(778)	101,788
Payables for business acquisitions	1,692				1,692
Other payables	98,376	4,164	21,137	(10)	123,667
Hedging instruments	362				362
Provisions for risks and charges	978				978
Liabilities for employees' benefits	678	74			752
Short-term financial liabilities					14,793
Total current liabilities					244,032
TOTAL LIABILITIES					1,253,308

Income Statement – First Half 2015

(€ thousands)	EMEA	THE AMERICAS	ASIA PACIFIC	ELIM.	CONSOLIDATED
Revenues from sales and services	330,740	95,973	73,566		500,279
Operating costs	(300,829)	(77,811)	(50,813)		(429,453)
Other income and costs	788	285	(101)		972
Gross operating profit (EBITDA)	30,699	18,447	22,652		71,798
Amortisation, depreciation and impairment					
Amortisation	(6,513)	(1,929)	(3,580)		(12,022)
Depreciation	(10,705)	(386)	(2,175)		(13,266)
Impairment and impairment reversals of non-current assets	(160)	(69)	(17)		(246)
	(17,378)	(2,384)	(5,772)		(25,534)
Operating result	13,321	16,063	16,880		46,264
Financial income, charges and value adjustments to financial assets					
Group's share of the result of associated companies valued at equity	(120)		77		(43)
Other income and charges, impairment and revaluations of financial assets					1,530
Interest income and charges					(14,631)
Other financial income and charges					(515)
Exchange gains and losses					3,526
Gain (loss) on assets measured at fair value					(3,701)
					(13,834)
Net profit (loss) before tax					32,430
Current and deferred income tax					
Current income tax					(15,684)
Deferred tax					1,680
					(14,004)
Total net profit (loss)					18,426
Minority interests					(123)
Net profit (loss) attributable to the Group					18,549

Income Statement – First Half 2014

(€ thousands)	EMEA	THE AMERICAS	ASIA PACIFIC	ELIM.	CONSOLIDATED
Revenues from sales and services	289,330	66,375	60,745		416,450
Operating costs	(259,421)	(54,785)	(44,422)		(358,628)
Other income and costs	(541)	292	(72)		(321)
Gross operating profit (EBITDA)	29,368	11,882	16,251		57,501
Amortisation, depreciation and impairment					
Amortisation	(5,452)	(1,604)	(3,271)		(10,327)
Depreciation	(9,321)	(175)	(2,128)		(11,624)
Impairment and impairment reversals of non-current assets	(192)				(192)
	(14,965)	(1,779)	(5,399)		(22,143)
Operating result	14,403	10,103	10,852		35,358
Financial income, charges and value adjustments to financial assets					
Group's share of the result of associated companies valued at equity	126		42		168
Other income and charges, impairment and revaluations of financial assets					344
Interest income and charges					(10,246)
Other financial income and charges					(1,370)
Exchange gains and losses					2,279
Gain (loss) on assets measured at fair value					(3,118)
					(11,943)
Net profit (loss) before tax					23,415
Current and deferred income tax					
Current income tax					(1,985)
Deferred tax					1,050
					(935)
Total net profit (loss)					22,480
Minority interests					(83)
Net profit (loss) attributable to the Group					22,563

5. Acquisitions and goodwill

During the first six months of 2015 the Group continued its external growth and finalized a number of acquisitions of small regional chains with the aim of increasing the coverage (totalling 56 stores and point of sales). In detail:

- in EMEA 23 stores were purchased in Germany and 19 in France;
- in Asia and Oceania, the purchase of the remaining shares of the group Dilworth Hearing Limited already held at 40% and that manages 6 stores was completed;
- in the Americas 3 stores were acquired in Canada and a client list relating to 5 stores was acquired in the United States.

A total of €20,592 thousand was invested during the period, including the acquired financial position and the best estimate of the earn-out linked to sales and profitability targets payable over the next few years.

A summary of the book values and fair values of assets and liabilities, deriving from the provisional allocation of the purchase price paid in business combinations (with the exclusion of purchase of minorities from associated companies) is provided in the following table.

(€ thousands)	EMEA	The Americas	Asia and Oceania	Total
Cost of acquisitions of the period	14,021	3,245	4,809	22,074
Assets and liabilities acquired – Book value				
Current assets	1,015	338	484	1,838
Current liabilities	(2,339)	(283)	(742)	(3,363)
Net working capital	(1,324)	55	(257)	(1,525)
Other intangible and tangible assets	655	67	321	1,044
Provisions for risks and charges	(1,252)	-	-	(1,252)
Other non-current assets and liabilities	62	4	-	66
Non-current assets and liabilities	(535)	71	321	(142)
Net invested capital	(1,858)	127	64	(1,667)
Minority interests	-	-	(130)	(130)
Net financial position	(253)	(340)	403	(190)
NET EQUITY ACQUIRED - BOOK VALUE	(2,111)	(213)	337	(1,987)
DIFFERENCE TO BE ALLOCATED	16,131	3,458	4,472	24,061
ALLOCATIONS				
Customer lists	5,354	1,487	1,404	8,245
Deferred tax assets	890	5	17	912
Deferred tax liabilities	(1,776)	(199)	(393)	(2,368)
Total allocations	4,468	1,293	1,028	6,789
TOTAL GOODWILL	11,663	2,166	3,444	17,273

(*) The caption "Goodwill" is represented net of the step-up acquisition, as per IFRS 3R, of the Group Dilworth Hearing Limited in New Zealand. The impact amounting to €1,673 thousand represents the fair value at the acquisition date of this investment, 40% of which was already held.

Changes in goodwill and the amounts recorded for this, following acquisitions completed in the period, are provided in the following table, divided by country.

(€ thousands)	Net carrying value at 31/12/2014	Business combinations	Disposals	Impairment	Other net changes	Net carrying value at 30/06/2015
Italy	576	-	-	-	-	576
France	58,094	3,171	-	-	-	61,265
Iberian Peninsula	23,975	-	-	-	-	23,975
Hungary	1,026	-	-	-	1	1,027
Switzerland	11,918	-	-	-	1,844	13,762
The Netherlands	32,781	-	-	-	-	32,781
Belgium and Luxembourg	9,305	-	-	-	-	9,305
Germany	61,778	8,492	-	-	(95)	70,175
Poland	217	-	-	-	-	217
United Kingdom and Ireland	15,729	-	-	-	1,492	17,221
Turkey	1,057	-	-	-	(4)	1,053
Israel	3,538	-	-	-	73	3,611
USA and Canada	64,877	2,166	-	-	5,466	72,509
Brazil	2,448	-			(176)	2,272
Australia and New Zealand	245,072	3,444	-	-	4,486	253,002
India	2,431	-	-	-	189	2,620
Goodwill	534,822	17,273	-	-	13,276	565,371

Business combinations contains the provisional allocation to goodwill of the portion of the purchase price not directly attributable to the fair value of the assets and liabilities, but which reflects the expectations of obtaining a positive contribution in terms of free cash flow for an indefinite period.

The item "Other net changes" refers mainly to exchange gains.

6. Intangible fixed assets

The following table shows the changes in intangible fixed assets:

(€ thousands)	Historical cost at 31/12/2014	Accumulated amortisation and write-downs at 31/12/2014	Net book value at 31/12/2014	Historical cost at 30/06/2015	Accumulated amortisation and write-downs at 30/06/2015	Net book value at 30/06/2015
Software	67,232	(46,432)	20,800	71,657	(51,518)	20,139
Licenses	9,411	(7,572)	1,839	9,705	(8,015)	1,691
Non-competition agreements	4,765	(4,765)	-	3,590	(3,590)	-
Customer lists	162,359	(86,407)	75,952	174,160	(95,212)	78,948
Trademarks and concessions	32,350	(10,085)	22,265	31,708	(11,210)	20,499
Other	20,402	(8,979)	11,423	22,561	(9,835)	12,726
Fixed assets in progress and advances	2,829	-	2,829	4,146	-	4,146
Total	299,348	(164,240)	135,108	317,528	(179,379)	138,149

(€ thousands)	Net book value at 31/12/2014	Investments	Disposals	Amortisation	Business combinations	Impairment	Other net changes	Net book value at 30/06/2015
Software	20,800	1,345	(17)	(3,397)	13	-	1,395	20,139
Licenses	1,839	229	-	(395)	8	-	10	1,691
Non-competition agreements	-	-	-	-	-	-	-	-
Customer lists	75,952	-	(19)	(6,111)	8,245	(69)	950	78,948
Trademarks and concessions	22,265	-	-	(1,400)	-	-	(366)	20,499
Other	11,423	1,334	(58)	(719)	108	-	638	12,726
Fixed assets in progress and advances	2,829	1,645	-	-	-	(15)	(313)	4,146
Total	135,108	4,553	(94)	(12,022)	8,374	(84)	2,314	138,149

Changes in "business combinations" amount to €8,374 thousand and refers to the provisional purchase price allocation of the acquisitions made in Europe as described in Note 5.

The increase in intangible assets in the period is primarily attributable to:

- investments in technological infrastructure and new implementation of stores and sales support systems, with particular reference to the renewal of the front-office system;
- joint investment plans with the franchisees for the renovation and relocation of stores in the United States and further front office systems implementations.

Other net changes were mainly due to exchange rate fluctuations during the period.

7. Tangible fixed assets

The following table shows the changes in tangible fixed assets:

(€ thousands)	Historical cost at 31/12/2014	Accumulated amortisation and write-downs at 31/12/2014	Net book value at 31/12/2014	Historical cost at 30/06/2015	Accumulated amortisation and write-downs at 30/06/2015	Net book value at 30/06/2015
Land	162	-	162	162	-	162
Buildings, constructions and leasehold improvements	103,334	(64,522)	38,812	111,094	(71,551)	39,543
Plant and machines	30,778	(24,038)	6,740	32,535	(25,651)	6,884
Industrial and commercial equipment	38,184	(25,326)	12,858	39,534	(26,498)	13,036
Motor vehicles	5,619	(3,168)	2,451	6,169	(3,007)	3,162
Computers and office machinery	33,571	(26,347)	7,224	36,305	(29,240)	7,065
Furniture and fittings	68,245	(44,179)	24,066	70,982	(47,069)	23,913
Other tangible fixed assets	3,536	(2,391)	1,145	3,996	(2,883)	1,113
Fixed assets in progress and advances	2,730	-	2,730	3,203	-	3,203
Total	286,159	(189,971)	96,188	303,980	(205,899)	98,081

(€ thousands)	Net book value at 31/12/2014	Investments	Disposals	Amortisation	Business combinations	Impairment	Other net changes	Net book value at 30/06/2015
Land	162	-	-	-	-	-	-	162
Buildings, constructions and leasehold improvements	38,812	3,652	(640)	(5,029)	280	(106)	2,574	39,543
Plant and machines	6,740	927	(6)	(1,026)	245	(4)	8	6,884
Industrial and commercial equipment	12,858	1,766	(4)	(1,476)	26	(31)	(103)	13,036
Motor vehicles	2,451	1,083	(11)	(622)	18	-	243	3,162
Computers and office machinery	7,224	1,088	(13)	(1,829)	52	(4)	547	7,065
Furniture and fittings	24,066	2,594	(2)	(3,099)	189	-	165	23,913
Other tangible fixed assets	1,145	119	(1)	(185)	105	(17)	(53)	1,113
Fixed assets in progress and advances	2,730	2,784	(1)	-	-	-	(2,310)	3,203
Total	96,188	14,013	(678)	(13,266)	915	(162)	1,071	98,081

Capital expenditure made in the period mainly concerned the continuation of the store renovation and relocation programme based on the concept store programme and new openings in Canada.

The increase in “business combinations” of €915 thousand is primarily attributable to the provisional purchase price allocation relating to the acquisitions done in the period.

Other net changes were mainly due to exchange rate fluctuations during the period.

8. Share capital

At 30 June 2015 the fully paid in and subscribed share capital consisted of 225,244,881 ordinary shares with a par value of €0.02.

At 31 December 2014 share capital was made up of 224,601,851 shares. The increase recorded in the period is due to the exercise of 643,030 stock options, equivalent to 0.3% of the share capital.

During the period, continued the share buy-back program started following the resolution of the Shareholders Meetings held on 16 April 2014 and 21 April 2015.
The program, the purpose of which is to increase treasury shares in order to service stock-based incentive plans, also provided the Company with a valid means with which to stabilize and sustain the stock, as well as ensure the availability of treasury shares to use as a form of payment for acquisitions. As resolved by the shareholders, the treasury shares may be purchased on one or more occasions on a revolving basis for up to a total number of new shares, which together with the treasury shares already held and in accordance with the law, amounts to 10% of the company's share capital. The purchase price of the shares may not be 10% higher or lower than the stock price registered at the close of the trading session prior to each single purchase.

As part of this program during the first half of 2015, 407,000 shares have been purchased at an average price of €6.586.

During the month of June 2015, the performance stock grants assigned in 2011 vested for a total of 1,349,958 rights, of which 596,417 have been exercised during the period. The Company assigned to the beneficiaries an equivalent number of treasury shares.

The total amount of treasury shares held now equals 7,230,583 or 3.21% of the Company's share capital.

Following are disclosed the information relating to treasury shares, arising from purchases made in the years 2005 -2007 and 2014-2015.

	N. shares	Average purchase price (Euro) FV of transferred rights (Euro)	Total amount
31 December 2014	7,420,000	6.273	46,547,235
Purchased in 2015	407,000	6.586	2,680,600
Transfers due to performance stock grants - January 2011	(409,000)	4.161	(1,701,645)
Transfers due to performance stock grants - April 2011	(187,417)	4.432	(830,621)
30 June 2015	7,230,583	6.458	46,695,570

9. Net financial position

In accordance with the requirements of the Consob communication dated 28 July 2006 and in compliance with the CESR (now ESMA) Recommendation of 10 February 2005 "Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses", the Group's net financial position at 30 June 2015, was as follows:

(€ thousands)	30/06/2015	31/12/2014	Changes
Liquid funds	(157,342)	(211,124)	53,782
Payables for business acquisitions	2,792	1,692	1,100
Other short term loans- third parties (including current portion)	579	468	111
Other financial payables	23,581	15,002	8,579
Non hedge accounting derivative instruments	(149)	(105)	(44)
Short-term financial position	(130,539)	(194,067)	63,528
Private placement 2006-2016	-	57,656	(57,656)
Private placement 2013-2025	116,186	107,075	9,111
Eurobond 2013-2018	275,000	275,000	-
Finance lease obligations	1,405	1,088	317
Other medium/long-term debt	342	247	95
Hedging derivatives	(15,294)	(8,616)	(6,678)
Medium/long-term acquisition payables	9,931	10,034	(103)
Net medium and long-term indebtedness	387,570	442,484	(54,914)
Net financial indebtedness	257,031	248,417	8,614

In order to reconcile the above items with the statutory statement of financial position, we detail the breakdown of the following items:

Long-term loans, the private placement 2013-2025, the Eurobond and finance lease obligations are shown in the statutory statement of financial position:

a. under the caption "Medium/long-term financial liabilities" for the long-term portion.

(€ thousands)	30/06/2015
Private placement 2013-2025	116,186
Eurobond 2013-2018	275,000
Finance lease obligations	1,405
Other medium/long-term debt	342
Loan, private placement 2013-2025 and Eurobond 2013-2018 fees	(1,842)
Medium/long-term financial liabilities	391,091

b. under the caption "short term financial liabilities" for the current portion.

(€ thousands)	30/06/2015
Short term debt	22,523
Current portion of finance lease obligations	1,058
Other short term financial liabilities	23,581
Other short term debt (including current portion of other long- term debt)	579
Loan, private placement 2013-2025 and Eurobond fees	(705)
Short-term financial liabilities	23,455

All the other items in the net financial indebtedness table correspond to items in the statement of financial position schedule.

The long/medium term portion of the net financial position reached €387,570 thousand at 30 June 2015 versus €442,484 thousand at 31 December 2014. The change of €54,914 thousand is explained by the early repayment, occurred in May, of the 2006-2016.

Mainly due to the impact of this transaction on cash and cash equivalents the short-term net financial position has recorded a decrease of €63,528 thousand from €194,067 thousand at December 31, 2014 to €130,539 thousand at June 30, 2015.

10. Financial liabilities

Financial liabilities break down as follows:

(€ thousands)	30/06/2015	31/12/2014	Change
Private placement 2006-2016	-	57,656	(57,656)
Private placement 2013-2025	116,186	107,075	9,111
Eurobond 2013-2018	275,000	275,000	-
Loan, private placement 2013-2025 and Eurobond 2013-2018 fees	(1,842)	(2,347)	505
Other medium long term debt	342	247	95
Finance lease obligations	1,405	1,088	317
Total medium/long-term financial liabilities	391,091	438,719	(47,628)
Short term debt:	23,455	14,793	8,662
- of which loan, private placement 2013-2025 and Eurobond 2013-2018 fees	(705)	(677)	(28)
- of which current-portion of lease obligations	1,058	822	232
Total short-term financial liabilities	23,455	14,793	8,662
Total financial debt	414,546	453,512	(38,966)

Main long-term financial liabilities are detailed below.

- Eurobond 2013-2018

  A €275 million 5-year bond loan reserved for non-American institutional investors and listed on the Luxembourg Stock Exchange's Euro MTF market issued on 16 July 2013.

Issue Date	Debtor	Maturity	Face Value (/000)	Fair value (/000)	Nominal interest rate Euro
16-Jul-13	Amplifon S.p.A.	16-Jul-18	275,000	294,965	4.875%
	Total in Euro		275,000	294,965	4.875%

- Private placement 2013-2025

  A USD 130 million private placement made in the USA by Amplifon USA and guaranteed by Amplifon S.p.A. and other Group subsidiaries.

Issue Date	Issuer	Maturity	Currency	Face Value (/000)	Fair value (/000)	Nominal interest rate (*)	Euro Interest rate after hedging (**)
30-May-13	Amplifon USA	31-Jul-20	USD	7,000	7,826	3.85%	3.39%
30-May 13	Amplifon USA	31- Jul -23	USD	8,000	9,417	4.46%	3.90%
31-Jul-13	Amplifon USA	31- Jul -20	USD	13,000	14,569	3.90%	3.42%
31- Jul -13	Amplifon USA	31- Jul -23	USD	52,000	61,814	4.51%	3.90%-3.94%
31-Jul-13	Amplifon USA	31- Jul -25	USD	50,000	61,094	4.66%	4.00%-4.05%
	Total			130,000	154,720		

(*)The rate applied if the Group's net debt/ EBITDA ratio is less than 2.75x. Above this level a step-up of 25 bps will be applied. When the ratio exceeds 3.25x but is less than or equal to 3.5x. an additional step-up of 25 bps will kick-in. If the ratio exceeds 3.50x an additional step-up of 75 bps will be applied.
(**)The hedging instruments that determine the interest rate as detailed above, are also fixing the exchange rate at 1.2885, the total equivalent of the bond resulting in €100,892 thousands.

On 13 May 2015 was reimbursed in advance (the original due date was 2 August 2016) the last tranche of the private placement for institutional investors issued on 2 August 2006 by the American subsidiary Amplifon U.S.A. Inc. for an residual amount of USD 70 million.

The operation resulted in the payment of the make whole amount equal to €4,265 thousand. This amount represents the interest payable to investors as of the repayment date (13 May 2015) through the natural expiration of the private placement (2 August 2016) calculated by applying the discount rate established in the contract of 50 bps to future coupon payments increased by a reinvestment rate of 36 bps.

Due to this operation, the debt is primarily long term.

The following table shows a breakdown of long-term debt by maturity:

(€ thousands)

Debtor Repayments	Nominal amount and maturity date	Average rate 2014 /360	Amount at 31/12/2014	Exchange rate effect	Repayments as al 30/06/2015	New loans	Business combinations	Amount at 30/06/2015	Short-term portion	Medium and LT portion
Eurobond	EUR 275,000	4.88%	275,000	-	-	-	-	275,000	-	275,000
Bullet 16/7/2018	16/07/2018									
Private placement Amplifon 2006-2016 (*) Instalments at 2/8/2016 Early repayment at 13/5/2015	USD 70,000	6.41%	57,656	5,080	(62,736)	-	-	-	-	-
	02/08/2016									
Private placement 2013-2025 Amplifon USA (*) Instalments at 31/1 and 31/7 from 31/1/2014	USD 7,000	3.85%	5,766	490	-	-	-	6,256	-	6,256
	31/07/2020									
Private placement 2013-2025 Amplifon USA (*) Instalments at 31/1 and 31/7 from 31/1/2014	USD 8,000	4.46%	6,589	561	-	-	-	7,150	-	7,150
	31/07/2023									
Private placement 2013-2025 Amplifon USA (*) Instalments at 31/1 and 31/7 from 31/1/2014	USD 13,000	3.90%	10,708	911	-	-	-	11,619	-	11,619
	31/07/2020									
Private placement 2013-2025 Amplifon USA (*) Instalments at 31/1 and 31/7 from 31/1/2014	USD 52,000	4.51%	42,830	3,644	-	-	-	46,474	-	46,474
	31/07/2023									
Private placement 2013-2025 Amplifon USA (*) Instalments at 31/1 and 31/7 from 31/1/2014	USD 50,000	4.66%	41,182	3,505	-	-	-	44,687	-	44,687
	31/07/2025									
TOTAL LONG TERM DEBT			439.731	14,191	(62,736)	-	-	391,186	-	391,186
Other			773	(20)	(520)	173	-	406	64	342
TOTAL			440.504	14,171	(63,256)	173	-	391,592	64	391,528

(*) Considering the effect of the interest rate and currency hedges the total Euro equivalent of the private placement 2006-2016 is €55,222 thousand.

The following table shows the maturities of medium/long-term debt at 30 June 2015 based on contractual obligations:

(€ thousands)

	Private placement 2013-2025 (*)	Eurobond 2013-2018	Other	Total
2016			342	342
2017				-
2018		275,000		275,000
2020	15,522			15,522
2023	46,566			46,566
2025	38,804			38,804
Total	100,892	275,000	342	376,234

(*) Amounts related to the private placement are reported at the hedging exchange rate.

Covenant:

The USD 130 million private placement 2013-2025 (equal to €100.9 million including the fair value of the currency hedges which set the Euro/USD exchange rate at 1.2885) is subject to the following covenants:

- the ratio of Group net financial indebtedness to Group shareholders' equity must not exceed 1.5;
- the ratio of net financial indebtedness to EBITDA in the last four quarters (determined based solely on recurring business and restated if the Group's structure should change significantly) must not exceed 3.5.

In the event of relevant acquisitions, the above ratios may be increased to 2.0 and 4.0, respectively, for a period of not more than 12 months, 2 times over the life of the loan.

At 30 June 2015 these ratios were as follows:

	Value
Net financial indebtedness/Group net equity	0.54
Net financial indebtedness/EBITDA for the last 4 quarters	1.58

The €275 million Eurobond, due in 2018 and issued in July 2013, is not subject to any covenants nor is the remaining €0.4 million in long term debt, including the short term portion.

11. Non recurring significant events

The result of the period was affected by the following non recurring events:

(€ thousands)

		First Half 2015	First Half 2014
Operating costs	Transition of the leadership of the Group	(6,792)	-
Other income and costs	Private placement 2006-2016 advance repayment	(4,265)	-
Other income and charges, impairment and revaluations of financial assets	Income due to Dilworth Hearing Ltd step up acquisition	1,325	-
Operating result		(9,732)	-
Current tax	Fiscal impact of above mentioned items and one-off fiscal income recognized in Australia in 2014	2,253	8,550
Deferred tax		1,501	1,926
	Total	(5,978)	10,476

Non-recurring operating costs are related to the costs due to the leadership transition of the Group: on completion of a process that begun during the second quarter, fully shared and managed with the Chief Executive Officer, the Company has initiated the transition of top management and in this connection Franco Moscetti is resigning from his position with effect from the Board of Directors' meeting to be held on 22 October. From the aforementioned date onwards he will continue as non–executive Deputy Chairman until the end of his original term in office. The total expenses of €6,792 thousand includes €5,700 thousand as cash termination indemnity and €1,092 thousand due to the accounting effects of the accelerated vesting of 600,000 performance stock grant in his possession. Mr. Franco Moscetti will also receive a consideration of €700 thousand as a non-competition agreement that will be effective from the end of his term as a Director throughout April 30, 2017. This amount will be charged to income on an accrual basis during this period.

Non-recurring interest expense relates to the payment of the make whole following the advance repayment of the last tranche of the private placement for institutional investors opened on August 2, 2006 by the US subsidiary Amplifon USA Inc. for a residual value of US $ 70 million made on 13 May 2015 (compared to the original deadline of August 2, 2016). The amount of €4,265 thousand is representative of the interest that still would have been paid to the same investors for the period between the date of the advance repayment and the natural expiry date of the same private placement (2 August 2016) and is determined by applying a contractual discount of 50 bps and adding the reinvestment rate (36 bps) to the flows' future interests.

Income from investments were recognized on the basis of IFRS 3R with reference to the accounting treatment of step up acquisition of the New Zealand subsidiary following the acquisition of control of the company Dilworth Hearing Ltd, 40% of which was already held.

In the comparison period the Group benefitted from the recognition by the Australian Tax Authority of a tax amortizable value of the assets acquired in 2010 with the acquisition of the NHC Group.

12. Earnings per share

Basic EPS

Basic earnings per share is obtained by dividing the net profit for the year pertaining to the ordinary shareholders of the parent company by the weighted average number of shares outstanding in the year, considering purchases and disposals of own shares as cancellations and issues of shares.

Earnings per share are determined as follows:

Earnings per share from operating activities	First Half 2015	First Half 2014
Net profit (loss) pertaining to ordinary shareholders (€ thousand)	18,549	22,563
Average number of shares outstanding in the year	217,355,921	217,387,182
Average earnings per share (€ per share)	0.08534	0.103792

Diluted earnings per share

Diluted earnings per share is obtained by dividing the net income for the year pertaining to ordinary shareholders of the Parent company by the weighted-average number of shares outstanding during the year adjusted by the diluting effects of potential shares. In the calculation of shares outstanding, purchases and sales of treasury shares are considered as cancellation or issue of shares.

The 'potential ordinary share' categories refer to the possible conversion of Group employees' stock options and stock grants. The computation of the average number of outstanding potential shares is based on the average fair value of shares for the period; stock options and stock grants are excluded from the calculation since they have anti-diluting effects.

Weighted average diluted number of shares outstanding	First Half 2015	First Half 2014
Average number of shares outstanding in the year	217,355,921	217,387,182
Weighted average of potential and diluting ordinary shares	7,114,915	6,476,925
Weighted average of shares potentially subject to options in the period	224,470,837	223,864,107

The diluted earnings per share were determined as follows:

Diluted earnings per share	First Half 2015	First Half 2014
Net profit pertaining to ordinary shareholders (€ thousand)	18,549	22,563
Average number of shares outstanding in the period	224,470,837	223,864,107
Average diluted earnings per share (€)	0.08263	0.100789

13. Transactions with parent companies and related parties

The Parent company, Amplifon S.p.A. is based in Milan, in Via Ripamonti 133. The Group is directly controlled by Ampliter N.V. and indirectly by Amplifin S.p.A., owned by Susan Carol Holland, with 100% of the shares, whilst Anna Maria Formiggini Holland retains usufruct.

The transactions with related parties, including intercompany transactions and the exercised option to consolidate tax with the parent company Amplifin for the three-year period 2014-2016, do not qualify as atypical or unusual, and fall within the Group's normal course of business and are conducted at arm's-length as dictated by the nature of the goods and services provided.

The following table details transactions with related parties.

	30/06/2015						First Half 2015		
	Trade receivables	Tax receivables	Trade payables	Other receivables	Non current financial liabilities	Financial payables	Revenues from sales and services	Operating costs	Interest income and charges
Amplifin S.p.A.	87	2,650	7					(814)	
Total - Parent Company	87	2,650	7	-	-	-	-	(814)	-
Audiogram Audifonos SL (Spain)	2								
Comfoor BV (The Netherlands)	6		235				6	(1,358)	
Comfoor GmbH (Germany)			21					(25)	
Medtechnica Ortophone Shaked Ltd (Israel)	129			5			102		
Bon Ton Hearing & Speech Ltd (Israel)	448						104		
Ruti Levinson Institute Ltd (Israel)	319						271		
Kolan Ashdod Speech & Hearing Inst. Ltd (Israel)	358						294		
Afik - Test Diagnosis & Hearing Aids Ltd (Israel)	124			14			96		
Total - Related parties	1,386	-	256	19	-	-	873	(1,383)	-
Bardissi Import (Egypt)						117			
Meders (Turkey)			934		32	63		(49)	(6)
Nevo (Israel)	55								
Ortophone (Israel)	40		14	1				(156)	
Moti Bahar (Israel)								(84)	
Asher Efrati (Israel)								(51)	
Arigcom (Israel)			8					(36)	
Tera (Israel)				170					
Frederico Abrahao (Brazil)					282	6			(17)
Other			14		14				
Total - Other related parties	95	-	970	171	328	186	-	(376)	(23)
Total- Related parties	1,568	2,650	1,233	190	328	186	873	(2,573)	(23)
Total as per financial statements	116,103	12,855	108,242	50,473	391,091	23,455	500,279	(429,453)	(14,631)
% of financial statement totals	1.35%	20.61%	1.14%	0.38%	0.08%	0.79%	0.17%	0.60%	0.16%

The trade receivables, revenue from sales and services and other income with related parties refer primarily to:

- the recovery of maintenance costs and condominium fees and the recharge of personnel costs to Amplifin S.p.A.;
- trade receivables payable by associates (mainly in Israel) which act as resellers and to which the Group supplies hearing aids.

The tax credits refer to Amplifon S.p.A.'s IRES (corporate income tax) credits that are held by the parent company as a result of the tax consolidation agreement entered into for the three year period 2014-2016.

Trade payables and operating costs refer primarily to:

- commercial transactions with Meders in Turkey, a company that belongs to the minority shareholder of Maxtone from which Maxtone buys hearing aids and general services;
- commercial transactions with Comfoor BV, joint venture from which hearing protection devices are purchased and then distributed in Group stores;
- existing agreements with the parent company Amplifin S.p.A. for:
    - the lease of the property in Milan at Via Ripamonti No. 133, the registered office and corporate headquarters of Amplifon S.p.A. and ancillary services including routine property maintenance, cafeteria, office cleaning, porters and security;
    - the rental of retail store space;
- the recharge of personnel costs to the Israeli subsidiary by the minority shareholder Moti Bahar e Asher Efrati, as well as rents, administrative and commercial services by Ortophone (Israel).

Financial transactions refer primarily to loans granted to Group subsidiaries in Turkey, Egypt and Brazil by the related minority shareholder and to a long-term financial receivable owed by an Israeli subsidiary.

14. Current and deferred income taxes

The tax rate, calculated net of the losses recorded in the United Kingdom for which, in accordance with the principle of prudence, deferred tax assets are not recognized, as well as the profit posted in the Germany for which no taxes were recognized due to carried forward tax losses against which no deferred tax assets were recognized and the investment income recorded in New Zealand not subject to tax, reached 38.4%.

The variation against the 42.5% recorded in first half 2015, calculated, again, net of the losses posted in the UK, the profits generated in Germany and the one-off tax income recorded in Australia, is attributable to the deductibility (allowed in Italy as of 2015) of labour cost from the tax base of IRAP [regional tax on productive activities] and the higher growth in profit before tax

posted in countries with tax rates below the Group's average (namely Australia, New Zealand and Switzerland).

15. Performance Stock Grant

On 21 April 2015, following the proposal of the Board of Directors of 3 March 2015 and heard the opinion of the Remuneration and Appointment Committee, the Shareholders' Meeting discussed and approved the modifications to the share plan for the period 2014-2021 (the "New Plan of Performance Stock Grant").

In particular, the modification approved by the Shareholders' Meeting concerns the extension of the plan also to collaborators not related to the Company by employment contracts and the subsequent variation in the identification of the beneficiaries who are currently defined as employees and collaborators of a Group's entity, belonging to the following categories:

- Cluster 1: Executives e Senior Managers
- Cluster 2: International Key Managers; Group e Country Talents
- Cluster 3: High Performing Audiologists e Sales Managers

This extension will allow to include also the agents currently working in Italy Spain and Belgium with the aim to adequately sustain, also in terms of retention, the different business models through which the Amplifon Group operates.

On 29 April 2015 the Board of Directors of the Company, approved the modification to the operative Regulation of the plan, in line with the changes approved by the Shareholders' Meeting.

Stock Grant of 29 April 2015

On the 29 April 2015, have been granted to the Group's employees and collaborators belonging to the categories detailed above, rights for the free award of share equal to 2,518,000 rights (subordinate to the general conditions of the "New Plan of Performance Stock Grant") at the end of the vesting period fixed at 3.5 years.

The unitary fair value of the stock grant assigned in the period is equal to €6.13.

The assumptions adopted in the calculation of the fair value are the following.

Model used	Binomial (Cox-Ross-Rubinstein method)
Price at grant date	6.88 €
Threshold	5 €
Exercise Price	0.00
Volatility (6 years)	31.91%
Risk free interest rate	0.267%
Maturity (in years)	3.5
Vesting Date	3 months after the date of approval from the Board of the project of Consolidated Financial Statement as of 31.12.17 (i.e. June 2018)
Expected Dividend Yield	0.75%

The figurative cost of this award cycle recorded in the income statement at 30 June, 2015 amounted to Euro 642 thousand.

16. Translation of foreign companies' financial statements

The exchange rates used to translate into Euro non-Italian subsidiaries' financial statements are as follows:

	30 June 2015		2014	30 June 2014	
	Average	As at 30 June	31 December	Average	As at 30 June
Australian dollar	1.426	1.455	1.483	1.499	1.454
Canadian dollar	1.377	1.384	1.406	1.503	1.459
New Zealand dollar	1.506	1.655	1.553	1.615	1.563
US dollar	1.116	1.119	1.214	1.370	1.366
Hungarian florin	307.506	314.930	315.540	306.931	309.300
Swiss franc	1.057	1.041	1.202	1.221	1.216
Egyptian lira	8.436	8.534	8.685	9.622	9.772
Turkish lira	2.863	2.995	2.832	2.968	2.897
New Israeli sheqel (*)	4.364	4.221	4.720	4.728	4.696
Brazilian real (*)	3.310	3.470	3.221	3.039	3.000
Indian rupee	70.124	71.187	76.719	83.289	82.202
British pound	0.732	0.711	0.779	0.821	0.802
Polish zloty	4.141	4.191	4.273	4.175	4.157

(*) With reference to 2014 exchange rates, the weighted average exchange rate of the Israeli subsidiary is calculated beginning from the month of May (month of acquisition), while the Brazilian weighted average exchange rate is calculated beginning from June, month of the Amplifon South America Holding LTDA incorporation.

17. Subsequent events

On 1 July 2015 the Articles of Incorporation were updated following the partial subscription of a capital increase servicing stock option plans which resulted in the issue of 48,530 ordinary shares of Amplifon S.p.A. with a par value of €0.02 each subscribed in June 2015. The share capital, entirely subscribed and paid-in, amounted to €4,504,898 at 1 July 2015.

In the United States on 1 July 2015 a member of the Elite network (and former Sonus franchisee) terminated its contract with Amplifon and settled all outstanding debt and amounts owed for supplies. As a result of this transaction Amplifon cashed in a total of USD 12.0 million, including a penalty of USD 2.4 million, which had a positive impact on the income statement of USD 4.4 million pre-tax: the above mentioned USD 2.4 million penalty was accompanied by USD 1.6 million in financial income relating to the termination of the loans granted in the past and a capital gain on disposals of USD 0.4 million.

At the opening of the Board of Directors of 23 July 2015 the CEO Franco Moscetti waived from his office with effect from the Board of Directors' meeting to be held on 22 October. From the aforementioned date onwards he will continue as a non-executive Deputy Chairman until the end of the mandate. In this context, the Board of Directors delegated the Chairman to call a Shareholder's Meeting to be held in October, in order to elect a new Director who shall be appointed as Chief Executive Officer by the Board of Directors during the meeting on 22 October.
According to the proposal put forward by the Remuneration and Appointment Committee, which carried out the appropriate process for the identification and evaluation of the candidates for the position of Chief Executive Officer, the Board of Directors informs to have identified Enrico Vita, current Chief Operating Officer, as the candidate fully meeting the requirements of leadership and competencies requested to hold the position. Thus the Board of Directors, in view of the Shareholders' meeting to be convened shortly, recommends to the Shareholders the candidacy of Enrico Vita as a member of the Board.
The burden of the Group's leadership will be charged to income on an accrual basis during this period.

In July 2015 implementation of the buyback program approved during the Shareholders' Meeting held on 16 April 2014 continued and a total of 65,000 shares were purchased between the end of the half and the date of this report at an average price of €7.207. Exercise of the performance stock grants assigned in 2011 continued as a result of which the Company transferred a total of 367,375 treasury shares to the beneficiaries. The treasury shares held at the date of this report, therefore, now total 6,928,208 or 3.08% of the Company's share capital.

In July the Group also continued to grow externally and made a series of minor acquisitions: three points of sale were purchased in France, three stores in Germany and two stores in Belgium.

Milan, 23 July 2015

On behalf of the Board of Directors
CEO
Franco Moscetti

Annexes

Consolidation Area

As required by §§ 38 and 39 of Law 127/91 and § 126 of Consob's resolution 11971 dated 14 May 1999, as amended by resolution 12475 dated 6 April 2000, the following is the list of companies included in the consolidation area of Amplifon S.p.A. at 30 June 2015.

Parent company:

Company name	Head office	Currency	Share Capital
Amplifon S.p.A.	Milan (Italy)	EUR	4,504,898

Subsidiaries consolidated using the line-by-line method:

Company name	Head office	Direct/Indirect ownership	Currency	Share Capital	% held at 30/06/2015
Amplimedical S.r.l. - in liquidation	Milano (Italy)	D	EUR	111,967	100.0%
Sonus Italia S.r.l.	Milano (Italy)	D	EUR	200,000	100.0%
Amplifon Groupe France SA	Arcueil (France)	D	EUR	48,550,898	100.0%
SCI Eliot Leslie	Lyon (France)	I	EUR	610	100.0%
Audition 86 SAS	Poitiers (France)	I	EUR	8,000	100.0%
Mailo Audition SAS	Nanterre (France)	I	EUR	115,995	100.0%
DB5 SAS	Noisy le Sec (France)	I	EUR	200,000	100.0%
MC Audition Sarl	Clichy (France)	I	EUR	8,000	100.0%
Amplifon Iberica SA	Barcelona (Spain)	D	EUR	26,578,809	100.0%
Amplifon Portugal SA	Lisboa (Portugal)	I	EUR	720,187	100.0%
Fundación Amplifon Iberica	Madrid (Spain)	I	EUR	30,000	100.0%
Amplifon Magyarország Kft	Budapest (Hungary)	D	HUF	3,500,000	100.0%
Amplibus Magyarország Kft	Budaörs (Hungary)	I	HUF	3,000,000	100.0%
Amplifon AG	Baar (Switzerland)	D	CHF	1,000,000	100.0%
Amplinsure RE AG	Baar (Switzerland)	I	CHF	2,800,000	100.0%
Hearing Supplies SA	Lugano (Switzerland)	I	CHF	100,000	100.0%
Amplifon Nederland BV	Doesburg (The Netherlands)	D	EUR	74,212,052	100.0%
Auditech BV	Doesburg (The Netherlands)	I	EUR	22,500	100.0%
Electro Medical Instruments BV	Doesburg (The Netherlands)	I	EUR	16,650	100.0%
Beter Horen BV	Doesburg (The Netherlands)	I	EUR	18,000	100.0%
Amplifon Customer Care Service BV	Elst (The Netherlands)	I	EUR	18,000	100.0%
Amplifon Belgium NV	Bruxelles (Belgium)	D	EUR	495,800	100.0%
Amplifon Luxemburg Sarl	Luxemburg (Luxemburg)	I	EUR	50,000	100.0%
Amplifon Deutschland GmbH	Hamburg (Germany)	D	EUR	6,026,000	100.0%

Company name	Head office	Direct/Indirect ownership	Currency	Share Capital	% held at 30/06/2015
Amplifon München GmbH	München (Germany)	I	EUR	1,245,000	100.0%
Amplifon Bayern GmbH	München (Germany)	I	EUR	30,000	100.0%
Sanomed GmbH	Hamburg (Germany)	I	EUR	25,000	100.0%
Amplifon Poland Sp.z o.o.	Warszawa (Poland)	D	PLN	3,340,760	63.0%
Amplifon UK Ltd	Manchester (UK)	D	GBP	69,100,000	100.0%
Amplifon Ltd	Manchester (UK)	I	GBP	1,800,000	100.0%
Ultra Finance Ltd	Manchester (UK)	I	GBP	75	100.0%
Amplifon Ireland Ltd	Wexford (Ireland)	I	EUR	1,000	100.0%
Amplifon Cell	Ta' Xbiex (Malta)	D	EUR	1,000,125	100.0%
Makstone İşitme Ürünleri Perakende Satış A.Ş.	Istanbul (Turkey)	D	TRY	300,000	51.0%
Medtechnica Ortophone Ltd (*)	Tel Aviv (Israel)	D	ILS	1,000	60.0%
Matan Rishon Ltd (*)	Rishon LeZion (Israel)	I	ILS	200	40.2%
Amplifon Middle East SAE	Cairo (Egypt)	D	EGP	3,000,000	51.0%
Miracle Ear Inc.	St. Paul – MN (USA)	I	USD	5	100.0%
Elite Hearing, LLC	Minneapolis – MN (USA)	I	USD	1,000	100.0%
Miracle Ear Canada Ltd	Vancouver (Canada)	I	CAD	200	100.0%
Northern Sound Hearing Clinic (1998) Ltd.	Vancouver (Canada)	I	CAD	0	100.0%
Northern Sound Hearing Clinic (FSJ) Ltd.	Edmonton (Canada)	I	CAD	0	100.0%
101028922 Saskatchewan Ltd	Regina (Canada)	I	CAD	0	100.0%
Amplifon USA Inc.	Dover – DE (USA)	D	USD	52,500,010	100.0%
Amplifon Hearing Health Care, Inc.	St. Paul – MN (USA)	I	USD	10	100.0%
Ampifon IPA, LLC	New York – NY (USA)	I	USD	1,000	100.0%
Amplifon South America Holding LTDA	São Paulo (Brazil)	D	BRL	1,000	100.0%
Direito de Ouvir Amplifon Brasil SA	Franca (Brazil)	I	BRL	4,126,463	51.0%
Amplifon Australia Holding Pty Ltd	Sydney (Australia)	D	AUD	392,000,000	100.0%
Amplifon Australia Pty Ltd - in liquidation	Sydney (Australia)	I	AUD	392,000,000	100.0%
NHC Group Pty Ltd - in liquidation	Sydney (Australia)	I	AUD	126,116,260	100.0%
ACN 119430018 Pty Ltd	Sydney (Australia)	I	AUD	100	100.0%
National Hearing Centres Pty Ltd	Sydney (Australia)	I	AUD	100	100.0%
National Hearing Centres Unit Trust	Sydney (Australia)	I	AUD	0	100.0%
Amplifon NZ Ltd	Takapuna (New Zealand)	I	NZD	130,411,317	100.0%
Bay Audiology Ltd	Takapuna (New Zealand)	I	NZD	10,000	100.0%
Dilworth Hearing Ltd	Auckland (New Zealand)	I	NZD	232,400	100.0%
Dilworth Hearing Takapuna Ltd	Auckland (New Zealand)	I	NZD	28,000	100.0%
Dilworth Hearing Hamilton Ltd	Auckland (New Zealand)	I	NZD	100,000	100.0%
Amplifon India Pvt Ltd	New Delhi (India)	I	INR	525,000,000	100.0%
NHanCe Hearing Care LLP (**)	New Delhi (India)	I	INR	1,000,000	0.0%

(*) Medtechnica Ortophone Ltd and its subsidiaries despite being owned by Amplifon at 60%, is consolidated 100 % without exposure of non-controlling interest due to the put-call option to be exercised in 2017 and related to the purchase of the remaining 40 %.
(**) Consolidated entity subject to de facto control by the Amplifon Group.

Companies valued using the equity method:

Company name	Head office	Directly/Indirectly owned	Currency	Share Capital	% held at 30/06/2015
Audiogram Audifonos SL	Palma de Mallorca (Spain)	I	EUR	3,006	49.0%
Comfoor BV	Doesburg (The Netherlands)	I	EUR	18,000	50.0%
Comfoor GmbH	Emmerich am Rhein (Germany)	I	EUR	25,000	50.0%
Medtechnica Ortophone Shaked Ltd	Tel Aviv (Israel)	I	ILS	1,001	30.0%
Bon Ton Hearing & Speech Ltd	Sderot (Israel)	I	ILS	100	8.9%
Ruti Levinson Institute Ltd	Ramat HaSharon (Israel)	I	ILS	105	12.0%
Kolan Ashdod Speech & Hearing Inst. Ltd	Ashdod (Israel)	I	ILS	100	22.2%
Afik - Test Diagnosis & Hearing Aids Ltd	Jerusalem (Israel)	I	ILS	100	12.0%
Lakeside Specialist Centre Ltd	Mairangi Bay (New Zealand)	I	NZD	0	50.0%

Attestation in respect of the condensed consolidated interim financial statements in accordance with Article 154-bis para 2 and 5 and Article 154-ter para 4 of Legislative Decree 58/98 (Testo Unico della Finanza)

The undersigned Ugo Giorcelli, Chief Financial Officer of the Amplifon Group, as Executive Responsible for Corporate Financial Information hereby declares that the quarterly report at 30 June 2015 corresponds to the results documented in the books, accounting and other records of the Company.

Milan, 23 July 2015

Executive Responsible for Corporate
Financial Information
Ugo Giorcelli

pwc

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
Amplifon SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Amplifon SpA and its subsidiaries (the Amplifon Group) as of 30 June 2015, comprising the statement of financial position, income statement, statement of comprehensive income, statement of changes in net equity, cash flow statement and related explanatory notes. The directors of Amplifon SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of the Amplifon Group as of 30 June 2015 are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 24 July 2015

PricewaterhouseCoopers SpA

Signed by
Ettore Corno
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

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