

Report of the Board of Statutory Auditors to the shareholders' meeting of AEFPE S.p.A. on the 2009 financial statements, issued pursuant to article 153 of Italian Legislative Decree 58/98 and art. 2429, paragraph 3 of the Italian Civil Code.

Dear Shareholders,

during the year ended on 31 December 2009, the Board of Statutory Auditors of AEFPE S.p.A. carried out the supervision activities required by law, also taking into consideration the principles of conduct recommended by the National Council of Professional Accountants and Qualified Accountants (today the National Council of Accountants and Accounting Experts) and the Co.N.So.B. communications on company audits and activities of the Board of Statutory Auditors.

The financial statements were drawn up in compliance with the international accounting principles (I.A.S./I.F.R.S.), in observance of article 32 of Italian Legislative Decree 38 of 28 February 2005.

During the year the Board of Statutory Auditors acquired information useful for carrying out its functions, both by hearing the company structures and by virtue of what was reported during the Board of Directors meetings, which the Board always attended.

The obligation of informing the Board of Statutory Auditors provided for by art. 150, paragraph one, of Italian Legislative Decree no. 58/1998 and art. 19.2 of the articles of association has been discharged by consultations held with the chairman of the Board of Directors and with the Chief Executive Officer. Said consultations, aimed at ensuring a direct, constant and systematic flow of information: for both the Board of Statutory Auditors and Directors - particularly those "not executive" - allowed the Board of Statutory Auditors to gain information about the activity carried on, the operations of greater economic and financial impact, operations within the group and with related parties, and any atypical or unusual operations, and also on all other activities or operations deemed opportune to bring to the knowledge of the recipients of the Report.

1. Based on the information received and on the specific analyses conducted by the Board of Statutory Auditors, it emerged that the operations of greater economic and financial impact that the company had carried out, also through directly or indirectly held companies, are essentially the following:

In November 2009 the company signed a long-term partnership agreement for developing ladies prêt-à-porter collections with the "Cacharel" trademark.

In June 2009 the company formed a company called AEFPE Japan, which will supervise distribution of all of the group's brands.

At the end of the financial year the company held 5,876,878 of treasury shares of the nominal value of €uro 0.25 each, which correspond to 5.5% of the share capital. During the year this report regards, purchases made amount to €uro 952,000.

The Board of Statutory Auditors ascertained compliance with the law, with the articles of association, with the principles of correct administration of the operations described, verifying that they are not manifestly imprudent or rash, in contrast with the resolutions passed by the shareholders' meeting or such as to compromise the integrity of the company's capital and reserves.

2. The Supervisory Board, established according to Italian Legislative Decree no. 231 of 8 June 2001, pursued its activity, during which it found no reprehensible problems or deeds, as set forth in the periodic reports delivered to the company bodies.

3. With regard to Co.N.So.B. communication no. 1025564 dated 6 April 2001, the Board of Statutory Auditors reports that during FY 2009 and after year-end it did not find atypical and/or unusual operations carried out with third parties and/or with related parties.

4. As far as operations with related parties are concerned, please note that:

the principles contained in the "Code of conduct on operations with related parties" continued to be applied during FY 2009, attending to the activities aimed at providing an improved and safer application of the

instructions contained therein, also in order to assess the adequacy of the instructions given to the subsidiary companies for fulfilling the reporting obligations;

the company has financial and economic relations with group companies, which are indicated in the Explanatory Notes and are represented in the various items of the financial statements. The transactions are carried out at market values;

as far as the intragroup transactions and those with the related parties indicated above are concerned, the Board considers the amounts adequate and that the transactions carried out correspond to the Company's interest.

5. The Board of Statutory Auditors believes that the information provided by the Directors in the Explanatory Notes to the Financial Statements of AEFPE S.p.A. with regard to the transactions within the group and with related parties are adequate.

6. The auditing firm Mazars S.p.A., which audited the accounting records according to current regulations, stated during the meeting held today that it does not envisage putting forward observations and/or exceptions in its report accompanying the financial statements, issued pursuant to art. 156, paragraph one, of Italian Legislative Decree no. 58 of 24 February 1998 and art. 2409 ter of the Italian Civil Code.

7. During the year the Board of Statutory Auditors did not receive notifications pursuant to art. 2408 of the Italian Civil Code.

8. Reports, complaints and/or notifications were not presented to the Board of Statutory Auditors during 2009.

9. Assignments other than the legal auditing activity were not given to S.p.A., and critical issues regarding the company's independence did not emerge.

10. According to the declaration issued by the Directors, confirmed by the auditing firm, appointments were not given to parties tied to the latter by on-going collaboration.

11. During FY 2009 the Board of Statutory Auditors did not issue opinions.

12. During 2009 the Board of Directors of the company held five meetings; the Audit Committee held four meetings and the Remuneration Committee held one. The Board of Statutory Auditors met eight times during 2009; it also attended: (i) the Shareholders' Meeting that approved the financial statements at 31 December 2008; (ii) all Board of Directors meetings; (iii) all meetings held by the Audit Committee in 2009.

13. The Board of Statutory Auditors acknowledged and supervised, as far as its competence, compliance with the principles of proper administration by: direct observations; gathering of information from the managers of the company functions; meetings with the person in charge of auditing; meetings with the Audit Committee; meetings with the managers of the Auditing Firm Mazars S.p.A. (article 150, paragraph 3, of Italian Legislative Decree 58/1998); exchange of information with the corresponding bodies of the subsidiary companies (article 151, paragraph 2, of Italian Legislative Decree 58/1998). Significant data and information emerged from the aforesaid meetings that should be pointed out in this report.

Specifically, as far as the resolution processes of the Board of Directors is concerned, the Board of Statutory Auditors ascertained, by way of direct attendance of the board meetings, that the management choices adopted by the Directors comply with the law and articles of association, and verified that the relevant resolutions were backed by analyses and opinions – produced within the company or, when necessary, by outside professionals – above all regarding the economic-financial suitability of the transactions and their consequent conformity with the company's interest.

14. The Board of Statutory Auditors acquainted itself with and supervised, as far as its competence, the adequacy of the organisational structure of the company and its operation.

The Board of Statutory Auditors supervised the company's audit system and assessed its adequacy, also through: (i) periodic meetings with the person in charge of auditing, (ii) attendance of the Audit Committee meetings, (iii) acquisition of documentation, noting that the system did not reveal significant critical issues.

The Board of Statutory Auditors did not avail itself of the possibility to call a Shareholders' Meeting or a meeting of the Board of Directors.

15. The Board of Statutory Auditors assessed and supervised the adequacy of the administrative-accounting system and its reliability in correctly representing management matters by obtaining information from the managers of the competent company functions, examining company documents and analysing results of the work carried out by the auditing firm.

16. The Board of Statutory Auditors supervised the adequacy of the instructions given by the company to its subsidiary companies pursuant to art. 114, paragraph 2, of Italian Legislative Decree no. 58 of 24 February 1998.

17. The Board of Statutory Auditors ascertained that the rules and laws pertaining to training and the set-up of the Financial Statements and Management Report are observed by way of direct verifications and information received from the Auditing Firm Mazars S.p.A. During the supervisory activity carried out and on the basis of the information obtained from the Auditing Firm, omissions or reprehensible deeds, irregularities or in any case facts such as to require their reporting to the supervisory bodies or mentioning in this report were found. The Board of Statutory Auditors also examined the valuation criteria adopted in drawing up the financial statements presented, which comply with the statutory requirements.

In observance of article 2423, paragraph four, of the Italian Civil Code, the Board of Statutory Auditors confirms that the Directors did not depart from the rules of law in drawing up the financial statements.

18. The company adheres to the principles and recommendations summarised in the Self-Regulation Code formulated by the Corporate Governance Committee of listed companies on the initiative of Borsa Italiana. The Board of Directors of the company (made up of 7 members) has 3 non-executive directors, 2 of which have been described as independent by the Board of Directors; the Board of Directors has set up within itself both the Remuneration Committee, made up of independent and non-executive directors, and the Audit Committee, also made up of independent and non-executive directors.

19. Since 2008 the company has appointed the figure of "Lead Independent Director" (identified in the Chairman of the Remuneration Committee), point of reference and coordination of the requests and contributions of the independent directors which guarantees the broadest autonomy of their judgement with regard to the actions of management to which, among other things, the right to call special meetings of only independent Directors for the close scrutiny of topics pertaining to the management activity, or rather the functioning of the Board of Directors, is attributed.

20. The Board of Statutory Auditors verified correct application of the criteria and procedures of assessment adopted by the Board of Directors for evaluating the independence of its members, in observance of the requirements provided by the self-regulation code formulated by the Corporate Governance Committee of listed companies on the initiative of Borsa Italiana.

For further information about the Corporate Governance of the company, please refer to the specific section in the Management Report.

In conclusion, the Board of Statutory Auditors voices a positive evaluation of the company's Corporate Governance system.

21. As previously stated, the supervision and control activity carried out by the Board of Statutory Auditors did not reveal significant events susceptible to being reported to the Supervisory and Control bodies, or worthy of mention in this report.

22. Having acknowledged the results of the financial statements as at 31 December 2009, the Board of Statutory Auditors has no objections to put forward regarding the resolution proposal presented by the Board of Directors.

San Giovanni in Marignano, 7 April 2010

The Board of Statutory Auditors

Dott. Fernando CIOTTI

Rag. Romano DEL BIANCO

Dottor Bruno PICCIONI


Chairman

Statutory auditor

Statutory auditor

List of the positions held pursuant to art. 148 bis of Legislative Decree n 58 of 1998

Mr. Fernando CIOTTI

President of the Board of Statutory Auditors of AEFPE S.p.A.

Positions held in other Public Companies: none – number of positions held 11

Company	Position	Expiration
R.E. Service Srl	Sole Director	Up to cancellation
Pollini Retail Srl	President of the Board of Statutory Auditors	2010 Balance sheet approval
Green Line Tour SpA	President of the Board of Statutory Auditors	2011 Balance sheet approval
Aeffe SpA	President of the Board of Statutory Auditors	2010 Balance sheet approval
Eschilo 1 Srl	President of the Board of Statutory Auditors	2009 Balance sheet approval
Solide Real Estate Srl	President of the Board of Statutory Auditors	2011 Balance sheet approval
Velmar SpA	President of the Board of Statutory Auditors	2012 Balance sheet approval
Gir+A&F Srl	President of the Board of Statutory Auditors	2009 Balance sheet approval
Pollini SpA	Statutory Auditor	2009 Balance sheet approval
Air Bee SpA	Statutory Auditor	2010 Balance sheet approval
Aeffe Retail SpA	Statutory Auditor	2011 Balance sheet approval

Mr. Bruno PICCIONI

Statutory Auditor of AEFPE S.p.A.

Positions held in other Public Companies: 1 - number of positions held 15

Company	Position	Expiration
Banca Interprovinciale S.p.A.	President of the Board of Statutory Auditors	2011 Balance sheet approval
Cassa Di Risparmio Di Rimini SpA (Emittente)	President of the Board of Statutory Auditors	2009 Balance sheet approval
Actgroup SpA	President of the Board of Statutory Auditors	2010 Balance sheet approval
Holding Industriale Composti Srl	President of the Board of Statutory Auditors	2010 Balance sheet approval
Edilceramiche Srl	Statutory Auditor	2009 Balance sheet approval

Adriatica Veicoli Industriali Srl	Statutory Auditor	2009 Balance sheet approval
Edilsantamonica Srl	Statutory Auditor	2009 Balance sheet approval
Auto In Srl	Statutory Auditor	2010 Balance sheet approval
Aeffe SpA	Statutory Auditor	2010 Balance sheet approval
Universal Pack Srl	Statutory Auditor	2011 Balance sheet approval
Moschino SpA	Statutory Auditor	2011 Balance sheet approval
Consorzio Imprese Valconca Società Cooperativa	Statutory Auditor	2010 Balance sheet approval
Sant'Andrea Servizi Srl	Auditor	2011 Balance sheet approval
B.F. di Del Prete Maria Teresa e C. Snc	Partner and Director	Up to cancellation
B.F.T. Srl	Sole Director	Up to cancellation

Mr. Romano DEL BIANCO
Statutory Auditor of AEFPE S.p.A.

Positions held in other Public Companies: 1 - number of positions held 6

Company	Position	Expiration
Aeffe Retail SpA	President of the Board of Statutory Auditors	2011 Balance sheet approval
Banca Popolare Valconca SCARL (<i>Emittente</i>)	President of the Board of Statutory Auditors	2011 Balance sheet approval
Velmar SpA	Statutory Auditor	2011 Balance sheet approval
Aeffe SpA	Statutory Auditor	2010 Balance sheet approval
Afin International Srl	Statutory Auditor	2009 Balance sheet approval
Adriatica Veicoli Industrialie (A.V.I.) Srl	Statutory Auditor	2009 Balance sheet approval