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INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2009

Disclaimer

This Interim consolidated financial statement at 30 September 2009 has been translated into English solely for the convenience of the International reader. In the event of conflict or inconsistency between the terms used in the Italian Version of the report and the English version, the Italian version shall prevail, as the Italian version constitutes the official document.

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Board of directors and control bodies of the Parent Company

Board of Directors	Chairman Massimo Ferretti
	Deputy Chairman Alberta Ferretti
	Chief Executive Officer Simone Badioli
	Directors Marcello Tassinari – Managing Director Umberto Paolucci Roberto Lugano Pierfrancesco Giustiniani
Board of Statutory Auditors	President Fernando Ciotti
	Statutory Auditors Bruno Piccioni Romano Del Bianco
	Alternate Auditors Andrea Moretti Pierfrancesco Gamberini
Board of Compensation Committee	President Umberto Paolucci
	Members Pierfrancesco Giustiniani Roberto Lugano
Board of Internal Control Committee	President Roberto Lugano
	Members Pierfrancesco Giustiniani Umberto Paolucci

Organisation chart



Brands portfolio



Headquarters

GRUPPO AEFPE

Via Delle Querce, 51
San Giovanni in Marignano (RN)
47842 - Italy

MOSCHINO

Via San Gregorio, 28
20124 - Milan
Italy

POLLINI

Via Erbosa I° tratto, 92
Gatteo (FC)
47043 - Italy

VELMAR

Via Delle Robinie, 43
San Giovanni in Marignano (RN)
47842 - Italy



Showrooms

AEFFE MILAN

(FERRETTI - GAULTIER)
Via Donizetti, 48
20122 - Milan
Italy

POLLINI MILAN

Via Donizetti, 48
20122 - Milan
Italy

AEFFE LONDON

(FERRETTI)
205-206 Sloane Street
SW1X9QX - London
UK

AEFFE PARIS

(GRUPPO)
6, Rue Caffarelli
75003 - Paris
France

AEFFE NEW YORK

(GRUPPO)
30 West 56th Street
10019 - New York
USA

MOSCHINO MILAN

Via San Gregorio, 28
20124 - Milan
Italy

MOSCHINO LONDON

28-29 Conduit Street
W1R 9TA - London
UK

MOSCHINO JAPAN

Shin-Nogizaka Bldg. 5F
1-15-14, Minami Aoyama Minato-ku
107-0062 - Tokyo
Japan

MOSCHINO HONG KONG

21/F Dorset House, Taikoo Place
979 King's Road
Hong Kong



Main flagshipstore locations under direct management

ALBERTA FERRETTI

Milan
Rome
Capri
Paris
Lille
London
New York
Los Angeles

POLLINI

Milan
Bologna
Rome
Florence
Venice
Bolzano
Ravenna
Varese
Verona

SPAZIO A

Florence
Venice

MOSCHINO

Milan
Rome
Capri
Paris
London
Berlin
New York
Osaka
Hong Kong
Kuala Lumpur
Singapore
Taipei
Fukuoka City
Tokyo
Kobe City
Kyoto
Nagoya
Seoul
Pusan
Kaoshiung



Main economic-financial data

		9 M	9 M
		2008	2009
Total revenues	(Values in millions of EUR)	241.1	180.0
Gross operating margin (EBITDA)	(Values in millions of EUR)	36.3	-5.9
Net operating profit (EBIT)	(Values in millions of EUR)	28.4	-13.8
Profit before taxes	(Values in millions of EUR)	24.2	-16.8
Net profit for the Group	(Values in millions of EUR)	12.7	-11.7
Basic earnings per share	(Values in units of EUR)	0.119	-0.115
Cash Flow (net profit + depreciation)	(Values in millions of EUR)	22.9	-6.3
Cash Flow/Total revenues	Ratio	9.5	-3.5

		31 December	30 September	31 December	30 September
		2007	2008	2008	2009
Net capital invested	(Values in millions of EUR)	233.1	267.2	262.8	274.8
Net financial indebtedness	(Values in millions of EUR)	38.5	62.6	66.8	94.2
Group net equity	(Values in millions of EUR)	164.8	172.1	165.0	152.0
Group net equity per share	(Values in units of EUR)	1.5	1.6	1.5	1.4
Current assets/Current liabilities	Ratio	1.6	2.1	1.9	2.5
Current assets less invent./Current liabilities (ACID Test)	Ratio	0.8	1.1	1.0	1.3
Net financial indebtedness/Net equity	Ratio	0.2	0.3	0.3	0.5

Financial statements

Income statement at 30 September

(Values in units of EUR)	Notes	9 M 2009	% on revenues	9 M 2008	% on revenues	Change	%
REVENUES FROM SALES AND SERVICES	(1)	175,689,136	100.0%	236,762,498	100.0%	-61,073,362	-25.8%
Other revenues and income		4,265,558	2.4%	4,296,755	1.8%	-31,197	-0.7%
TOTAL REVENUES		179,954,694	102.4%	241,059,253	101.8%	-61,104,559	-25.3%
Changes in inventory of work in process, semi-finished, finished goods		-6,828,631	-3.9%	3,839,965	1.6%	-10,668,596	-277.8%
Costs of raw materials, cons. and goods for resale		-50,431,579	-28.7%	-67,004,457	-28.3%	16,572,878	-24.7%
Costs of services		-62,249,707	-35.4%	-79,002,726	-33.4%	16,753,019	-21.2%
Costs for use of third parties assets		-14,743,636	-8.4%	-13,357,844	-5.6%	-1,385,792	10.4%
Labour costs		-47,984,219	-27.3%	-46,542,757	-19.7%	-1,441,462	3.1%
Other operating expenses		-3,622,465	-2.1%	-2,666,820	-1.1%	-955,645	35.8%
Total Operating Costs		-185,860,237	-105.8%	-204,734,639	-86.5%	18,874,402	-9.2%
GROSS OPERATING MARGIN (EBITDA)	(2)	5,905,543	-3.4%	36,324,614	15.3%	-42,230,157	-116.3%
Amortisation of intangible fixed assets		-2,714,100	-1.5%	-2,714,489	-1.1%	389	0.0%
Depreciation of tangible fixed assets		-5,149,777	-2.9%	-4,893,502	-2.1%	-256,275	5.2%
Revaluations (write-downs)		0	0.0%	-282,104	-0.1%	282,104	-100.0%
Total Amortisation and write-downs		-7,863,877	-4.5%	-7,890,095	-3.3%	26,218	-0.3%
NET OPERATING PROFIT (EBIT)	-	13,769,420	-7.8%	28,434,519	12.0%	-42,203,939	-148.4%
Financial income		465,564	0.3%	551,050	0.2%	-85,486	-15.5%
Financial expenses		-3,506,627	-2.0%	-4,736,215	-2.0%	1,229,588	-26.0%
Total Financial Income (expenses)		-3,041,063	-1.7%	-4,185,165	-1.8%	1,144,102	-27.3%
PROFIT BEFORE TAXES	-	16,810,483	-9.6%	24,249,354	10.2%	-41,059,837	-169.3%
Current income taxes		-2,305,616	-1.3%	-9,214,113	-3.9%	6,908,497	-75.0%
Deferred income/(expenses) taxes		4,995,151	2.8%	302,348	0.1%	4,692,803	1552.1%
Total Income Taxes		2,689,535	1.5%	-8,911,765	-3.8%	11,601,300	-130.2%
NET PROFIT	-	14,120,948	-8.0%	15,337,589	6.5%	-29,458,537	-192.1%
(Profit)/loss attributable to minority shareholders		2,377,360	1.4%	-2,598,594	-1.1%	4,975,954	-191.5%
NET PROFIT FOR THE GROUP	(3)	11,743,588	-6.7%	12,738,995	5.4%	-24,482,583	-192.2%

Income statement for the third quarter

(Values in units of EUR)	Notes	III Q 2009	% on revenues	III Q 2008	% on revenues	Change	%
REVENUES FROM SALES AND SERVICES	(1)	64,540,988	100.0%	92,172,193	100.0%	-27,631,205	-30.0%
Other revenues and income		1,665,263	2.6%	1,858,187	2.0%	-192,924	-10.4%
TOTAL REVENUES		66,206,251	102.6%	94,030,380	102.0%	-27,824,129	-29.6%
Changes in inventory of work in process, semi-finished, finished goods		-7,391,591	-11.5%	-8,223,625	-8.9%	832,034	-10.1%
Costs of raw materials, cons. and goods for resale		-14,550,483	-22.5%	-19,584,154	-21.2%	5,033,671	-25.7%
Costs of services		-20,283,085	-31.4%	-27,966,733	-30.3%	7,683,648	-27.5%
Costs for use of third parties assets		-5,050,825	-7.8%	-5,222,376	-5.7%	171,551	-3.3%
Labour costs		-15,957,357	-24.7%	-16,912,769	-18.3%	955,412	-5.6%
Other operating expenses		-1,646,729	-2.6%	-711,289	-0.8%	-935,440	131.5%
Total Operating Costs		-64,880,070	-100.5%	-78,620,946	-85.3%	13,740,876	-17.5%
GROSS OPERATING MARGIN (EBITDA)	(2)	1,326,181	2.1%	15,409,434	16.7%	-14,083,253	-91.4%
Amortisation of intangible fixed assets		-907,505	-1.4%	-912,367	-1.0%	4,862	-0.5%
Depreciation of tangible fixed assets		-1,777,562	-2.8%	-1,691,004	-1.8%	-86,558	5.1%
Revaluations (write-downs)		0	0.0%	-240,533	-0.3%	240,533	-100.0%
Total Amortisation and write-downs		-2,685,067	-4.2%	-2,843,904	-3.1%	158,837	-5.6%
NET OPERATING PROFIT (EBIT)	-	1,358,886	-2.1%	12,565,530	13.6%	-13,924,416	-110.8%
Financial income		84,590	0.1%	335,826	0.4%	-251,236	-74.8%
Financial expenses		-1,285,615	-2.0%	-1,181,680	-1.3%	-103,935	8.8%
Total Financial Income (expenses)		-1,201,025	-1.9%	-845,854	-0.9%	-355,171	42.0%
PROFIT BEFORE TAXES	-	2,559,911	-4.0%	11,719,676	12.7%	-14,279,587	-121.8%
Current income taxes		-641,215	-1.0%	-4,773,337	-5.2%	4,132,122	-86.6%
Deferred income (expenses) taxes		1,012,857	1.6%	1,277,513	1.4%	-264,656	-20.7%
Total Income Taxes		371,642	0.6%	-3,495,824	-3.8%	3,867,466	-110.6%
NET PROFIT	-	2,188,269	-3.4%	8,223,852	8.9%	-10,412,121	-126.6%
(Profit) loss attributable to minority shareholders		479,051	0.7%	-1,462,004	-1.6%	1,941,055	-132.8%
NET PROFIT FOR THE GROUP	(3)	1,709,218	-2.6%	6,761,848	7.3%	-8,471,066	-125.3%

Reclassified balance sheet

(Values in units of EUR)	Notes	30 September 2009	31 December 2008
Trade receivables		41,931,111	43,230,057
Stocks and inventories		68,845,087	77,433,665
Trade payables	-	37,813,718	63,004,051
Operating net working capital	(4)	72,962,480	57,659,671
Other short term receivables		25,337,110	28,899,717
Tax receivables		5,961,786	8,102,477
Other short term liabilities	-	16,758,295	16,907,509
Tax payables	-	3,239,707	4,288,323
Net working capital		84,263,374	73,466,033
Tangible fixed assets		77,093,158	78,465,485
Intangible fixed assets		166,811,834	169,174,912
Equity investments		27,840	27,840
Other fixed assets		2,493,593	2,665,776
Fixed assets	(5)	246,426,425	250,334,013
Post employment benefits	-	9,935,408	10,341,812
Provisions	-	1,053,358	1,744,209
Assets available for sale		1,686,885	1,636,885
Long term not financial liabilities	-	14,241,401	14,405,694
Deferred tax assets		12,055,275	8,356,878
Deferred tax liabilities	-	44,403,853	44,486,859
NET CAPITAL INVESTED		274,797,939	262,815,235
Share capital		25,371,407	25,766,795
Other reserves		125,632,141	121,342,633
Profits/(Losses) carried-forward		12,749,350	10,236,020
Profits/(Losses) of the period	-	11,743,588	7,675,504
Group interest in shareholders' equity		152,009,310	165,020,952
Minority interests in shareholders' equity		28,613,017	30,990,377
Total shareholders' equity	(6)	180,622,327	196,011,329
Cash	-	7,107,674	7,705,842
Long term financial liabilities		24,226,546	17,528,201
Short term financial liabilities		77,056,740	56,981,547
NET FINANCIAL POSITION	(7)	94,175,612	66,803,906
SHAREHOLDERS' EQUITY AND NET FINANCIAL INDEBTEDNESS		274,797,939	262,815,235

Cash flow

(Values in thousands of EUR)	Notes	9 M	9 M
		2009	2008
OPENING BALANCE		7,706	14,525
Profit before taxes		-16,810	24,249
Amortisation		7,864	7,890
Accrual (+) / availment (-) of long term provisions and post employment benefits		-1,097	-473
Paid income taxes		-2,140	-9,419
Financial income (-) and financial charges (+)		3,041	4,185
Change in operating assets and liabilities		-9,914	-29,926
CASH FLOW (ABSORBED) / GENERATED BY OPERATING ACTIVITY		-19,056	-3,494
Increase (-) / decrease (+) in intangible fixed assets		-351	-2,642
Increase (-) / decrease (+) in tangible fixed assets		-3,778	-8,651
Investments (-) / disinvestments (+)		0	-282
Change in assets available for sale		-50	0
CASH FLOW (ABSORBED) / GENERATED BY INVESTING ACTIVITY		-4,179	-11,575
Other variations in reserves and profits carried-forward of shareholders'equity		-558	-3,218
Dividends paid		-710	-2,148
Proceeds (+) / repayment (-) of financial payments		26,774	23,577
Increase (-) / decrease (+) in long term financial receivables		172	514
Financial income (+) and financial charges (-)		-3,041	-4,185
CASH FLOW (ABSORBED) / GENERATED BY FINANCING ACTIVITY		22,637	14,540
CLOSING BALANCE		7,108	13,996

Changes in shareholders' equity

(Values in thousands of EUR)

	Share capital	Share premium reserve	Other reserves	Fair Value reserve	IAS reserve	Profits (Losses) carried - forward	Earnings reserve	Translation reserve	Cash flow hedge reserve	Group interest in shareholders' equity	Minority interests in shareholders' equity	Total shareholders' equity
BALANCES AT 31 December 2007	26,841	75,308	28,204	7,901	11,459	679	15,321	- 949	-	164,764	29,863	194,627
Changes in equity for the first 9 M of 2008												
Allocation of 31 December 2007 profit	-	-	3,591	-	-	11,729	- 15,321	-	-	-	-	-
Dividends paid	-	-	-	-	-	- 2,148	-	-	-	2,148	-	2,148
Treasury stock (buyback)/sale	- 517	- 2,491	-	-	-	-	-	-	-	3,008	-	3,008
Total comprehensive income/(loss) at 30/09/08	-	-	-	-	-	-	12,739	- 242	-	12,497	2,599	15,096
Other changes	-	-	-	-	-	25	-	-	-	25	25	-
BALANCES AT 30 September 2008	26,324	72,817	31,795	7,901	11,459	10,236	12,739	- 1,191	-	172,080	32,487	204,567

(Values in thousands of EUR)

	Share capital	Share premium reserve	Other reserves	Fair Value reserve	IAS reserve	Profits (Losses) carried - forward	Earnings reserve	Translation reserve	Cash flow hedge reserve	Group interest in shareholders' equity	Minority interests in shareholders' equity	Total shareholders' equity
BALANCES AT 31 December 2008	25,767	71,796	31,795	7,901	11,459	10,236	7,676	- 1,269	- 340	165,021	30,990	196,011
Changes in equity for the first 9 M of 2009												
Allocation of 31 December 2008 profit	-	-	4,453	-	-	3,223	- 7,676	-	-	-	-	-
Dividends paid	-	-	-	-	-	- 710	-	-	-	710	-	710
Treasury stock (buy-back)/ sale	- 396	- 556	-	-	-	-	-	-	-	952	-	952
Total comprehensive income/(loss) at 30/09/09	-	-	-	-	-	-	- 11,744	51	340	- 11,353	- 2,377	- 13,730
Other changes	-	-	3	-	-	-	-	-	-	3	-	3
BALANCES AT 30 September 2009	25,371	71,240	36,251	7,901	11,459	12,749	- 11,744	- 1,218	-	152,009	28,613	180,622

Interim management report

The revenues from sales and services generated in the first nine months of 2009 amount to EUR 175,689 thousand compared to EUR 236,762 thousand of the first nine months of 2008, showing a reduction of 25.8% (-26.6% at constant exchange rates and excluding the effect of the termination of the Narciso Rodriguez licence).

In the first nine months of 2009 EBITDA is negative for EUR 5,906 thousand, down compared with EUR 36,325 thousand positive of the first nine months of 2008.

The Group's balance sheet at 30 September 2009 shows a shareholders' equity of EUR 180,622 thousand and an increase in net financial indebtedness from EUR 66,804 thousand at 31 December 2008 to EUR 94,176 thousand at 30 September 2009. Such increase is mainly due to the economic result of the first nine months, to the investments realised in the period (EUR 4,179 thousand), to the distribution of dividends (EUR 710 thousand) and to the purchase of treasury shares (EUR 952 thousand).

Operating net working capital amounts to EUR 72,962 thousand (31% of LTM sales) compared with EUR 57,660 thousand at 31 December 2008 (19.5% of sales).

Capex realised in the period are mainly related to maintenance capex and expenses for stores' refurbishment.

Explanatory notes

Income statement

1. Revenues from sales and services

Nine months 2009 vs 2008

In the first nine months of 2009, revenues from sales and services are equal to EUR 175,689 thousand with a decrease of 25.8% (-26.6% at constant exchange rates and excluding the effect of the Narciso Rodriguez licence) compared with EUR 236,762 thousand in the first nine months of 2008.

The following table details the revenues by geographical area for the first nine months of 2009 and 2008.

(Values in thousands of EUR)	9 M		9 M		Change	
	2009	%	2008	%	Δ	%
Italy	72,538	41.3%	92,864	39.2%	-20,326	-21.9%
Europe (Italy and Russia excluded)	38,943	22.2%	51,674	21.8%	-12,731	-24.6%
Russia	11,573	6.6%	22,101	9.3%	-10,528	-47.6%
United States	13,763	7.8%	20,222	8.5%	-6,459	-31.9%
Japan	13,270	7.6%	14,123	6.0%	-853	-6.0%
Rest of the World	25,602	14.5%	35,778	15.2%	-10,176	-28.4%
Total	175,689	100.0%	236,762	100.0%	-61,073	-25.8%

In the first nine months of 2009 sales in Italy decrease by 21.9% to EUR 72,538 thousand, contributing to 41.3% of consolidated sales.

Sales in Europe decrease by 24.6% (-23.6% at constant exchange rates and excluding the effect of the Narciso Rodriguez collections), contributing to 22.2% of consolidated sales, while the Russian market records sales equal to EUR 11,573 thousand, contributing to 6.6% of consolidated sales, with a contraction of 47.6% (the decrease remains unchanged at constant exchange rates and excluding the effect of the Narciso Rodriguez collections). Sales in the United States are equal to EUR 13,763 thousand, contributing to 7.8% of consolidated sales, with a decrease of 31.9% (-35.1% at constant exchange rates and excluding the effect of the Narciso Rodriguez collections). In Japan sales decrease by 6.0% (-19.0% at constant exchange rates and excluding the effect of the Narciso Rodriguez collections) to EUR 13,270 thousand, contributing to 7.6% of consolidated sales.

In the Rest of the World, sales are equal to EUR 25,602 thousand with a decrease of 28.4% (-29.1% at constant exchange rates and excluding the effect of the Narciso Rodriguez collections) and a contribution of 14.5% of consolidated sales.

The following table details the revenues by brand for the first nine months of 2009 and 2008.

(Values in thousands of EUR)	9 M		9 M		Change	
	2009	%	2008	%	Δ	%
Alberta Ferretti	38,622	22.0%	51,726	21.8%	-13,104	-25.3%
Moschino	92,623	52.7%	110,970	46.9%	-18,347	-16.5%
Pollini	25,619	14.6%	42,696	18.0%	-17,077	-40.0%
J.P.Gaultier	12,500	7.1%	20,026	8.5%	-7,526	-37.6%
Other	6,325	3.6%	11,344	4.8%	-5,019	-44.2%
Total	175,689	100.0%	236,762	100.0%	61,073	-25.8%

In the first nine months of 2009, Alberta Ferretti brand decreases by 25.3% (-25.5% at constant exchange rates), generating 22% of consolidated sales.

In the same period, Moschino brand sales decrease by 16.5% (-18.8% at constant exchange rates) contributing to 52.7% of consolidated sales.

Pollini brand decreases by 40% (-40.1% at constant exchange rates), generating 14.6% of consolidated sales, while brand under licence JP Gaultier decreases by 37.6% (-38.6% at constant exchange rates) contributing to 7.1% of consolidated sales.

The other brands sales decrease by 44.2% (-36.6% at constant exchange rates and excluding Narciso Rodriguez collections) contributing to 3.6% of consolidated sales.

The following table details the revenues by distribution channel for the first nine months of 2009 and 2008.

(Values in thousands of EUR)	9 M		9 M		Change	
	2009	%	2008	%	Δ	%
Wholesale	117,351	66.8%	172,021	72.7%	-54,670	-31.8%
Retail	44,870	25.5%	49,113	20.7%	-4,243	-8.6%
Royalties	13,468	7.7%	15,628	6.6%	-2,160	-13.8%
Total	175,689	100.0%	236,762	100.0%	61,073	-25.8%

By distribution channel in the first nine months of 2009, wholesale sales decrease by 31.8% (-32.4% at constant exchange rates and excluding the effect of Narciso Rodriguez collections) contributing to 66.8% of consolidated sales.

Sales of our directly-operated stores (retail channel) amount to EUR 44,870 thousand with a decrease of 8.6% (-10.3% at constant exchange rates and excluding the effect of Narciso Rodriguez collections) contributing to 25.5% of consolidated sales.

Royalty income is 13.8% lower than in the corresponding period of the previous year, representing 7.7% of consolidated sales.

The following table details the revenues by own brand and brand under license for the first nine months of 2009 and 2008.

(Values in thousands of EUR)	9 M		9 M		Change	
	2009	%	2008	%	Δ	%
Own brands	156,986	89.4%	205,652	86.9%	-48,666	-23.7%
Brands under license	18,703	10.6%	31,110	13.1%	-12,407	-39.9%
Total	175,689	100.0%	236,762	100.0%	61,073	-25.8%

Revenues generated by own brands decrease in absolute value by EUR 48,666 thousand, -23.7% compared with the previous year, with an incidence on total revenues which increases from 86.9% in the first nine months of 2008 to 89.4% in the first nine months of 2009.

Excluding the effect of Narciso Rodriguez collections revenues generated by brands under license decrease by 37%.

Third quarter 2009 vs 2008

In the third quarter of 2009, revenues from sales and services are equal to EUR 64,541 thousand with a decrease of 30% compared with EUR 92,172 thousand in the third quarter of 2008.

The following table details the revenues by geographical area for the third quarter of 2009 and 2008.

(Values in thousands of EUR)	III Q		III Q		Change	
	2009	%	2008	%	Δ	%
Italy	26,134	40.5%	35,618	38.6%	-9,484	-26.6%
Europe (Italy and Russia excluded)	15,171	23.5%	21,315	23.1%	-6,144	-28.8%
Russia	4,226	6.5%	8,483	9.2%	-4,257	-50.2%
United States	4,682	7.3%	6,990	7.6%	-2,308	-33.0%
Japan	5,107	7.9%	5,421	5.9%	-314	-5.8%
Rest of the World	9,221	14.3%	14,345	15.6%	-5,124	-35.7%
Total	64,541	100.0%	92,172	100.0%	-27,631	-30.0%

In the third quarter of 2009 sales in Italy decrease by 26.6% to EUR 26,134 thousand, contributing to 40.5% of consolidated sales.

Sales in Europe decrease by 28.8% contributing to 23.5% of consolidated sales, while the Russian market records sales equal to EUR 4,226 thousand, contributing to 6.5% of consolidated sales, with a contraction of 50.2%. Sales in the United States are equal to EUR 4,682 thousand, contributing to 7.3% of consolidated sales, with a decrease of 33%. In Japan sales decrease by 5.8% to EUR 5,107 thousand, contributing to 7.9% of consolidated sales.

In the Rest of the World, sales are equal to EUR 9,221 thousand with a decrease of 35.7% and a contribution of 14.3% of consolidated sales.

The following table details the revenues by brand for the third quarter of 2009 and 2008.

(Values in thousands of EUR)	III Q		III Q		Change	
	2009	%	2008	%	Δ	%
Alberta Ferretti	15,705	24.3%	20,897	22.7%	-5,192	-24.8%
Moschino	33,880	52.5%	40,236	43.7%	-6,356	-15.8%
Pollini	8,787	13.6%	17,767	19.3%	-8,980	-50.5%
J.P.Gaultier	4,789	7.4%	10,128	11.0%	-5,339	-52.7%
Other	1,380	2.2%	3,144	3.3%	-1,764	-56.1%
Total	64,541	100.0%	92,172	100.0%	-27,631	-30.0%

In the third quarter of 2009, Alberta Ferretti brand decreases by 24.8% generating 24.3% of consolidated sales.

In the same period, Moschino brand sales decrease by 15.8% contributing to 52.5% of consolidated sales.

Pollini brand decreases by 50.5% generating 13.6% of consolidated sales, while brand under licence JP Gaultier decreases by 52.7% contributing to 7.4% of consolidated sales.

The other brands sales decrease by 56.1% contributing to 2.2% of consolidated sales.

The following table details the revenues by distribution channel for the third quarter of 2009 and 2008.

(Values in thousands of EUR)	III Q		III Q		Change	
	2009	%	2008	%	Δ	%
Wholesale	44,124	68.4%	69,316	75.2%	-25,192	-36.3%
Retail	16,067	24.9%	16,933	18.4%	-866	-5.1%
Royalties	4,350	6.7%	5,923	6.4%	-1,573	-26.6%
Total	64,541	100.0%	92,172	100.0%	-27,631	-30.0%

By distribution channel in the third quarter of 2009, wholesale sales decrease by 36.3% contributing to 68.4% of consolidated sales.

Sales of our directly-operated stores (retail channel) amount to EUR 16,067 thousand with a decrease of 5.1% contributing to 24.9% of consolidated sales.

Royalty income is 26.6% lower than in the corresponding period of the previous year, representing 6.7% of consolidated sales.

The following table details the revenues by own brand and brand under license for the third quarter of 2009 and 2008.

(Values in thousands of EUR)	III Q		III Q		Change	
	2009	%	2008	%	Δ	%
Own brands	58,377	90.4%	78,913	85.6%	-20,536	-26.0%
Brands under license	6,164	9.6%	13,259	14.4%	-7,095	-53.5%
Total	64,541	100.0%	92,172	100.0%	-27,631	-30.0%

Revenues generated by own brands decrease in absolute value by EUR 20,536 thousand, with an incidence on total revenues which increases from 85.6% in the third quarter of 2008 to 90.4% in the third quarter of 2009. Revenues generated by brands under license decrease in absolute value by EUR 7,095 thousand.

2. Gross Operating Margin (EBITDA)

Nine months 2009 vs 2008

In the first nine months of 2009 consolidated EBITDA is negative for EUR 5,906 thousand, down compared to EUR 36,325 thousand positive of the first nine months of 2008.

The significant decrease in profitability is substantially related to the following factors. Firstly, to the decrease in revenues from sales and services and the consequence higher incidence of fixed costs; secondly, to the promotional activities in terms of discounts to support customers; finally, to the lower contribution to Group's profitability registered in the retail channel which continued to suffer from the contraction in consumer demand.

Third quarter 2009 vs 2008

In the third quarter of 2009 consolidated EBITDA is EUR 1,326 thousand, down 91.4% compared to EUR 15,409 thousand in the third quarter of 2008, with a 2.1% margin on sales.

3. Net profit for the Group

Nine months 2009 vs 2008

In the first nine months of 2009 Group records a net loss of EUR 11,744 thousand, compared to a net profit of EUR 12,739 thousand in the first nine months of 2008.

Third quarter 2009 vs 2008

In the third quarter of 2009 Group records a net loss of EUR 1,709 thousand, compared to a net profit of EUR 6,762 thousand in the third quarter of 2008.

Segment information

Economic performance by Divisions

At international level, the Group is divided into two main business sectors:

- (i) *Prêt-à porter* Division;
- (ii) Footwear and leather goods Division.

Nine months 2009 vs 2008

The following tables indicate the main economic data for the first nine months of 2009 and 2008 of the *Prêt-à porter* and Footwear and leather goods Divisions.

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
9M 2009				
SECTOR REVENUES	143,734	41,234	-9,279	175,689
Intercompany revenues	-2,078	-7,201	9,279	-
Revenues with third parties	141,656	34,033	-	175,689
Gross operating margin (EBITDA)	-74	-5,832	-	-5,906
Amortisation	-6,235	-1,628	-	-7,863
Other non monetary items:				
Write-downs	-	-	-	-
Net operating profit (EBIT)	-6,309	-7,460	-	-13,769
Financial income	666	91	-291	466
Financial expenses	-2,956	-842	291	-3,507
Profit before taxes	-8,599	-8,211	-	-16,810
Income taxes	454	2,235	-	2,689
Net profit	-8,145	-5,976	-	-14,121

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
9M 2008				
SECTOR REVENUES	188,013	62,092	-13,343	236,762
Intercompany revenues	-3,441	-9,902	13,343	-
Revenues with third parties	184,572	52,190	-	236,762
Gross operating margin (EBITDA)	30,436	5,889	-	36,325
Amortisation	-6,024	-1,584	-	-7,608
Other non monetary items:				
Write-downs	-42	-240	-	-282
Net operating profit (EBIT)	24,370	4,065	-	28,435
Financial income	914	121	-484	551
Financial expenses	-3,744	-1,476	484	-4,736
Profit before taxes	21,540	2,710	-	24,250
Income taxes	-7,714	-1,198	-	-8,912
Net profit	13,826	1,512	-	15,338

Third Quarter 2009 vs 2008

The following tables indicate the main economic data for the third quarter of 2009 and 2008 of the *Prêt-à porter* and Footwear and leather goods Divisions.

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
III Q 2009				
SECTOR REVENUES	53,516	13,667	-2,642	64,541
Intercompany revenues	-750	-1,892	2,642	-
Revenues with third parties	52,766	11,775		64,541
Gross operating margin (EBITDA)	3,164	-1,838		1,326
Amortisation	-2,113	-572		-2,685
Other non monetary items:				
Write-downs	-	-		-
Net operating profit (EBIT)	1,051	-2,410		-1,359
Financial income	155	-2	-68	85
Financial expenses	-1,144	-210	68	-1,286
Profit before taxes	62	-2,622		-2,560
Income taxes	-685	1,057		372
Net profit	-623	-1,565		-2,188

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
III Q 2008				
SECTOR REVENUES	71,463	24,956	-4,247	92,172
Intercompany revenues	-1,495	-2,752	4,247	-
Revenues with third parties	69,968	22,204		92,172
Gross operating margin (EBITDA)	11,590	3,820		15,410
Amortisation	-2,051	-553		-2,604
Other non monetary items:				
Write-downs	-	-240		-240
Net operating profit (EBIT)	9,539	3,027		12,566
Financial income	665	43	-372	336
Financial expenses	-770	-784	372	-1,182
Profit before taxes	9,434	2,286		11,720
Income taxes	-2,628	-868		-3,496
Net profit	6,806	1,418		8,224

Prêt-à porter Division

In the first nine months, revenues of the prêt-à-porter division decrease by 23.6% (-24.5% at constant exchange rates and excluding the effect of Narciso Rodriguez collections) to EUR 143,734 thousand. This division contributes to 75.2% of consolidated revenues in the first nine months of 2008 and 77.7% in the first nine months of 2009, before inter-divisional eliminations.

EBITDA of the *prêt-à-porter* division is negative for EUR 74 thousand in the first nine months of 2009 in decrease compared to EUR 30,436 thousand in the first nine months of 2008.

Footwear and leather goods Division

Revenues of the footwear and leather goods division decrease by 33.6% from EUR 62,092 thousand in the first nine months of 2008 to EUR 41,234 thousand in the first nine months of 2009.

The EBITDA of the footwear and leather goods division decreases from EUR 5,889 thousand in the first quarter of 2008 to a negative value of EUR 5.832 thousand in the first nine months of 2009.

Balance sheet

Compared to 31 December 2008, the Group's balance sheet at 30 September 2009 shows a decrease in shareholders' equity from EUR 196,011 thousand to EUR 180,622 thousand, mainly due to the economic result.

4. Operating net working capital

Operating net working capital amounts to EUR 72,962 thousand (31% of LTM revenues), compared with EUR 57,660 thousand (19.5% of revenues) at 31 December 2008.

5. Fixed assets

Capex realised in the period are mainly related to maintenance capex and expenses for stores' refurbishment.

6. Shareholders' equity

Changes in shareholders' equity are presented in tables at page 14.

7. Net financial position

The net financial indebtedness increase by EUR 27,372 thousand from EUR 66,804 thousand at 31 December 2008 to EUR 94,176 thousand at 30 September 2009. Such increase is mainly due to the economic result of the first nine months of 2009, to the investments realised in the period, to the distribution of dividends and to the purchase of treasury shares.

Other information

Earnings per share

Basic earnings per share:

(Values in thousands of EUR)	30 September 2009	30 September 2008
Consolidated earnings/(losses) for the period for the shareholders of the Parent Company	-11,744	12,739
Weighted average number of outstanding shares	101,826	106,650
Basic earnings per share	-0.115	0.119

Measurement basis

The main accounting policies and measurement basis adopted in preparing the consolidated financial statements at 30 September 2009 are the same used in preparing the consolidated financial statements at 31 December 2008.

Significant events subsequent to the balance sheet date

After the 30 September 2009 no significant events regarding the Group's activities have to be reported.

Outlook

As forecasted, third quarter 2009 results reflect the difficult times the luxury goods industry is living; its decline has particularly penalised our minor brands while our core brands, albeit with negative trends, are performing better than the sector. Our group has faced the current economic situation taking actions to reduce operating costs and to rationalise the structure whilst safeguarding our know-how; we therefore believe that today the group could face new development projects in the future with a more streamlined and efficient organization. To this end it has been recently signed an agreement with the well-known Maison Cacharel, with which we are working on a broad project and for which we have high expectations.

Atypical and/or unusual transactions

Pursuant to Consob communication n. DEM/6064296 dated 28 July 2006, it is confirmed that during the first nine months of 2009, the Group did not enter into any atypical and/or unusual transactions, as defined in that communication.

Significant non-recurring events and transactions

During the first nine months of 2009 and 2008 no non-recurring events or transactions have been realised.

The executive responsible for preparing the company's accounting documentation Marcello Tassinari declares, pursuant to paragraph 2 of art. 154b of the Consolidated Finance Law, that the accounting information contained in this document agrees with the underlying documentation, records and accounting entries.