



PRESS RELEASE
MARIELLA BURANI FASHION GROUP
 Cavriago (RE), October 31, 2009

Press release in accordance with Article 114, paragraph 5 of Legislative Decree 58/98

Pursuant to a request received from CONSOB, in accordance with Article 114, paragraph 5 of Legislative Decree 58/98, relative to the monthly publication of specified financial information, Mariella Burani Fashion Group S.p.A and MBFG Group hereby report the following information, as approved by the Board of Directors.

1. Net Financial Position of the Company and the Group, with separate disclosure of short-term and medium and long-term items.

(All data, if not otherwise indicated, are expressed in thousands of Euro)

- **MBFG S.p.A.:** Net Financial Position of Mariella Burani Fashion Group S.p.A. on September 30, 2009 - Debt of € 308.5 million, unchanged from August 31, 2009.
- **Mariella Burani Fashion Group:** Net Consolidated Financial Position on September 30, 2009 – Debt of € 479.9 million, reflecting an increase of € 1.9 million from August 31, 2009 attributable to changes in working capital, only partially offset by the divestiture of assets and receivables turn-over at subsidiaries. Medium and long-term debt levels remain substantially unchanged.

Net Financial Position of MBFG S.p.A on September 30, 2009

€/000	NFP at September 30, 2009	NFP at August 31, 2009	Variation
A Cash on hand	38	28	10
Other cash equivalents	0	0	0
B Bank account balances	658	529	129
D Cash and cash equivalents (A+B)	696	557	139
E Current financial receivables *	45,495	45,357	138
Other current financial assets	766	2,254	(1,488)
F Current bank borrowings	114,600	115,956	(1,356)
G Current portion of medium/long term debt	165,632	165,599	33
H Other current financial payables	53,153	52,962	191
I Current debt (F+G+H)	333,385	334,517	(1,132)

J Net current debt (I-E-D)	286,429	286,350	79
K Medium/long term bank debt	22,091	22,091	0
L Bonds	0	0	0
M Other non-current debt	44	45	(1)
N Medium/long term debt (K+L+M)	22,135	22,136	(1)
O CESR net debt (N+J)	308,564	308,486	78

(*) During the month of October, 2009, Mariella Burani Fashion Group S.p.A. collected short term financial receivables from Bdh Food Design Srl, a correlated Company, of Euro 7.7 million.

Consolidated Net Financial Position of MBFG on September 30, 2009

€/000	Consolidated NFP at September 30, 2009	Consolidated NFP at August 31, 2009	Variation
A Cash on hand	462	374	88
Other cash equivalents	0	0	0
B Bank account balances	21,385	19,456	1,929
D Cash and cash equivalents (A+B)	21,847	19,831	2,016
E Current financial receivables	31,057	31,599	(542)
Other current financial assets	779	2,309	(1,530)
F Current bank borrowings	209,913	206,425	3,488
G Current portion of medium/long term debt	234,872	235,458	(586)
H Other current financial payables	32,722	33,385	(663)
I Current debt (F+G+H)	477,508	475,268	2,240
J Net current debt (I-E-D)	423,825	421,530	2,295
K Medium/long term bank debt	45,911	46,248	(337)
L Bonds	0	0	0
M Other non-current debt	10,185	10,287	(102)
N Medium/long term debt (K+L+M)	56,096	56,535	(439)
O CESR net debt (N+J)	479,921	478,065	1,856

As reported above, the Net Consolidated Financial Position of MBFG Group at September 30, 2009 - Debt of Euro 479.9 million reflects an increase of approximately Euro 1.9 million resulting primarily from the impact of:

- increased debt of Antichi Pellettieri of approximately Euro 4.8 million, primarily as a result of increased working capital needs;
- decreased debt in the Apparel Division of approximately Euro 4 million, resulting from the sale of key money of a Renè Lezard boutique in Vienna and receivables turn-over;
- increased debt from the Fashion Jewellery division of approximately Euro 1.7 million, primarily as a function of increased working capital needs;
- decreased debt of the Digital division of approximately 0.6 million.

2. Expired debt of Mariella Burani Fashion Group

Following is a schedule of expired debt of the Group at September 30, 2009 with detail related to the nature of the expired debt payments, amounts due, and actions taken by the relative creditors with respect to these payments on that date:

€/000

<i>Nature of expired debt as of 09/30/09:</i>	<i>Amount</i>	<i>Action taken by creditors</i>
<i>Trade</i>	39,824	<i>No legal action</i>
<i>Trade</i>	1,521	<i>Payment orders</i>
<i>Trade</i>	3,691	<i>Solicited by attorneys</i>
<i>Trade</i>	13,271	<i>Payment order - Banca IFIS vs. MBFG S.p.A.</i>
<i>Financial – due to banks</i>	373,640	<i>No legal action</i>
<i>Financial – due to banks</i>	2,068	<i>Payment order - Cassa di Risparmio di Cento vs. MBFG S.p.A.</i>
<i>Financial – due to banks</i>	2,268	<i>Payment order - ING BANK vs. Antichi Pellettieri S.p.A.</i>
<i>Due to employees</i>	228	<i>No legal action</i>
<i>Taxes</i>	838	<i>No legal action</i>
<i>Due to social security institutions (*)</i>	810	<i>No legal action</i>

With respect to financial liabilities, all debts originally classified as long-term (mostly related to unsecured debt) have been reclassified as expired debt to reflect the fact that the original debt payment terms have been accelerated as a function of the fact that covenants associated with such debt have been breached and/or payments have expired. In addition, all bank over-drafts not guaranteed by working capital have been classified as expired debt.

With reference to the payment orders received for financial debt (highlighted in the table above) to Cassa di Risparmio di Cento S.p.A., ING Bank NV-Milano branch, and Banca IFIS S.p.A.:

- Cassa di Risparmio di Cento S.p.A.: MBFG S.p.A. received, on October 21, 2009 a debt moratorium until December 15, 2009.
- ING Bank NV: Antichi Pellettieri signed, on October 23, 2009 a moratorium agreement until March 31, 2010.
- Banca IFIS S.p.A.: negotiations are in place in order to arrive at a formal agreement which would lead to the suspension of legal actions and to the deferral of the respective debt repayments.

In addition, there has been legal action taken against MBFG S.p.A, by Barclays Bank PLC (Milan Court- June 4, 2009) for an outstanding financial liability of Euro 17,356,282.14. This action was resolved on June 30, 2009 with Barclays Bank PLC formally suspending all legal action and agreeing to extended debt repayment terms.

With respect to the Euro 8 million capital line due to Bank of China, MBFG has obtained a restructuring agreement and debt repayment terms have been extended.

3. Related party transactions

Receivables and Payables (Debt) outstanding on September 30, 2009 attributable to Related Party transactions is highlighted for both, Mariella Burani Fashion Group S.p.A. and MBFG Group below. The amounts reported in the tables below are net of respective risk reserves.

3.1 Receivables and Payables attributable to Related Party transactions - September, 30 2009 – Mariella Burani Fashion Group Spa

(€/000)

Related party	Non-current trade receivables	Current trade receivables	Current financial receivables	Non-current financial receivables	Current trade payables	Current financial payables	Total
Holding Companies:							
Burani Designer Holding N V	-	2,314	-	3,457	-	657	5,113
Burani Private Holding spa	-	35	7,050	-	75	-	7,010
Mariella Burani Family Holding srl	-	-	-	155	-	-	155
Total Holding Companies	-	2,348	7,050	3,611	75	657	12,278
Associates:							
Compagnia della Seta SpA	215	10	-	-	823	-	(598)
Send.it Srl	-	-	-	-	579	-	(579)
Fashion Network Srl	-	5,469	335	27,975	237	-	33,542
Gabriella Frattini srl	-	11,092	-	-	9,288	-	1,804
Junior Fashion Group spa	190	19,949	-	-	6,625	-	13,514
Orwell Milano srl in liquidazione	-	67	-	-	-	-	67
Red & Black SA	-	-	-	1,600	-	-	1,600
Revedi Sa	-	-	-	20	-	-	20
Secret Pon Pon srl	-	231	131	-	327	-	36
Total Associates	406	36,818	467	29,595	17,879	-	49,406
Subsidiaries:							
Antichi Pellettieri spa	392	44			49	27,200	(26,813)
Baldinini srl	640	7			11		636
Biasia Francesco spa	762	21			16		767
Braccialini srl	443	2			25	425	(5)
Coccinelle Spa					6	636	(642)
Coccinelle Store srl					3		(3)
Dadorosa srl					4		(4)
Design & Licenses spa		26	972	56,765	1,454		56,309
Doc.Finance srl					13		(13)
Enrico Mandelli spa	94				15		79
Facco Corporation Spa	250	29					279
GFM Industria Spa		287					287
Gioielli d'Italia srl		1,137	6,140				7,277
Jaya srl		236	-	62	1	3,993	(3,696)
Jeanine sarl		490	-	1,500	22		1,968
Longwave srl System Integrator	33	3		-	122	325	(411)
Mariella Burani Retail srl		17,815	6,830	16,360	7,278		33,727
Mariella Fashion S.L		439					439
Plastimoda Spa		35					35
Renè Lezard Mode GmbH		16	-	2,550			2,566
Sedoc Digital Group spa		2,949	-	2,938	9		5,878
Sedoc Finance Network srl	16	1			2		15

Sedoc Go	12						12
Sedoc srl	79	15			609	607	(1,122)
Shyno			1,584	2,491			4,075
Valente Gioiellieri Spa	129	15			24		120
Vintage Brands srl		5	-	78	1,030		(947)
Total Subsidiaries	2,850	23,572	15,526	82,744	10,693	33,186	80,813
Other Related Parties:							
Agrostar Srl	24	-	-	-	-	-	24
BDH Consulting & Facility Management Srl	-	344	-	-	464	-	(120)
BDH Food Design Spa (*)	-	-	7,907	-	-	-	7,907
Bio-Energy Srl	31	-	-	-	-	-	31
CDD Spa	241	-	-	-	-	-	241
Crisfer Srl	69	39	-	-	-	-	108
Chocolat Milano srl	-	3	-	-	-	-	3
Enervision Srl	89	-	-	-	-	-	89
Euchora Srl	8	-	-	-	-	-	8
Eurocosmesi Srl	-	6	-	-	3	-	4
Finitaldreni Srl	-	2	-	-	194	-	(192)
Genesis Elettronica Srl	-	7	-	-	-	-	7
Gioan Srl	-	4	-	-	35	-	(31)
Granulati Italia Spa	97	-	-	-	-	-	97
Greenvision Ambiente Spa	113	4	-	-	-	-	116
Gruppo Arcte Spa	773	59	-	-	3	-	829
Innovative Value Activity Srl	282	-	-	-	-	-	282
Kefy Spa	169	-	-	-	-	-	169
Ki Group Spa	207	-	-	-	-	-	207
Montegaio Srl	-	4	-	-	374	-	(370)
Natfood Srl	166	-	-	-	-	-	166
Organic Oil Spa	64	-	-	-	-	-	64
MARIELLA BURANI U.K. LTD	-	-	11,003	-	-	-	11,003
SDG Four Bytes Srl	12	1	-	-	-	-	13
Seven Management Company Srl	-	54	-	-	-	-	54
Studio Alfa Srl	72	-	-	-	98	-	(25)
Burani Walter	-	-	-	-	-	300	(300)
Total Other Related Parties	2,417	526	18,910	-	1,170	300	20,383
Grand total	5,673	63,265	41,952	115,951	29,817	34,143	162,880

(*) During the month of October, 2009, Mariella Burani Fashion Group S.p.A. collected short term financial receivables from Bdh Food Design Srl, a correlated Company, of Euro 7.7 million.

3.2 Receivables and Payables attributable to Related Party transactions - September, 30 2009 – MBFG Group

(€/000)

Related Party	Current financial receivables	Non current financial receivables	Non current trade receivables	Current trade receivables	Current financial payables	Current trade payables	Total
Holding Companies:							
Burani Designer Holding NV	-	3,457	-	2,315	816	3	4,952
Burani Private Holding spa	7,050	-	-	35	-	75	7,010
Mariella Burani Family Holding srl		155					155
Total Holding Companies:	7,050	3,611	-	2,349	816	78	12,117
Associates:							
Bernie's				4			4
Compagnia della Seta SpA			215	10	-	823	(598)
Don Gil GmbH				3			3
Fashion Network Srl	335	27,975		10,935		888	38,357
Gabriella Frattini srl	-	-		11,140		9,288	1,852
Junior Fashion Group spa			190	20,196		6,775	13,611
Moda Trading srl				141			141
Orwell Milano srl in liquidazione		-		67			67
Red & Black SA		1,600					1,600
Revedi SPA				79			79
Revedi SA		20		432			452
Secret Pon Pon srl	131			237		327	42
Total Associates	467	29,595	406	43,244	-	18,101	55,610
Other Related Parties:							
AT srl				475		5	469
Bioera SpA				22			22
Agrostar Srl			24				24
Andrea Mandelli	-	990					990
Andrea Pfliser srl				202		398	(196)
Bdh Consulting & Facility Management Srl				431	-	900	(469)
BDH Food Design SpA	7,907						7,907
Biasia UK Ltd				557			557
Biasia HK		156		414			570
Bio-Energy Srl			31				31
Braccialini UK Ltd		451		319			770
CDD Spa			241	23			264
Chocolat Milano Srl				5			5
Crisfer Srl			69	39			108
Enervision Srl			89				89
Euchora Srl			8				8
Eurocosmesi Srl				7		3	4
Finitaldreni Srl				2		194	(192)
Francesco Biasia					1,079		(1,079)
Fusi Piero e Mauro Srl						13	(13)
Genesis Elettronica Srl				7			7
Gioan Srl				4		35	(31)
Gioielli D'italia SA		460		14			474
Granulati Italia Spa			97				97

Greenvision Ambiente SpA			113	4			117
Gruppo Arcate Spa			773	146		24	895
Immobiliare Le Cure Srl	1,300						1,300
Innovative Value Activity Srl			282				282
Kefy Spa			169				169
Ki Group Spa			207	147		2	353
Maigrene Srl		492		414		174	732
Mariella Burani UK	11,003						11,003
MAM Srl						28	(28)
Montegaio Srl				4		374	(370)
Natfood Srl			166	8			173
Organic Oil Spa			64				64
Plastiweb US, Inc. (New York)				59			59
Ready Consult Srl				3,159			3,159
Renè Lezard Airport Mode GMBH				324			324
Renè Lezard Munchen Mode GMBH				1,191			1,191
Renè Lezard NL BV				226			226
RLS Moda d.o.o.		214		3		54	163
SDG Four Bytes Srl			12	62		10	64
SDG Four Dynamics Srl				37		2	34
Send.it Srl						579	(579)
Seven Management Company Srl				56			56
SLG Srl				639		85	554
Strategie e Risorse SAS						28	(28)
Studio Alfa Srl			72		0	115	(43)
Walter Burani					300		(300)
Total Other Related Parties	20,210	2,763	2,417	8,999	1,379	3,022	29,987
Grand Total	27,726	35,970	2,823	54,592	2,195	21,201	97,714

Related party transactions on August 31, 2009 of the Company and the Group

As a complement to the press releases issued on September 30, 2009 and on October 15, 2009 (in which the Company provided the Group's Net Financial Position, classified into short medium and long-term portions at August 31, 2009, and information regarding the Group's expired debt with detail related to the nature of the expired debt and the related potential actions taken by the relative creditors with respect to these payments on that date), we hereby disclose the schedule of related party receivables and payables as of August 31, 2009 of both, the Company and the Group.

3.3 Receivables and Payables attributable to Related Party transactions – August 31, 2009 - Mariella Burani Fashion Group SpA

(€/000)

Related party	Non current trade receivables	Current trade receivables	Current financial receivables	Non current financial receivables	Current trade payables	Current financial payables	Total
Holding Companies:							
Burani Designer Holding NV	-	2,314	-	3,436	-	657	5,092
Mariella Burani Family Holding srl	-	-	-	155	-	-	155
Burani Private Holding Spa	-	35	6,759	-	-	-	6,794
Total Holding Companies	-	2,348	6,759	3,590	-	657	12,041
Subsidiaries:							
Antichi Pellettieri spa	392	2,317	-	-	2,352	27,151	(26,794)
Baldinini srl	640	7	-	-	11	-	636
Biasia Francesco spa	664	13	1,843	-	8	-	2,512
Braccialini srl	518	4	-	-	23	425	75
Coccinelle Spa	-	-	-	-	6	636	(642)
Coccinelle Store srl	3	-	-	-	-	-	3
Dadorosa srl	-	-	-	-	4	-	(4)
Design & Licenses spa	-	26	1,105	56,396	-	-	57,527
Enrico Mandelli spa	116	-	-	-	15	-	101
Facco Corporation Spa	250	15	-	-	-	-	265
GFM Industria Spa	-	9	-	-	-	-	9
Gioielli d'Italia srl	-	1,107	6,106	-	-	-	7,214
Jaya srl	-	1,230	-	62	1	4,000	(2,709)
Jeanine sarl	-	527	-	1,492	22	-	1,997
Longwave srl System Integrator	33	119	-	-	120	325	(294)
Mariella Burani Retail srl	-	4,086	6,840	16,263	7,088	-	20,102
Mariella Fashion S.L.	-	439	-	-	-	-	439
Plastimoda Spa	-	34	-	-	-	-	34
Renée Lezard Mode GmbH	-	19	-	2,550	-	-	2,569
Sedoc Digital Group srl	-	27	-	2,938	9	-	2,956
Sedoc Finance Network srl	16	1	-	-	2	-	15
Sedoc Go	12	-	-	-	-	-	12
Sedoc srl	79	15	-	-	554	607	(1,066)
Shyno	-	-	1,572	2,476	-	-	4,048
Valente Gioiellieri Spa	129	15	-	-	24	-	120
Vintage Brands srl	-	5	-	78	1,030	-	(947)
Total Subsidiaries	2,851	10,015	17,466	82,256	11,270	33,144	68,175
Other Related Parties:							
Agrostar srl	24	-	-	-	-	-	24
BDH C & F M srl	-	102	-	-	365	-	(263)
BDH Food Design SpA	-	-	7,858	-	-	-	7,858
Bio-Energy srl	31	-	-	-	-	-	31
Bioera spa	-	69	101	-	-	-	170
CDD Spa	-	-	-	-	-	-	241

	241	-	-	-	-	-	-
Chocolat Milano srl	-	3	-	-	-	-	3
Crisfer srl	69	40	-	-	0	-	109
Enervision srl	89	-	-	-	-	-	89
Euchora srl	8	-	-	-	-	-	8
Eurocosmesi srl	-	6	-	-	3	-	4
Finitaldreni srl	-	-	-	-	194	-	(194)
Genesis Elettronica srl	-	7	-	-	-	-	7
Gioan srl	-	38	-	-	-	-	38
Granulati Italia Spa	97	-	-	-	-	-	97
Greenvision Ambiente Spa	113	4	-	-	-	-	116
Greenvision Ambiente Photosolar srl	-	27	-	-	-	-	27
Gruppo Arcte Spa	773	2	-	-	3	-	772
Innovative Value Activity srl	282	-	-	-	-	-	282
Kefy Spa	169	-	-	-	-	-	169
Ki Group Spa	207	-	-	-	-	-	207
Montegaio srl	-	4	-	-	364	-	(360)
Mariella Burani UK	-	-	10,922	-	-	-	10,922
Natfood srl	166	-	-	-	-	-	166
Organic Oils Spa	64	-	-	-	-	-	64
SDG Four Bytes srl	12	1	-	-	-	-	13
Seven Management Company srl	-	63	-	-	-	-	63
Studio Alfa srl	72	-	-	-	96	-	(23)
Burani Walter	-	-	-	-	-	300	(300)
Total Other Related Parties	2,417	366	18,881	-	1,024	300	20,339
Associates:							
Compagnia della Seta S.p.A.	215	10	-	-	823	-	(597)
Fashion Network S.r.l.	-	5,439	333	27,791	237	-	33,325
Gabriella Frattini Srl	-	11,009	-	-	9,288	-	1,720
Junior Fashion Group Srl	190	20,478	-	-	3,052	-	17,617
Orwell Milano Srl	-	67	-	-	-	-	67
Red & Black Sa	-	-	-	1,600	-	-	1,600
Revedi Sa	-	-	-	20	-	-	20
Secret Pon Pon Srl	-	231	131	399	573	-	188
Send.it	-	-	-	-	392	-	(392)
Total Associates	406	37,234	464	29,810	14,365	-	53,548
Grand total	5,673	49,964	43,570	115,656	26,659	34,101	154,104

3.4 Receivables and Payables attributable to Related Party transactions – August 31, 2009 - MBFG Group

(€/000)

Related party	Current financial receivables	Non current financial receivables	Non current trade receivables	Current trade receivables	Current financial payables	Current trade payables	Total
Holding Companies:							
Burani Designer Holding NV		3,436		2,315	816		4,935
Burani Private Holding spa	6,759			35			6,794

Mariella Burani Family Holding srl		155					155
Total Holding Companies	6,759	3,591	-	2,350	816	-	11,884
Associates:							
Bernie's				4			4
Compagnia della Seta SpA			215	10		823	(598)
Don Gil GmbH				3			3
Fashion Network Srl	333	27,791		10,748		713	38,159
Gabriella Frattini srl	-	-		11,057		9,288	1,769
Junior Fashion Group srl			190	20,725		3,052	17,863
Moda Trading srl				141			141
Orwell Milano srl in liquidazione				67			67
Red & Black SA		1,600					1,600
Revedi SPA				77			77
Revedi SA		20		501			521
Secret Pon Pon srl	131	399		231		573	188
Send.it Srl						392	(392)
Total Associates	464	29,810	405	43,564	-	14,841	59,402
Other Related Parties:							
AT srl	-	-	-	485	-	36	450
Bioera SpA	101			69			170
Agrostar Srl			24				24
Andrea Mandelli		977					977
Andrea Pfsifer srl				134		407	(273)
Bdh Consulting & Facility Management Srl				158		806	(648)
BDH Food Design SpA	7,858						7,858
Biasia UK Ltd				547			547
Biasia HK		152		393			545
Bio-Energy Srl			31				31
Braccialini UK Ltd		434		330			764
CDD Spa			241	10			251
Chocolat Milano Srl				4			4
Crisfer Srl			69	40			109
Enervision Srl			89				89
Euchora Srl			8				8
Eurocosmesi Srl				6		3	3
Finitaldreni Srl						194	(194)
Francesco Biasia					1,079		(1,079)
Fusi Piero e Mauro Srl						40	(40)
Genesis Elettronica Srl				7			7
Gioan Srl				38			38
Gioielli D'italia Suisse SA		460		14			474
Granulati Italia Spa			97				97
Greenvision Ambiente SpA			113	4			117
Greenvision Ambiente Photosolar Srl				27			27
Gruppo Arcte Spa			773	2		24	751
Immobiliare Le Cure Srl	1,250						1,250

Innovative Value Activity Srl			282				282
Kefy Spa			169				169
Ki Group Spa			207	147		2	352
Maigrene Srl		492		460		102	850
Mariella Burani UK	10,922						10,922
MAM Srl						28	(28)
Montegaio Srl				4		364	(360)
Natfood Srl			166				166
Organic Oil Spa			64				64
Plastiweb US, Inc. (New York)				60			60
Ready Consult Srl				3,159			3,159
Renè Lezard Airport Mode GMBH				297			297
Renè Lezard Munchen Mode GMBH				1,275			1,275
Renè Lezard NL BV				266			266
RLS Moda d.o.o.		218		3		56	165
SDG Four Bytes Srl			12	87		13	86
SDG Four Dynamics Srl			-	51		11	41
Seven Management Company Srl				63			63
SLG Srl				665			665
Studio Alfa Srl			72	-		107	(35)
Walter Burani					300	-	(300)
Total Other Related Parties	20,131	2,733	2,417	8,806	1,379	2,192	30,515
Grand Total	27,354	36,134	2,822	54,719	2,195	17,033	101,801

The Company had received a temporary postponement, to October 31, 2009 to publish the information in the above tables (Related party receivables and payables on August 31, 2009), as explained in previous press releases, in order to allow the time necessary to gather relevant details.

The tables above have been prepared based on management accounts and incorporate management estimates - necessary as a function of the complexity of the information.

DECLARATION FROM THE FINANCIAL REPORTING OFFICER

"The Financial Reporting Officer, Giuseppe Gullo, certifies – pursuant to art. 154-bis, paragraph 2 of the Uniform Finance Act (Legislative Decree 58/1988) – that the information contained in this press release corresponds to the accounting documents, ledgers and entries".

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