



**AERRE**

**First Quarter 2010 Results Presentation**  
**13, May 2010**

# 1Q 2010 Key Facts

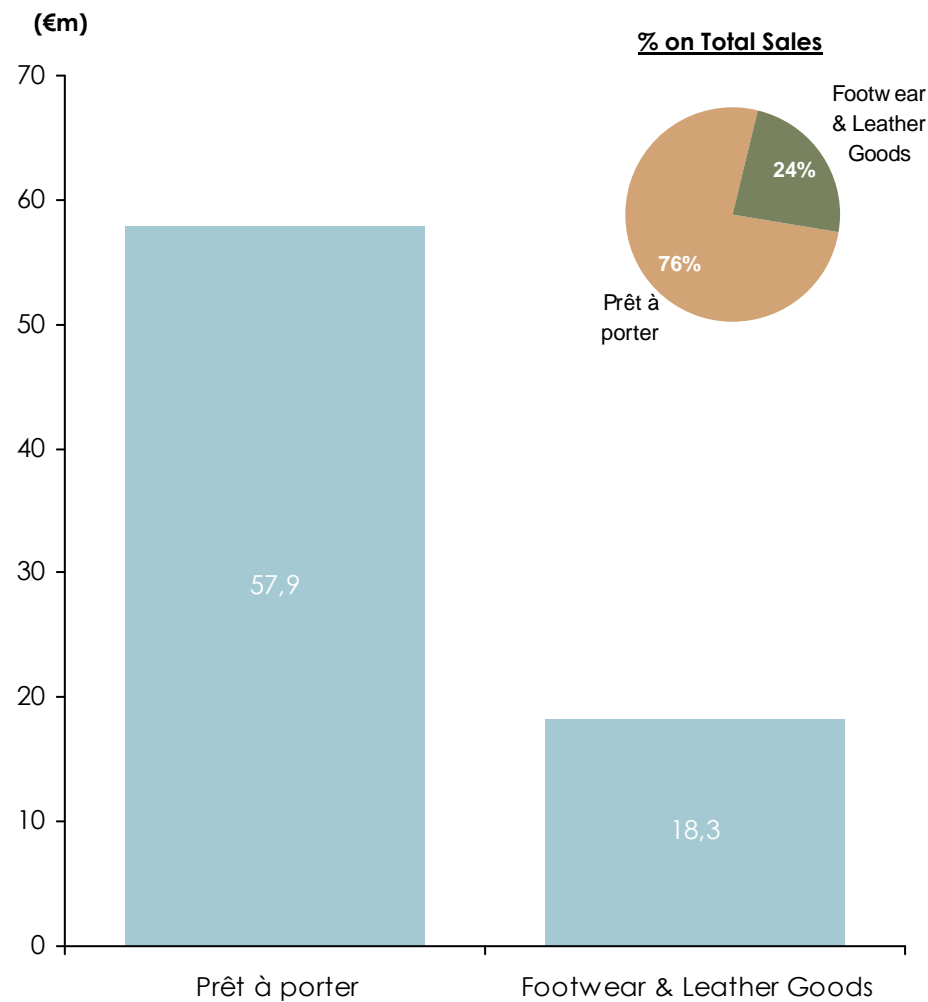
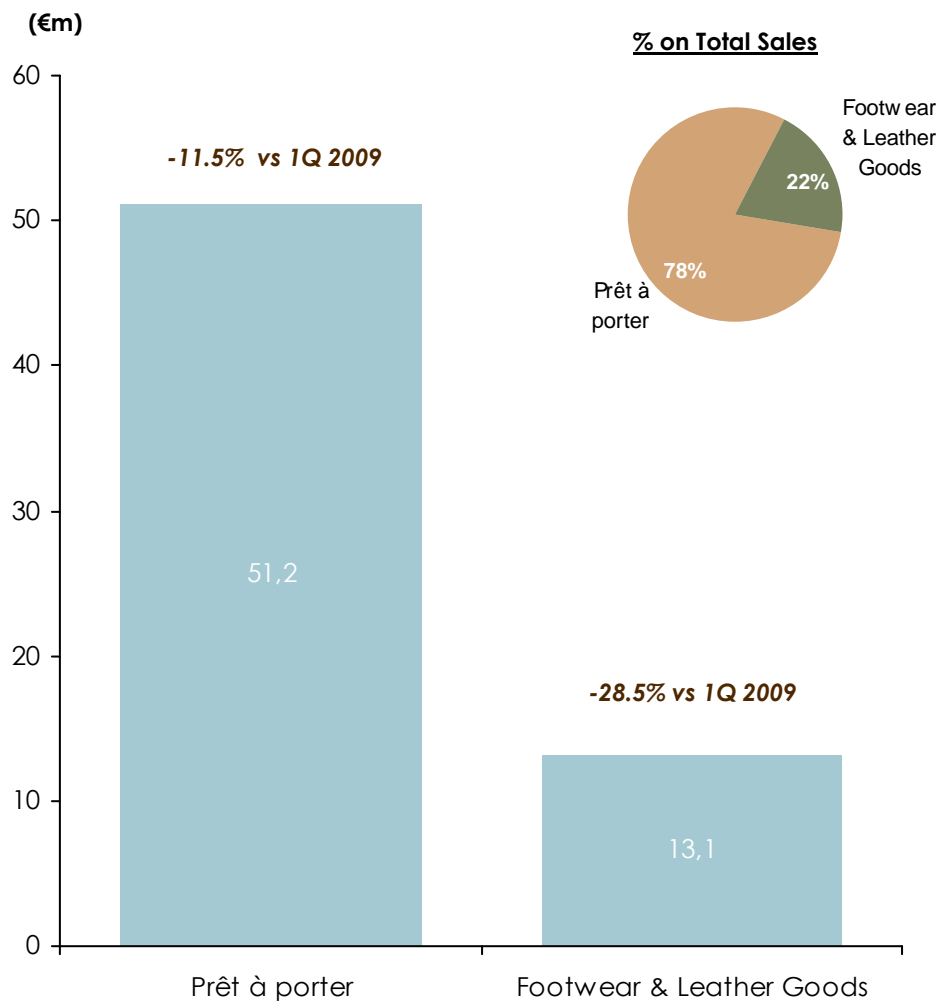
- ❖ **Consolidated Revenues** -15.2% at € 61.3m, (-15.1% at constant exchange rates)
- ❖ **Consolidated EBITDA** at € 1.5m
- ❖ **Consolidated Net Loss** at € 1.7m
- ❖ **Consolidated Net Financial Debt** of € 95.5m (€ 87.7m as of 31 December 2009)
- ❖ **237 Mono Brand Stores** (vs. 227 at the end of 2009)



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

1Q 2010

1Q 2009



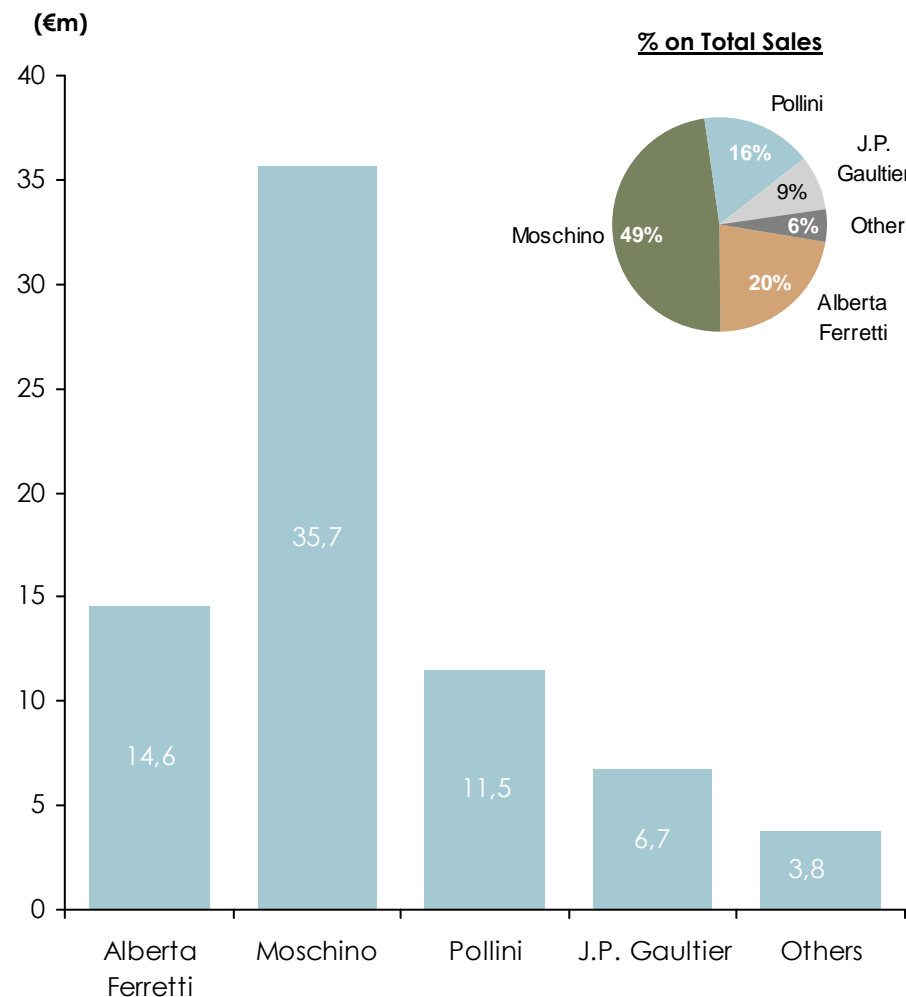
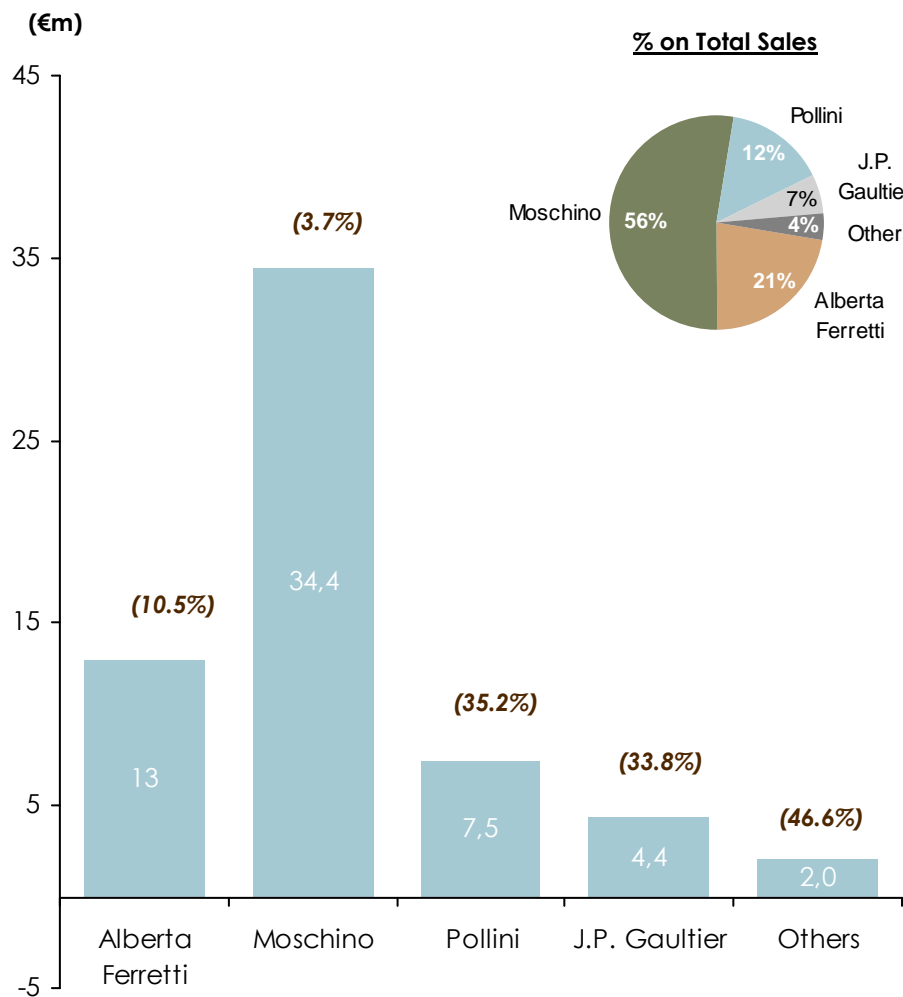
■ 1Q10 ■ at constant exchange rates

(1) Before inter-divisional eliminations

# Net Sales Breakdown by Brand

1Q 2010

1Q 2009

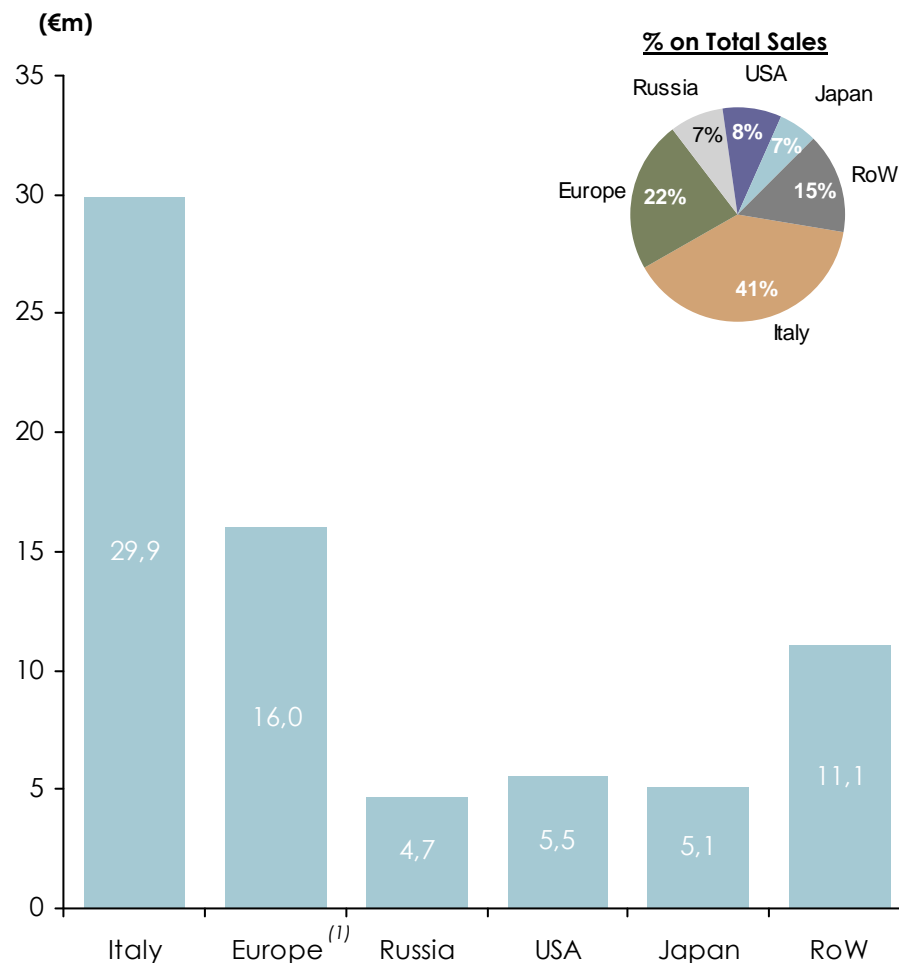
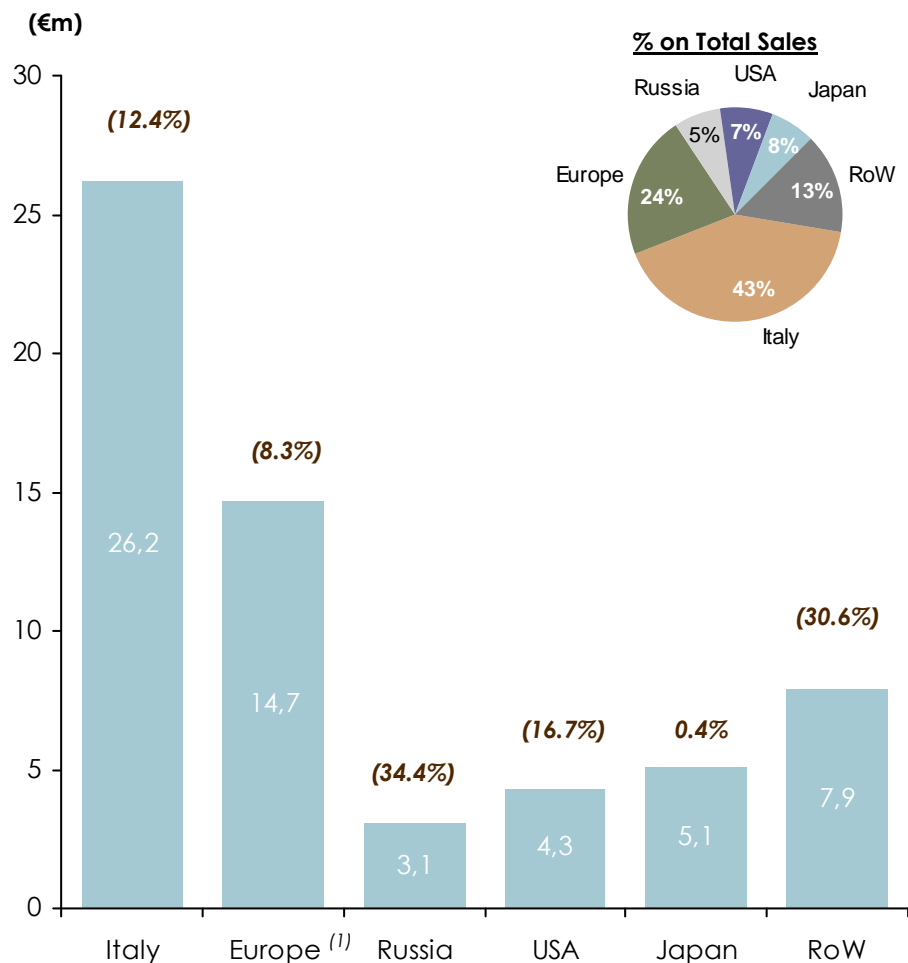


■ 1Q10 ■ at constant exchange rates

# Net Sales Breakdown by Region

1Q 2010

1Q 2009



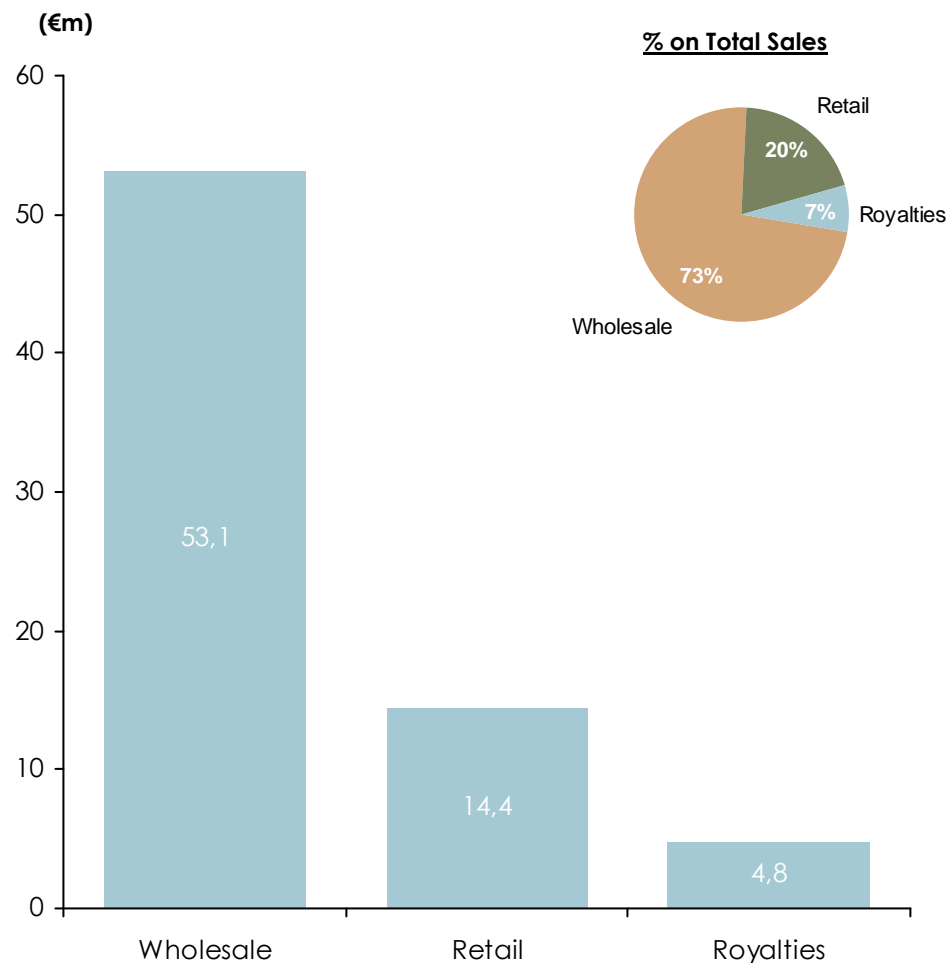
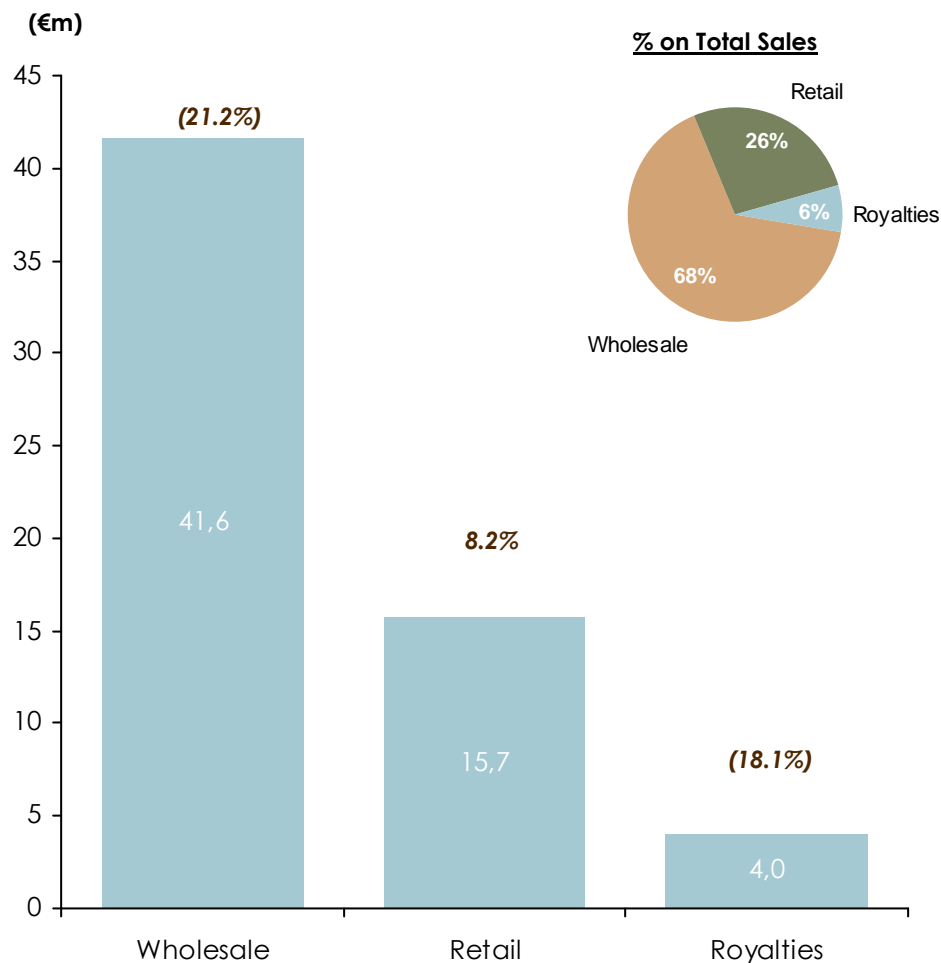
■ 1Q10 ■ at constant exchange rates

(1) Italy and Russia excluded

# Net Sales Breakdown by Channel

1Q 2010

1Q 2009



■ 1Q10 ■ at constant exchange rates

# Mono-brand Stores Network

## DOS

	<u>1Q10</u>	<u>FY09</u>
Europe	42	38
USA	3	3
Asia	38	38
<b>Total</b>	<b>83</b>	<b>79</b>



## Franchising

	<u>1Q10</u>	<u>FY09</u>
Europe	53	52
USA	7	7
Asia	94	89
<b>Total</b>	<b>154</b>	<b>148</b>



# Income Statement – 1Q 2010/2009

(€m)

	<u>1Q 10</u>	<u>1Q 09</u>
Net Sales	61,3	72,3
% change	(15,2%)	
Other Revenues	2,3	1,4
<b>Total Revenues</b>	<b>63,6</b>	<b>73,7</b>
% change	(13,8%)	
Raw Materials Costs	(19,9)	(21,9)
Service Costs	(18,8)	(23,9)
Costs for use of third parties	(5,4)	(5,1)
Personnel	(16,1)	(17,3)
Other Operating Expenses	(1,7)	(1,7)
Total Operating Expenses	(62,0)	(69,9)
<b>EBITDA</b>	<b>1,53</b>	<b>3,8</b>
Margin (% of Net sales)	2,5%	5,3%
Depreciation and Amortisation	(3,5)	(2,5)
EBIT	(1,9)	1,3
Margin (% of Net sales)	n.a	1,8%
Net Financial Income / (Expenses)	(0,3)	(1,0)
Result before taxes	(2,2)	0,3
Margin (% of Net sales)	n.a	0,4%
Taxes	0,30	(0,8)
Net income/(loss) before Minorities	(1,9)	(0,5)
Margin (% of Net sales)	n.a	n.a
Minority Interests	0,1	0,2
Net Income/(loss) for the Group	(1,7)	(0,3)
Margin (% of Net sales)	n.a	n.a



# Summary Balance Sheet

(€m)	<u>1Q 10</u>	<u>FY 09</u>	<u>1Q 09</u>
Net Working Capital	76,0	67,8	86,3
Net Tangible Assets	77,2	76,6	79,3
Net Intangible Assets	155,3	157,0	168,6
Net Financial Assets	3,0	2,8	2,6
Severance Staff, Provisions & Others	(47,7)	(46,0)	(60,4)
<b>Net Capital Employed</b>	<b>263,9</b>	<b>258,2</b>	<b>276,4</b>
Group Shareholders' Equity	141,3	143,2	164,4
Minorities	27,2	27,3	30,8
Shareholders' Equity & Minorities	168,4	170,5	195,2
Net Debt	90,0	82,2	75,9
Shares Buyback	5,5	5,5	5,3
<b>Net Financial Debt and Shareholders' Equity</b>	<b>263,9</b>	<b>258,2</b>	<b>276,4</b>
Accounts Receivables	39,8	26,9	48,7
Accounts Payables	(42,5)	(42,1)	(51,8)
Inventory	65,8	69,4	74,7
<b>Operating NWC</b>	<b>63,1</b>	<b>54,2</b>	<b>71,6</b>
As % of LTM sales	30,6%	25,0%	25,9%
Other Current Assets/Liabilities	12,9	13,6	14,7
<b>Net Working Capital</b>	<b>76,0</b>	<b>67,8</b>	<b>86,3</b>

# Summary Cash Flow

(€m)

	<u>1Q 10</u>	<u>FY 09</u>	<u>1Q 09</u>
PBT	(2,2)	(30,8)	0,3
Operating Cash Flow	(7,2)	(10,6)	(10,4)
Capital Expenditure	0,1	(4,2)	(2,8)
Free Cash Flow	(7,1)	(14,8)	(13,2)
Cash Flows from Financing Activities	7,9	12,5	14,2
Cash and cash equivalents at the beginning of the year	5,3	7,7	7,7
Cash Flow of the Period	0,8	(2,4)	1,0
<b>Cash and cash equivalents at the end of the year</b>	<b>6,1</b>	<b>5,3</b>	<b>8,7</b>

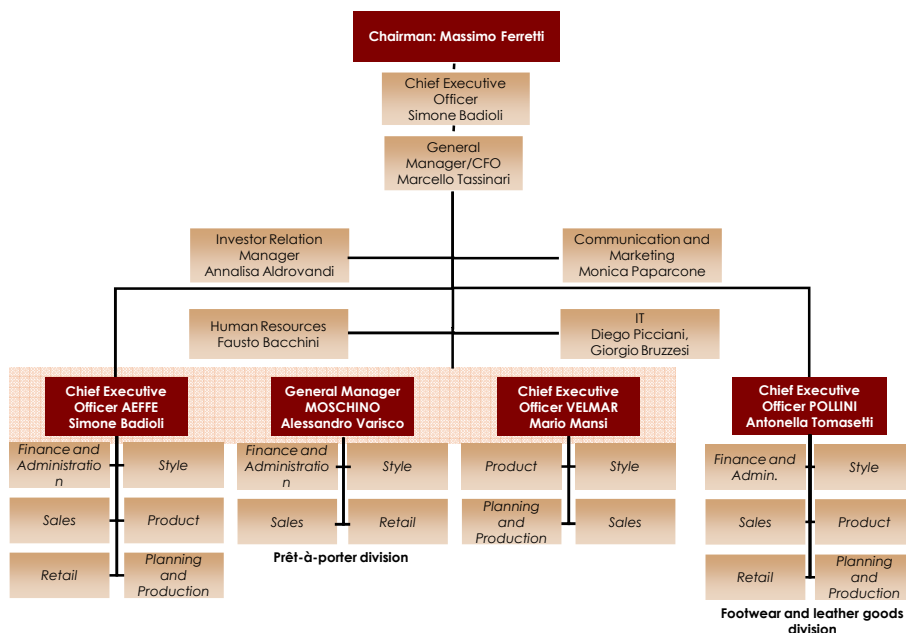


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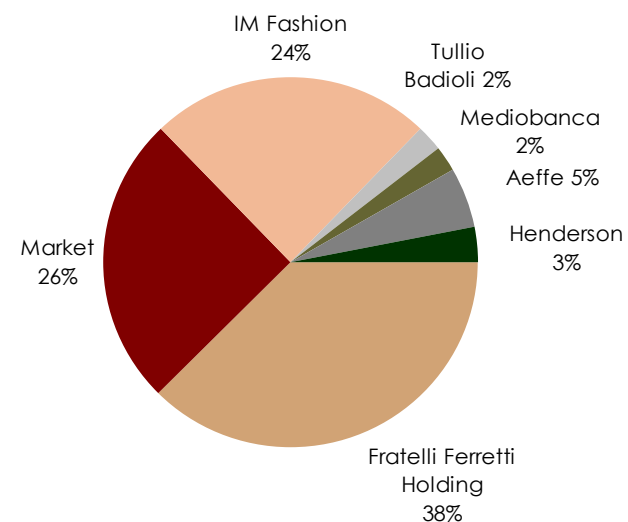
**Appendices**

# Company Profile

## Organisational Structure



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



## 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)

## Investor Relations

Investor Relations

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(1) Source: Consob as of 13 May 2010

# Cash Flow Statement

(€m)

	<u>1Q 10</u>	<u>FY 09</u>	<u>1Q 09</u>
<b>PBT</b>	<b>(2,2)</b>	<b>(30,8)</b>	<b>0,3</b>
Depreciation & Amortisation	3,5	13,6	2,5
Provisions & Impairments	(0,1)	(1,0)	(0,1)
Taxes	(1,2)	(1,8)	(1,7)
Net Interest	0,3	3,7	1,0
Change in other liabilities / (assets)	(7,5)	5,7	(12,4)
<b>Operating Cash Flow</b>	<b>(7,2)</b>	<b>(10,6)</b>	<b>(10,4)</b>
Capital expenditure for intangible assets	0,0	1,1	(0,4)
Capital expenditure for tangible assets	(2,3)	(5,0)	(2,4)
(Increase) / decrease in investments in other fixed assets	2,4	(0,3)	0,0
<b>Cash Flows from Financing Activities</b>	<b>0,1</b>	<b>(4,2)</b>	<b>(2,8)</b>
<b>Free Cash Flow</b>	<b>(7,1)</b>	<b>(14,8)</b>	<b>(13,2)</b>
Equity Issue	(0,2)	(1,7)	(0,3)
Change in short term debt	8,5	18,4	15,5
Change in long term debt	(0,2)	(0,6)	0,0
Net Interest	(0,2)	(3,7)	(1,0)
<b>Cash Flows from Financing Activities</b>	<b>7,9</b>	<b>12,4</b>	<b>14,2</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,3</b>	<b>7,7</b>	<b>7,7</b>
<b>Cash Flow of the Period</b>	<b>0,8</b>	<b>(2,4)</b>	<b>1,0</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>6,1</b>	<b>5,3</b>	<b>8,7</b>

# Income Statement – Full Year 2007-2009

(€m)

	<u>2009A</u>	<u>2008A</u>	<u>2007A</u>
Net Sales	217,04	294,7	293,2
% change	(26,3%)	0,5%	10,2%
Other Revenues	5,9	6,05	3,5
Non-Recurring Revenues	-		2,2
<b>Total Revenues</b>	<b>222,9</b>	<b>300,7</b>	<b>298,9</b>
% change	(26,1%)	0,6%	8,7%
Raw Materials Costs	(69,6)	(79,2)	80,9
Service Costs	(79,5)	(103,1)	95,7
Cost for use of third parties assets	(19,2)	(17,9)	17,1
Personnel	(63,1)	(61,7)	58,2
Other Operating Expenses	(4,5)	(4,5)	2,5
Total Operating Expenses	(235,9)	(266,4)	(254,4)
<b>EBITDA</b>	<b>(13,0)</b>	<b>34,3</b>	<b>44,5</b>
Margin (% of Net sales)	n.a	11,6%	15,2%
Depreciation and Amortisation	(14,18)	(12,4)	(10,7)
<b>EBIT</b>	<b>(27,1)</b>	<b>21,9</b>	<b>33,7</b>
Margin (% of Net sales)	n.a	7,4%	11,5%
Net Financial Income / (Expenses)	(3,7)	(6,6)	(8,1)
PBT	(30,8)	15,3	25,6
Margin (% of Net sales)	n.a	5,2%	8,7%
Taxes	7,06	(6,5)	(7,4)
Net income before Minorities	(23,8)	8,8	18,3
Margin (% of Net sales)	n.a	3,0%	6,2%
Minority Interests	3,7	(1,1)	(2,9)
<b>Net Income for the Group</b>	<b>(20,088)</b>	<b>7,7</b>	<b>11,4</b>
Margin (% of Net sales)	n.a	2,6%	3,9%

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