

DAMIANI

PRESS RELEASE

Damiani S.p.A:
Board of Directors approves the Group's interim report for the first quarter ending June 30, 2013 of financial year 2013/2014

Foreign and retail revenues in increase
Consolidated revenues: +7.7% at constant exchange rates

Valenza, August 9, 2013 – 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 Group's interim consolidated results for the first quarter ended **June 30, 2013**.

In the first quarter DOS in Italy and abroad showed a revenues **increase of 24.1%** at constant exchange rates confirming a positive long term trend that testifies the offer quality and the appreciation of the brand by the final consumers.

Wholesale sales abroad showed a good performance while the domestic market hit by consumptions weakness and by a general situation still uncertain, showed a decrease.

CONSOLIDATED REVENUES

During the **first quarter of financial year 2013/2014 Damiani Group consolidated revenues from sales and services** were equal to **33.1 million euro** compared to 31.4 million euro as of June 30, 2012, with an increase of of 7.7% at constant exchange rates and of 5.4% at current exchange rates

Revenues Breakdown by Distribution Channel

In the **first quarter of financial year 2013/2014 retail revenues** grew by 24.1% at constant exchange rates and by 20.3% at current exchange rates.

At June 30, 2013 the Group's stores network included **52 Directly Operated Stores (DOS)** located in the most important international fashion streets.

In the **first quarter of financial year 2013/2014 wholesale revenues** decreased by -1% at constant exchange rates and by -2.5% at current exchange rates.

Revenues by Sales Channel <i>(in thousands of Euro)</i>	I Quarter			
	Financial Year 2013/2014	Financial Year 2012/2013	Change % current exch. rates	Change % constant exch. rates
Retail	13,068	10,863	20.3%	24.1%
<i>Percentage on total revenues</i>	<i>39.5%</i>	<i>34.6%</i>		
Wholesale	19,986	20,494	-2.5%	-1.0%
<i>Percentage on total revenues</i>	<i>60.4%</i>	<i>65.3%</i>		
Total revenues from sales and service	33,054	31,357	5.4%	7.7%
<i>Percentage on total revenues</i>	<i>99.9%</i>	<i>99.9%</i>		
Other revenues	17	44		
<i>Percentage on total revenues</i>	<i>0.1%</i>	<i>0.1%</i>		
Total Revenues	33,071	31,401	5.3%	7.7%

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Revenues Breakdown by Geographical Area

In the **first quarter of financial year 2013/2014**, Italian revenues increased by 1.5% vs. the same period of last year.

Abroad the revenues of **first quarter of fiscal year 2013/2014** grew by 14.5% vs the same period of previous year.

Revenues by Geographical Area	Financial Year	%	I Trimestre	%	Change %	Change %
<i>(in thousands of Euro)</i>	2013/2014	of total	Financial Year	of total	current exch.	current exch.
			2012/2013			
Italy	22,191	67.1%	21,872	69.7%	1.5%	1.5%
Rest of world	7,356	22.2%	6,327	20.1%	16.3%	17.0%
Japan	2,562	7.7%	2,262	7.2%	13.3%	42.5%
Americas	962	2.9%	940	3.0%	5.4%	7.3%
Other revenues	17		44			
Total Revenues	33,071	100.0%	31,401	100.0%	5.3%	7.7%

OPERATING RESULT AND NET RESULT

Damiani Group closed the first quarter of financial year 2013/2014 with a **consolidated EBITDA** negative for -572 thousand euro, **in improvement** compared to -1,100 million euro as of June 30, 2012.

Consolidated EBIT was negative and equal to -1,368 million euro, **in improvement** compared to -1,828 million euro as of June 30, 2012.

Consolidated net result amounted to -2,033 million euro **in improvement** compared to -2,827 million euro achieved on June 30, 2012.

NET FINANCIAL DEBT

As of June 30, 2013 the Group's net financial debt was equal to 34.3 million euro in a slight worsening compared to 33.0 million euro as of March 31, 2013.

The executive responsible for preparing corporate accounting documents (Dott. Gilberto Frola) states under Article 154 bis, paragraph 2, of the Consolidated Finance Act that the accounting information contained in this press release corresponds to the documents, registers and accounting records.

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Damiani S.p.A.

Damiani S.p.A., founded in Valenza in 1924 and leaded today by the third generation, is the flagship company of the Damiani Group, a leader in Italy in manufacturing and marketing high end jewelry and luxury watches. Active in the jewelry sector with prestigious owned brands such as Damiani, Calderoni, 1840, Salvini, Alfieri & St. John and Bliss, the Group owns the Rocca 1794 chain, which has over 200 years of experience in retail sales of the best known brands of watches and jewelry. The Damiani Group operates in Italy and in major world markets through its operating subsidiaries and manages 52 stores and 17 franchises situated on the main streets of international fashion. With a tradition that is centuries-old, the group is careful to interpret its historical heritage with respect for its tradition and with the innovative spirit of its origins.

Attachments:

Consolidated Income and Balance Sheet statements as of June 30, 2013.

Consolidated Income Statement of I Quarter (april-june) FY 2013/2014 and FY 2012/2013

Economic data	I Quarter			
	Financial Year 2013/2014	Financial Year 2012/2013	Change	Change %
<i>(in thousands of Euro)</i>				
Revenues from sales and services	33,054	31,357	1,697	5.4%
Total Revenues	33,071	31,401	1,670	5.3%
Cost of production	(33,643)	(32,500)	(1,143)	3.5%
EBITDA	(572)	(1,100)	528	48.0%
EBITDA %	-1.7%	-3.5%		
Operating income	(1,368)	(1,828)	460	25.2%
Result before taxes	(1,736)	(2,310)	574	24.8%
Net result of the Group	(2,033)	(2,827)	794	28.1%
Basic Earnings (Losses) per Share	(0.03)	(0.04)		

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Consolidated Balance Sheet Statement as of June 30 2013 and as of March 31 2013

Balance sheet data <i>(In thousands of Euro)</i>	June 30 2013	March 31 2013	change
Fixed Assets	49,438	49,191	247
Net working capital	63,155	67,553	(4,398)
Non current Liabilities	(5,699)	(6,622)	923
Net Capital Invested	106,894	110,122	(3,228)
Net Equity	72,587	77,159	(4,572)
Net Financial Position	34,307	32,963	1,344
Sources of Financing	106,894	110,122	(3,228)

Net Financial Position <i>(in thousands of Euro)</i>	June 30 2013	March 31 2013	change
Medium-Long term loans and financing- Current portion	5,524	5,500	24
Usage of credit lines, short term financing and others	21,498	21,493	5
Medium-Long term loans and financing with related parties- Current portion	937	1,042	(105)
Current financial indebtness	27,959	28,035	(76)
Medium-Long term loans and financing- Non current portion	5,149	4,500	649
Medium-Long term loans and financing with related parties- Non current portion	7,988	8,263	(275)
Non-current financial indebtness	13,137	12,763	374
Total financial indebtness	41,096	40,798	298
Current financial receivables	0	(147)	147
Cash and cash equivalents	(6,789)	(7,688)	899
Net Financial Position	34,307	32,963	1,344