



PRESS RELEASE

Aeffe: 2009 Consolidated Revenues At €217M

San Giovanni in Marignano, 11 March 2009, the Board of Directors of Aeffe SpA approved today the consolidated results for the Full Year 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.

- **FY 2009 consolidated revenues of €217m, compared to €294.7m in FY 2008**
- **Negative Ebitda for €12.9m, compared to a positive Ebitda of €34.3m in FY 2008**
- **Net loss for the Group of €20.1m, compared to a net income of €7.7m in FY 2008**
- **Net financial debt of €87.7m, compared to €66.8m as of December 31, 2008**

Consolidated Revenues

In 2009, AEFEE consolidated revenues amounted to €217m compared to €294.7m in 2008, with a 26.3% decrease at current exchange rates (-26.7% at constant exchange rates).

Revenues of the prêt-à-porter division amounted to €178.2m, down by 24.7% at current exchange rates and by 25.1% at constant exchange rates compared to 2008, while revenues of the footwear and leather goods division decreased by 33.3% to €50.3m, before interdivisional eliminations.

Massimo Ferretti, Executive Chairman of Aeffe Spa, has thus commented: *"The 2009 has been a difficult year, which nonetheless prompted a series of reflections and positive initiatives for Aeffe group: a) firstly, the importance of the DNA of our brands as a key competitive advantage; b) secondly, the need of rationalising the production process, the organization and the collections in order to be more aligned to the market needs; 3) finally, the value of the know-how that must be preserved in order to be able to face future challenges. Even though 2010 will suffer the negative effects of 2009 during its first part, it is already showing the first signs of recovery. We are confident that these signals will be confirmed in the coming months"*.

Revenues Breakdown by Region

<i>(In thousands of Euro)</i>	FY 09	FY 08	% Growth	% Growth*
	Reported	Reported		
Italy	89,692	115,055	(22.0%)	(21.8%)
Europe (Italy and Russia excluded)	48,493	68,871	(29.6%)	(28.7%)
Russia	14,394	24,429	(41.1%)	(41.1%)
United States	17,832	27,576	(35.3%)	(36.0%)
Japan	15,226	18,172	(16.2%)	(25.3%)
Rest of the World	31,402	40,581	(22.6%)	(22.8%)
Total	217,039	294,684	(26.3%)	(26.7%)

(*) Calculated at constant exchange rates

In 2009, sales in Italy decreased by 21.8% to €89.6m, contributing to 41.3% of consolidated sales. At constant exchange rates, sales in Europe decreased by 28.7%, contributing to 22.3% of consolidated sales. The Russian market fell by 41.1%, contributing to 6.6% of consolidated sales. Sales in the United States, at constant exchange rates, decreased by 36%, while Japan sales decreased by 25.3%. In the Rest of the World, sales decreased by 22.8% to €31.4m, contributing to 14.5% of consolidated sales.

Network of Monobrand Stores

DOS	FY 09	FY 08	Franchising	FY 09	FY 08
Europe	38	38	Europe	52	50
United States	3	3	United States	7	7
Asia	38	38	Asia	89	81
Total	79	79	Total	148	138

Operating and Net Results Analysis

In 2009 consolidated Ebitda was negative for €12.9m, compared to a positive Ebitda of €34.3m in 2008. Profitability has been negatively affected by the slowdown in both wholesale and retail channel, thus increasing the cost of goods sold, and by the effect of the new directly operated stores opened during the second semester 2008, which are still in a start-up phase.

Ebitda of the *prêt-à-porter* division was negative for €6.4m in 2009, compared to a positive Ebitda of €30.2m in 2008.

Ebitda of the footwear and leather goods division was negative for €6.5m compared to a positive Ebitda of €4m in 2008.

Consolidated Ebit was negative for €27.1m, compared to a positive Ebit of €21.9m in 2008. The difference also includes €2.8m deriving from the change in accounting estimates of the key money useful life from indefinite to finite. The change has been accounted in accordance with IAS 8 and, in details, key money have been amortised on a systematic basis over their residual term of lease.

In 2009 Group posted a net loss of €20.1m, compared to a net profit of €7.7m in 2008.

Balance Sheet Analysis

Looking at the Group's balance sheet as of December 31, 2009 Shareholders' equity was equal to €143.2m and net financial debt amounted to €87.7m (€66.8m as of December 31, 2008).

Operating net working capital amounted to €54.2m (25% of sales) compared to €57.6m as of December 31, 2008 (19.5% of sales); the increase in the percentage on sales was mainly driven by the extension in terms of days of the receivables.

Capex in 2009 was equal to €4.2m, mainly related to maintenance capex and expenses for stores' refurbishment.

Other information

The Board of Directors of Aeffe SpA has convened the annual Shareholder's meeting on April 29, 2010 to discuss and deliberate on the following

AGENDA

1. Approval of the financial statement for Aeffe SpA for the year ended on December 31, 2009 and related and consequential resolutions. Presentation of the consolidated financial statements as of December 31, 2009.

The documentation required by the current legislation for the topics and proposals on the Agenda will be made available to the public in accordance with the law at the registered offices and at Borsa Italiana Spa.

The Shareholders may consult and obtain copies of that documentation that will be made available, in terms of the law, also on the company's website: www.aeffe.com

Here below Income Statement, Reclassified Balance Sheet and Cash Flow Statement are attached.

Full Year 2009 data included in this press release are currently under the activity of the Auditors' company.

"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".

Contatto:

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(In thousands of Euro)

	FY 09	%	FY 08	%	Change	Change %
Revenues from sales and services	217,039	100.0%	294,684	100.0%	(77,645)	(26.3%)
Other revenues and income	5,856	2.7%	6,049	2.1%	(193)	(3.2%)
Total Revenues	222,895	102.7%	300,733	102.1%	(77,838)	(25.9%)
Total operating costs	(235,851)	(108.7%)	(266,440)	(90.4%)	30,588	(11.5%)
EBITDA	(12,956)	(6.0%)	34,293	11.6%	(47,250)	(137.8%)
Total Amortization and Write-downs	(14,175)	(6.5%)	(12,429)	(4.2%)	(1,746)	14.1%
EBIT	(27,132)	(12.5%)	21,864	7.4%	(48,996)	(224.1%)
Total Financial Income /(expenses)	(3,705)	(1.7%)	(6,614)	(2.2%)	2,909	(44.0%)
Profit before taxes	(30,836)	(14.2%)	15,250	5.2%	(46,087)	(302.2%)
Taxes	7,059	3.3%	(6,473)	(2.2%)	13,532	(209.1%)
Profit Net of taxes	(23,777)	(11.0%)	8,777	3.0%	(32,555)	(370.9%)
(Profit)/ Loss attributable to minority shareholders	3,689	1.7%	(1,102)	(0.4%)	4,791	(434.8%)
Net Profit for the Group	(20,088)	(9.3%)	7,675	2.6%	(27,763)	(361.7%)

<i>(In thousands of Euro)</i>	FY 09	FY 08
Trade receivables	26,869	43,230
Stock and inventories	69,483	77,434
Trade payables	(42,133)	(63,004)
Operating net working capital	54,219	57,660
Other receivables	31,630	37,002
Other liabilities	(18,023)	(21,196)
Net working capital	67,825	73,466
Tangible fixed assets	76,587	78,465
Intangible fixed assets	157,008	169,175
Investments	28	28
Other long term receivables	2,812	2,666
Fixed assets	236,435	250,334
Post employment benefits	(9,785)	(10,342)
Long term provisions	(1,247)	(1,744)
Assets available for sale	9,257	1,637
Liabilities available for sale	(1,854)	
Other long term liabilities	(14,241)	(14,406)
Deferred tax assets	14,545	8,357
Deferred tax liabilities	(42,773)	(44,487)
NET CAPITAL INVESTED	258,161	262,815
Capital issued	25,371	25,767
Other reserves	125,160	121,343
Profits/(Losses) carried-forward	12,749	10,236
Profit for the period	(20,088)	7,675
Group share capital and reserves	143,193	165,021
Minority interests	27,301	30,990
Shareholders' equity	170,494	196,011
Liquid assets	(5,337)	(7,706)
Long term financial payables	18,159	17,528
Short term financial payables	74,844	56,982
NET FINANCIAL POSITION	87,667	66,804
SHAREHOLDERS' EQUITY AND NET FINANCIAL INDEBTEDNESS	258,161	262,815

<i>(In thousands of Euro)</i>	FY 09	FY 08
OPENING BALANCE	7,706	14,525
Profit before taxes	(30,836)	15,250
Amortizations, provisions and depreciations	13,636	12,429
Accruals (availments) of long term provisions and post employment benefits	(1,054)	(733)
Taxes	(1,783)	(12,335)
Financial incomes and financial charges	3,705	6,615
Change in operating assets and liabilities	5,708	(18,883)
NET CASH FLOW FROM OPERATING ASSETS	(10,624)	2,343
Increase (decrease) in intangible fixed assets	1,142	(1,035)
Increase (decrease) in tangible fixed assets	(4,999)	(13,878)
Revaluations (Write-downs)	(362)	(2,191)
Investments		(7)
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES	(4,219)	(17,111)
Other changes in reserves and profit carried-forward to shareholders' equity	(1,030)	(5,246)
Dividends paid by the Parent Company	(710)	(2,148)
Proceeds (repayment) of financial payments	18,494	21,502
Increase (decrease) in long term financial receivables	(575)	456
Financial incomes and financial charges	(3,705)	(6,615)
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES	12,474	7,949
CLOSING BALANCE	5,337	7,706