

QUARTERLY FINANCIAL INFORMATION

QUARTER 1 YEAR 2005

THE COMPANY:

DOGI INTERNATIONAL FABRICS, S.A.

REGISTERED OFFICE.

TAX ID

CALLE PINTOR DOMÉNECH FARRÉ, 13, EL MASNOU, 08320 BARCELONA

A08276651

A) Quarterly results

	Parent Company		Consolidated (IFRS applied)	
	Current period	Prior period	Current period	Prior period
Net turnover	16,702	20,971	34,721	38,526
Results before taxation/results before taxation of continuing activities	-1,112	201	-919	-545
Results of continuing activities			-717	-668
Result for the period	-839	201	-717	-668
Results attributable to minority interests			-2	0
Results attributable to the parent company			-719	-668
Share capital	13,691	9,127		
Average nº of employees	577	586	1697	1651

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B) BUSINESS DEVELOPMENT

In the first quarter of 2005, the Dogi Group has reported net loss amounting to 0,7 million euros, in line with the results reported in the first quarter of 2004. Net turnover for the first quarter of 2005 was 34,7 million euros.

The Group's efforts to return to profit have been influenced by the performance of the Spanish company whose contribution to the first quarter results has been affected by the strong pressure on the "commodity" products imported from China. After a period of uncertainty arising from the possible effects of the elimination of import quotas from textile products imported from China, there are clear signs of recovery in the order book of the Spanish mill.

In contrast to the performance of the Spanish factory, we need to emphasise good performance of the German and Asian subsidiaries. In particular, it is worth mentioning that the Philippine's mill shows clear signs of recovery, both in sales and also results, and the improved profitability of the German operations as a result of the success of the "Dreamshape" product line.

The performance of the Chinese mill is likewise favourable with the order book at the end of March 2005 higher than the orders recorded in the same period of 2004. However, the increase in production capacity will not be in force until end of July and consequently, the positive contribution of this volume increase will not be felt until the third quarter of the year.

The Dogi Group's product strategy is based on two principal brands: DOGI y PENN. DOGI brand includes products characterised as more creative and innovative, designed and industrialised by the Group for fashion wear, whereas the PENN brand focuses on more technological products, with control functions and attributes.

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III. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Parent Company (Dogi International Fabrics, S.A.)

The bases of presentation and the accounting policies used in the preparation of the financial statements for the first quarter of 2005 are the same as those applied in the statutory annual accounts for the financial year 2004.

Consolidated accounts (Dogi International Fabrics, S.A and Subsidiaries)

In accordance with EC Regulation N° 1606/2002 of the European Parliament and Council dated 19 July 2002, and applied in Spain through the Provision N° 11 of Law 62/2003, 30 December and in conformity with the CNMV's Circular 1/2005, the attached consolidated financial information of the Dogi Group for the first quarter of 2005 has been prepared in accordance with International Financial Reporting Standards (IFRS), in force at 31 March 2005. Consequently, the bases of presentation of the financial information for the first quarter of 2005 are not the same as those used in the consolidated annual statutory accounts for the financial year 2004, which have been prepared in accordance with the Spanish General Accounting Plan (Principles). In addition, the comparative figures relating to the first quarter of 2004 have also be restated to comply with IFRS in force as at 31 March 2005. These 2004 comparative figures are different from the financial information previously reported/published.

Dogi International Fabrics - 31 March 2005

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IX. DIVIDEND DISTRIBUTION

Not applicalbe

X. Significant events

Nothing to report.