



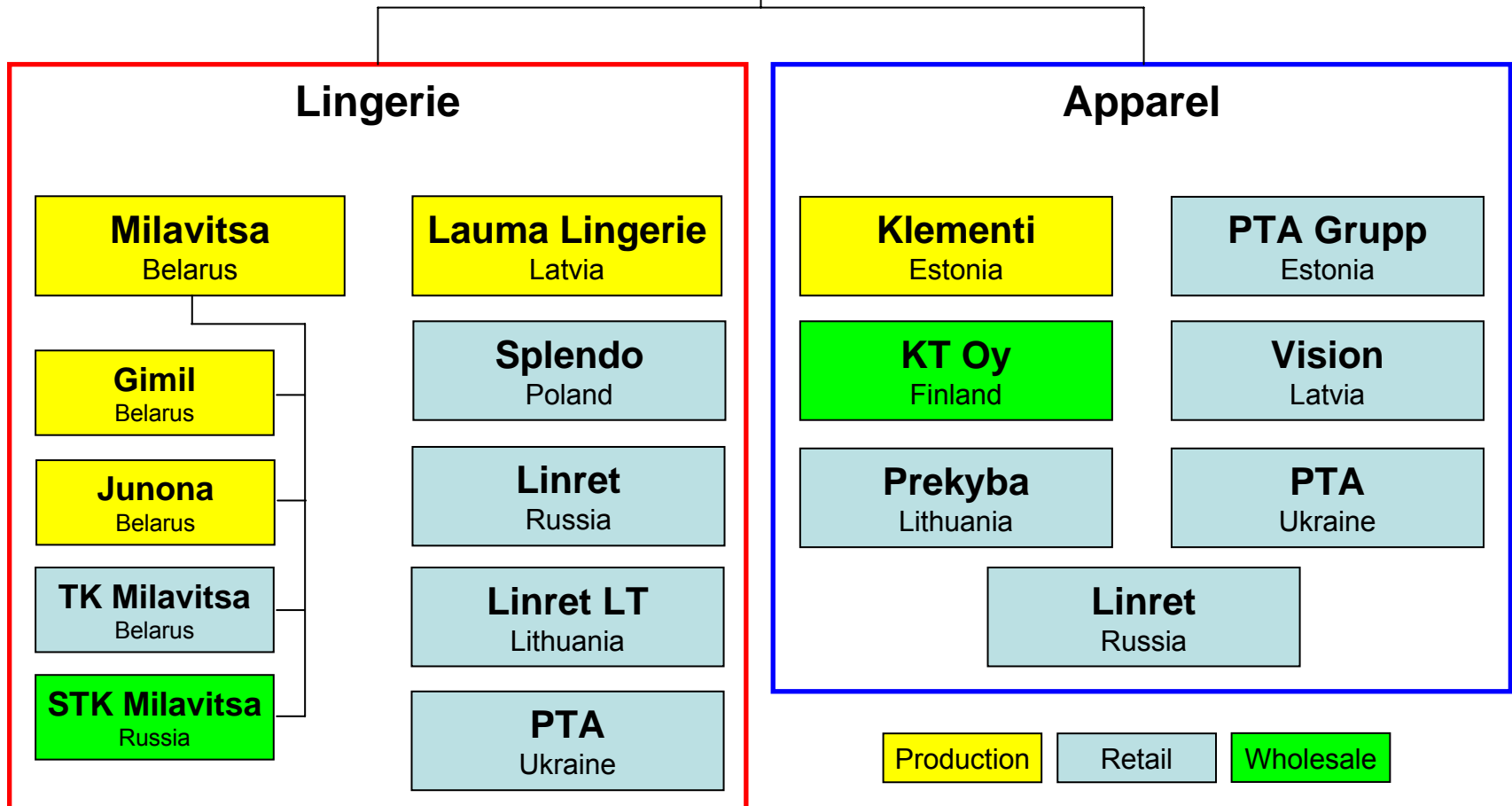
Silvano Fashion Group

3Q 2008 Highlights

Sergei Kusonski
Chief Executive Officer

Warszawa
03/12/2008

Business model – existing structure

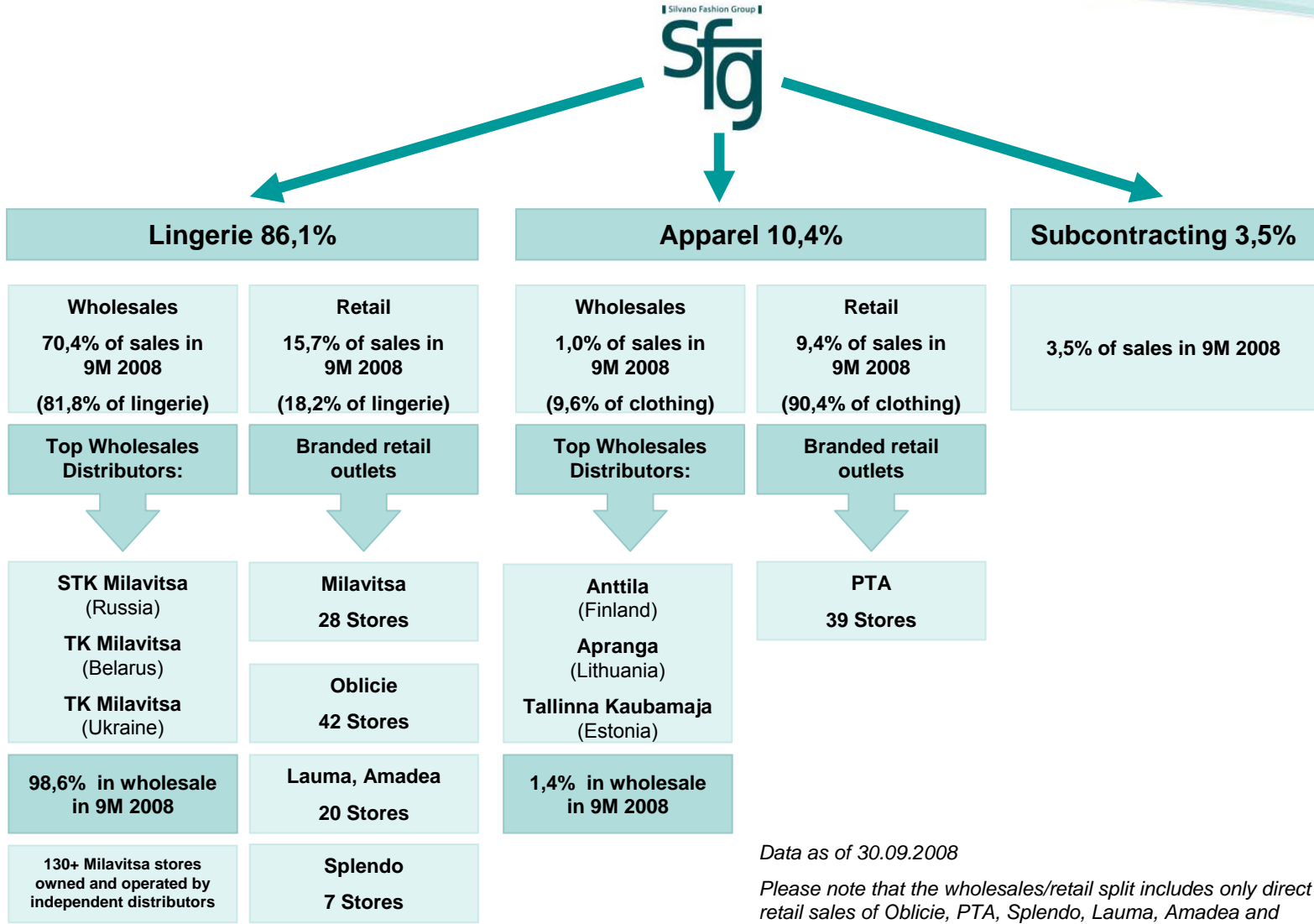




Markets & Brands



Revenue Breakdown



Data as of 30.09.2008

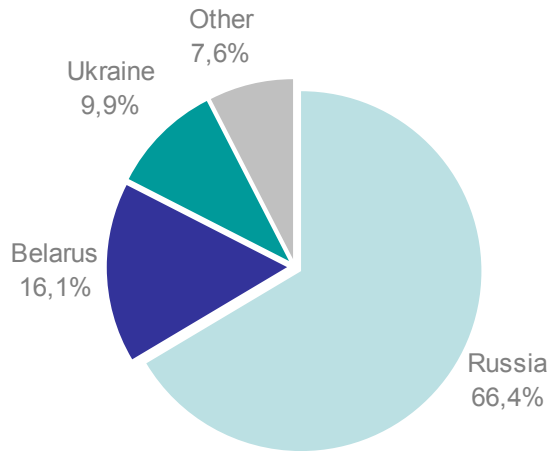
Please note that the wholesales/retail split includes only direct retail sales of Oblicie, PTA, Splendo, Lauma, Amadea and Milavitsa (operated by TKM in Belarus) stores

Wholesales Distribution

Lingerie 98,6% in wholesales in 9M 2008

- 3 Top Wholesales Distributors in 9M 2008:**
- STK Milavitsa (Russia)
 - TK Milavitsa (Belarus)
 - TK Milavitsa (Ukraine)

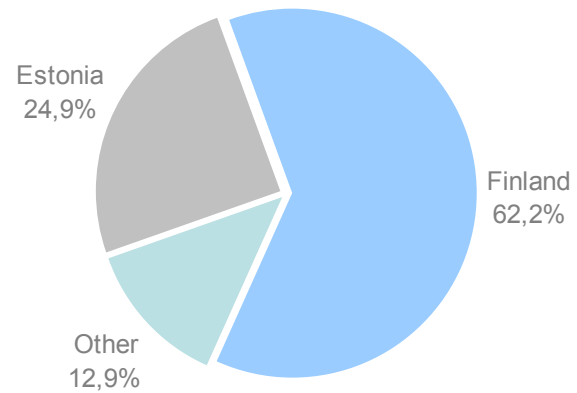
Major Markets



Apparel 1,4% in wholesales in 9M 2008

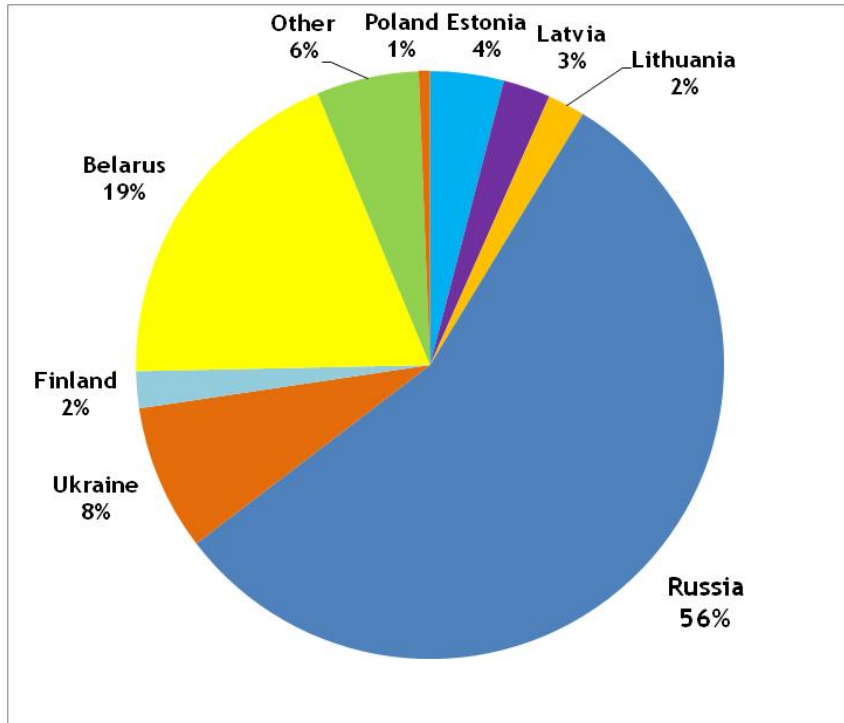
- 3 Top Wholesales Distributors in 9M 2008:**
- Anttila (Finland)
 - Apranga (Lithuania)
 - Tallinna Kaubamaja (Estonia)

Major Markets

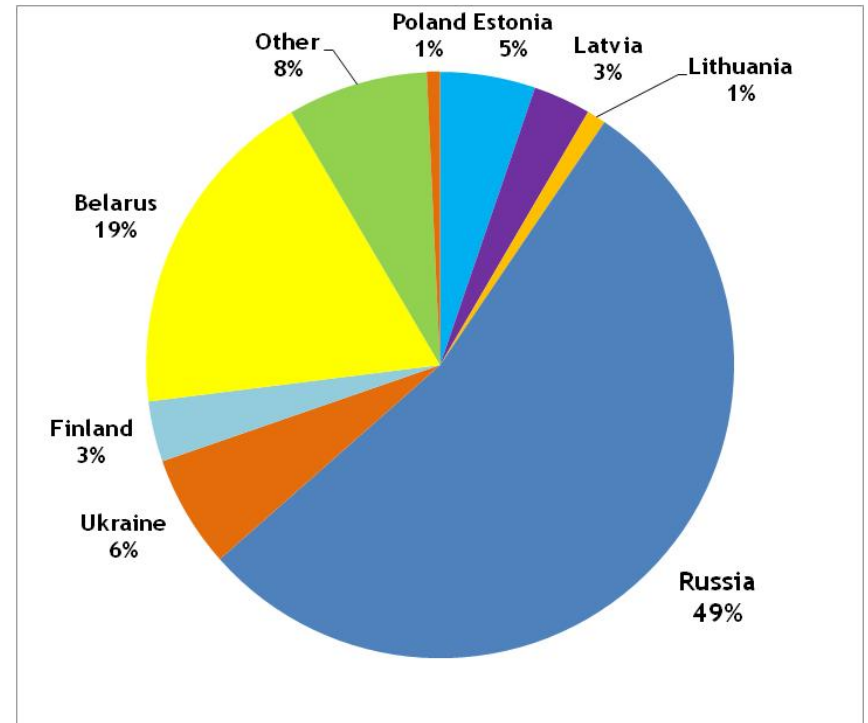


Sales by regions

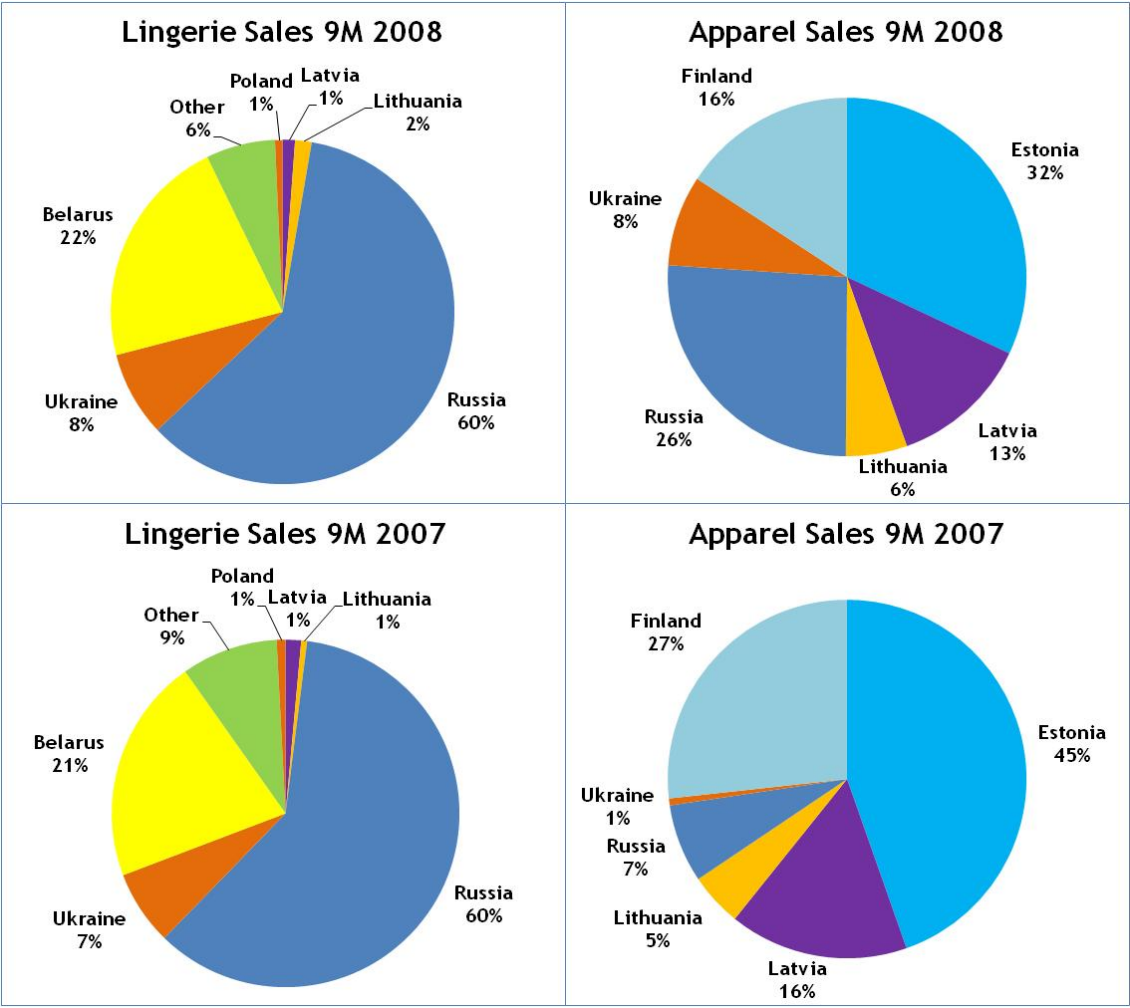
9M 2008



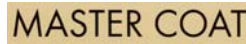
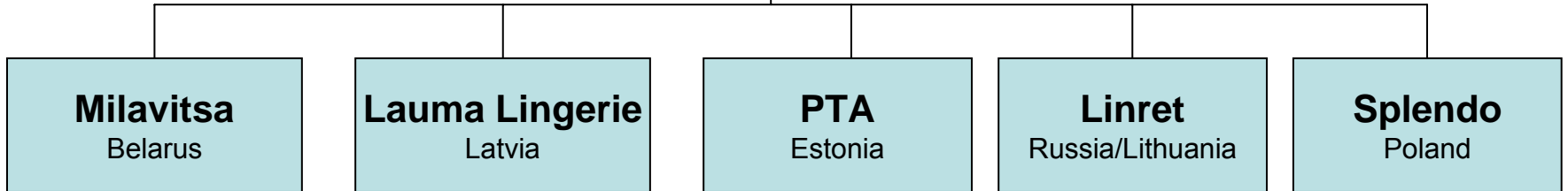
9M 2007



Sales by regions

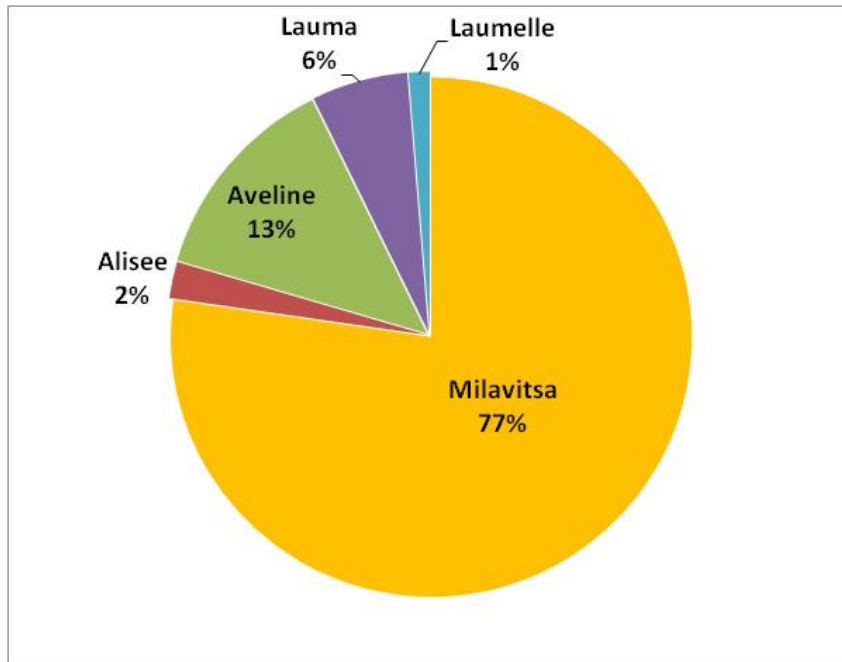


Product Brand Portfolio

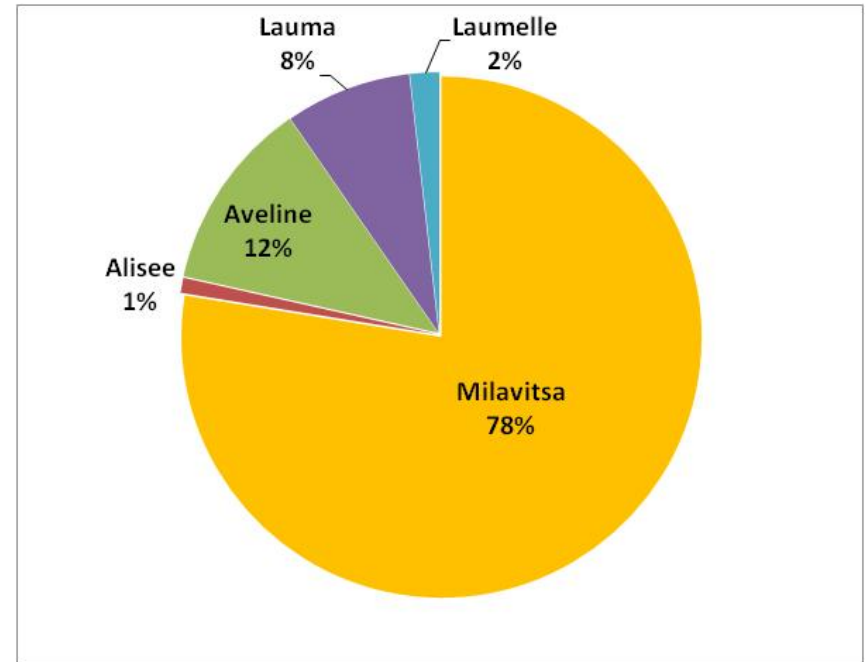


Lingerie sales by brands

9M 2008



9M 2007



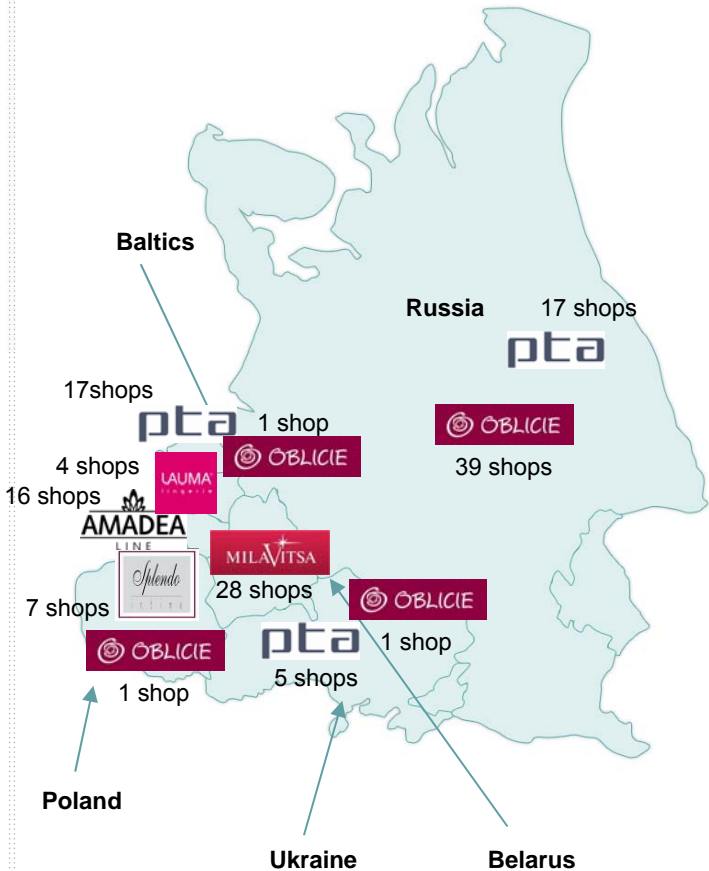
| Silvano Fashion Group |



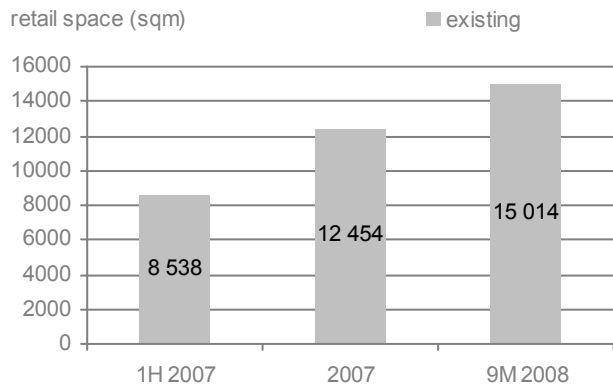
Operations

Retail Network as of 01.10.2008

WITH QUICKLY GROWING OUTLET NETWORK THE IMPORTANCE OF RETAIL CHANNEL WILL GROW

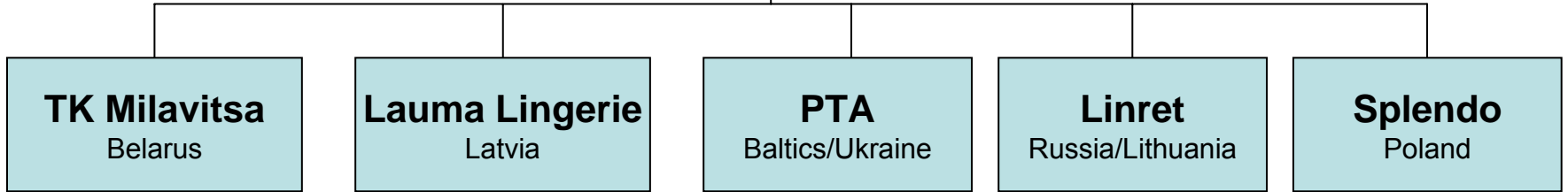


- 60 shoses opened/acquired in 2007
- 26 new stores opened in Q1-Q3 2008
- 5 shops closed in Q1-Q3 2008
- 136 shops in operations
- Delays in Shopping Center openings
- Retail development put on hold in Q4



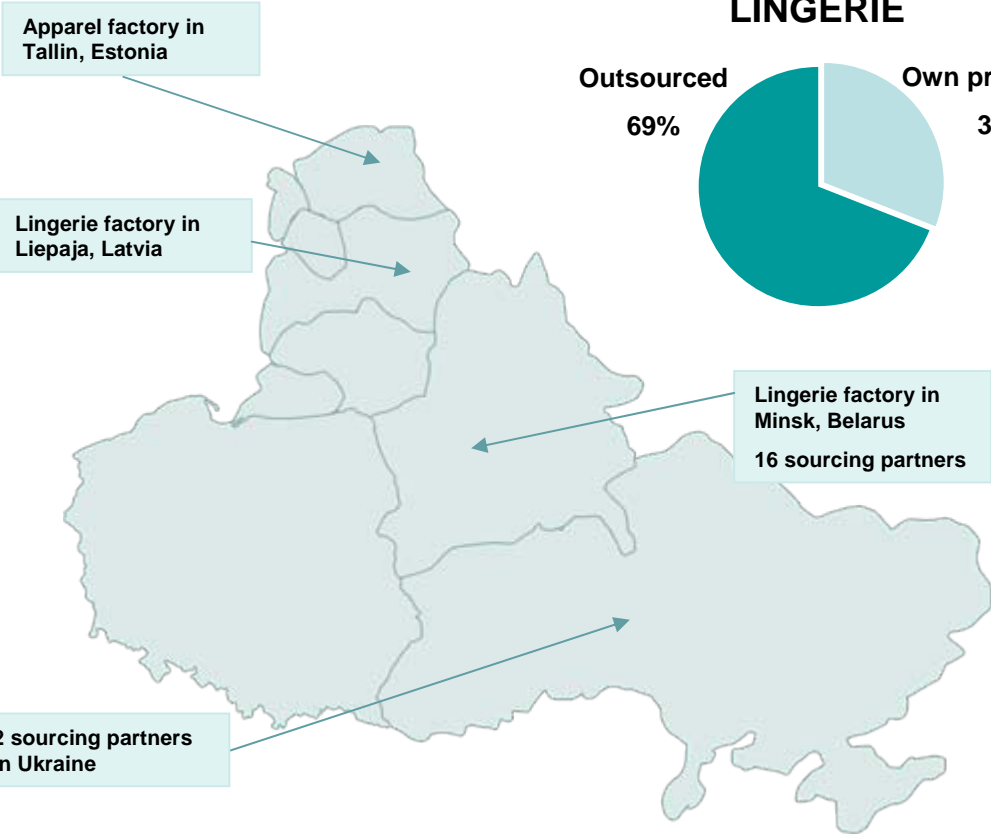
130+ MILAVITSA BRANDED OUTLETS OWNED AND OPERATED BY DISTRIBUTORS – FRANCHISE PROGRAM IS BEING LAUNCHED

Retail Brand Portfolio

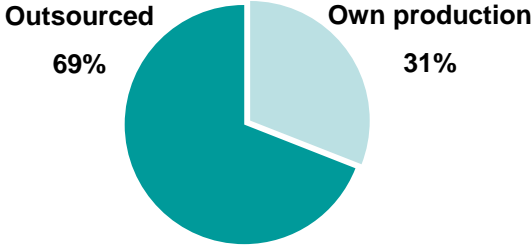


Production Model

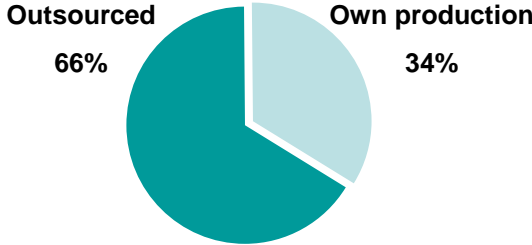
OWN PRODUCTION FACILITIES ALLOW FOR FASTER RESPONSE TO CHANGING CUSTOMER DEMAND



LINGERIE



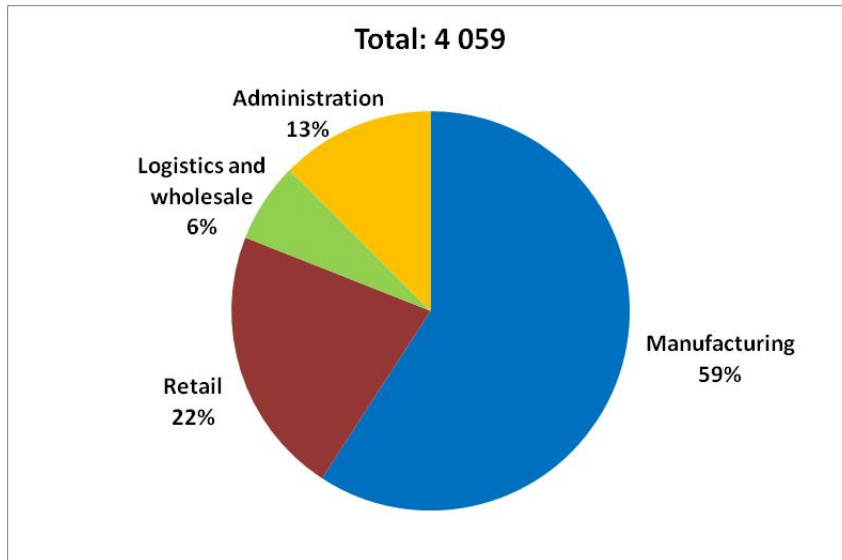
APPAREL



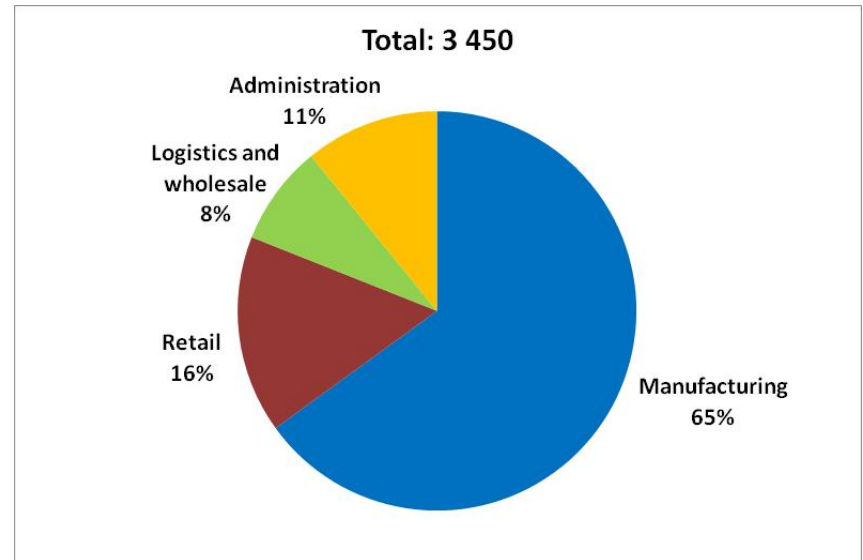
WHILE MAINTAINING OWN PRODUCTION FACILITIES SHARE OF OUTSOURCING WILL BE INCREASING

Personnel

September 2008



December 2007





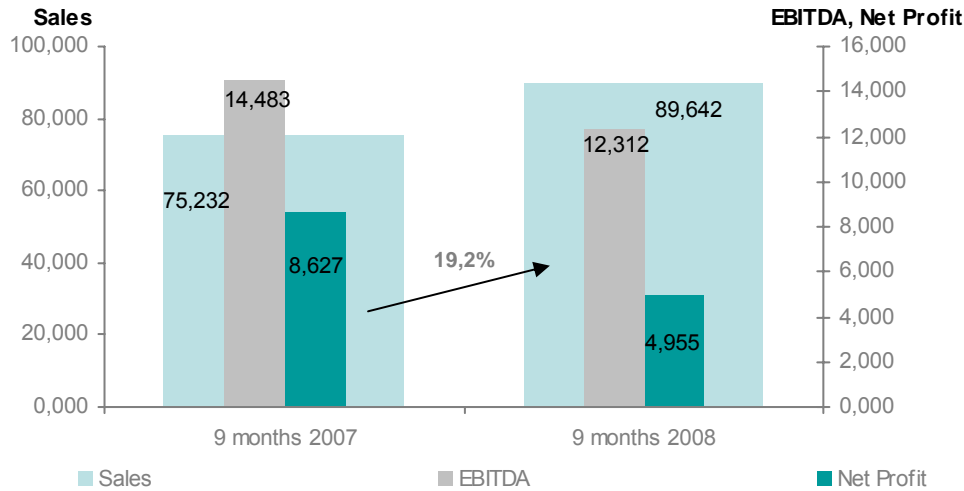
Financials & Business Development

9 months 2008 Financial Results

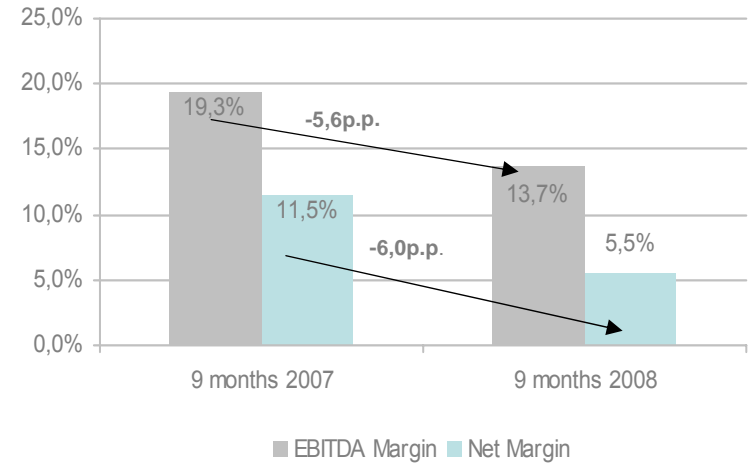
- 19.2% Net Sales increase on the 9 months of 2007
 - 22.7% Net Sales increase on Q3 2007
- Gross Margin in the nine months of 2008 reached 42.6% to achieve the same level as in the 9 months of 2007
 - GM in Q3 2008 reached 40.6% up from 40.2% in Q3 2007
- Operating Margin reached 11.3%, down from 16.9% in 9 months 2007 (normalised)
 - Q3 Operating Margin reached 8.9%, down from 11.8% in Q3 2007
- Decline in profitability compared to the 9 months of 2007
 - a function of the rapid expansion of the Group's retail network
 - in line with the management's expectations
 - 26 stores opened in 2008
 - Lauma Lingerie downsizing programme
 - Euro rapid depreciation
- Inventories increased by EUR 2.6 million to reach EUR 24.2 million
 - Mainly due to retail expansion and slowdown on the Baltic markets

Margins 9 months 2008

Revenue, EBITDA, Net Profit (€'000)

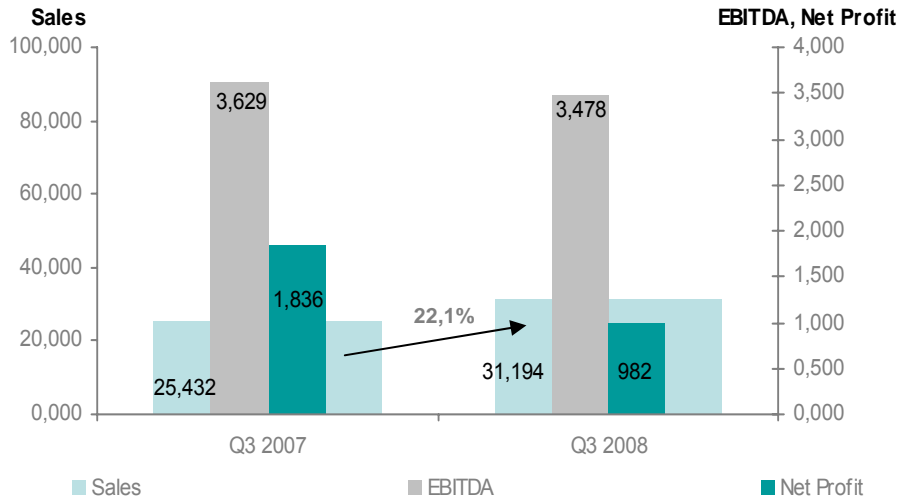


EBITDA, Net Profit Margin (%)

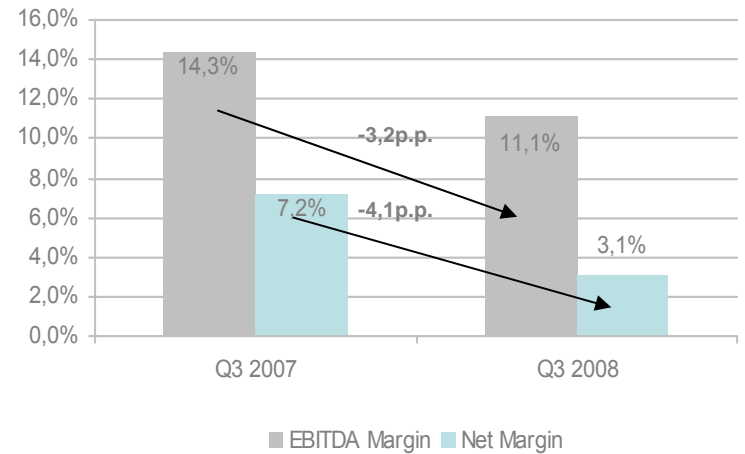


Margins Q3 2008

Revenue, EBITDA, Net Profit (€'000)



Revenue, EBITDA, Net Profit (%)



Financial Performance

Consolidated P&L						
€`000	Q3 2008	Q3 2007	change %	9 months 2008	9 months 2007	change %
Sales revenue	31,194	25,432	+22,7%	89,642	75,232	+19,2%
COGS	18,531	15,206	+21,9%	51,451	43,159	+19,2%
Gross profit	12,663	10,226	+23,8%	38,191	32,073	+19,1%
<i>Gross profit margin</i>	40,6%	40,2%	+0,4 p.p.	42,6%	42,6%	-0,0p.p.
Distribution costs	5,369	3,219	+66,8%	15,344	8,969	+71,1%
Administrative expenses	3,566	3,051	+16,9%	10,238	8,008	+27,8%
Other operating income	269	256	+5,1%	918	719	+27,7%
Other operating expenses	1,227	1,223	+0,3%	3,389	3,138	+8,0%
EBITDA	3,478	3,629	-4,2%	12,312	14,483	-15,0%
<i>EBITDA margin</i>	11,1%	14,3%	-3,2 p.p.	13,7%	19,3%	-5,6p.p.
EBIT	2,770	2,989	-7,3%	10,138	12,677	-20,0%
<i>EBIT margin</i>	8,9%	11,8%	-2,9 p.p.	11,3%	16,9%	-5,6p.p.
Corporate income tax	1,149	1,591	-27,8%	4,768	4,626	+3,1%
Net profit	982	1,836	-46,5%	4,955	8,627	-42,6%
<i>Net profit margin</i>	3,1%	7,2%	-4,1 p.p.	5,5%	11,5%	-6,0p.p.

Income Statement (Lingerie/Apparel)

SFG Income Statement	9M 2008			9M 2007		
	SFG Consolidated	Apparel	Lingerie	SFG Consolidated	Apparel	Lingerie
NET SALES	89 642	11 439	78 203	75 232	9 329	65 903
GROSS PROFIT	38 191	5 522	32 669	32 073	3 161	28 912
<i>Gross profit margin</i>	42,6%	48,3%	41,8%	42,6%	33,9%	43,9%
EBITDA	12 311	-1 396	13 706	14 484	51	14 433
<i>EBITDA margin</i>	13,7%	-12,2%	17,5%	19,3%	0,5%	21,9%
EBIT	10 137	-1 908	12 045	12 678	-203	12 881
<i>EBIT margin</i>	11,3%	-16,7%	15,4%	16,9%	-2,2%	19,5%
NET PROFIT	4 955	-2 092	7 047	8 628	-245	8 873
<i>Net margin</i>	5,5%	-18,3%	9,0%	11,5%	-2,6%	13,5%

Corporate Income Tax

- Effective tax rate 49%
- Focus to reduce Effective Tax Rate
- STK Milavitsa and Linret merger
 - In process
 - To be complete in December 2008
- Further stake acquisition in Milavitsa
 - To reduce minority interest
 - Rescheduled for 2009

3Q 2008 Business Highlights

- Two subsidiaries of SFG operating primarily on the Russian retail market - Linret and STK have signed a merger agreement, as a result of which STK will be merged into Linret.
 - The new entity will operate under the name of ZAO Milavitsa Linret and will combine the operations and resources of the two companies.
 - ZAO Milavitsa Linret will be 49% owned by SFG directly and 51% by SP ZAO Milavitsa, a Belorussian subsidiary of SFG.
- Share buyback program initiated on 6 October 2008.
 - To date, the amount of shares bought back is 393 000, the average price per share is 1.15 EUR, the cost in total is 452,968 EUR.
 - As of today AS Silvano Fashion Group owns 393,000 of its own shares, which constitute 0.9825% of the share capital.
- Financial crisis to slow sales down in Q4 in the major markets

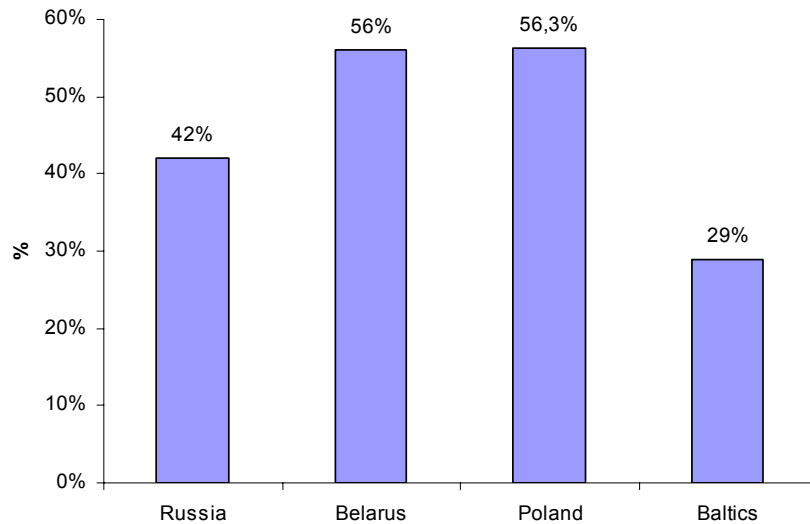
Anti-crisis steps

- Retail expansion reconsidered
 - 14 shops to be closed in Russia
 - 1 shop to be closed in Ukraine
 - Maximum 10 new shops to be opened in 2009 in all markets
- Focus on franchising
- Oblicie shops to be rebranded into Milavitsa
- Entry-level Milavitsa shop concept to be introduced for franchising
- Termination of the Polish operations to be considered in December
- Cost-cutting procedures to be implemented
- Construction of logistics terminal in Belarus put on hold
- Payment terms to be extended for customers
 - Price decrease to be considered
- Moratorium on price increase with suppliers, payment terms to be extended push for lower prices
- Focus on the lingerie business

Q3 Retail Performance

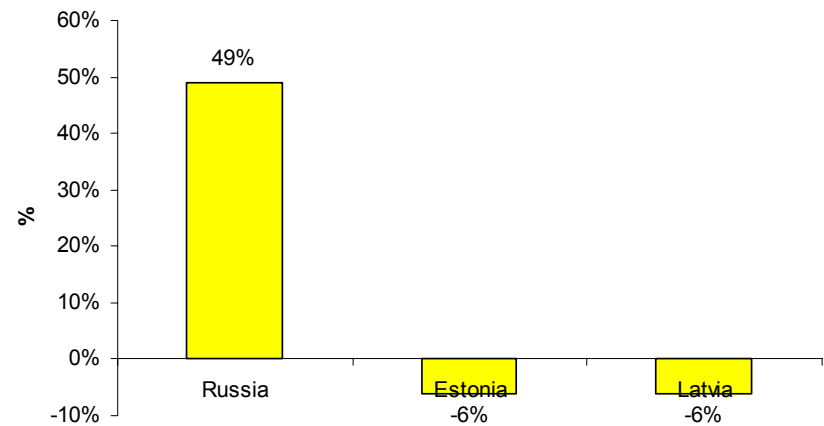
- LFL lingerie retail performance

- Russia +42%
- Belarus +56%
- Poland +56,3%
- Baltics +29%



- LFL apparel retail performance

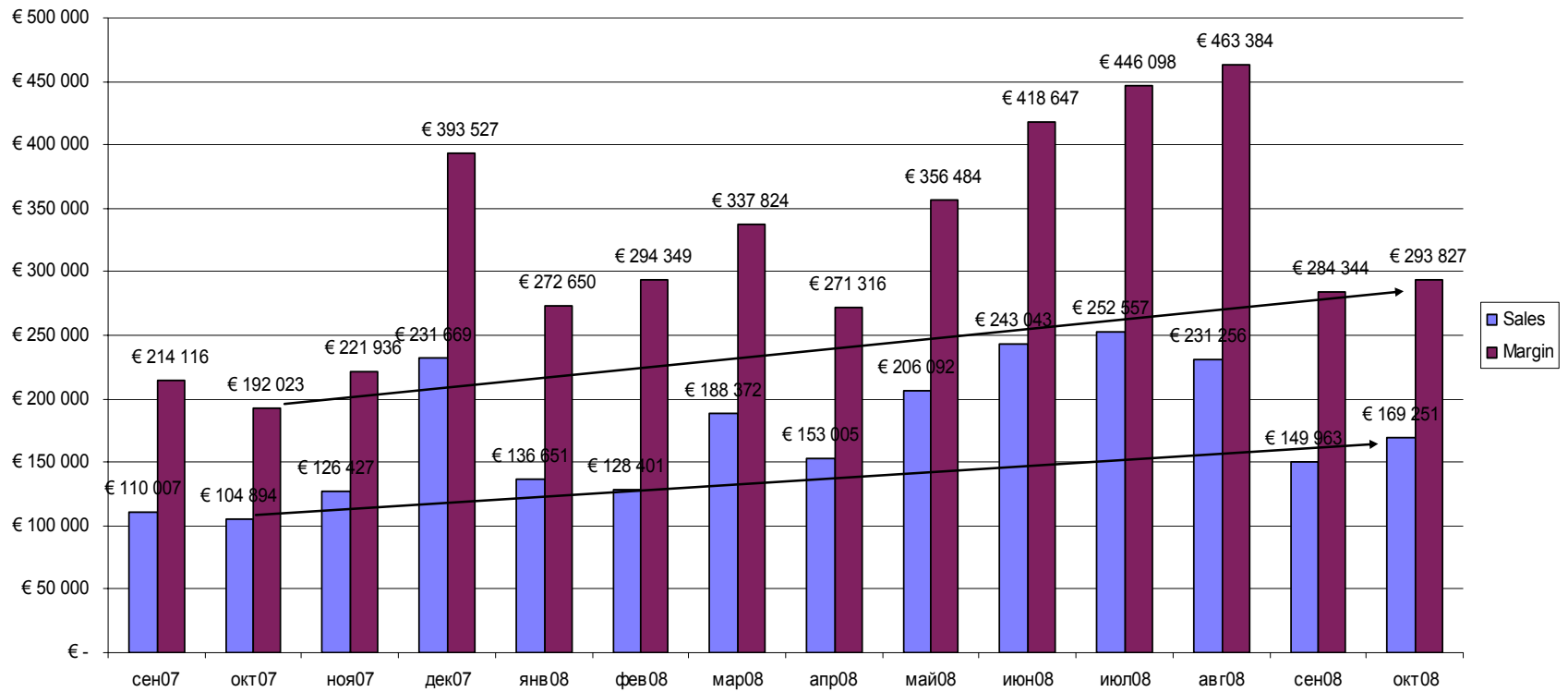
- Russia +49%
- Estonia -6%
- Latvia -6%



Oblicie LFL sales in Russia

+42%

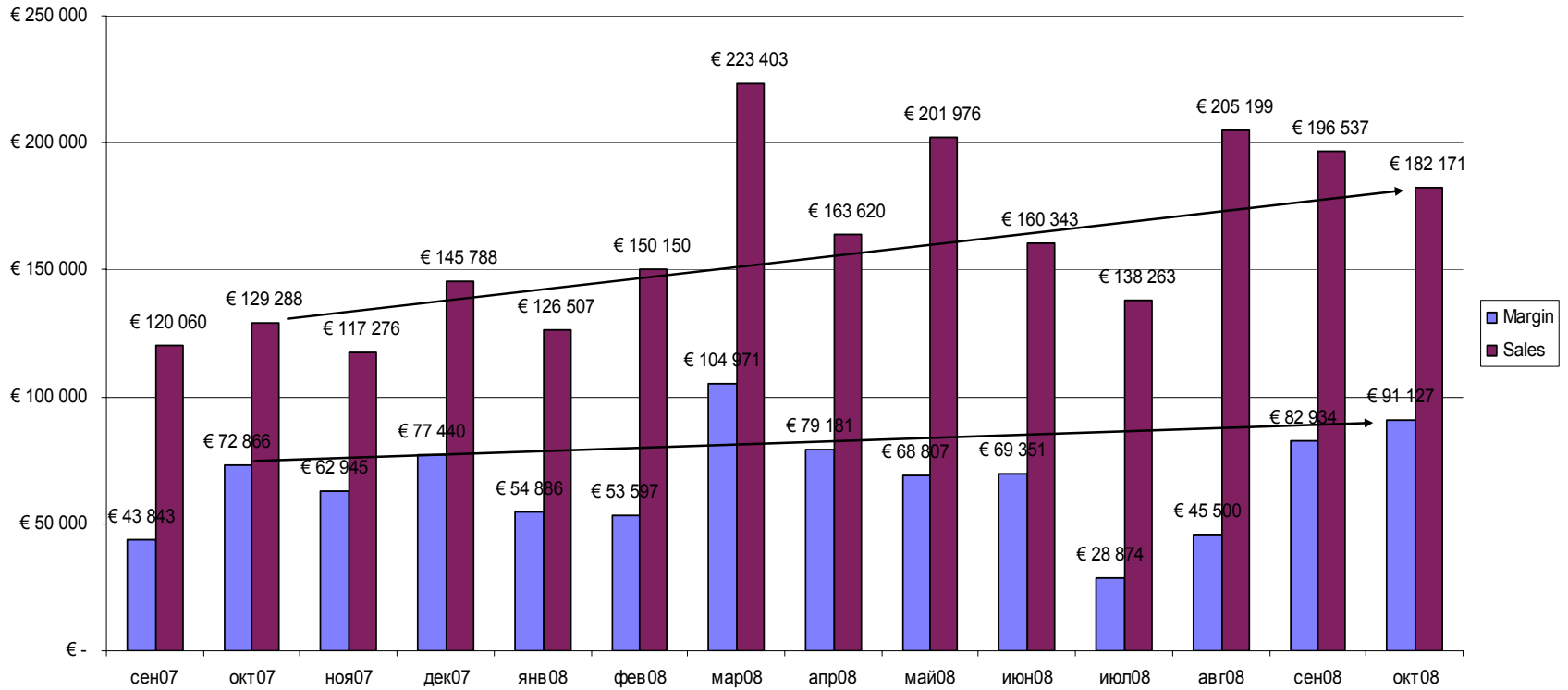
18 stores LFL sales



PTA LFL Sales in Russia

+49%

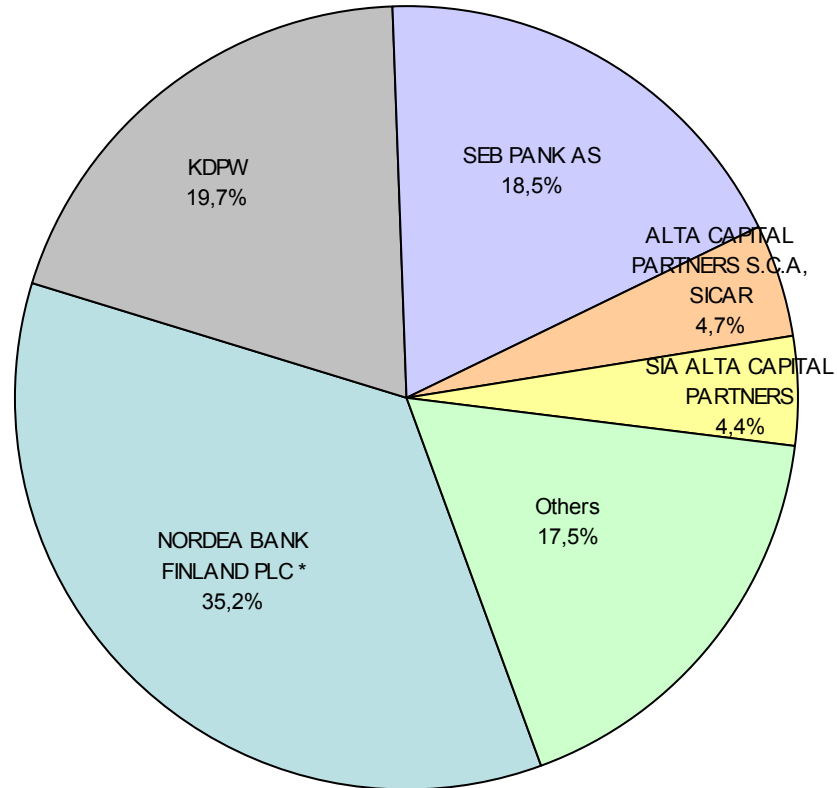
6 stores LFL sales 2007-2009



Shop Openings

- 26 new stores opened in 9 months
 - 5 shops closed
- Less than expected new stores opened in 2009 due to delays in shopping center openings
 - 2 Milavitsa stores to be opened in Q4 in Belarus
 - 1 Oblicie shops to be opened in Q4
 - 4 stores to be closed
 - 2 PTA shops to be opened in Q4
 - 4 stores to be closed
- SFG opened the first directly operated Milavitsa shop in Russia
 - To capitalize on brand awareness and extend business opportunities
 - To polish existing franchised model
 - 150+ Milavitsa stores in 11 countries
 - 5 Milavitsa directly operated stores in Russia by the end of the year
 - 4 new, 1 re-branded
- The first Jockey store opened in Vilnius
 - Under franchising agreement with Jockey Intl
 - One store in Kaunas to be rebranded to Jockey

Shareholder Structure



** Alta Capital Partners shares held through Nordea custody account*

Data as of 30.09.2008



for more information please contact
Ekaterina Korotkevich
korotkevich@silvanofashion.com

www.silvanofashion.com