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PRESS RELEASE

Damiani S.p.A:

Board of Directors approves FY 2007/08 annual report ending March 31, 2008

Consolidated Revenues: +4.8% at Constant Exchange Rates

- **Total consolidated revenues:** 174.1 million euro, +4.8% yoy at constant exchange rates (+3.7% at current exchange rates)
- **Retail channel revenues:** 9.9 million euro, +9.2% yoy at constant exchange rates (+7.5% at current exchange rates)
- **Consolidated EBITDA:** 28.6 million euro, +3.0% yoy with a 16.4% margin
- **Consolidated EBIT:** 26.1 million euro, +5.2% yoy
- **Net Profit:** 15.1 million euro, +7.9% yoy
- **Net financial position:** net cash of 28.4 million euro, with an improvement of 2.5 million of euro compared to 31 december 2007 and with an improvement of 76.3 million euro compared to 31 March 2007

Milan, June 13, 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 the consolidated annual report of Damiani Group and the annual report of the parent Company Damiani S.p.A. ending 31st March 2008 .

CONSOLIDATED REVENUES

In FY 2007/08 **Consolidated revenues** increased **+4.8%** at constant exchange rates and **+3,7%** at current exchange rates and reached **174.1 million euro**, compared to 168 million euro as of 31 March 2007.

Revenues breakdown by channel

In FY 2007/08, **Wholesale revenues** increased by **3.1%** at constant exchange rates and by **1.9%** at current exchange rates reaching **147.8 million euro** compared to 145.0 million euro compared to the same period of last year.

As of 31 March 2008 **Retail revenues** grew by **9,2%** at constant exchange rates and by **7.5%**, at current exchange rates. Retail revenues amounted to **9.9 million euro** compared to 9.2 million euro as of March 31, 2007. This channel's growth was substantially organic and driven by the success of the group's collections among the final customers

Other channels/other revenues at 31 March 2008 grew by **19.6%** at constant exchange rates revenues and by **19.3%**, at current exchange rates. Revenues amounted to **16.4 million euro** compared to 13.7 million euro as of March 31, 2007.

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Revenues breakdown by distribution channel

(In thousand of euro)	12 Months FY 2007/08	12 Months FY 2006/07	% change at constant exchange rates	% change at current exchange rates
Wholesale	147.852	145.038	3,1%	1,9%
<i>% of total revenues</i>	84,9%	86,4%		
Retail	9.856	9.169	9,2%	7,5%
<i>% of total revenues</i>	5,7%	5,5%		
Total of wholesale and retail revenues	157.708	154.207	3,5%	2,3%
<i>% of total revenues</i>	90,6%	91,8%		
Other channels/other revenues	16.400	13.748	19,6%	19,3%
<i>% of total revenues</i>	9,4%	8,2%		
Total revenues	174.108	167.955	4,8%	3,7%

Revenues breakdown by Geographical Regions

During the FY 2007/2008 **Italian revenues** amounted to **122.1 million euro (-4.4% yoy)**, accounting for 70.1% of consolidated turnover. The trend in the Italian market was influenced both by the strategic decision to select the Damiani wholesale customers, which started in 2004 is substantially completed at the end of December 2007 and by a general slowdown in the domestic economy.

In the **Americas** revenues improved by **28.7%** at constant exchange rates and by **14.4%** at current exchange rates reaching **7.8 million euro** revenues (accounting for 4.5% of consolidated revenues)

Also turnover in the **Rest of the world** made significant progress. Core revenues, net of non recurring revenues, amounted to **24.8 million euro** improving by **25%** (with an increase of **61.3%** including non-recurring revenues), driven mainly by excellent performance of the Russian and Former Soviet Union market. During the last twelve months the Group started a penetration of the arabian markets in particular in the Emirates and Kuwait

During FY 2007/08 Group revenues in Japan decreased by **-4%** at constant exchange rates and by **-11.8%** at current exchange rates reaching **11.8 million euro**. This result has been adversely affected by the slowdown of the economic environment and by the negative exchange rate.

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Revenues breakdown by Regions

(In thousand of Euro)	12 Months FY 2007/08	% on total	12 Months FY 2006/07	% on total	% change at constant exchange rates	% change at current exchange rates
Italia	122.100	70,1%	127.676	76,0%		-4,4%
Americas	7.756	4,5%	6.778	4,0%	28,7%	14,4%
Japan	11.794	6,8%	13.372	8,0%	-4,0%	-11,8%
Rest of World	32.458	18,6%	20.129	12,0%	25%**	25%**
Total Revenues	174.108	100,0%	167.955	100,0%	4,8%	3,7%

** excluding non recurring revenues related to the key money

NETWORK MONOBRAND STORES

As of March 31, 2008 the network of monobrand stores of the Group has **54 monobrand stores** with 11 DOS (6 in Italy and 5 abroad)

During FY 2007/08 the Group opened for Damiani brand **1 DOS in Bologna**, **1 DOS in Tokyo** (Ginza), **1 DOS in Paris** and monobrand franchised store in Taipei, Dubai, Macao and Kuwait City, the second boutique in Hong Kong and for Bliss the Group opened **1 DOS in Rome**, and 2 franchised stores, 1 in Mexico City and 1 in Milan

OPERATING RESULTS AND NET PROFIT

The Damiani Group closed FY 2007/08 with a **consolidated EBITDA of 28.6 million euro**, with an increase of 3.0% from 27.8 million euro as of March 31, 2007.

Consolidated EBITDA margin was **16.4%**, in line with the same period of previous year.

Consolidated EBIT was **26.1 million euro**, an increase of 5.2% from 24.8 million euro at March 31, 2007 with a margin of 15.0%.

Net Profit amounted to **15.1 million euro** compared with 14.0 million euro in the 12 months ended March 31 2007 (+7.9%).

NET FINANCIAL POSITION

As of 31 March 2008 the Group had net cash for **28.4 million euro**, with an improvement of 2.5 million euro vs. net cash of 25.9 at 31 December 2007 and with an improvement of 76,3 million euro vs. Net Debt of 47.9 million euro at 31 March 2007.

In the 12 months 2007/08 the Group's net financial position improved thanks to a good operating cashflow generation and to the 68.7 million euro (net of related costs paid as of 31 March 2008) of

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IPO proceeds. On November 8, 2007 Damiani listed its ordinary shares on the STAR segment managed by Borsa Italiana.

PARENT COMPANY RESULTS

The parent company Damiani Spa closed FY2007/08 with total revenues of **101.5 million of euro** and a net profit of **11.0 million of euro**.

BUYBACK PLAN

In conformity with the authorization resolution regarding the purchase and disposal of own shares, that was approved by the Ordinary Shareholders Meeting held on February 22, 2008, the Board of Directors of Damiani SpA has approved today a plan to **buy back its own shares** to finance future industrial operations and for future employees stock options plans incentive plans based on financial instruments.

As already authorized and communicated during the Shareholders' meeting on February 22, 2008 Damiani Group has the option to purchase up to a maximum number of 8.250.000 ordinary shares at nominal value of 0,44 euro each and in any case not more than 10% of share capital for a period of 18 months from the date of the Shareholders' meeting i.e. until August 22th, 2009.

The purchase plan approved by the Board of Directors refers to purchases to be carried starting from June 13th until the end of the Shareholders' meeting authorization for a maximum number of 6,050,000 ordinary shares, with a nominal value of Euros 0,44 each, for a maximum total price of Euros 24,200,000.

Euromobiliare Sim S.p.A. will execute the plan while observing all the parameters enforced by the laws.

Specifically, the transactions will be carried out on the regulated stock market following the operational methodologies that are laid down in the organizational and management regulations of the market itself, which do not allow the direct linking of purchase trading proposals with pre-established sales trading proposals.

Furthermore, Damiani S.p.A. shall purchase, in each Stock Exchange operating period, a number of shares that is no greater than 25% of the average daily volume of the shares that have been traded on the market and for this volume there is meant the average daily volume of shares traded during the twenty trading days prior to the date of purchase.

All the transactions will be regulated at the normal arm's length market price. In conformity with the authorization of the Shareholders' Meeting the purchase price must be, as a maximum amount, no higher than 20% above the official price of the dealings recorded on the Computerized Stock Market on the previous day.

In the case where purchases are made, Damiani will speedily communicate the details of the transactions that have been carried out and, specifically, the number of shares purchased, the average purchase price and the total price paid for them.

At the end of the purchase plan the company shall see to it that the general public is informed regarding the outcome of the plan itself, while it remains understood that no absolute guarantee is given that the plan will be actuated.

At the present day the company owns 2.200.000 own shares equal to 2,663% of share capital.

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The Board of Directors ruled to purpose to the shareholders' meeting hold for next July 22 in I call at 10,00 in Hotel Ianua Centro Orafo "Coinor" Via Luigi Stanchi, 4 Valenza (AL) (and eventually in II call on July 23rd same place and time) allocate to reserves the net profit of Damiani SpA

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 on the basis on best estimations available.

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 more than 500 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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Attachments :
Reclassified consolidated Income Statement and Balance Sheet schedules

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Income Statement 12 Months Fiscal Year 2007/2008-2006/2007

	12 Months		
<i>(In thousand of Euro)</i>	FY 2007/2008	FY 2006/2007	% Change
Total revenues	174.108	167.955	3,7%
Cost of production	(145.469)	(140.145)	3,8%
EBITDA	28.639	27.810	3,0%
<i>EBITDA margin</i>	16,4%	16,6%	
Depreciation and amortisation	(2.503)	(2.969)	-15,7%
EBIT	26.136	24.841	5,2%
<i>EBIT margin</i>	15,0%	14,8%	
Net finance income (expense)	(1.159)	(2.953)	-60,8%
Pretax profit	24.977	21.888	14,1%
<i>Pretax profit margin</i>	14,3%	13,0%	
Income tax	(9.675)	(7.650)	26,5%
Net profit	15.302	14.238	7,5%
<i>Net profit margin</i>	8,8%	8,5%	
Minority Interest	175	214	
Group Net profit	15.127	14.024	7,9%
<i>Group net profit margin</i>	8,7%	8,3%	

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Balance sheet at March 31st 2008, March 31st 2007, December 31st 2007

Balance sheet data (In thousand of Euro)	March 31, 2008	March 31, 2007	December 31, 2007
Non current assets	41.817	37.526	36.757
Net working capital	94.987	94.418	107.931
Non current liabilities	(9.272)	(7.608)	(7.158)
Net invested capital	127.532	124.336	137.530
Shareholders' equity	155.959	76.430	163.424
Net financial position	(28.427)	47.906	(25.894)
Sources of fund	127.532	124.336	137.530

Net financial position (in thousand of Euro)	March 31, 2008	March 31, 2007	December 31, 2007
Medium/long term financing current portion	5.162	8.386	1.845
Current financial debt towards banks and others	2.593	14.824	8.473
Current loans and borrowings	7.755	23.210	10.318
Medium long term financing - non current portion	16.631	38.793	32.479
Non current debt	16.631	38.793	32.479
Total gross debt	24.386	62.003	42.797
Cash and cash equivalents	(52.813)	(14.097)	(68.691)
Net financial position	(28.427)	47.906	(25.894)