

# DAMIANI

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## PRESS RELEASE

### Damiani S.p.A.:

The Board of Directors approved the quarterly report for the quarter ended 30 June 2007

- **Revenues:** €50.4 million (+27.3% compared to the quarter ended 30 June 2006);
- **EBITDA<sup>1</sup>:** €15.0 million (+131.2% compared to the quarter ended 30 June 2006);
- **Operating Income:** €14.4 million (+144.1% compared to the quarter ended 30 June 2006);
- **Net Income:** €10.3 million (+145.9% compared to the quarter ended 30 June 2006).

Milan, August 9, 2007 – The **Board of Directors of Damiani S.p.A.**, parent company of the Damiani Group that designs, produces and distributes high-end jewellery in Italy and abroad, today approved the report for the first quarter of its financial year from 1 April 2007 to 31 March 2008, prepared in accordance with IFRS.

For the quarter ended 30 June 2007, Damiani S.p.A reported revenues of **€50.4 million**, an increase of **27.3%** when compared with the same period in 2006.

Damiani S.p.A closed the quarter reporting an **EBITDA** of **€15.0 million**, an increase of **131.2%** compared to the €6.5 million reported for the same period in 2006.

Operating Income was **€14.4 million**, an increase of **144.1%**, compared to the €5.9 million reported for the same period in 2006.

Net income increased by **145.9%**, from €4.2 million for the quarter ended 30 June 2006 to **€10.3 million** for the quarter ended 30 June 2007.

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<sup>1</sup> EBITDA has been calculated as earnings before interest, taxes, depreciation and amortization. EBITDA is a measure used by the Company's management in order to monitor and evaluate the Company's operating performance, and is not a measure of performance under IFRS and should not be considered an alternative to any other measure of performance under IFRS. All companies may not calculate EBITDA on a consistent basis and the Company's presentation of EBITDA may not be comparable to measures used by other companies under the same or similar name.

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The increase in revenues, EBITDA, operating income and net income is due in part to revenues of €7.6 million generated by extraordinary transactions that are not likely to reoccur in the following quarters of the fiscal year. Results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for a full year. The Company does not expect similar results for successive interim periods of this fiscal year.

Net financial debt as of 30 June 2007 was **€49.2 million**, compared to €47.9 million, as of 31 March 2007, a decrease of **€23.4 million** compared to the results as of 30 June 2006.

## **Damiani S.p.A.**

Damiani S.p.A. is the parent company of the Damiani Group, a leader in the design, manufacture and sale of diamond jewellery, under the prestigious brands Damiani, Salvini, Alfieri & St. John, Bliss and the recently purchased Calderoni.

Since 1924, the Damiani Group has continued its tradition of high craftsmanship and quality of design, and has received 22 *Diamonds International Awards* (18 *Awards* to Damiani and 4 *Awards* to Calderoni). Each piece of Damiani jewellery incorporates the tradition of master goldsmiths and maintains an unmistakable Italian style. With approximately 466 employees, the Damiani Group is present in Italy as well as in the European, American and Asian markets through Damiani International BV (Amsterdam), Damiani USA Corp. (New York), Damiani Japan K.K. (Tokyo).

Damiani Group jewellery is showcased in 51 single-brand stores in the fashion centres of the world.

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