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PRESS RELEASE

Aeffe: First Quarter 2009 Revenues Of Euro 72.3 Million Compared To Euro 90.3 million In First Quarter 2008. Important Actions Have Been Taken To Generate Operating Costs Savings Of Around Euro 10 Million In 2010

San Giovanni in Marignano, 14 May 2009, the Board of Directors of Aeffe SpA approved today the consolidated results for First Quarter 2009. The company, listed on the STAR segment of Borsa Italiana, operates in the luxury sector, with a presence in the prêt-à-porter, footwear and leather goods division under renowned brand names such as Alberta Ferretti, Moschino, Pollini and JP Gaultier.

- **Consolidated revenues of Euro 72.3 million, compared to Euro 90.3 million in Q1 2008**
- **Ebitda of Euro 3.8 million (5.3% of sales), compared to Euro 16 million in Q1 2008**
- **Net loss of Euro 0.3 million compared to a net income of Euro 6 million in Q1 2008**
- **Net financial debt of Euro 81 million (Euro 66.8 million as of 31 December 2008)**
- **Management has taken important actions to generate operating costs savings of around Euro 10 million in 2010**

Consolidated Revenues

In Q1 2009, consolidated revenues amounted to Euro 72.3 million compared to Euro 90.3 million in Q1 2008, down by 19.9% at current exchange rates, -20.6% at constant exchange rates and excluding the effect of the Narciso Rodriguez license.
Revenues of the prêt-à-porter division amounted to Euro 57.9 million, down by 18% at current exchange rates, -18.9% at constant exchange rates compared to Q1 2008, while revenues of the footwear and leather goods division decreased by 24% to Euro 18.3 million, before interdivisional eliminations.

Massimo Ferretti, Executive Chairman of Aeffe Spa, has thus commented: "*I believe it is clear to all of us that the current situation is difficult and unique. For this reason, we all, the family together with the management team are working with the objective to act both on support revenues and on reducing costs, whilst keeping unchanged our investments in research and development to catch all the opportunities which may arise in this market environment. We are working on the collections to reduce the number of items as well as on the sales campaigns to shorten them. Our collections have been created to offer models with price positioning and*

wearability more in line with current market needs. We are also presenting selected successful new editions of vintage selected collections. We have also worked on the staff rationalization and terminated the production of some smaller lines. Finally, we are evaluating solutions for streamlining our retail channel. All this will lead to operating costs savings of about Euro 10 million in 2010."
"The Group is responding in a prompt and determined way", said Ferretti*, "and thanks to this, together with some timid signs of recovery that could strengthen starting from the collection of orders for the next spring summer collections, we look at 2010 with renewed confidence".*

Revenues Breakdown by Region

(In thousands of Euro)	**Q1 09 Reported**	**Q1 08 Reported**	**% Change**	**% Change***
Italy	29.862	37.112	(19,5%)	(19,2%)
Europe (Italy and Russia excluded)	16.047	19.795	(18,9%)	(17,8%)
Russia	4.708	7.079	(33,5%)	(33,5%)
United States	5.456	7.343	(25,7%)	(26,0%)
Japan	5.107	5.241	(2,6%)	(20,5%)
Rest of the World	11.114	13.722	(19,0%)	(19,4%)
Total	**72.294**	**90.292**	**(19,9%)**	**(20,6%)**

(*) Calculated at constant exchange rates and excluding the effect of the termination of the Narciso Rodriguez licence

Q1 2009 sales in Italy decreased by 19% to Euro 29.9 million, contributing to 41% of consolidated sales.
Sales in Europe at constant exchange rates and excluding the effect of the Narciso Rodriguez collections decreased by 17.8%, contributing to 22% of consolidated sales. The Russian market fell by 33%, contributing to 6.5% of consolidated sales. Sales in the United States, at constant exchange rates and excluding the effect of the Narciso Rodriguez collections, decreased by 26%, while Japan sales decreased by 20%. In the Rest of the World, sales decreased by 19.4% to Euro 11.1 million, contributing to 15% of consolidated sales.

Network of Monobrand Stores

DOS	**Q1 09**	**FY 08**
Europe	38	38
United States	3	3
Asia	38	38
Total	**79**	**79**

Franchising	**Q1 09**	**FY 08**
Europe	53	50
United States	7	7
Asia	85	81
Total	**145**	**138**

Analysis of Operating Results and Net Result

Q1 2009 consolidated EBITDA was equal to Euro 3.8 million, down 76% compared to Euro 16 million in Q1 2008, with a 5.3% margin on sales.
The significant decrease in profitability has been substantially related to the following factors. Firstly, in Q1 2009 we have registered both several orders' reductions, made by our customers, mainly in North America, as a result of the worsening of the economic crisis, and orders' cancellations made by Aeffe itself when risks of insolvency, especially for Eastern European clients, were particularly high; secondly, the Group continued to make promotional activities in terms of discounts to support customers; finally, the lower contribution to Group's profitability registered in the retail channel which continued to suffer from the contraction in consumer demand.

EBITDA of the *prêt-à-porter* division was equal to Euro 4.77 million in Q1 2009, down 65% compared to Euro 13.62 million in Q1 2008, with a 8.2% margin on sales.
EBITDA of the footwear and leather goods division was negative for Euro 0.9 million, compared to Euro 2.4 million in Q1 2008.
Consolidated EBIT amounted to Euro 1.3 million and represents 1.8% of consolidated sales.
In Q1 2009 Group posted a net loss of Euro 0.3 million, compared to a net profit of Euro 6 million in Q1 2008.

Balance Sheet Analysis

Looking at the Group's balance sheet as of 31 March 2009, shareholders' equity was equal to Euro 164 million and net financial debt amounted to Euro 81.2 million (Euro 66.8 million as of 31 December 2008), as a consequence of the seasonality of our business.
Net working capital amounted to Euro 86.3 million (31% of LTM sales) in Q1 2009 compared to Euro 73.5 million as of 31 December 2008 (24.9% of sales); the increase in NWC was mainly related to the seasonality of the business.
Capex in Q1 2009 were mainly related to maintenance expenses and stores' refurbishment.

(In thousands of Euro)	**Q1 09**	**%**	**Q1 08**	**%**	**Change %**
Revenues from sales and services	**72.294**	**100,0%**	**90.292**	**100,0%**	**(19,9%)**
Other revenues and income	1.432	2,0%	1.291	1,4%	10,9%
Total Revenues	**73.726**	**102,0%**	**91.583**	**101,4%**	**(19,5%)**
Total operating costs	(69.868)	(96,6%)	(75.542)	(83,7%)	(7,5%)
EBITDA	**3.858**	**5,3%**	**16.040**	**17,8%**	**(76,0%)**
Total Amortization and Write-downs	(2.549)	(3,5%)	(2.509)	(2,8%)	1,6%
EBIT	**1.308**	**1,8%**	**13.532**	**15,0%**	**(90,3%)**
Total Financial Income /(expenses)	(959)	(1,3%)	(1.830)	(2,0%)	(47,6%)
Profit before taxes	**349**	**0,5%**	**11.702**	**13,0%**	**(97,0%)**
Taxes	(868)	(1,2%)	(4.433)	(4,9%)	(80,4%)
Profit Net of taxes	**(519)**	**(0,7%)**	**7.269**	**8,1%**	**(107,1%)**
(Profit)/ Loss attributable to minority shareholders	221	0,3%	(1.233)	(1,4%)	(117,9%)
Net Profit/(Loss) for the Group	**(298)**	**(0,4%)**	**6.036**	**6,7%**	**(104,9%)**

(In thousands of Euro)	**Q1 09**	**FY 08**	**Q1 08**
Trade receivables	48.650	43.230	56.234
Stock and inventories	74.722	77.434	67.693
Trade payables	(51.766)	(63.004)	(61.921)
Operating net working capital	**71.606**	**57.660**	**62.006**
Other receivables	34.836	37.002	31.412
Other liabilities	(20.131)	(21.196)	(24.727)
Net working capital	**86.310**	**73.466**	**68.691**
Tangible fixed assets	79.258	78.465	70.745
Intangible fixed assets	168.637	169.175	170.883
Investments	28	28	25
Other long term receivables	2.629	2.666	3.180
Fixed assets	**250.552**	**250.334**	**244.833**
Post employment benefits	(10.344)	(10.342)	(10.747)
Long term provisions	(1.653)	(1.744)	(1.709)
Net financial assets available for sale	1.637	1.637	1.637
Other long term liabilities	(14.352)	(14.406)	(14.238)
Deferred tax assets	8.588	8.357	7.860
Deferred tax liabilities	(44.312)	(44.487)	(48.157)
NET CAPITAL INVESTED	**276.427**	**262.815**	**248.170**
Capital issued	25.489	25.767	26.826
Other reserves	121.330	121.343	124.736
Profits/(Losses) carried-forward	17.912	10.236	12.408
Profit for the period	(298)	7.675	6.036
Group share capital and reserves	**164.432**	**165.021**	**170.007**
Minority interests	30.769	30.990	31.096
Shareholders' equity	**195.202**	**196.011**	**201.103**
Liquid assets	(8.669)	(7.706)	(17.014)
Long term financial payables	15.572	17.528	24.657
Short term financial payables	74.323	56.982	39.425
NET FINANCIAL POSITION	**81.225**	**66.804**	**47.068**
SHAREHOLDERS' EQUITY AND NET FINANCIAL INDEBTEDNESS	**276.427**	**262.815**	**248.170**

(In thousands of Euro)	**Q1 09**	**FY 08**	**Q1 08**
OPENING BALANCE	**7.706**	**14.525**	**14.525**
Profit before taxes	349	15.250	11.702
Amortizations, provisions and depreciations	2.549	12.429	2.509
Accruals (availments) of long term provisions and post employment benefits	(89)	(733)	(362)
Taxes	(1.709)	(12.335)	(1.109)
Financial incomes and financial charges	959	6.615	1.830
Change in operating assets and liabilities	(12.463)	(18.883)	(19.160)
NET CASH FLOW FROM OPERATING ASSETS	**(10.404)**	**2.343**	**(4.590)**
Increase (decrease) in intangible fixed assets	(363)	(1.035)	(13)
Increase (decrease) in tangible fixed assets	(2.441)	(13.878)	(1.967)
Revaluations (Write-downs)		(2.191)	
Investments		(7)	(3)
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES	**(2.804)**	**(17.111)**	**(1.983)**
Other changes in reserves and profit carried-forward to shareholders'equity	(291)	(7.394)	(123)
Proceeds (repayment) of financial payments	15.385	21.502	11.073
Increase (decrease) in long term financial receivables	36	456	(58)
Financial incomes and financial charges	(959)	(6.615)	(1.830)
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES	**14.171**	**7.949**	**9.062**
CLOSING BALANCE	**8.669**	**7.706**	**17.014**

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

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