

BENETTON GROUP PRELIMINARY 2008 REVENUES GROW TO 2,128 MILLION EURO

Ponzano, February 17, 2009 – The Benetton Group Board meeting today viewed the preliminary results for the 2008 financial year^(*), pending availability of final numbers which will be examined and approved by the Board of Directors on March 18.

The 2008 preliminary results met the Group's preset objectives, despite the deteriorating international economic situation, which became particularly evident in the fourth quarter of the year. Far-reaching structural actions were carried out with resolve in the period and have yielded the expected benefits. Of particular note were the improvement of the supply chain structure with the aim of strengthening service to the network of partners, acceleration of profitable growth in strategic countries, such as Russia, India and Turkey, and completion of the new organizational structure based on Business Units.

UNITED COLORS
OF BENETTON.

Preliminary 2008 numbers showed growth of consolidated revenues to 2,128 million euro, with an increase of 4% (+5.7% currency neutral). Also positive were operating profit, up 4.7% to 254 million euro, and net income, which was 155 million euro (+7%). Ordinary EBITDA was 353 million euro (+5.1%), 16.6% of revenues (stable compared with the previous year).

Margins benefited from the positive impact of the substantial actions undertaken, in particular the reduction of the complexity of the collections and the improvements introduced into the supply chain in terms of efficiency and effectiveness, also for the sales network.

In the fourth quarter, there was a slowdown in revenue growth (+2.9%, +4.1% currency neutral) and increasing pressure on margins.

"The situation in 2009 will be difficult for everyone and this was made quite clear by trends in the fourth quarter of the year just ended. The Group occupies a distinctive positioning for product quality, with affordable prices, a widespread and flexible distribution model, based on a network of first-rate sales partners, and proven financial strength. With the support of these elements, we will initiate a series of radical actions to prepare the company for the emergent context which will, inevitably, increase pressure on profitability" said CEO Gerolamo Caccia Dominioni.

"We will therefore pursue four key policies: a firm strengthening of the collaboration with, and support of, the network of sales partners, a deep optimization of the industrial and production system, without compromising quality, an exceptional reduction of structural costs and strict control on invested capital. Finally, we will continue to invest with discipline to guarantee the company's growth" added Caccia Dominioni.

Declaration by the manager responsible for the preparation of company accounting documents

The manager responsible for preparing the company's financial reports, Lorenzo Zago, declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

It should be noticed that all the accounting figures related to FY 2008 reported in the present press release are preliminary and not yet audited.

(*) Preliminary values, not yet audited

Disclaimer

This document includes forward-looking statements, relative to future events and income and financial operating results of the Benetton Group. These forecasts, by their nature, include an element of risk and uncertainty, since they depend on the outcome of future events and developments. The actual results may differ even quite significantly from those stated due to a multiplicity of factors.

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