

# DAMIANI

**Damiani S.p.A: Board of Directors approves the group's preliminary sales results for the first 9 months – ending 31<sup>st</sup> December 2007 – of fiscal year 2007/2008**

**Group's Revenues +2.7% At Comparable Exchange Rates  
The Performance of The Retail Channel is highly  
satisfactory: +8,4%**

**Shareholders' meeting call to authorize the purchase and  
disposition of its own shares.**

*Milano, 21 January 2008* – The Board of Directors of **Damiani S.p.A.** (Milan, Star: DMN), the parent company of the Damiani Group, a creator, producer and distributor of luxury and designer jewels in Italy and abroad, today approved preliminary sales results for the first 9 months of FY 2008.

For the first 9 months ending 31<sup>st</sup> December 2007, the Damiani Group reported **core revenues** (**revenues** of the **wholesale and retail** channels) of **135.8 million euro** with a 1.8% increase, at constant rate changes, compared to the same period last year (+ 0.4% at current exchange rates).

**Group consolidated turnover** reached **149.9 million euro**, an improvement of 2.7% at constant exchange rates compared to 31 December 2006 (+1.4% at current exchange rates).

## **REVENUES BREAKDOWN BY CHANNEL**

In the first nine months of fiscal year 2007/2008, **wholesale revenues** totalled **128.2 million euro**, + 1.4%, at constant exchange rates, compared to 31 December 2006 (in line with the revenues of the same period last year, at current exchange rates) accounting for 85.5% of the Group's consolidated turnover.

In the first nine months of fiscal year 2007/2008, the group's strategy to focus on growing in foreign markets has continued to generate good results and has allowed absorbing the selective reduction of Damiani multibrand stores, started in 2004, and further strengthen during the first nine months of the current fiscal year.

**Retail revenues** as of 31 December 2007 amounted to **7.6 million euro**, an improvement of 8.4%, at constant exchange rates, compared to 31 December 2006 (+6.7% at current exchange rates). The growth in this channel is substantially organic led by the good success of the group's collections among the final clients.

**Other channels/other revenues** amounted to **14.1 million euro**, an improvement of 12.4%, at constant exchange rates, compared to 31 December 2006 (+11.9% at current exchange rates).

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## AUTHORIZATION TO PURCHASE DAMIANI OWN SHARES

The Board of Directors ruled to hold a shareholders' meeting to authorize the purchase and disposition of its own shares.

There are three principles upon which the authorization proposal is based: (1) to start an incentive plan based on financial instruments approved by the Shareholders' Meeting on the meeting held on September 26, 2007, or in an incentive plan that is approved later; (2) to have the opportunity to use own shares for operations connected to industrial projects for which opportunities can be concretised to exchange or yield share packages; (3) to proceed with company share investments when the quotation trend or the entity of liquidity available makes the operation financially sound, with an aim to develop, where necessary and with respect for the laws in effect, an activity to sustain the liquidity of the title on the market.

The authorization to purchase its own shares - requested within eighteen months of the date of the shareholders rulings, has at his scope the purchase of a maximum number of 8,250.00 million ordinary shares with a face value of 0.44 euro each, and in any case, within limits not exceeding 10% of company capital.

The purchase price of each own share must be, including extra purchase costs, no less than 20% (twenty per cent) and no more than 20% (twenty per cent) of the official price listed on Telematic Share Market on the day before the purchase.

On the same date neither the company and its subsidiaries own Damiani S.p.A. shares.

The Board has summoned members to hold the first Shareholders' Meeting on February 22, 2008 and summoned members to hold the second meeting on February 23rd so as to rule on the proposal at hand. Information concerning the items on the agenda will be made available under the terms and ways foreseen under the law.

## **Revenues by sales channel**

<b>(in thousand of euro)</b>	<b>9 month</b>		<b>% change at constant exchange rates</b>	<b>% change at current exchange rates</b>
	<b>Fiscal Year 2007/2008</b>	<b>Fiscal year 2006/2007</b>		
<b>Wholesale</b>	128.157	128.032	1,4%	0,1%
<i>% of total revenues</i>	85,5%	86,6%		
<b>Retail</b>	7.643	7.164	8,4%	6,7%
<i>% of total revenues</i>	5,1%	4,8%		
<b>Total wholesale and retail revenues</b>	<b>135.800</b>	<b>135.196</b>	1,8%	0,4%
<i>% of total revenues</i>	90,6%	91,5%		
<b>Other channels/other revenues</b>	<b>14.063</b>	<b>12.569</b>	12,4%	11,9%
<i>% of total revenues</i>	9,4%	8,5%		
<b>Total revenues</b>	<b>149.863</b>	<b>147.765</b>	2,7%	1,4%

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*The manager in charge of preparing the company's financial reports (Gilberto Frola) declares, pursuant to paragraph 2 article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting entries.*

*Trading commencement date: 08.11.2007*

*Operation Listing Partners: Unicredit and Merrill Lynch*

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

Damiani S.p.A. is the parent company of the Damiani Group, a leading Italian producer and distributor of top-quality designer jewellery, operating in the jewellery sector through prestigious brands, such as Damiani, Salvini, Alfieri & St. John and Bliss, as well as the recently acquired Calderoni brand.

Master craftsmen ever since 1924, the Damiani Group boasts a long-standing tradition in the art of goldsmithery which has always interpreted with an innovative spirit. It holds the unbeaten record of a \good 22 Diamond International Awards (18 for Damiani and 4 for Calderoni). Every jewel created by Damiani is handmade according to the finest craft tradition and the elegance of Italian style. With approximately 466 employees, the Damiani group operates both in Italy and abroad through distribution companies that fully cover the European, American and Asian markets. These include in particular: Damiani International BV (based in Amsterdam), Damiani USA Corp. (based in New York) and Damiani Japan K.K. (based in Tokyo). The Group also has 55 own-brand stores located in the main fashion streets in Italy and throughout the world.

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