

## 2008 FULL YEAR RESULTS

### 1<sup>ST</sup> QUARTER 2009 SALES

#### I. 2008 FULL YEAR RESULTS

<i>€ Millions</i>	2008	2007	Change
<b>Net sales</b>	<b>969.2</b>	975.8	-0.7%
Gross margin	<b>596.4</b>	599.8	-0.6%
<i>as a % of sales</i>	<b>61.5%</b>	61.5%	-
EBITDA*	<b>92.8</b>	115.5	-19.7%
<b>Operating income</b>	<b>40.7</b>	67.8	-40.0%
<b>Group portion of net income</b>	<b>7.2</b>	27.2	-73.5%
Group portion of net income per share (in € / share)	<b>0.52</b>	2.27	-77.1%
Net financial debt / equity	<b>37.2%</b>	30.7%	+6.5 pts

\* *Operating income before depreciation, provisions and gains or losses on sales of assets.*

#### 2008 Sales

In the framework of the realignment of the Etam brand, the Group has decided to discontinue its ready-to wear business in Belgium/Luxemburg and Italy as well as the joint-venture EFF in India<sup>1</sup>.

Given the change in scope, sales for the Etam Group amounted to €969.2 million in 2008, a slight decrease of 0.7% as compared to 2007. Sales in 2008 included a favorable exchange rate impact of €7.1 million. On a comparable basis and at constant exchange rates, the sales decrease was -5.1%, of which -5.6% excluding China and -1.3% in China.

#### Gross margin

The Etam Group maintained its gross margin stable at 61.5%.

#### Operating income

With a decrease in sales on a comparable basis and at constant exchange rates, the Etam Group generated an operating income of €40.7 million in 2008, or 4.2% of sales, a decrease of €27.1 million compared to 2007, of which -€14.2 million in Europe and -€12.9 million in China. The evolution of operating income in China was positive in the second half-year (+0.9 M€) whereas it was strongly negative in the first half-year (-13.8 M€).

#### Net income

After taking into account -€14.4 million of taxes and minority interests of -€3.0 million, the Group portion of net income amounted to €7.2 million (or €0.52 per share) in 2008 versus €27.2 million in 2007 (or €2.27 per share).

<sup>1</sup> *Discontinued businesses represented sales of €24.8 million in 2008 through 92 sales outlets (in compliance with IFRS 5).*

## Development policy

Net investments amounted to €59.4 million (versus €54.0 million in 2007).

In 2008, while simultaneously rationalizing its store portfolio, the Group continued to grow its network, primarily in Europe and in international franchises. At December 31, 2008, it included 3,291 sales outlets (of which 2,131 in China). Excluding China, 60 sales outlets were opened.

EBITDA amounted to €92.8 million versus €115.5 million in 2007. Working capital improved by €12.8 million in 2008.

Net financial debt of the Group amounted to €136.2 million at December 31, 2008, an increase of €20.5 million compared to December 31, 2007, notably after taking into account the purchase of own shares for an amount of €15.5 million.

The ratio of net financial debt / equity remains strong at 37.2% versus 30.7% at the end of 2007.

## II. NET SALES FOR THE 1<sup>st</sup> QUARTER OF 2009

<i>€ Millions</i>		<b>2009</b>	<b>2008</b>	<b>% Change</b>	<b>% Change lfl <sup>(1)</sup></b>
<i>By brand</i>					
	Etam Europe	148.6	152.7	-2.7%	-8.0%
	123	47.2	48.7	-3.1%	-5.4%
	China	78.9	51.0	+54.9%	+46.7%
<b>Total</b>		<b>274.7</b>	<b>252.4</b>	<b>8.9%</b>	<b>+0.1%</b>
<i>By geographical zone</i>					
	Excluding China	195.8	201.4	-2.8%	-7.4%
	France	167.6	170.4	-1.6%	-6.1%
	Other	28.2	31.0	-9.1%	-14.6%
	China	78.9	51.0	+54.9%	+46.7%

*NB : After implementation of IFRS 5 related to Etam's discontinuation of its ready-to-wear business in Belgium/Luxemburg and of the joint venture EFF in India*

*(1) lfl: On a comparable basis and at constant exchange rates*

For the first quarter of 2009, net sales for the Group amounted to €274.7 million, an increase of 8.9% (+0.1% on a comparable basis and at constant exchange rates).

Excluding China, after discount sales and the start of a new season in a difficult economic environment for the women's clothing sector, sales amounted to €195.8 million, a decrease of -2.8% (-7.4% on a comparable basis and at constant exchange rates).

In China, sales for the quarter showed a strong increase of +54.9%. That figure includes the favorable exchange rate impact of €13.4 million due to the appreciation of the Yuan against the Euro. On a comparable basis and at constant exchange rates, sales in China increased by +46.7% - against a low base of -22.7% from the first quarter of 2008 - and confirm the trend noted as of the second half of 2008.

## III. OUTLOOK

The Group has hoisted its sails to cross the current economic crisis. It has put two priorities in place: improve the attractiveness of its brands and simplify its organization in order to realize savings in operating costs. In the context of a strong financial discipline, the Managing partners will recommend to the Shareholders' meeting of June 19, 2009 that no dividend shall be paid.

A worldwide distributor of women's ready-to wear clothing, lingerie and accessories  
with 3,339 sales outlets as of 03/31/2009

*Etam Développement will hold its Shareholders' meeting on June 19, 2009*

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