

Net sales of €886.9 million to 30 September 2013

€m	2013-Q3	change	change lfl ¹	at 30/09/2013	change	change lfl ¹
Group sales	290.1	-1.1%	1.1%	886.9	0.1%	1.3%
Europe	199.7	2.6%	4.5%	584.5	2.6%	3.6%
China	90.4	-8.3%	-8.1%	302.4	-4.3%	-4.1%
<u>Europe by country</u>						
France ²	175.4	2.4%	3.7%	515.2	2.9%	3.4%
Other	24.3	3.8%	10.1%	69.3	0.1%	4.5%
<u>Europe by brands</u>						
ETAM ³	164.7	3.7%	5.1%	466.9	2.7%	3.2%
1.2.3	35.0	-2.7%	0.1%	117.6	2.2%	5.1%

¹ like-for-like and at constant exchange rates including internet

² including export sales

³ including Undiz

I. BUSINESS TRENDS

In the third quarter of 2013, the Etam Group posted sales of €290.1 million, including a negative currency impact of €2.2 million mainly related to the depreciation of the yuan against the euro. Sales were down 1.1% compared with the third quarter of 2012. Like-for-like and at constant exchange rates, sales increased by 1.1%.

Over the first nine months of 2013, the Etam Group generated sales of €886.9 million, including a negative currency impact of €0.7 million mainly related to the depreciation of the yuan against the euro. Sales were up 0.1% compared with the first nine months of 2012. Like-for-like and at constant exchange rates, sales were up 1.3 %.

1. In Europe

In the third quarter of 2013, sales came to €199.7 million, up 2.6% or 4.5% on a like-for-like basis and at constant exchange rates.

Over the first nine months of 2013, sales came to €584.5 million, up 2.6% or 3.6% on a like-for-like basis and at constant exchange rates.

Since the start of the year, sales have increased in most of the European countries in which the Group operates. In France, the Group's brands outperformed* the clothing and textiles market in terms of sales evolution over the period.

* Source: Institut Français de la Mode at the end of August 2013

2. In China

In the third quarter of 2013, sales were €90.4 million, down 8.3% - including a negative currency impact of €2.2 million - or down 8.1 % like-for-like and at constant exchange rates

Over the first nine months of 2013, sales were €302.4 million, down 4.3%, - including a negative currency impact of €0.6 million, or down 4.1% like-for-like and at constant exchange rates.

In a context of economic slowdown in China, the Group continued to face difficulties relating to the positioning of its offering and the structure of its distribution network.

The Group's financial position and results at September 30, 2013 do not require specific comments.

II. NETWORK DEVELOPMENT

At 30 September 2013, the Etam Group had 4,322 stores, including 935 in Europe, 3,189 in China and 198 operated by international franchises.

Over the first nine months in Europe, the Group continued to streamline its store network and to expand its lingerie businesses, and opened a new Undiz store in Belgium. In China, the Group has reduced its store network by 166 units.

III. APPOINTMENT OF A NEW SUPERVISORY BOARD CHAIRMAN

At its meeting of 17 October 2013, Etam Développement's Supervisory Board noted the resignation of Hervé de Carmoy from his duties as Chairman and Member of the Supervisory Board for personal reasons.

At the same meeting, Etam Développement's Supervisory Board decided to appoint Rachel Milchior as Chairman of the Supervisory Board. Mrs Milchior, who has been a member of Etam Développement's Supervisory Board for over 15 years, accepted the position.

IV. LIQUIDITY OFFER TO SHAREHOLDERS

The simplified tender offer from Finora for Etam Développement shares (the Finora offer) closed on 2 October 2013. Within the context of the offer, Finora acquired 1,057,858 Etam Développement shares representing 13.25% of share capital and 9.18% of voting rights, and now holds 3,831,538 shares (48.00% of share capital and 33.24% of voting rights). The Milchior-Tarica shareholders acting in concert together own 6,477,175 shares (81.14% of share capital and 76.52% of voting rights).

As announced on 29 August 2013, Etam Développement shareholders have a second opportunity to benefit from the liquidity offer by tendering their shares to the simplified tender offer initiated by Etam Développement within the context of its share buyback programme, concerning a maximum of 10% of share capital at the same price as for the Finora offer, i.e. €23.0 per share.

The share buyback offer was opened on 7 October 2013 and is due to close on 18 October, the last date for shareholders to benefit from the liquidity offer.

In keeping with its commitments, Finora will tender to the share buyback offer all Etam Développement shares acquired within the framework of the Finora offer in excess of 399,128 shares, i.e. 658,730 shares (8.25% of share capital). In this regard, if the number of shares tendered to the share buyback offer exceeds 798,254, each shareholder tendering shares to the share buyback offer will be subject to a reduction in their request proportional to the number of shares presented to the share buyback offer.

The share buyback offer will result in a reduction in Etam Développement's net cash position, with a corresponding reduction in consolidated equity due to the cancelation of all shares bought by Etam Développement within the framework of the share buyback offer.

The results of the simplified tender offer centralised by NYSE Euronext Paris will be published no later than 31 October 2013 after market close.

The Etam Group is an international retailer of women's ready-to-wear clothing, lingerie and accessories with 4,322 sales outlets at 30 September 2013

Next releases:

Result of the Simplified Tender Offer by ETAM Développement, end of October 2013

Fourth-quarter net sales and 2013 annual net sales on 23 January 2014 after the market closes in Paris

Information for analysts and investors: www.etamdeveloppement.fr / Tel.: 01 55 90 72 79
Etam Développement: ISIN code: FR0000035743 / Reuters: TAM.PA / Bloomberg: TAM FP