

**Results for the 2001 financial year approved by the Benetton Board. INCREASING VOLUMES AND REVENUES**  
**Dividend of 0.41 euro per share proposed**

Ponzano, 28th March 2002. Consolidated revenues of 2.1 billion euros, normalised net income (\*) of 163 million euros, self-financing up by 20 per cent: these were the principal results, approved today by the Board of Directors, with which the Benetton Group closed the 2001 financial year. At the Stockholders' Meeting (convened for 14th May) distribution of a dividend of 0.41 euro per share will be proposed, payable from 23rd May and totalling 74.4 million euros.

UNITED COLORS  
OF BENETTON.

The overall growth in 2001 revenues was 4 per cent (2.02 billion euros in 2000) and, in particular, the clothing division showed a 9.5 per cent increase in terms of turnover and 8 per cent in volume.

In 2001, normalised consolidated net income was 163 million euros against a normalised value for the previous financial year of 174 million euros, a value which does not include the extraordinary income made in 2000 on the sale of the Formula 1 team. Net income, including extraordinary income and expenses, was 148 million euros in 2001.

Self-financing in the year improved by 63 million euros, to 374 million. Working capital increased to 811 million euros compared with 772 million euros in 2000. Stockholders' equity at 31st December 2001 rose to 1,241 million euros (from 1,175 million), continuing the strategy of giving special attention to stockholders' remuneration, with a payout ratio of 50 per cent.

2001 closed with indebtedness of 640 million euros, against 536 million in the previous financial year, with investments of 311 million euros, both for the acquisition of property and commercial businesses in support of the continued development of the stores network and for execution of the European manufacturing project aimed at achieving ever greater speed of competitive response to the market.

In 2001, a year marked by the events of 11th September and the slowdown in world economic growth, turnover in the euro area increased significantly (up 10 per cent): clothing, in particular, stood out with an increase of almost 13 per cent; double digit growth rates were also recorded in markets such as the United States, Korea and Eastern European countries.

These results were achieved thanks to the unique nature of the Benetton system: the growing retail structure operates alongside a network of 2,000 partners, unparalleled in the clothing sector, who share the Group's strategies and co-operate in the development of activities. New market opportunities are realised through a network of sales outlets with dimensions adjusted to meet the needs of the modern consumer: from specialised stores to large megastores that are able to offer the complete range of products and accessories from the Benetton world.

In this context, in 2001 the network of megastores, (including those directly managed) opened in the historic and commercial centres of major cities, grew at a greater rate than forecast: at the end of the year the figure of 100 megastores worldwide, the target for the end of 2002, was exceeded. The more important openings in the year included those in Paris, Rome, Kobe and Osaka, New York, London, Moscow and Lisbon.

Completing the offer of the United Colors of Benetton and Sisley brands, the new brand The Hip Site was launched, aimed at young people who intend to stand out in the world of teenagers for their spirit and personality, with a complete collection of fashionable clothing, accessories and cosmetics.

Performance of the sports division in 2001 was a further occasion for reflection and commitment for the Group. The overall satisfactory results for Playlife clothing, which counted 160 stores at the end of the year, with a forecast of 200 sales outlets by the end of 2002, were not reflected in the performance of the equipment sector, which is undergoing a phase of intensive industrial and commercial reorganisation. The development and launch in the market of new technologies in this area were crowned by important sporting successes such as the six Olympic medals won by Nordica athletes at Salt Lake City and the victories of Prince tennis players, Jennifer Capriati and Juan Carlos Ferrero.

Fabrica, Benetton's communication research and development centre, in addition to various prestigious initiatives in the sectors in which it is active, including cinema (where the film "No Man's Land" co-produced by Fabrica Cinema won the 2002 Oscar for the Best Foreign Film), music, photography and web design, developed the UCB institutional campaign, in collaboration with the United Nations, to celebrate the International Year of Volunteers.

(\*) Excluding extraordinary income and expenses and the consequent fiscal effect.

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## Group results (in millions of Euro)

### Consolidated income statement

(in millions of Euro)	2001	%	2000	%	Change	%
Revenues	2,097.6	100.0	2,018.1	100.0	79.5	3.9
Cost of sales	(1,188.5)	(56.7)	(1,138.5)	(56.4)	(50.0)	4.4
Gross operating income	909.1	43.3	879.6	43.6	29.5	3.4
Variable selling costs	(133.4)	(6.3)	(139.9)	(6.9)	6.5	(4.6)
Contribution margin	775.7	37.0	739.7	36.7	36.0	4.9
General and administrative expenses	(490.1)	(23.4)	(430.7)	(21.4)	(59.4)	13.8
Income from operations	285.6	13.6	309.0	15.3	(23.4)	(7.6)
Gain (losses) on foreign exchange	7.0	0.3	(14.5)	(0.7)	21.5	n.s.
Financial charges, net	(36.6)	(1.7)	(23.7)	(1.1)	(12.9)	54.4
Extraordinary income (expenses)	(13.3)	(0.6)	75.4	3.7	(88.7)	n.s.
Income before taxes	242.7	11.6	346.2	17.2	(103.5)	(29.9)
Income taxes	(92.4)	(4.4)	(100.5)	(5.0)	8.1	(8.1)
Income attributable to minority interests	(2.2)	(0.1)	(2.4)	(0.1)	0.2	(8.3)
Net income	148.1	7.1	243.3	12.1	(95.2)	(39.1)
Normalized net income	162.8	7.8	174.1	8.6	(11.3)	(6.5)

### Financial position

(in millions of Euro)	12.31.2001	12.31.2000	Change
Working capital	811	772	39
Total capital employed	1,896	1,723	173
Net indebtedness	640	536	104
Shareholders' equity	1,241	1,175	66
Minority interests	15	12	3

### Summary statement of cash flows

(in millions of Euro)	2001	2000
Self-financing	374	311
Change in working capital	(68)	(59)
Net operating and financial investments	(274)	(270)
Sale of investments	27	125
Payment of dividends	(85)	(186)
Payment of taxes	(89)	(162)
Net financial requirements	(115)	(241)

## Benetton Group S.p.A. results (in millions of Euro)

### Benetton Group S.p.A.

(in millions of Euro)	2001	%	2000	%	Change	%
Revenues	1,980	100.0	1,815	100.0	165	9.0
Cost of sales	(1,331)	(67.2)	(1,206)	(66.4)	(125)	10.3
Gross operating income	649	32.8	609	33.6	40	6.5
Variable selling costs	(132)	(6.7)	(124)	(6.9)	(8)	6.0
Contribution margin	517	26.1	485	26.7	32	6.6
General and administrative expenses	(265)	(13.4)	(249)	(13.7)	(16)	6.4
Income from operations	252	12.7	236	13.0	16	6.8
Gain (losses) on foreign exchange	(3)	(0.1)	(16)	(0.9)	13	(82.6)
Financial charges, net	(49)	(2.5)	(31)	(1.7)	(18)	58.7
Extraordinary income (expenses)	(41)	(2.1)	(34)	(1.9)	(7)	22.3
Income before taxes	159	8.0	155	8.5	4	2.4
Income taxes	(75)	(3.8)	(77)	(4.2)	2	(2.3)
Net income	84	4.2	78	4.3	6	7.0

### Financial position

(in millions of Euro)	12.31.2001	12.31.2000
Working capital	574	502
Total capital employed	1,432	1,250
Net indebtedness	905	723
Shareholders' equity	527	527