

Full year 2008: Sales of €969.4M

In the framework of the realignment of the Etam brand, the Group has taken the strategic decision to discontinue its ready-to-wear business in Belgium and Italy and to stop the joint-venture company EFF in India. Given the change in scope, sales for the Etam Group amount to the following*:

<i>In millions of €</i>	Q4-08	% Change	% Change lfl ⁽¹⁾	2008	% Change	% Change lfl ⁽¹⁾
Group sales	269.9	+7.8%	-0.9%	969.4	-0.7%	-5.1%
By country						
<u>Scope excluding China</u>	203.6	+0.7%	-4.7%	780.8	+0.3%	-5.6%
France	175.9	+0.9%	-4.1%	664.8	-0.5%	-5.2%
Other ⁽²⁾	27.7	-0.3%	-8.3%	116.0	+5.0%	-7.7%
<u>China</u>	66.3	+37.5%	+28.2%	188.6	-4.3%	-1.3%
By brand						
Etam Europe	156.1	+2.8%	-3.8%	590.8	+0.7%	-6.0%
1.2.3	47.5	-5.4%	-7.8%	190.0	-1.2%	-4.5%
China	66.3	+37.5%	+28.2%	188.6	-4.3%	-1.3%

(1) Change on a "like for like" basis and at constant exchange rates

(2) Other European countries

* Sales of discontinued businesses amounted to €5.8M for the 4th quarter and €24.9M for the full year 2008 and were realized through 92 sales outlets (in compliance with IFRS 5).

I – Sales in the fourth quarter of 2008

In the 4th quarter of 2008, Group sales were €269.9M, an increase of +7.8% after taking into account a favorable exchange rate impact of +€10.9M, mainly due to the appreciation of the yuan versus the euro. On a comparable basis and at constant exchange rates (*like-for-like*), sales decreased slightly by -0.9%.

Sales excluding China were €203.6M, an increase of +0.7%. On a comparable basis and at constant exchange rates, sales decreased by -4.7%.

- The Etam brand in Europe reported growth of +2.8%, supported by the opening of 22 retail outlets in the period. Sales restated on a comparable basis and at constant exchange rates decreased by only -3.8% thanks to various commercial initiatives which, for the most part, offset the difficult market environment.
- Sales for the 123 brand decreased by -5.4% and by -7.8% on a comparable basis and at constant exchange rates, due to the decrease in traffic at sales outlets as well as the brand's determination to maintain sales margins.

Sales in China were €66.3M, a strong increase of +37.5% of which +€10.9M was due to a favorable exchange rate impact. On a comparable basis and at constant exchange rates, sales increased by +28.2%. In the 4th quarter of 2007, sales on a comparable basis and at constant exchange rates decreased by -16.7%.

II – Sales for the full year 2008

Sales in 2008 amounted to €969.4M, a slight decrease of -0.7% compared to 2007. That amount includes a favorable exchange rate impact of +€7.1M mainly due to the appreciation of the yuan versus the euro. On a comparable basis and at constant exchange rates (*like-for-like*), sales decreased by -5.1%.

Sales excluding China were stable at €780.8M on an actual basis (+0.3%) and declined by -5.6% on a comparable basis and at constant exchange rates.

As of December 31, 2008, the export business, which is included in sales figures for France, increased by +12.9% through the opening of additional retail surfaces, mainly under the Etam brand name.

Sales in China of €188.5M decreased by -4.3% or -1.3% on a comparable basis and at constant exchange rates.

III – Sales network development

As of December 31, 2008, the Etam Group included 3,291 sales outlets:

- Excluding China, the Group opened 60 additional sales outlets for a total of 1,160. Those openings are broken down as follows:
 - By brand: 53 shops for Etam, 1 shop for 1.2.3 and 6 shops for Undiz.
 - By geographic region: 31 shops in France, 12 shops in Spain, 9 shops in Belgium, 6 shops in Germany and 2 shops in Poland.
- The sales network in China included 2,131 sales outlets.

A worldwide distributor of women's' ready-to wear clothing, lingerie and accessories
3,291 sales outlets as of 12.31.2008

The Etam Group will release its 2008 full year results on April 15, 2009 after the close of the Paris stock exchange.

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