



## **PRESS RELEASE**

### **Aeffe: Approved First Quarter 2013 Results**

**San Giovanni in Marignano, 10 May 2013** - The Board of Directors of Aeffe SpA approved today the Interim consolidated financial statement at 31 March 2013. 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, Emanuel Ungaro and Cedric Charlier.

- **Consolidated revenues of €73m, compared to €74.5m in Q1 2012 (-0.6% at constant exchange rate)**
- **Ebitda of €9.5m (13% on consolidated sales), compared to €10.5m in Q1 2012 (14% on consolidated sales), down by 9.8%**
- **Net Profit for the Group of €2m, compared to €1.9m in Q1 2012 (+6.1%)**
- **Net financial debt of €94.5m, compared to €107.8m as of March 31, 2012 (€87.9m as of December 31, 2012)**

#### **Consolidated Revenues**

In Q1 2013, Aeffe consolidated revenues amounted to €73m compared to €74.5m in Q1 2012, with a 2% decrease at current exchange rates and a 0.6% decrease at constant exchange rates.

Revenues of the prêt-à-porter division amounted to €56.9m, down by 1.9% at current exchange rates and by 0.2% at constant exchange rates compared to Q1 2012, while revenues of the footwear and leather goods division decreased by 0.3% to €20.3m, before interdivisional eliminations.

Massimo Ferretti, Executive Chairman of Aeffe SpA, has commented: *“In the current difficult situation continuing in some countries such as Italy and, more generally, in Europe, the Group remains focused to a higher degree of geographic diversification, especially in rapid-growth markets. In addition, the replacement of a few previous brands with the new projects of Cedric Charlier and Ungaro by Puglisi represents a strong sign of the Group’s revamped dynamism”.*

## Revenues Breakdown by Region

<i>(In thousands of Euro)</i>	<b>1Q 13</b>	<b>1Q 12</b>	<b>%</b>	<b>%</b>
	<b>Reported</b>	<b>Reported</b>	<b>Change</b>	<b>Change*</b>
Italy	29,229	29,859	(2.1%)	(2.1%)
Europe (Italy and Russia excluded)	14,854	15,669	(5.2%)	(5.1%)
Russia	5,735	6,220	(7.8%)	(7.8%)
United States	4,502	4,903	(8.2%)	(7.6%)
Japan	6,693	6,963	(3.9%)	10.4%
Rest of the World	12,052	10,936	10.2%	9.9%
<b>Total</b>	<b>73,064</b>	<b>74,549</b>	<b>(2.0%)</b>	<b>(0.6%)</b>

(\*) Calculated at constant exchange rates

In Q1 2013 sales in Italy, amounting to 40% of consolidated sales, decreased by 2.1% to €29.2m. At constant exchange rates, sales in Europe, contributing to 20% of consolidated sales, decreased by 5.1%. The Russian market, representing 8% of consolidated sales, decreased by 7.8%. Sales in the United States, contributing to 6% of consolidated sales, decreased by 7.6% at constant exchange rates. Japanese sales, contributing to 9% of consolidated sales, increased by 10.4%. In the Rest of the World, the Group's sales totalled €12m, amounting to 17% of consolidated sales, recording an increase by 9.9% compared to Q1 2012.

## Network of Monobrand Stores

<b>DOS</b>	<b>1Q 13</b>	<b>FY 12</b>	<b>Franchising</b>	<b>1Q 13</b>	<b>FY 12</b>
Europe	46	46	Europe	68	69
United States	3	3	United States	4	4
Asia	43	44	Asia	121	120
<b>Total</b>	<b>92</b>	<b>93</b>	<b>Total</b>	<b>193</b>	<b>193</b>

## Operating and Net Result Analysis

In Q1 2013 consolidated Ebitda was equal to €9.5m (with an incidence of 13% of consolidated sales), compared to €10.5m in Q1 2012 (14% of total sales).

Ebitda of the *prêt-à-porter* division amounted to €8.6m (representing 15.2% of sales), compared to €9.7m in Q1 2012 (16.8% of sales).

Ebitda of the footwear and leather goods division amounted to €0.8m (4.1% of sales) compared to a €0.7m in Q1 2012 (3.7% of sales).

Consolidated Ebit was equal to €6.3m, compared to €6.9m in Q1 2012.

In Q1 2013 the Group posted a net profit of €2m, compared to the net profit of €1.9m in Q1 2012.

## Balance Sheet Analysis

Looking at the balance sheet as of March 31, 2013, Shareholders' equity was equal to €133.4m and net financial debt amounted to €94.5m compared to €107.8m as of March 31, 2012 (€87.9m as of December 31, 2012). The increase in net financial debt compared with December 31, 2012 is due to the seasonality of the business.

As of March 31, 2013 operating net working capital amounted to €71m (28.1% of LTM sales) compared to €61.3m as of December 31, 2012 (24.1% of sales); the increase in the percentage on sales was related to the seasonality of the business.

Capex in Q1 2013 amounted to €3m and were mainly related to the maintenance and stores' refurbishment.

Income Statement, Reclassified Balance Sheet and Cash Flow Statement are attached below.  
Q1 2013 data included in this press release are not audited by 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".

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<i>(In thousands of Euro)</i>	<b>1Q 13</b>	<b>%</b>	<b>1Q 12</b>	<b>%</b>	<b>Change</b>	<b>Change %</b>
<b>Revenues from sales and services</b>	<b>73,064</b>	<b>100.0%</b>	<b>74,549</b>	<b>100.0%</b>	<b>(1,485)</b>	<b>(2.0%)</b>
Other revenues and income	2,191	3.0%	1,750	2.3%	442	25.3%
<b>Total Revenues</b>	<b>75,255</b>	<b>103.0%</b>	<b>76,299</b>	<b>102.3%</b>	<b>(1,044)</b>	<b>(1.4%)</b>
Total operating costs	(65,780)	(90.0%)	(65,799)	(88.3%)	19	(0.0%)
<b>EBITDA</b>	<b>9,475</b>	<b>13.0%</b>	<b>10,500</b>	<b>14.1%</b>	<b>(1,024)</b>	<b>(9.8%)</b>
Total Amortization and Write-downs	(3,139)	(4.3%)	(3,541)	(4.7%)	401	(11.3%)
<b>EBIT</b>	<b>6,336</b>	<b>8.7%</b>	<b>6,959</b>	<b>9.3%</b>	<b>(623)</b>	<b>(9.0%)</b>
Total Financial Income /(expenses)	(1,705)	(2.3%)	(1,943)	(2.6%)	238	(12.2%)
<b>Profit before taxes</b>	<b>4,630</b>	<b>6.3%</b>	<b>5,016</b>	<b>6.7%</b>	<b>(385)</b>	<b>(7.7%)</b>
Taxes	(2,005)	(2.7%)	(2,469)	(3.3%)	464	(18.8%)
<b>Net Profit</b>	<b>2,625</b>	<b>3.6%</b>	<b>2,547</b>	<b>3.4%</b>	<b>79</b>	<b>3.1%</b>
Profit attributable to minority shareholders	(598)	(0.8%)	(637)	(0.9%)	38	(6.0%)
<b>Net Profit for the Group</b>	<b>2,027</b>	<b>2.8%</b>	<b>1,910</b>	<b>2.6%</b>	<b>117</b>	<b>6.1%</b>

(In thousands of Euro)

	1Q 13	FY 12	1Q 12
Trade receivables	42,137	32,355	44,354
Stock and inventories	75,315	77,122	72,450
Trade payables	(46,377)	(48,148)	(45,228)
<b>Operating net working capital</b>	<b>71,075</b>	<b>61,330</b>	<b>71,576</b>
Other receivables	34,821	34,464	32,766
Other liabilities	(19,411)	(18,295)	(20,789)
<b>Net working capital</b>	<b>86,486</b>	<b>77,499</b>	<b>83,553</b>
Tangible fixed assets	66,916	65,391	73,727
Intangible fixed assets	136,562	138,073	142,322
Investments	30	30	30
Other long term receivables	2,749	2,621	2,947
<b>Fixed assets</b>	<b>206,257</b>	<b>206,116</b>	<b>219,025</b>
Post employment benefits	(7,346)	(7,550)	(7,924)
Long term provisions	(728)	(1,098)	(1,100)
Assets available for sale	437	437	8,797
Other long term liabilities	(14,241)	(14,241)	(14,241)
Deferred tax assets	11,086	11,522	12,851
Deferred tax liabilities	(37,897)	(37,818)	(40,333)
<b>NET CAPITAL INVESTED</b>	<b>244,054</b>	<b>234,866</b>	<b>260,629</b>
Capital issued	25,371	25,371	25,371
Other reserves	119,025	119,066	117,420
Profits/(Losses) carried-forward	(13,039)	(10,011)	(8,294)
Profit/(Loss) for the period	2,027	(3,028)	1,910
<b>Group share capital and reserves</b>	<b>133,384</b>	<b>131,398</b>	<b>136,408</b>
Minority interests	16,148	15,549	16,380
<b>Shareholders' equity</b>	<b>149,532</b>	<b>146,947</b>	<b>152,787</b>
Short term financial receivables	(1,000)	(3,500)	(190)
Liquid assets	(4,110)	(5,362)	(4,581)
Long term financial payables	2,951	4,007	6,293
Long term financial receivables	(1,772)	(1,691)	
Short term financial payables	98,454	94,465	106,319
<b>NET FINANCIAL POSITION</b>	<b>94,523</b>	<b>87,918</b>	<b>107,841</b>
<b>SHAREHOLDERS' EQUITY AND NET FINANCIAL INDEBTEDNESS</b>	<b>244,054</b>	<b>234,866</b>	<b>260,629</b>

<i>(In thousands of Euro)</i>	<b>1Q 13</b>	<b>FY 12</b>	<b>1Q 12</b>
<b>OPENING BALANCE</b>	<b>5,362</b>	<b>8,444</b>	<b>8,444</b>
Profit before taxes	4,630	1,357	5,016
Amortizations, provisions and depreciations	3,139	13,966	3,541
Accruals (availments) of long term provisions and post employment benefits	( 574)	( 365)	10
Taxes	( 1,674)	( 3,652)	( 948)
Financial incomes and financial charges	1,705	7,464	1,943
Change in operating assets and liabilities	( 8,803)	( 11,420)	( 16,341)
<b>NET CASH FLOW FROM OPERATING ASSETS</b>	<b>( 1,577)</b>	<b>7,350</b>	<b>( 6,779)</b>
Increase (decrease) in intangible fixed assets	( 269)	( 587)	( 402)
Increase (decrease) in tangible fixed assets	( 2,858)	3,324	( 614)
Investments and Write-downs (-)/Disinvestments and Revaluations (+)	( 25)	7,275	( 33)
<b>CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES</b>	<b>( 3,152)</b>	<b>10,012</b>	<b>( 1,049)</b>
Other changes in reserves and profit carried-forward to shareholders'equity	( 41)	( 28)	43
Proceeds (repayment) of financial payments	2,933	( 8,055)	6,086
Increase (decrease) financial receivables	2,290	( 4,897)	( 221)
Financial incomes and financial charges	( 1,705)	( 7,464)	( 1,943)
<b>CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES</b>	<b>3,477</b>	<b>( 20,444)</b>	<b>3,965</b>
<b>CLOSING BALANCE</b>	<b>4,110</b>	<b>5,362</b>	<b>4,581</b>