PRESS RELEASE

AEFFE: Approved First Nine Months 2013 Results

San Giovanni in Marignano, 14 November 2013, The Board of Directors of Aeffe SpA has today approved the consolidated results for the First Nine months of 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 Cédric Charlier.

- **Consolidated revenues of €193.3m, compared to €198.7m in 9M 2012 (-0.7% at constant exchange rates); net of the effects of already terminated licenses of Jean Paul Gaultier and Cacharel and excluding the new license with Ungaro, revenues would have increased by 2.4% at constant exchange rates**
- **Ebitda of €16.3m (8.4% of consolidated sales), compared to an Ebitda of €20.5m in 9M 2012 (10.3% of sales)**
- **Net loss for the Group of €2.3m, compared to a net loss of €0.3m in 9M 2012**
- **Net financial debt of €96.8m, compared to €95.6m as of September 30, 2012 (€87.9m as of December 31, 2012)**

Consolidated Revenues

In the first nine months of 2013, AEFFE's consolidated revenues amounted to €193.3m compared to €198.7m in 9M 2012, (-2.8% at current exchange rates, -0.7% at constant exchange rates). It should be noted that consolidated revenues would have increased by 2.4% at constant exchange rates compared to 9M 2012, net of the effects of already terminated licenses of Jean Paul Gaultier and Cacharel and the new license with Ungaro.

Revenues of the prêt-à-porter division amounted to €150.6m, down by 3.6% at current exchange rates and by 1.1% at constant exchange rates compared to 9M 2012, while revenues of the footwear and leather goods division increased by 1.2% to €55.3m, before interdivisional eliminations.

Massimo Ferretti, Executive Chairman of Aeffe Spa, has commented: "*Despite difficult macro-economic conditions persist, the Group dynamically continues to revitalize its products offering. After replacing two licenses no longer profitable with new projects such as those of Cédric Charlier, Emanuel Ungaro by Fausto Puglisi and Philosophy by Nathalie Ratabesi, the focus has now shifted on Moschino, where recent appointment of Jeremy Scott as the new Maison's creative director gives us new opportunities and permit us to plan future strategies with renewed optimism".*

Revenues Breakdown by Region

(In thousands of Euro)	**9M 13 Reported**	**9M 12 Reported**	**% Change**	**% Change***
Italy	82,928	78,973	5.0%	5.0%
Europe (Italy and Russia excluded)	39,330	41,665	(5.6%)	(5.2%)
Russia	15,383	16,812	(8.5%)	(8.5%)
United States	11,293	14,764	(23.5%)	(21.7%)
Japan	15,249	18,417	(17.2%)	2.0%
Rest of the World	29,115	28,133	3.5%	3.5%
Total	**193,298**	**198,764**	**(2.8%)**	**(0.7%)**

(*) Calculated at constant exchange rates

In 9M 2013 sales in Italy, amounting to 42.9% of consolidated sales, increased by 5% to €82.9m. The significant recovery of the domestic market was attributable to both an increase in sales registered by the Moschino brand, mostly thanks to the positive results of the new boutique in Rome, and to the growth of licensed brands, all helped by the contribution of tourist flows.
At constant exchange rates, sales in Europe, contributing to 20.3% of consolidated sales, decreased by 5.2%.
The Russian market, representing 8% of consolidated sales, declined by 8.5% due to the decrease in revenues related to brands whose license agreements are terminated.
Sales in the United States, contributing to 5.8% of consolidated sales, decreased by 21.7% at constant exchange rates, especially explained by the termination of the license agreement with Jean Paul Gaultier. Japanese sales, contributing to 7.9% of consolidated sales, increased by 2% at constant exchange rates. In the Rest of the World, the Group's sales totalled €29.1m, amounting to 15.1% of consolidated sales, recording an increase by 3.5% compared to 9M 2012.

Network of Monobrand Stores

DOS	**9M 13**	**FY 12**
Europe	47	46
United States	3	3
Asia	44	44
Total	**94**	**93**

Franchising	**9M 13**	**FY 12**
Europe	63	69
United States	3	4
Asia	112	120
Total	**178**	**193**

In the first nine months of 2013 the number of franchised stores decreased by 15 units compared to December 31, 2012; it was mainly due to the exclusion of the Jean Paul Gaultier stores, whose license agreement with Aeffe Group ended with the Spring/Summer 2013 collections.
Excluding this effect, in 9M 2013 the number of franchised stores increased by 5 units mainly driven by new openings located in Greater China.

Operating and Net Result Analysis

9M 2013 consolidated Ebitda was equal to €16.3m (with an incidence of 8.4% of consolidated sales), compared to €20.5m in 9M 2012 (10.3% of total sales). The decrease in Ebitda was mainly attributable to costs incurred for promotional activities and human resources primarily related to brand Philosophy, Ungaro and Cédric Charlier. These actions will produce their benefits only since 2014.
In 9M 2013 Ebitda of the *prêt-à-porter* division amounted to €14.4m (representing 9.6% of sales), compared to €18.09m in 9M 2012 (11.6% of sales).
Ebitda of the footwear and leather goods division was equal to €1.8m (3.3% of sales) compared to an Ebitda of €2.4m in 9M 2012 (4.4% of sales).

Consolidated Ebit amounted to €6.7m, compared to an Ebit of €10.4m in 9M 2012.
In 9M 2013 the Group posted a net loss of €2.3m, compared to a net loss of €0.3m in 9M 2012. The main reasons for the higher loss reflect the above mentioned explanations attributable to the Ebitda variation.

Balance Sheet Analysis

Looking at the balance sheet as of September 30, 2013 Shareholders' equity was equal to €127.9m and net financial debt amounted to €96.8m compared to €95.6m as of September 30, 2012 (€87.9m as of December 31, 2012). The increase in net financial debt with respect to December 31, 2012 was due to the seasonality of the business.
As of September 30, 2013 operating net working capital amounted to €77.8m (31.3% of LTM sales) compared to €61.3m as of December 31, 2012 (24.1% of sales); the increase of Operating net working capital's incidence on sales was related to the seasonality of the business.
Capex in 9M 2013 amounted to €5.4m and were mainly related to the maintenance and stores' refurbishment.

Income Statement, Reclassified Balance Sheet and Cash Flow Statement are attached below.
9M 2013 and 9M 2012 data included in this press release have not been audited by the Auditors' company.

The Interim financial statements for the quarter ending 30 September 2013, approved by the Board of Directors, is available to the public at the Company's registered office.

Please note also that the Financial Report and the Results Presentation at 30 September 2013 are available at the following link: http://www.aeffe.com/aeffeHome.php?lang=eng

"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".

Contacts:
Investor Relations
AEFFE S.p.A
Annalisa Aldrovandi
+39 0541 965494
annalisa.aldrovandi@aeffe.com
www.aeffe.com

Press Relations
Barabino & Partners
Marina Riva
m.riva@barabino.it
+39 02 72023535

(In thousands of Euro)	9M 13	%	9M 12	%	Change	Change %	Q3 13	%	Q3 12	%	Change%
Revenues from sales and services	**193,298**	**100.0%**	**198,764**	**100.0%**	**(5,466)**	**(2.8%)**	**70,378**	**100.0%**	**77,101**	**100.0%**	**(8.7%)**
Other revenues and income	3,570	1.8%	5,820	2.9%	(2,250)	(38.7%)	660	0.9%	2,616	3.4%	(74.8%)
Total Revenues	**196,868**	**101.8%**	**204,584**	**102.9%**	**(7,717)**	**(3.8%)**	**71,039**	**100.9%**	**79,717**	**103.4%**	**(10.9%)**
Total operating costs	(180,608)	(93.4%)	(184,069)	(92.6%)	3,461	(1.9%)	(62,113)	(88.3%)	(66,318)	(86.0%)	(6.3%)
EBITDA	**16,260**	**8.4%**	**20,515**	**10.3%**	**(4,256)**	**(20.7%)**	**8,925**	**12.7%**	**13,399**	**17.4%**	**(33.4%)**
Total Amortization and Write-downs	(9,507)	(4.9%)	(10,122)	(5.1%)	616	(6.1%)	(3,200)	(4.5%)	(3,361)	(4.4%)	(4.8%)
EBIT	**6,753**	**3.5%**	**10,393**	**5.2%**	**(3,640)**	**(35.0%)**	**5,726**	**8.1%**	**10,038**	**13.0%**	**(43.0%)**
Total Financial Income /(expenses)	(5,107)	(2.6%)	(5,835)	(2.9%)	728	(12.5%)	(1,867)	(2.7%)	(1,908)	(2.5%)	(2.1%)
Profit/(Loss) before taxes	**1,646**	**0.9%**	**4,558**	**2.3%**	**(2,912)**	**(63.9%)**	**3,859**	**5.5%**	**8,131**	**10.5%**	**(52.5%)**
Taxes	(3,113)	(1.6%)	(4,566)	(2.3%)	1,453	(31.8%)	(2,026)	(2.9%)	(3,960)	(5.1%)	(48.8%)
Net Profit/(Loss) net of taxes	**(1,467)**	**(0.8%)**	**(8)**	**(0.0%)**	**(1,459)**	**18,602.1%**	**1,833**	**2.6%**	**4,170**	**5.4%**	**(56.0%)**
(Profit)/ Loss attributable to minority shareholders	(864)	(0.4%)	(275)	(0.1%)	(588)	213.6%	(462)	(0.7%)	(101)	(0.1%)	355.7%
Net Profit/(Loss) for the Group	**(2,331)**	**(1.2%)**	**(283)**	**(0.1%)**	**(2,047)**	**722.8%**	**1,371**	**1.9%**	**4,069**	**5.3%**	**(66.3%)**

(In thousands of Euro)	**9M 13**	**FY 12***	**9M 12 ***
Trade receivables	41,658	32,355	47,294
Stock and inventories	74,253	77,122	73,843
Trade payables	(38,079)	(48,148)	(43,012)
Operating net working capital	**77,832**	**61,330**	**78,125**
Other receivables	30,371	34,464	31,229
Other liabilities	(19,737)	(18,295)	(21,500)
Net working capital	**88,466**	**77,499**	**87,855**
Tangible fixed assets	65,798	65,391	64,870
Intangible fixed assets	133,642	138,073	139,595
Investments	30	30	30
Other long term receivables	2,471	2,621	3,215
Fixed assets	**201,941**	**206,116**	**207,710**
Post employment benefits	(8,348)	(8,999)	(7,939)
Long term provisions	(824)	(1,098)	(1,028)
Assets available for sale	437	437	437
Other long term liabilities	(14,045)	(14,241)	(14,241)
Deferred tax assets	11,160	11,522	10,985
Deferred tax liabilities	(37,587)	(37,419)	(37,941)
NET CAPITAL INVESTED	**241,200**	**233,815**	**245,837**
Capital issued	25,371	25,371	25,371
Other reserves	119,104	118,027	119,115
Profits/(Losses) carried-forward	(14,199)	(10,011)	(10,011)
Profit/(Loss) for the period	(2,331)	(3,028)	(283)
Group share capital and reserves	**127,945**	**130,359**	**134,192**
Minority interests	16,401	15,538	16,032
Shareholders' equity	**144,346**	**145,897**	**150,224**
Short term financial receivables		(3,500)	(950)
Liquid assets	(4,617)	(5,362)	(13,255)
Long term financial payables	3,328	4,007	4,492
Long term financial receivables	(2,629)	(1,691)	(3,099)
Short term financial payables	100,771	94,465	108,425
NET FINANCIAL POSITION	**96,853**	**87,918**	**95,613**
SHAREHOLDERS' EQUITY AND NET FINANCIAL INDEBTEDNESS	**241,200**	**233,815**	**245,837**

(*) Following the retrospective application of the amendment to IAS 19 from 1 January 2013, the comparative figures at 1 January and 31 December 2012 have been restated as required by IAS 1. More specifically, the figure for closing equity reported in the Consolidated Financial Statements at 31 December 2012 has decreased by €1.050 million, of which €1.039 million relating to Equity attributable to owners of the parent and €0.011 million relating to Non-controlling interest; the figure for closing equity reported in the Consolidated Financial Statements at 30 September 2012 has decreased by €0.163 million, of which €0.176 million in reduction of Equity attributable to owners of the parent and €0.013 million increasing the Non-controlling interest.

(In thousands of Euro)	**9M 13**	**FY 12***	**9M 12**
OPENING BALANCE	**5,362**	**8,444**	**8,444**
Profit before taxes	1,646	1,357	4,558
Amortizations, provisions and depreciations	9,439	13,966	10,122
Accruals (availments) of long term provisions and post employment benefits	(926)	(1,589)	(273)
Taxes	(3,170)	(3,316)	(2,197)
Financial incomes and financial charges	5,107	7,464	5,835
Change in operating assets and liabilities	(10,578)	(11,420)	(21,954)
NET CASH FLOW FROM OPERATING ASSETS	**1,518**	**6,462**	**(3,909)**
Increase (decrease) in intangible fixed assets	(880)	(587)	(224)
Increase (decrease) in tangible fixed assets	(4,535)	3,324	5,342
Investments and Write-downs (-)/Disinvestments and Revaluations (+)		7,275	7,196
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES	**(5,415)**	**10,012**	**12,314**
Other changes in reserves and profit carried-forward to shareholders'equity	(83)	860	198
Proceeds (repayment) of financial payments	5,628	(8,055)	6,391
Increase (decrease) in long term financial receivables	2,714	(4,897)	(4,348)
Financial incomes and financial charges	(5,107)	(7,464)	(5,835)
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES	**3,152**	**(19,556)**	**(3,594)**
CLOSING BALANCE	**4,617**	**5,362**	**13,255**

(*) Following the retrospective application of the amendment to IAS 19 from 1 January 2013, the comparative figures at 1 January and 31 December 2012 have been restated as required by IAS 1. More specifically, the figure for closing equity reported in the Consolidated Financial Statements at 31 December 2012 has decreased by €1.050 million, of which €1.039 million relating to Equity attributable to owners of the parent and €0.011 million relating to Non-controlling interest.