

PRESS RELEASE

**BOARD OF DIRECTORS OF ELICA S.p.A.
APPROVES 2012 CONSOLIDATED FINANCIAL STATEMENTS**

REVENUE GROWTH OF 1.7%; NET PROFIT UP 20.3%

2012 Consolidated Results

- Revenues: Euro 384.9 million (Euro 378.4 million in 2011), growth of 1.7%;
- EBITDA: Euro 27.0 million (Euro 26.5 million in 2011), growth of 1.6%;
- EBIT: Euro 12.1 million (Euro 12.0 million in 2011), in line with the previous year;
- Group Net Profit: Euro 5.0 million (Euro 4.2 million in 2011), growth of 20.3%;
- Net Debt: Euro 62.3 million, reducing on Euro 68.8 million at December 31, 2011, primarily thanks to the strong cash generation from operating activities.

Resolution on dividend distribution

- The Board of Directors have proposed the distribution of a dividend of Euro 0.0237 per share (before withholding taxes), resulting in a payout ratio of 30.0% of the consolidated Group net profit excluding the distribution of a dividend for treasury shares held at May 6, 2013, date of dividend coupon No. 5. The payment date proposed for the dividend is May 21, 2013.

2012 Performance Objectives achieved

Approval of the Corporate Governance and Ownership Structure Report, the Remuneration Report, the Directors' Report on the proposal to amend the By-laws and the Report on the increase of the number of Directors.

Directors' Report concerning the purchase and utilisation of treasury shares proposal approved

Fabriano, March 15, 2013 – The Board of Directors of **Elica S.p.A.**, the parent company of a Group that is the leading manufacturer of kitchen range hoods, has today approved the **2012 Consolidated Financial Statements** and the **Separate Financial Statements of Elica S.p.A.**, prepared in accordance with IFRS.

2012 Consolidated Revenues

In 2012, Elica Group consolidated revenues amounted to **Euro 384.9 million** - an increase of 1.7% on the previous year.

Growth was driven by the Cooking Segment, with revenues up 3.3% - significantly outperforming global demand (-5%)¹. The Group market share in the domestic range hoods market therefore

¹ Range hoods for domestic use volumes.

increased, further strengthening its global leadership. **Own brand product sales improved 4.7%, with third party brands growing 2.5%.** The **Motor Segment** in 2012 reports a **contraction in revenues (-7.2%)**, principally due to decreased white goods sector sales.

Analysing revenues from sales in the principal markets², the **Americas and Asia** contributed significantly to revenue growth (**+26.9% and +11.7%** respectively on 2011), while **European sales report a contained reduction (-3.4%)**, impacted by the Motor segment performance.

For completeness, the breakdown of consolidated revenues by geographic location of the Group companies is reported below.

	Europe		The Americas		Asia and the rest of the world		Unallocated and eliminations		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Segment revenue:										
Third parties	295,405	304,239	45,592	35,411	43,895	38,718	0	38	384,892	378,406
Inter-segment	11,882	10,076	12	8	10	1,682	(11,905)	(11,766)	-	-
Total revenues	307,287	314,315	45,604	35,418	43,905	40,400	(11,905)	(11,728)	384,892	378,406

Earnings for the full year 2012

EBITDA amounted to Euro 27.0 million compared to Euro 26.5 million in 2011, a **7.0% revenue margin**. The **1.6% increase in the margin** is due to the continued implementation of **industrial and overhead costs streamlining programmes** from the beginning of the year and the **reduction in the principal raw material costs**, which offset a **negative price/mix performance** due to heightened competition, in particular in the third party product segment.

EBIT of Euro 12.1 million is in line with the previous year (Euro 12.0 million).

The **Group Net Profit of Euro 5.0 million (1.3% revenue margin)** improved **20.3%** compared to Euro 4.2 million in the previous year, also owing to the reduced impact of financial charges.

<i>In Euro thousands</i>	2012	revenue margin	2011	revenue margin	12 Vs 11 %
Revenues	384,892		378,406		1.7%
EBITDA	26,956	7.0%	26,542	7.0%	1.6%
EBIT	12,056	3.1%	12,039	3.2%	0.1%
Financial income/(charges)	(4,206)	(1.1%)	(5,685)	(1.5%)	(26.0%)
Income taxes	(2,792)	(0.7%)	(2,231)	(0.6%)	25.1%
Net profit from continuing operations	5,058	1.3%	4,116	1.1%	22.9%
Net profit from continuing operations and discontinuing operations	5,058	1.3%	4,116	1.1%	22.9%
Group Net Profit	5,008	1.3%	4,162	1.1%	20.3%
Basic earnings per share on continuing operations and discontinuing operations (Euro/cents)	8.32		6.92		20.3%
Diluted earnings per share on continuing operations and discontinuing operations (Euro/cents)	8.30		6.59		25.8%

² Data concerns sales revenues by geographic area and therefore does not refer to the breakdown by operating segment according to the various Group company locations.

*The earnings per share for 2012 and 2011 were calculated by dividing the Group net result from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

Consolidated Balance Sheet

The **Net Debt at December 31, 2012** of **Euro 62.3 million** reduced on Euro 68.8 million at December 31, 2011, due to the strong generation of cash from operations as a result of ongoing and stringent monitoring of financial cash flows.

<i>In Euro thousands</i>	Dec 31, 12	Sep 30, 12	Dec 31, 11
Cash and cash equivalents	29,551	28,657	20,026
Finance leases and other lenders	(333)	(479)	(56)
Bank loans and mortgages	(46,343)	(44,145)	(45,105)
Long-term debt	(46,676)	(44,624)	(45,161)
Finance leases and other lenders	(40)	(37)	(25)
Bank loans and mortgages	(45,165)	(49,284)	(43,640)
Short-term debt	(45,205)	(49,321)	(43,665)
Net Debt	(62,330)	(65,288)	(68,800)

Managerial Working Capital on annualised revenues reached a new record level of 10.0%, improving by 140 basis points on December 31, 2011, **principally due to the efficient management of trade receivables and inventories.**

<i>In Euro thousands</i>	Dec 31, 12	Sep 30, 12	Dec 31, 11
Trade receivables	77,465	79,130	82,207
Inventories	49,597	52,042	50,598
Trade payables	(88,716)	(90,523)	(89,806)
Managerial Working Capital	38,346	40,649	42,999
as a % of annualised revenues	10.0%	10.7%	11.4%
Other net receivables/payables	(760)	(178)	(2,929)
Net Working Capital	37,586	40,471	40,070
as a % of annualised revenues	9.8%	10.7%	10.6%

2012 Financial Statements of Elica S.p.A.

In 2012, **revenues reduced by 2.7%** on the previous year (-6.5% from third parties, +22.8% from related parties). The reduction is principally due to the Motor Segments, following a contraction in white goods sector sales.

EBITDA of Euro 8.8 million decreased 3.6% due to the contraction in revenues, partially offset by the operating cost streamlining actions implemented.

The Net Profit of Euro 6.3 million increased significantly on 2011, which was significantly impacted by a non-recurring item.

Managerial Working Capital³ at 6.4% of revenues reduced considerably on December 2011, due to the significant focus placed on trade receivable and inventory management.

The Net Debt at December 31, 2012 of Euro 67.1 million reduced significantly on Euro 73.1 million at December 31, 2011, due principally to the strong generation of cash from operations, due to ongoing and stringent monitoring of financial cash flows.

Significant events in 2012 and after the year-end

On **January 9, 2012**, the Board of Directors of Elica S.p.A. accepted the resignation of Mr. Vincenzo Maragliano from his role as CFO and Executive Officer responsible for preparation of corporate accounting documents of Elica S.p.A. and consequently appointed Mr. Alberto Romagnoli in the role of Executive Officer Responsible of Elica S.p.A.

On **February 9, 2012**, Mr. Francesco Casoli acquired 64,000 ordinary shares of Elica S.p.A..

The Board of Directors of Elica S.p.A. on **February 14, 2012** approved the 2011 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

On **March 21, 2012**, the Board of Directors of Elica S.p.A. approved the 2011 Consolidated Financial Statements and the Separate Financial Statements of Elica S.p.A., prepared in accordance with IFRS, in addition to establishing the 2012 performance objective concerning the 2010 Stock Grant Plan.

On **April 27, 2012**, the Shareholders' Meeting of Elica S.p.A. approved the 2011 Annual Accounts of Elica S.p.A. and noted the results of the 2011 Consolidated Annual Accounts, in addition to appointing the members of the Board of Directors and the Board of Statutory Auditors who will remain in office until the Shareholders' Meeting called for the approval of the 2014 annual accounts. The Shareholders' Meeting also approved the authorisation to purchase and utilise treasury shares, pursuant to Article 2357 and 2357 *ter* of the Civil Code. On the same date, the Board of Directors of Elica S.p.A., among other issues, confirmed the appointment of Mr. Cristiano Babbo as Internal Audit Manager and Internal Control Manager.

On **May 14, 2012**, the Board of Directors of Elica S.p.A. approved the Interim Report at March 31, 2012. On the same day Elica S.p.A. signed an agreement for the sale to Fuji Industrial Co., Ltd. (Fuji Industrial) of 3.24% of the Chinese subsidiary Zhejiang Putian Electric Co. Ltd. (Putian). Under the equity transfer agreement Elica sold to Fuji a 3.24% holding in Putian for consideration of approx. Euro 2 million, equal pro-quota therefore to the consideration paid by Elica for the 70% holding in Putian which, following the sale, was therefore reduced to 66.76%. The sale of the holding in Putian was subject to the necessary authorisations from the relative Chinese authorities, which were obtained on June 21, 2012.

The disposal operation concluded on **June 25, 2012** following the payment of consideration to Elica S.p.A.. Fuji Industrial, leader in Japan in the production of range hoods, has been a partner of Elica since 2002, when together they created the joint venture Ariaфина Co., Ltd. which designs and markets products manufactured specifically for the Japanese market under the ARIAFINA brand and which today is a leader in the high-end range hood sector.

On **August 28, 2012**, the Board of Directors of Elica S.p.A. approved the 2012 Half-Year Report, prepared in accordance with IFRS accounting standards.

On **September 13, 2012** the Board of Directors of Elica S.p.A. appointed Giuseppe Perucchetti as the new Chief Executive Officer of Elica. The appointment follows the resignation of Andrea Sasso from

³ Managerial Working Capital is the sum of the Trade Receivables and Inventory accounts, net of Trade Payables.

the position and his subsequent resignation from his board appointed roles. Andrea Sasso leaves his role, while remaining on as a Non-Executive Director.

Following the resignation of Andrea Sasso, with immediate effect, all powers and roles conferred by the Board of Directors to him have been conferred to Giuseppe Perucchetti. With the appointment of the Director Giuseppe Perucchetti to the position of Chief Executive Officer, in order to ensure the presence of two independent directors on the Committees, the Board replaced him with the Director Elena Magri.

The Board of Directors of Elica S.p.A. on **November 14, 2012** approved the 2012 Third Quarter Report, prepared in accordance with IFRS accounting standards.

On **January 16, 2013**, Elica S.p.A., in accordance with Article 70, paragraph 8 and Article 71, paragraph 1-*bis* of the Consob Issuers' Regulation, announced that it would employ the exemption from publication of the required disclosure documents concerning significant merger, spin-off, share capital increase through conferment of assets in kind, acquisition and sales operations.

The Board of Directors of Elica S.p.A. on **February 14, 2013** approved the 2012 Fourth Quarter Report, prepared in accordance with IFRS accounting standards and called the Extraordinary and Ordinary Shareholders' Meeting for April 24, 2013 at the registered office of the Company.

The Annual Report, comprising the Financial Statements of Elica S.p.A. for the year ended December 31, 2012, the Consolidated Financial Statements for the year ended December 31, 2012, the declaration pursuant to Article 154 *bis* of the CFA and the Directors' Report, the Report of the Board of Statutory Auditors' and the Independent Auditors' Report, will be made available to the public, at the Company's registered office, Borsa Italiana S.p.A. and the Company's internet site www.elicagroup.com in accordance with the provisions of law.

Resolution on dividend distribution

The Board of Directors have proposed the distribution of a dividend of **Euro 0.0237** per share (before withholding taxes), resulting in a payout ratio of 30.00% of the consolidated Group Net Profit excluding the distribution of a dividend for treasury shares held at **May 6, 2013, date of dividend coupon No. 5, with record date of May 8, 2013. The payment date proposed for the dividend is May 21, 2013.**

2012 performance objectives

The Elica Group substantially achieved the performance objectives announced to the market on May 14, 2012, reporting for 2012 consolidated revenue growth of 1.7% (forecast at between 1 and 3%), EBITDA of Euro 27.0 million (forecast at between Euro 27.1 million and Euro 28.4 million) and a Net Debt of Euro 62.3 million (forecast not to exceed Euro 63 million). Amid a sharply contracting market, the achievement of these results strengthens further the Groups' leadership and its global market share.

Approval of the Corporate Governance and Ownership Structure Report, the Remuneration Report, the Directors' Report on the proposal to amend the By-laws and the Report on the increase of the number of Directors.

The Board of Directors of Elica S.p.A. today approved the 2012 Corporate Governance and Ownership Structure Report, the Remuneration Report and the Directors' Report to the Shareholders' Meeting on the proposal to amend the By-laws, which will be made available to the public at the registered offices of the Company, Borsa Italiana S.p.A. and on the website www.elicagroup.com, in accordance with the applicable regulation.

The Board of Directors of Elica S.p.A. also approved the Report on the increase in the number of Directors of Elica S.p.A., which was filed and is available for whomever making such request at the registered office of the company and on the Group website www.elicagroup.com, Investor Relations/Notices–Documents section, at the following link <http://www.elicagroup.com/info.php?page=1040&lng=en>.

Directors' Report concerning the purchase and utilisation of treasury shares proposal approved

The Board of Directors today also approved the Directors' Reports to the Shareholders' Meeting on the "Authorisation of the purchase and the utilisation of treasury shares" proposal, in view of, among other matters, the execution of the Stock Grant Plan approved with Shareholders' Meeting resolution of April 26 2010, whose Vesting Period concludes with the approval by the Shareholders' Meeting of the 2012 Financial Statements and concerning 203,976 attributable shares.

The Shareholders' Meeting was requested to authorise the purchase and utilisation of treasury shares in order to provide the Company with an important operational and strategic instrument, establishing the possibility to: a) execute the Stock Grant Plan approved by the Shareholders' Meeting on April 26, 2010 and future share-based incentive plans which may be authorised in favour of directors and/or employees and/or business partners of the Company and/or its subsidiaries, in accordance with applicable legal and regulatory provisions; b) sign agreements with individual directors, employees, and/or business partners of the Company or Companies controlled by it, not falling under the free share allocation plans governed by Article 114-*bis* of the CFA; c) act, where necessary and in compliance with applicable provisions, directly or through authorised intermediaries, with the objective to contain irregular share price movements of the company and/or to enable fluid trading; d) invest in treasury shares within the pursuit of Company policies or where market conditions render such operations advantageous; e) utilise treasury shares for operations such as the sale, conferment, allocation, exchange or any other utilisation under agreements with strategic partners, or to serve any extraordinary financial operations; f) utilise treasury shares as a guarantee for loans.

The proposal drawn up by the Board of Directors concerns the purchase of ordinary shares by the Company within a maximum limit of 20% of the share capital, i.e. 12,664,560 ordinary shares.

The authorisation for the purchase of ordinary treasury shares is requested for a period of 18 months from the date on which the Shareholders' Meeting adopts the relative resolution.

The Board of Directors proposes that the purchase price per ordinary share is fixed in the amount of: (a) not below a minimum of 95% of the official price recorded of the share in the trading session before each operation (b) not above a maximum (i) Euro 5 and (ii) 105% of the official price of the share in the trading session before each operation. It is expected that the purchases will be carried out at price conditions in line with that established by Article 5 of Regulation (EC) No. 2273/2003 of December 22, 2003, and however in compliance with the applicable regulations and conditions and the limits fixed by Consob in relation to accepted industry guidelines, where applicable.

The Board of Directors in concluding the individual treasury share buy-back operations must comply with the operational conditions established by the market concerning the purchase of treasury shares of Consob in accordance with Article 180, paragraph 1, letter c) of the CFA with resolution No. 16839 of March 19, 2009, in addition to the applicable legal and regulatory provisions, including the Regulations as per Directive (EC) 2003/6 and the relative EU and national executing regulations, and in particular in compliance with Article 132 of the CFA, Article 144-*bis* first paragraph, letter b) of the Issuers' Regulations and Regulation (EC) 2273/2003, in order to ensure equal treatment among shareholders.

The Company today held 3,166,140 ordinary treasury shares, comprising 5% of the share capital.

The Directors' Report concerning the proposal to purchase and utilise treasury shares will be made available to the public at the registered offices, Borsa Italiana S.p.A. and on the website www.elicagroup.com, in accordance with the applicable regulation.

Declaration pursuant to Article 154-*bis*, paragraph two, of the Consolidated Finance Act

The Chief Executive Officer, Mr. Giuseppe Perucchetti and the Executive Officer responsible for preparation of corporate accounting documents, Mr. Alberto Romagnoli, declare, pursuant to Article 154-*bis*, second paragraph of Legs. Decree No. 58/98, that the present press release corresponds to the underlying accounting documents, records and accounting entries.

The **Elica Group** has been present in the cooker hood market since the 1970s, is chaired by Francesco Casoli and led by Giuseppe Perucchetti and today is the world leader in terms of units sold. It is also a European leader in the design, manufacture and sale of motors for central heating boilers. With around 3,000 employees and an annual output of over 17 million units, the Elica Group has 9 plants located in Italy, Poland, Mexico, Germany, India and China. With many years' experience in the sector, Elica has combined meticulous care in design, judicious choice of material and cutting edge technology guaranteeing maximum efficiency and reducing consumption making the Elica Group the prominent market figure it is today. The Group has revolutionised the traditional image of the kitchen cooker hood: it is no longer seen as simple accessory but as a design object which improves the quality of life.

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