



AEFFE

**Full Year 2008 Results Presentation**

**12, March 2009**

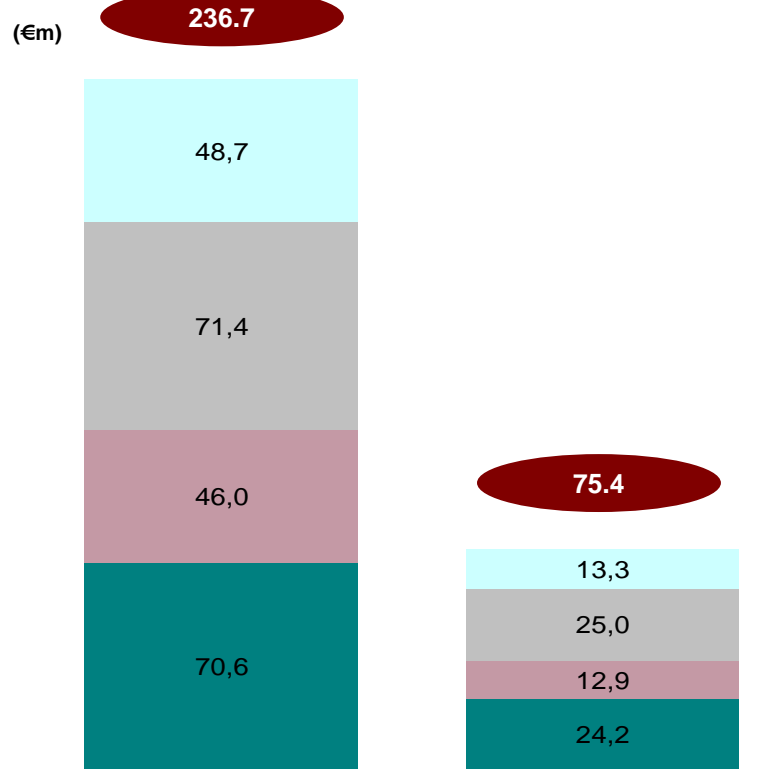
# FY 08 Key Facts

- **Consolidated Revenues** +0.5% at € 294.7m, (+3.2% at constant exchange rates and excluding the effect of the termination of the Narciso Rodriguez licence )
- **Consolidated EBITDA** at € 34.3m (margin of 11.6%)
- **Adjusted Consolidated Net Income** at € 8.5m (margin of 2.9%)
- **Consolidated Net Financial Debt** of € 66.8m (€ 38.5m as of 31 December 2007)
- **217 Mono Brand Stores** (vs 174 at the end of 2007)

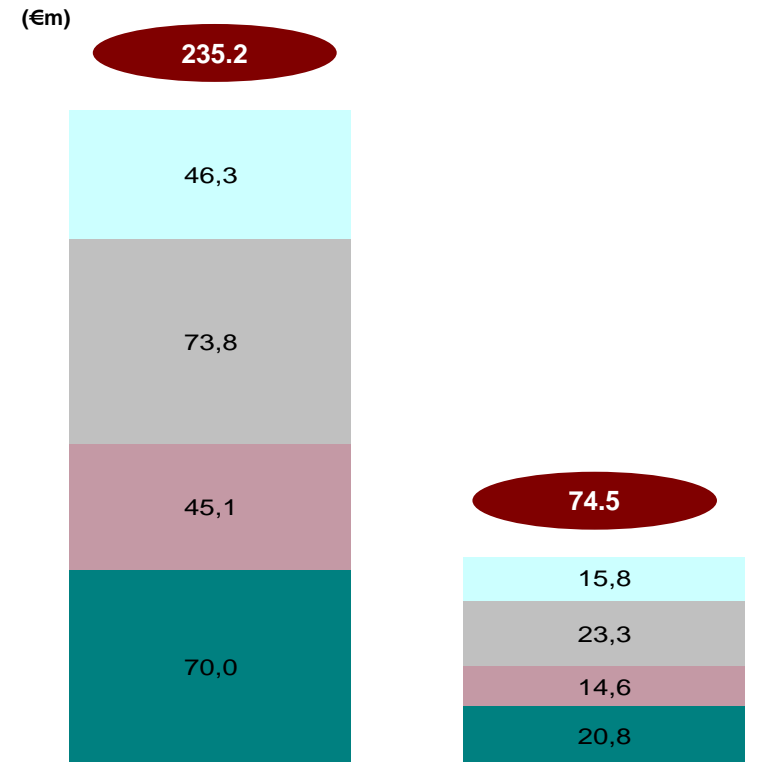


# Net Sales Breakdown by Division <sup>(1)</sup>

## FY 2008 Current Currencies



## FY 2007 Current Currencies



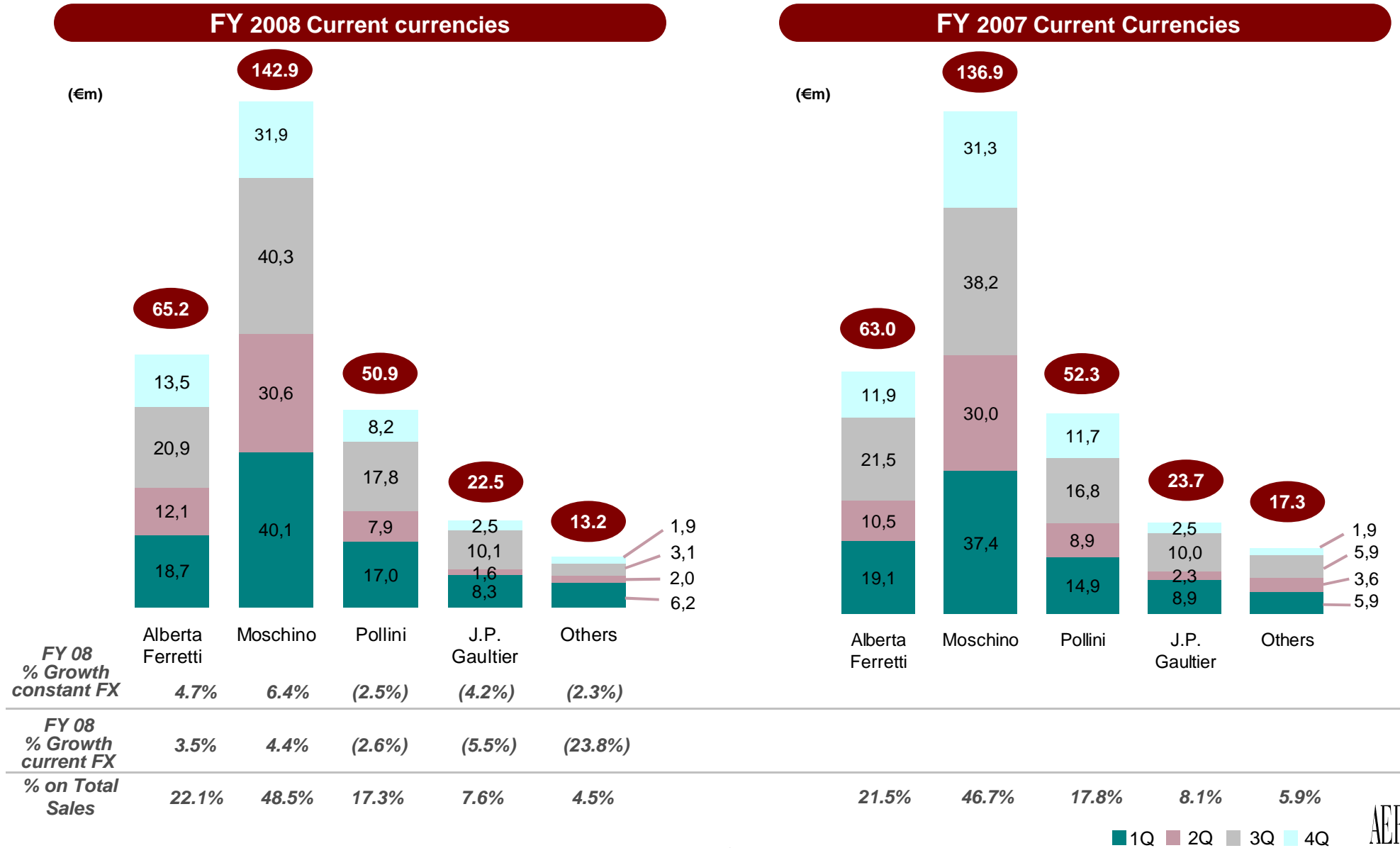
	Prêt à porter	Footwear & Leather Goods
<b>FY 08 % Growth constant FX</b>	4%	1.2%
<b>FY 08 % Growth current FX</b>	0.7%	1.2%
<b>% on Total Sales<sup>(1)</sup></b>	75.9%	24.1%

Prêt à porter

Footwear & Leather Goods

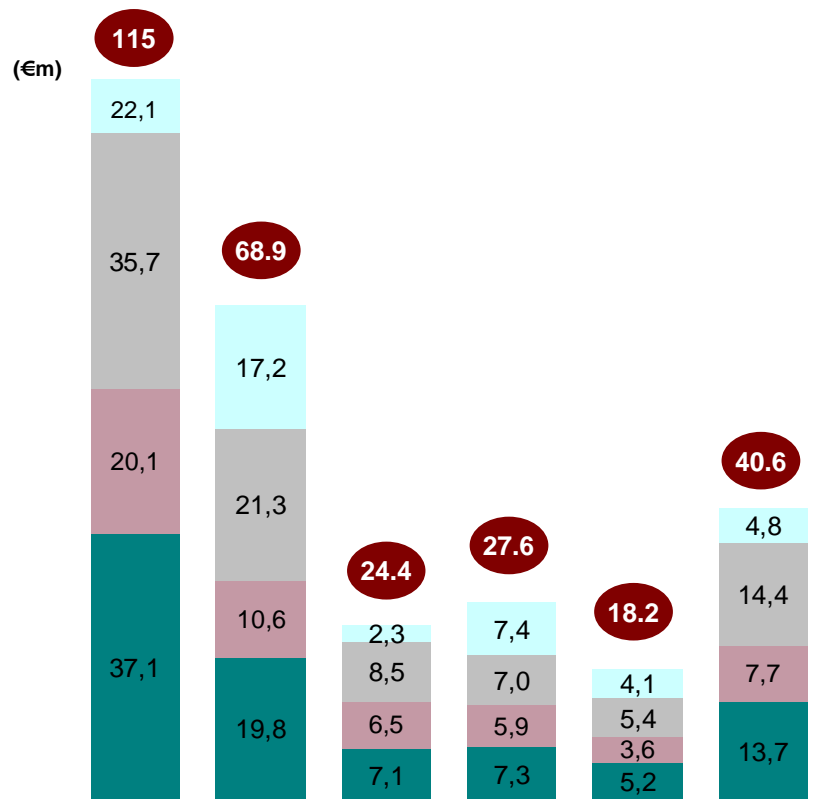
(1) Before inter-divisional eliminations

# Net Sales Breakdown by Brand

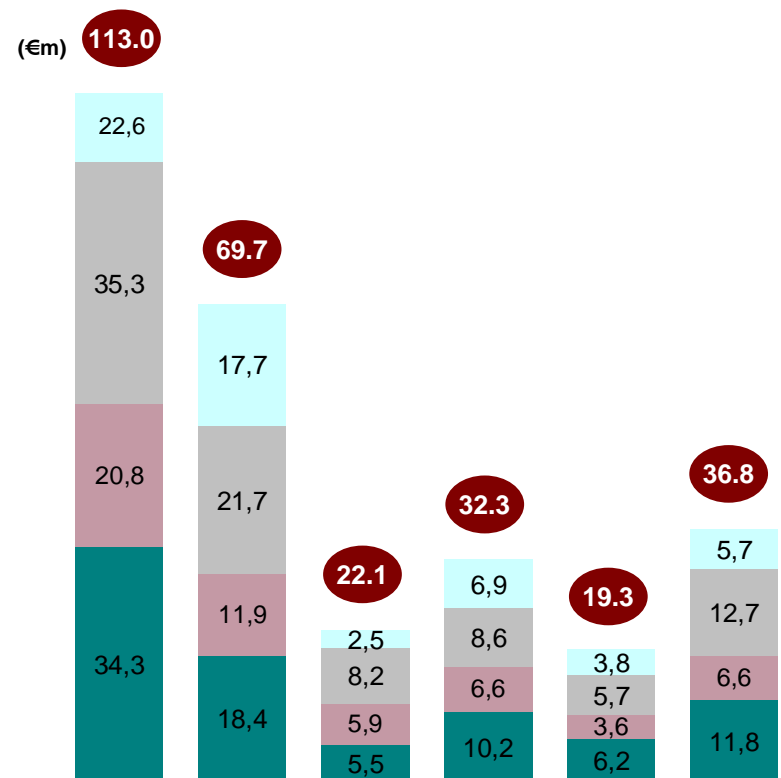


# Net Sales Breakdown by Region

## FY 2008 Current currencies



## FY 2007 Current Currencies



FY/08 % Growth constant FX	Italy	Europe <sup>(1)</sup>	Russia	USA	Japan	Rest of the World
	1.9%	1.1%	11.8%	(2.8%)	(8.4%)	16.5%

FY 08 % Growth current FX	Italy	Europe <sup>(1)</sup>	Russia	USA	Japan	Rest of the World
	1.8%	(1.2%)	10.5%	(14.5%)	(6.1%)	10.4%

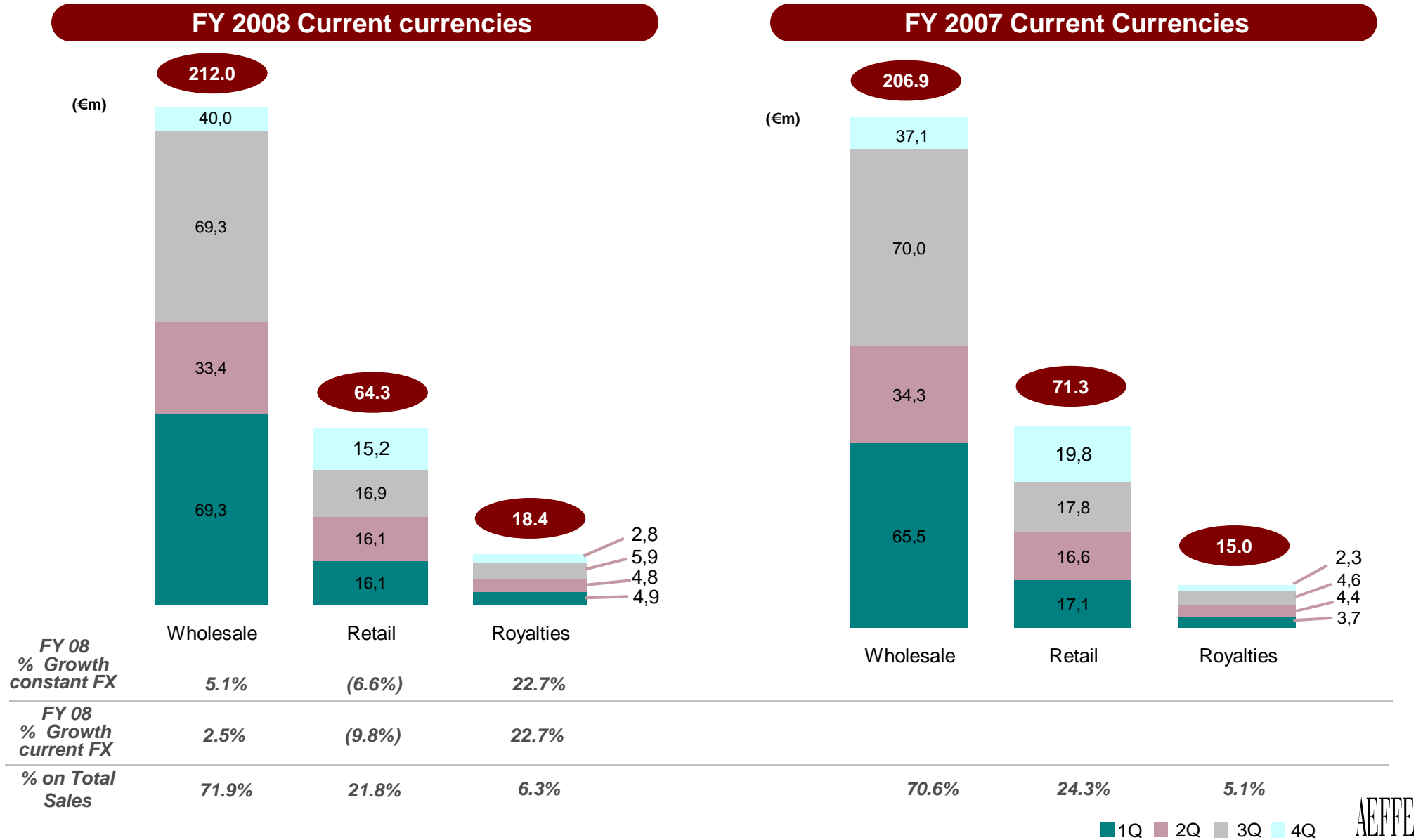
% on Total Sales	Italy	Europe <sup>(1)</sup>	Russia	USA	Japan	Rest of the World
	39.0%	23.4%	8.3%	9.4%	6.2%	13.7%

FY/07 % Growth constant FX	Italy	Europe <sup>(1)</sup>	Russia	USA	Japan	Rest of the World
	38.5%	23.8%	7.5%	11.0%	6.6%	12.6%

(1) Italy and Russia excluded

■ 1Q ■ 2Q ■ 3Q ■ 4Q

# Net Sales Breakdown by Channel



# Mono-brand Stores Network

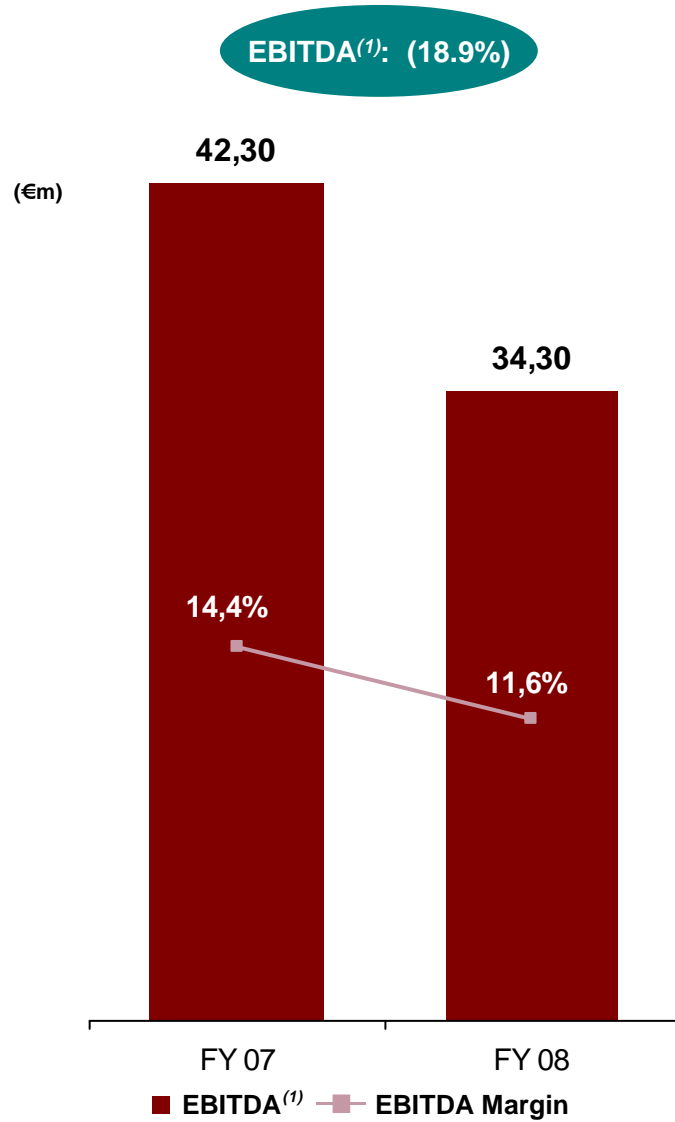
## DOS

	FY 08	FY 07
Europe	38	36
USA	3	1
Asia	38	38
<b>Total</b>	<b>79</b>	<b>75</b>

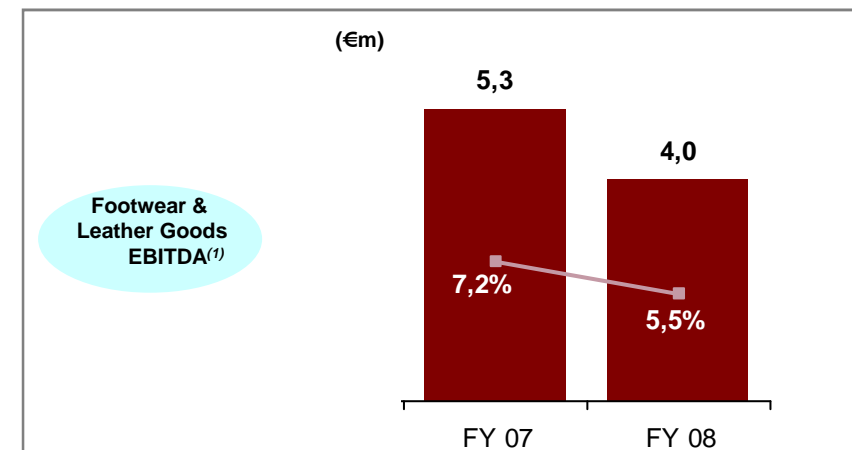
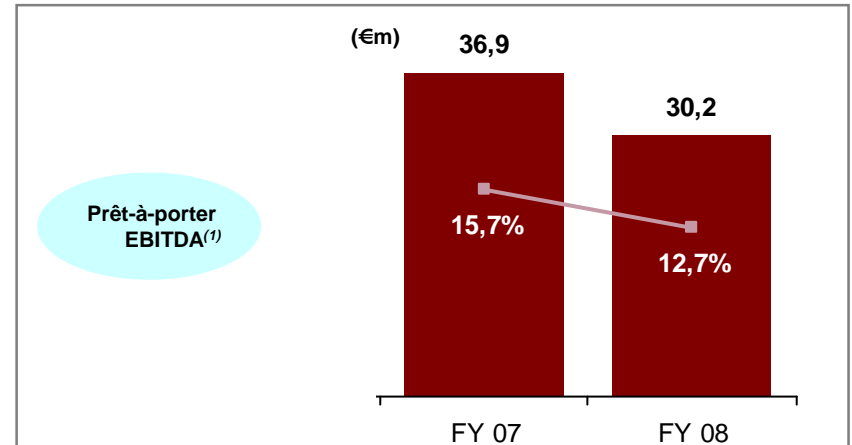
## Franchising

	FY 08	FY 07
Europe	50	41
USA	7	6
Asia	81	52
<b>Total</b>	<b>138</b>	<b>99</b>

# Profitability Analysis

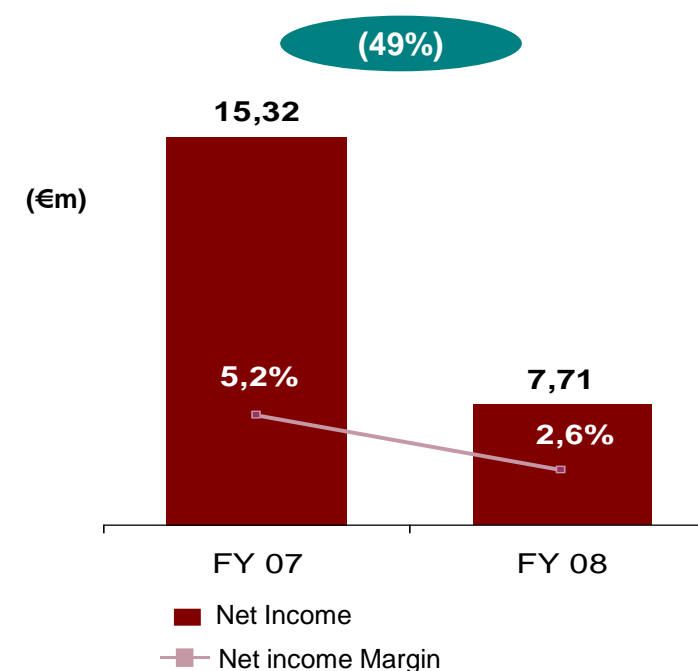
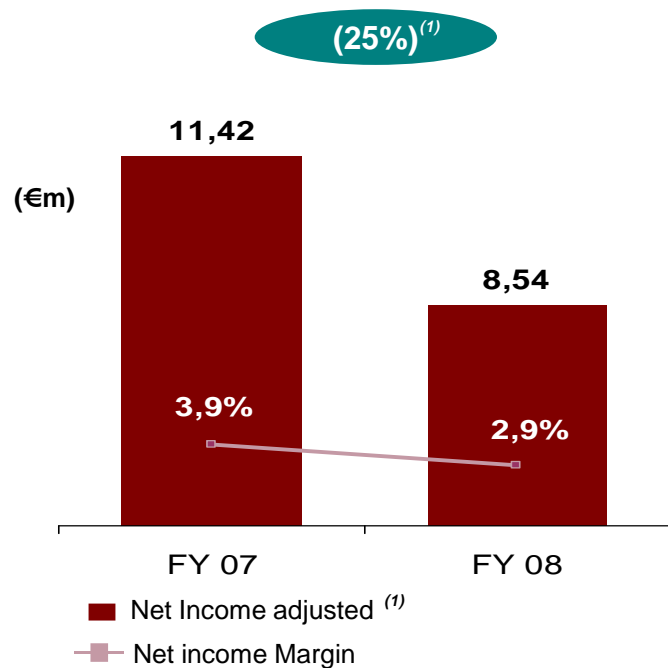


(1) Net of Non Recurring Items





# Group Net Income and Income Taxes



(1) Net of Non Recurring Items

(€m)	FY Ending December 31,	
	2008A	2007A
PBT	15.2	25.6
Current Taxes	(8.8)	(11.0)
Deferred Taxes	2.3	(1.6)
One-off Adjustment	Na	5.3
<b>Total Taxes</b>	<b>(6.5)</b>	<b>(7.4)</b>
Nominal Tax Rate	42%	28.8%
Effective Tax Rate	42%	49.0%

# Summary Balance Sheet

## IAS-IFRS

	FY 2008	FY 2007
Net Working Capital	73.5	51.6
Net Tangible Assets	78.5	71.2
Net Intangible Assets	169.2	171.8
Net Financial Assets	2.7	3.1
Severance Staff, Provisions & Others	(60.9)	(64.6)
<b>Net Capital Employed</b>	<b>262.8</b>	<b>233.1</b>
Group Shareholders' Equity	165.0	164.7
Minorities	30.9	29.9
Shareholders' Equity & Minorities	196.0	194.6
Net Debt	62.2	38.5
Shares Buyback	4.6	0
Total Net Debt	66.8	38.5
<b>Net Financial Debt and Shareholders' Equity</b>	<b>262.8</b>	<b>233.1</b>
Accounts Receivables	43.2	36.9
Accounts Payable	(63.0)	(60.6)
Inventory	77.4	67.8
Other Current Assets/Liabilities	15.8	7.5
<b>NWC</b>	<b>73.5</b>	<b>51.6</b>
As % of sales	24.9%	17.6%

# Summary Cash Flow

## IAS-IFRS

	FY 2008	FY2007
PBT	15.2	25.6
Operating Cash Flow	2.3	23.1
Capital Expenditure	(17.1)	(9.5)
Free Cash Flow	(14.8)	13.6
Cash Flows from Financing Activities	7.9	(14.4)
Cash and cash equivalents at the beginning of the year	14.5	15.3
Cash Flow of the Period	6.8	(0.8)
Cash and cash equivalents at the end of the year	7.7	14.5

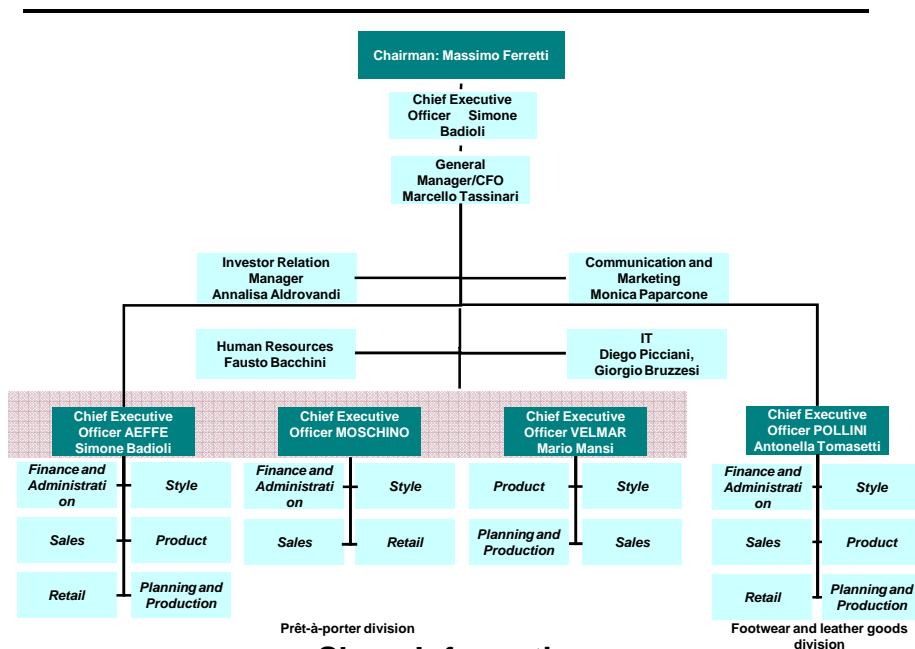


**AEFFE**

**Appendices**

# Company Profile

## Organisational Structure



## Share Information

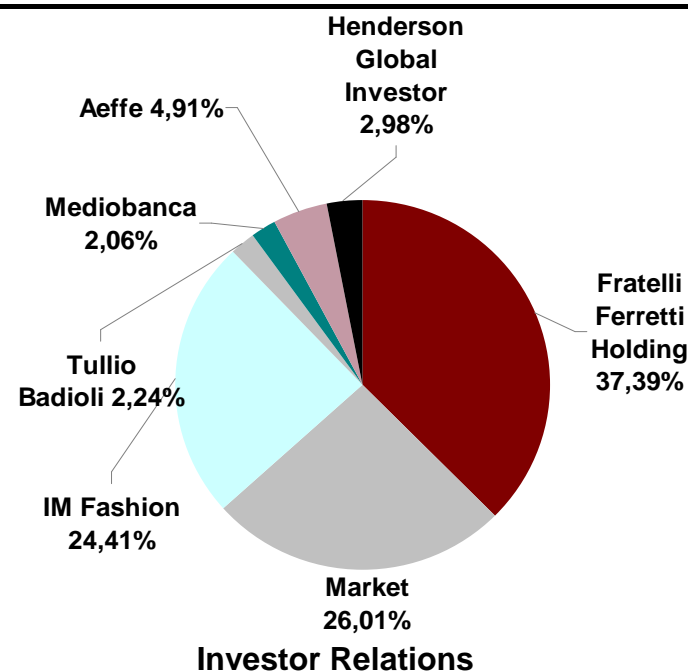
N° of shares outstanding: 107,362,504

Italian Stock Exchange – STAR Segment

Specialist: Mediobanca S.p.A.

Tickers: AEF IM (Bloomberg) AEF MI (Reuters), AEF (Borsa Italiana)

## Ownership Structure <sup>(1)</sup>



## Investor Relations

Investor Relations  
 AEF FE S.p.A  
 Annalisa Aldrovandi  
 +39 0541 965494  
 annalisa.aldrovandi@aeffe.com  
 www.aeffe.com

(1) Source: Consob as of 12 March 2009

# Income Statement – Full Year 2006-2008

## IAS-IFRS

(€m)

FY Ending December 31,

	2006A	2007A	2008A
Net Sales	266.1	293.2	294.7
% growth	10.0%	10.2%	0.5%
Other Revenues	4.7	3.5	6.0
Non-Recurring Revenues	4.2	2.2	-
<b>Total Revenues</b>	<b>275.1</b>	<b>298.9</b>	<b>300.7</b>
% growth	10.1%	8.7%	0.6%
Raw Materials Costs	74.2	80.9	79.2
Service Costs	87.8	95.7	103.0
Cost for use of third parties assets	16.4	17.1	18.0
Personnel	56.3	58.2	61.7
Other Operating Expenses	3.1	2.5	4.5
Total Operating Expenses	(238.0)	(254.4)	(266.4)
<b>EBITDA<sup>(1)</sup></b>	<b>37.1</b>	<b>44.5</b>	<b>34.3</b>
Margin (% of Net sales)	13.9%	15.2%	11.6%
<b>EBITDA Adjusted<sup>(2)</sup></b>	<b>32.9</b>	<b>42.3</b>	<b>34.3</b>
Margin (% of Net sales)	12.4%	14.4%	11.6%
Depreciation and Amortisation	(10.7)	(10.7)	(12.4)
<b>EBIT (Reported)</b>	<b>26.4</b>	<b>33.7</b>	<b>21.9</b>
Margin (% of Net sales)	10.0%	11.5%	7.4%
Net Financial Income / (Expenses)	(7.1)	(8.1)	(6.6)
<b>PBT</b>	<b>19.3</b>	<b>25.6</b>	<b>15.3</b>
Margin (% of Net sales)	7.2%	8.7%	5.2%
Taxes	(10.8)	(7.4)	(6.5)
<b>Net income before Minorities</b>	<b>8.5</b>	<b>18.3</b>	<b>8.8</b>
Margin (% of Net sales)	3.2%	6.2%	3.0%
Minority Interests	(0.6)	(2.9)	(1.1)
<b>Net Income Adjusted for the Group</b>	<b>8.0</b>	<b>11.4</b>	<b>8.5</b>
Margin (% of Net sales)	3.0%	3.9%	2.9%
<b>Net Income for the Group</b>	<b>8.0</b>	<b>15.3</b>	<b>7.7</b>
Margin (% of Net sales)	3.0%	5.2%	2.6%

▪ Includes currency gains, sale of raw materials and rents received

▪ In 2007 sale of Narciso Rodriguez stake (50% of equity)  
 ▪ In 2006, sale of Narciso Rodriguez store in Milan

▪ EBITDA net of non recurring income and costs

(1) Gross of non recurring items

(2) Net of non recurring items

# Balance Sheet Full Year 2006-2008

(€m)	IAS-IFRS		
	FY Ending December 31,		
	2006A	2007A	2008A
Net Working Capital	44.0	51.6	73.4
Net Tangible Assets	69.9	71.2	78.5
Net Intangible Assets	175.1	171.8	169.2
Net Financial Assets	3.0	3.1	2.7
Severance Staff, Provisions & Others	(74.2)	(64.6)	(61)
<b>Net Capital Employed</b>	<b>217.8</b>	<b>233.1</b>	<b>262.8</b>
Group Shareholders' Equity	76.0	164.7	165.0
Minorities	26.5	29.9	31
Shareholders' Equity & Minorities	102.5	194.6	196.0
Net Debt	115.3	38.5	66.8
<b>Net Financial Debt and Shareholders' Equity</b>	<b>217.8</b>	<b>233.1</b>	<b>262.8</b>
NWC as % of Net Sales	16.5%	17.6%	24.9%

▪ Including € 74.3 m in 2007 for lpo proceeds

# Cash Flow Statement Full Year 2006-2008

IAS-IFRS

FY Ending December 31,

	2006A	2007A	2008A
<b>PBT</b>	<b>19.3</b>	<b>25.6</b>	<b>15.2</b>
Depreciation & Amortisation	10.2	10.7	12.4
Provisions & Impairments	0.7	(2.4)	(0.7)
Taxes	(4.9)	(9.4)	(12.3)
Net Interest	7.0	8.1	6.6
Change in other liabilities / (assets)	0.6	(9.5)	(18.9)
<b>Operating Cash Flow</b>	<b>33.0</b>	<b>23.1</b>	<b>2.3</b>
Capital expenditure for intangible assets	(0.0)	(0.3)	(1.0)
Capital expenditure for tangible assets	(4.0)	(9.3)	(13.9)
(Increase) / decrease in investments in other fixed assets	0.2	0.1	2.2
<b>Cash Flows from Investing Activities</b>	<b>(3.9)</b>	<b>(9.5)</b>	<b>(17.1)</b>
<b>Free Cash Flow</b>	<b>29.1</b>	<b>13.6</b>	<b>14.8</b>
Equity Issue	(6.0)	72	(7.4)
Change in short term debt	(9.3)	(78)	21.5
Change in long term debt	1.5	(0.3)	(0.4)
Net Interest	(7.0)	(8.1)	(6.6)
<b>Cash Flows from Financing Activities</b>	<b>(20.8)</b>	<b>(14.4)</b>	<b>(7.9)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>7.0</b>	<b>15.3</b>	<b>14.5</b>
<b>Cash Flow of the Period</b>	<b>8.3</b>	<b>(0.8)</b>	<b>(6.9)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>15.3</b>	<b>14.5</b>	<b>7.7</b>



# Revenues Breakdown

(€m)	FY Ending December 31,			CAGR 2006/08A	Growth 2007/08A
	2006A	2007A	2008A		
<b>By Region</b>					
Italy	104.1	113.0	115.0	5.1%	1.8%
Europe (excluding Italy)	60.1	69.7	68.9	7.1%	(1.2%)
USA	33.0	32.3	27.6	(8.5%)	(14.5%)
Russia	13.1	22.1	24.4	36.5%	10.5%
RoW	55.8	56.1	58.7	2.6%	4.6%
<b>Total</b>	<b>266.1</b>	<b>293.2</b>	<b>294.6</b>	<b>5.2%</b>	<b>0.5%</b>
<b>By Brand</b>					
Alberta Ferretti	52.8	63.0	65.2	11.1%	3.5%
Moschino	125.5	136.9	142.9	6.7%	4.4%
Pollini	47.9	52.3	50.9	3.1%	(2.6%)
Jean Paul Gaultier	21.5	23.8	22.5	2.3%	(5.5%)
Other Brands	18.4	17.3	13.2	(15.3%)	(23.8%)
<b>Total</b>	<b>266.1</b>	<b>293.2</b>	<b>294.6</b>	<b>5.2%</b>	<b>0.5%</b>
<b>By Division</b>					
Prêt-à-Porter	214.3	235.2	236.7	5.1%	0.7%
Footwear & Leather Goods	65.5	74.5	75.4	7.3%	1.2%
Eliminations	(13.6)	(16.5)	(17.5)		
<b>Total</b>	<b>266.1</b>	<b>293.2</b>	<b>294.6</b>	<b>5.2%</b>	<b>0.5%</b>