

PRESS RELEASE

**THE BOARD OF DIRECTORS OF ELICA S.P.A.
APPROVES THE 2014 FIRST QUARTER REPORT**

MINUTES OF THE SHAREHOLDERS' AGM OF APRIL 29, 2014 FILED

Q1 2014 Consolidated results (January-March 2014)

- **Revenues: Euro 96.7 million (Euro 95.1 million in 2013), +4.0% at like-for-like exchange rates and 1.7% including the exchange rate effect;**
- **EBITDA before restructuring charges: Euro 5.9 million (Euro 5.5 million in 2013), growth of 7.4%;**
- **EBITDA: Euro 5.7 million (Euro 5.5 million in 2013);**
- **EBIT: Euro 1.7 million (Euro 1.5 million in 2013), growth of 10.3%;**
- **Group Net Profit: Euro 0.6 million (Euro 0.4 million in 2013), growth of 29.6%;**
- **Net Debt: Euro 62.0 million, compared to Euro 56.7 million at December 31, 2013, reducing on Euro 68.8 million at March 31, 2013 – in line with business seasonality.**

Minutes of the Shareholders' AGM of April 29, 2014 filed

Fabriano, May 14, 2014 – 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 **2014 First Quarter Report**, prepared in accordance with IFRS.

Consolidated results – Q1 2014

In Q1 2014 the Elica Group consolidated revenues totaled Euro 96.7 million - an increase of 4.0% at like-for-like exchange rates and of 1.7% including the exchange rate effect on the previous year. The **Cooking Sector** reported revenue growth of 0.7% which relates essentially to the increase of 2.0% of own brand product sales, against stable third party brand sales compared to the same period of 2013. Global range hood demand in the quarter increased slightly (+0.5%)¹, principally led by North America (+3.0%), compared to the same period of the previous year. Demand in Europe reduced (-0.6%), although in contrast to preceding years the weaker performance was in Eastern Europe, due to the political difficulties in the CIS region².

The **Motor Sector** in Q1 2014 reported a **significant improvement (7.0%)**, following the revenue growth across all three segments: white goods, heating and ventilation.

Analysing revenues from sales in the principal markets³, the **Americas contributed significantly to revenue growth, up 11.2%** on Q1 2013. **Asian revenues improved 1.5% - however significantly impacted by unfavourable exchange rates**, principally concerning the average exchange rate of the Japanese Yen and the Indian Rupee compared to the previous year. At like-for-like exchange rates Asian sales increased 11.0%. **European sales remained stable (-0.1%)**, despite the political difficulties in Eastern Europe.

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

¹ Global range hood market volumes

² Commonwealth of Independent States

³ 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

(in thousands of Euro)	Europe		America		Asia and the Rest of the World		Unallocated and eliminations		Consolidated	
	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13
Segment revenues:										
Third parties	72,404	72,072	14,141	12,583	10,875	10,505	(691)	(25)	96,729	95,134
inter-segment	3,084	3,490	2	1	103	48	(3,189)	(3,539)	-	-
Total revenues	75,488	75,561	14,142	12,584	10,978	10,552	(3,880)	(3,564)	96,729	95,134

Profitability – Q1 2014

EBITDA before restructuring charges in the first quarter of 2014 totalled Euro 5.9 million, increasing 7.4% compared to Q1 2013, thanks to the improved operating margin following a better mix of sales and the industrial efficiency and overhead cost reduction programmes. **EBITDA net of restructuring charges** was Euro 5.7 million, up 5.2% compared to Euro 5.5 million in Q1 2013.

EBIT net of restructuring charges was Euro 1.7 million, improving 10.3% compared to Euro 1.5 million in Q1 2013.

The Group Net Profit amounted to Euro 0.6 million, improving 29.6% compared to Euro 0.4 million in the first quarter of 2013.

<i>In Euro thousands</i>	Q1 2014	%	Q1 13	%	14 Vs 13
	revenues		revenues		%
Revenues	96,729		95,134		1.7%
EBITDA before restructuring charges	5,856	6.1%	5,453	5.7%	7.4%
EBITDA	5,737	5.9%	5,453	5.7%	5.2%
EBIT	1,673	1.7%	1,517	1.6%	10.3%
Financial income/(charges)	(1,144)	-1.2%	(1,263)	-1.3%	(9.4%)
Income taxes	122	0.1%	323	0.3%	(62.2%)
Net profit from continuing operations	651	0.7%	577	0.6%	12.8%
Net profit from continuing operations and discontinuing operations	651	0.7%	577	0.6%	12.8%
Group Net Profit	552	0.6%	426	0.4%	29.6%
Basic earnings per share on continuing operations and discontinuing operations (Euro/cents)	0.8900		0.7082		25.7%
Diluted earnings per share on continuing operations and discontinuing operations (Euro/cents)	0.8900		0.7058		26.1%

*The earnings per share for Q1 2014 and 2013 were calculated by dividing the Group net result from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

Balance sheet

The **Net Debt at March 31, 2014** totalled **Euro 62.0 million**, reducing on **Euro 68.8 million at March 31, 2013** and increasing on Euro 56.7 million at December 31, 2013, **in line with business seasonality**.

<i>In Euro thousands</i>	Mar 31, 14	Dec 31, 13	Mar 31, 13
Cash and cash equivalents	26,331	27,664	21,090
Finance leases and other lenders	(13)	(14)	(14)
Bank loans and mortgages	(36,337)	(37,757)	(42,370)
Long-term debt	(36,350)	(37,771)	(42,384)
Finance leases and other lenders	(14)	(14)	(42)
Bank loans and mortgages	(51,949)	(46,554)	(47,482)
Short-term debt	(51,963)	(46,568)	(47,524)
Net Debt	(61,982)	(56,675)	(68,818)

The **Managerial Working Capital** on annualised revenues of **11.3% improved on 11.6% at March 31, 2013**, but increased compared to 10.5% at December 31, 2013, **due to the normal seasonality of the Group business model**.

<i>In Euro thousands</i>	Mar 31, 14	Dec 31, 13	Mar 31, 13
Trade receivables	75,483	74,497	79,665
Inventories	57,132	52,327	55,142
Trade payables	(89,011)	(85,520)	(90,641)
Managerial Working Capital	43,604	41,304	44,166
as a % of annualised revenues	11.3%	10.5%	11.6%
Other net receivables/payables	(14,870)	(13,237)	(2,129)
Net Working Capital	28,734	28,067	42,037
as a % of annualised revenues	7.4%	7.4%	11.5%

Significant events in the first quarter of 2014 and subsequent events after March 31, 2014

On January 23, 2014, in accordance with article 2.6.2, paragraph 1, letter b) of the Regulations of the Markets organised and managed by Borsa Italiana S.p.A., Elica S.p.A. published the financial calendar for the year 2014.

The Board of Directors of Elica S.p.A. **on February 14, 2014** approved the 2013 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

On March 21, 2014, the Board of Directors of Elica S.p.A. approved the 2013 Consolidated Financial Statements and the 2013 Separate Financial Statements of Elica S.p.A., prepared in accordance with IFRS, in addition to the 2013 Corporate Governance and Ownership Structure Report, the Remuneration Report and the Directors' Report to the Shareholders' AGM on the proposal to authorise the buy-back and utilisation of treasury shares. On the same date, the Board of Directors proposed the distribution of a dividend of Euro 0.0269 per share (before withholding taxes), allocated from available and distributable reserves, excluding the distribution of a dividend for treasury shares held at May 26, 2014, date of dividend coupon No. 6 with record date May 28, 2014 and dividend payment date of May 29, 2014. The Board of Directors of Elica S.p.A., in addition, with the conclusion of the three-year mandate conferred to the Supervisory Board, appointed the following new members: Massinissa Magini Paolo and Cruciani Marco, while confirming the appointment of Babbo Cristiano. The mandate is of three-year duration.

The Board of Directors also, on the annual verification of members, confirmed the independence of the Independent Directors Stefano Romiti, Elena Magri and Evasio Novarese in accordance with Article 148, paragraph 3 of the CFA (also as per Article 147-ter, paragraph 4 of the CFA) and Article 3.C.1 of the Self-Governance Code for listed companies.

The Elica Group participated at the STAR Conference 2014 in Milan, filing the relative Presentation **on March 24, 2014**, which may be viewed on the Company website www.elicagroup.com, in the Investor Relations/Presentation section.

The French subsidiary Elica France S.A.S. was incorporated in the quarter and the subsidiary I.S.M. Poland Sp.zo.o. was acquired through the subsidiary Elica Group Polska Sp.zo.o.. The impacts of the operations are highlighted in attachments E and F.

On April 4, 2014 the Group announced the publication, as required by the applicable regulation, of the Annual Report including the Separate Financial Statements and the Consolidated Financial Statements at December 31, 2013, the Directors' Report and the Declaration as per Article 154-bis, paragraph 5 of Legislative Decree 58/1998, together with the Board of Statutory Auditors' Report and the Independent Auditors' Report, in addition to the 2013 Corporate Governance and Ownership Structure Report, the Remuneration Report, the financial statements of the subsidiaries as per Article 36 of the Markets Regulation and the Illustrative Report of the Directors to the Shareholders' AGM, called for April 29, 2014, concerning the proposal for the purchase and utilisation of treasury shares. The annual accounts and/or the financial statements as per Art. 2429 of the Civil Code of the subsidiaries and associated companies of Elica S.p.A. are also available to the public at the registered office.

On April 29, 2014, the Shareholders' Meeting of Elica S.p.A., meeting in Ordinary and Extraordinary session, approved the Financial Statements at Tuesday, December 31, 2013 of Elica S.p.A., the distribution of a dividend of Euro 0.0237 per share, resulting in a pay-out ratio of 30.0% of the Consolidated Group Net Profit, excluding the distribution of a dividend for treasury shares held at Monday, May 26, 2014, date of the dividend coupon No. 6 and record date of May 22.

The Shareholders' AGM of Elica S.p.A., considering the content of the Remuneration Report filed on April 4, 2014 and made available to the public on the company website www.elicagroup.com, expressed its approval of the first section of the report.

The AGM also approved the authorisation to purchase and utilise treasury shares, pursuant to Article 2357 and 2357 ter of the Civil Code, in order to provide the company with an important instrument of strategic and operative flexibility.

The 2014 First Quarter Report was filed today and made available to whomever making such request at the registered offices of the Company and on the Group website www.elicagroup.com, Investor Relations/Financial Data/Accounts and Reports section, at the following link <http://www.elicagroup.com/info.php?page=1188&lng=en>, and on the website of Borsa Italiana S.p.A.. The Financial Presentation concerning the Q1 2014 consolidated results will also be available on the Group website www.elicagroup.com in the Investor Relations/Presentation section at the following link <http://www.elicagroup.com/info.php?page=1187&lng=en>.

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

The Chief Executive Officer, Mr. Giuseppe Perucchetti and the Executive responsible for the 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.

Minutes of the Shareholders' AGM of April 29, 2014 filed

It is also announced that the minutes of the Shareholders' AGM of April 29, 2014, together with the relative attachments, are available at the registered office of the company, on the website of Borsa Italiana S.p.A., as well as on company website www.elicagroup.com Investor Relations section, at the following link <http://www.elicagroup.com/info.php?page=1189&lng=en> and <http://www.elicagroup.com/info.php?page=1190&lng=en>.

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 approximately 3,400 employees and an annual output of over 18 million units, the Elica Group has eight plants, including 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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ATTACHMENT A
Consolidated Income Statement Q1 2014*

<i>In Euro thousands</i>	Q1 14	Q1 13
Revenues	96,729	95,134
Other operating revenues	3,343	418
Changes in inventories of finished and semi-finished goods	1,492	3,022
Increase in internal work capitalised	1,261	743
Raw materials and consumables	(54,668)	(55,050)
Services	(16,175)	(16,901)
Labour costs	(21,092)	(20,609)
Amortisation & Depreciation	(4,064)	(3,936)
Other operating expenses and provisions	(5,034)	(1,304)
Restructuring charges	(119)	-
EBIT	1,673	1,517
Share of profit/(loss) from associates	(5)	(4)
Financial income	35	39
Financial charges	(995)	(1,000)
Exchange gains/(losses)	(179)	(298)
Profit before taxes	529	254
Income taxes	122	323
Net profit from continuing operations	651	577
Net profit from discontinued operations	-	-
Net profit	651	577
of which:		
Minority interests share	99	151
Group Net Profit	552	426
Basic earnings per Share (Euro/cents)	0.89	0.71
Diluted earnings per Share (Euro/cents)	0.89	0.71

* Data not subject to limited audited.

ATTACHMENT B
Comprehensive Consolidated Income Statement – Q1 2014*

<i>In Euro thousands</i>	Q1 14	Q1 13
Net Profit	651	577
Other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period:		
Actuarial gains/(losses) of employee defined plans	(237)	101
Tax effect concerning the Other profits/(losses) which may not be subsequently reclassified to the net profit/(loss) for the period	(17)	(11)
Total other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period, net of the tax effect	(254)	90
Other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period:		
Exchange differences on the conversion of foreign financial statements	(677)	1,926
Net change in cash flow hedges	(627)	(24)
Tax effect concerning the Other profits/(losses) which may be subsequently be reclassified to the net profit/(loss) for the period	172	(6)
Total other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period, net of the tax effect	(1,132)	1,896
Total other comprehensive income statement items, net of the tax effect:	(1,386)	1,986
Total comprehensive profit/(loss)	(735)	2,563
of which:		
Minority interests share	132	87
Group comprehensive profit/(loss)	(867)	2,476

*Data not subject to limited audited.

Attachment C - Consolidated Balance Sheet at March 31, 2014*

<i>In Euro thousands</i>	Q114	Q113
Property, plant & equipment	85,795	81,932
Goodwill	44,171	41,584
Other intangible assets	25,784	25,336
Investments in associated companies	1,378	1,383
Other receivables	199	190
Tax receivables	6	6
Deferred tax assets	15,014	13,608
AFS financial assets	158	156
Derivative financial instruments	6	1
Total non-current assets	172,511	164,196
Trade and financial receivables	75,483	74,497
Inventories	57,132	52,327
Other receivables	8,429	6,306
Tax receivables	9,058	7,747
Derivative financial instruments	151	519
Cash and cash equivalents	26,331	27,664
Current assets	176,584	169,060
Assets of discontinued operations	-	2,395
Total Assets	349,095	335,651
Liabilities for post-employment benefits	11,395	11,230
Provisions for risks and charges	5,141	3,333
Deferred tax liabilities	5,171	5,117
Finance leases and other lenders	13	14
Bank loans and mortgages	36,337	37,757
Other payables	954	987
Tax payables	651	677
Derivative financial instruments	114	166
Non-current liabilities	59,776	59,281
Provisions for risks and charges	2,800	4,172
Finance leases and other lenders	14	14
Bank loans and mortgages	51,949	46,554
Trade payables	89,011	85,520
Other payables	21,548	15,801
Tax payables	8,009	7,317
Derivative financial instruments	856	251
Current liabilities	174,187	159,629
Share capital	12,665	12,665
Capital reserves	71,123	71,123
Hedging, translation and stock option reserve	(9,546)	(8,525)
Reserve for actuarial profit/losses	(2,105)	(1,898)
Treasury shares	(3,551)	(3,551)
Retained earnings	41,455	40,294
Group Profit	552	1,357
Group shareholders' equity	110,593	111,465
Capital and reserves of minority interests	4,440	5,207
Minority interest profit	99	69
Minority interest equity	4,539	5,276
Consolidated shareholders' equity	115,132	116,741
Total liabilities and equity	349,095	335,651

*Data not subject to limited audited.

ATTACHMENT D - Consolidated cash flow statement at March 31, 2014*

<i>In Euro thousands</i>	Mar 31, 14	Mar 31, 13
Opening cash and cash equivalents	27,664	29,551
EBIT - Operating profit	1,673	1,517
Amortisation, depreciation and write-downs	4,064	3,936
Write-down of Goodwill for loss of value	-	-
EBITDA	5,737	5,453
Trade working capital	(2,225)	(5,422)
Other working capital accounts	(3,580)	725
Income taxes paid	(1,421)	(1,015)
Change in provisions	224	163
Other changes	(1,447)	(705)
Cash flow from operating activity	(2,711)	(801)
Net increases	(2,644)	(4,934)
Intangible assets	(1,673)	(1,315)
Property, plant & equipment	(974)	(3,619)
Equity investments and other financial assets	3	-
Acquisition/Sale of investments	44	-
Cash flow from investments	(2,600)	(4,934)
(Acquisition)/Sale of treasury shares	-	-
Other movements in share capital	-	-
Dividends	-	-
Increase (decrease) financial payables	4,158	(2,156)
Net changes in other financial assets/liabilities	876	49
Interest paid	(878)	(875)
Cash flow from financing activity	4,156	(2,982)
Change in cash and cash equivalents	(1,155)	(8,717)
Effect of exchange rate change on liquidity	(178)	256
Closing cash and cash equivalents	26,331	21,090

*Data not subject to limited audited.

The Income Statement and Balance Sheet, with the amounts which would have been reported at like-for-like consolidation scope, therefore excluding the acquisitions of ISM Poland and Elica France, are reported below.

ATTACHMENT E

For illustrative purposes only, the Income Statement at like-for-like consolidation scope compared with Q1 2013 and FY 2013, information not contained in the 2014 First Quarter Report, is reported below.

<i>In Euro thousands</i>	Q1 14	Q1 14 (*)	Q1 13
Revenues	96,729	96,723	95,134
Other operating revenues	3,343	3,357	418
Changes in inventories of finished and semi-finished goods	1,492	1,470	3,022
Increase in intenal work capitalised	1,261	1,261	743
Raw materials and consumables	(54,668)	(54,604)	(55,050)
Services	(16,175)	(16,823)	(16,901)
Labour costs	(21,092)	(20,601)	(20,609)
Amortisation & Depreciation	(4,064)	(3,953)	(3,936)
Other operating expenses and provisions	(5,034)	(5,054)	(1,304)
Restructuring charges	(119)	(119)	-
Write-down of Goodwill for loss of value	-	-	-
EBIT	1,673	1,657	1,517
Share of profit/(loss) from associates	(5)	(5)	(4)
Impairment of available-for-sale financial assets			
Financial income	35	35	39
Financial charges	(995)	(995)	(1,000)
Exchange gains/(losses)	(179)	(179)	(298)
Other non-operating income	-	-	-
Profit before taxes	529	513	254
Income taxes	122	146	323
Net profit from continuing operations	651	659	577
Net profit from discontinued operations	-	-	-
Net profit	651	659	577
of which:			
Minority interests share	99	99	151
Group Net Profit	552	560	426
<i>Basic earnings per Share (Euro/cents)</i>	0.89	0.90	0.71
<i>Diluted earnings per Share (Euro/cents)</i>	0.89	0.90	0.71

(*) At like-for-like consolidation scope with March 31, 2013 and December 31, 2013

ATTACHMENT F

For illustrative purposes only, the Balance Sheet at like-for-like consolidation scope compared with March 31, 2013 and December 31, 2013, information not contained in the 2014 First Quarter Report, is reported below.

<i>In Euro thousands</i>	Mar 31, 14	Mar 31, 14 (*)	Dec 31, 13
Property, plant & equipment	85,795	82,188	81,932
Goodwill	44,171	41,379	41,584
Other intangible assets	25,784	25,774	25,336
Investments in associated companies	1,378	1,378	1,383
Other financial assets	-	50	-
Other receivables	199	190	190
Tax receivables	6	6	6
Deferred tax assets	15,014	14,972	13,608
AFS financial assets	158	158	156
Derivative financial instruments	6	6	1
Total non-current assets	172,511	166,101	164,196
Trade and financial receivables	75,483	75,400	74,497
Inventories	57,132	57,131	52,327
Other receivables	8,429	8,278	6,306
Tax receivables	9,058	9,052	7,747
Derivative financial instruments	151	151	519
Cash and cash equivalents	26,331	26,236	27,664
Current assets	176,584	176,248	169,060
Assets of discontinued operations	-	-	2,395
Total Assets	349,095	342,349	335,651
Liabilities for post-employment benefits	11,395	11,395	11,230
Provisions for risks and charges	5,141	5,096	3,333
Deferred tax liabilities	5,171	4,967	5,117
Finance leases and other lenders	13	13	14
Bank loans and mortgages	36,337	36,337	37,757
Other payables	954	954	987
Tax payables	651	651	677
Derivative financial instruments	114	114	166
Non-current liabilities	59,776	59,527	59,281
Provisions for risks and charges	2,800	2,800	4,172
Finance leases and other lenders	14	14	14
Bank loans and mortgages	51,949	51,949	46,554
Trade payables	89,011	89,234	85,520
Other payables	21,548	14,960	15,801
Tax payables	8,009	7,815	7,317
Derivative financial instruments	856	856	251
Current liabilities	174,187	167,628	159,629
Liabilities of discontinued operations			
Share capital	12,665	12,665	12,665
Capital reserves	71,123	71,123	71,123
Hedging, translation and stock option reserve	(9,546)	(9,541)	(8,525)
Reserve for actuarial profit/losses	(2,105)	(2,105)	(1,898)
Treasury shares	(3,551)	(3,551)	(3,551)
Retained earnings	41,455	41,504	40,294
Group Profit	552	560	1,357
Group shareholders' equity	110,593	110,655	111,465
Capital and reserves of minority interests	4,440	4,440	5,207
Minority interest profit	99	99	69
Minority interest equity	4,539	4,539	5,276
Consolidated shareholders' equity	115,132	115,194	116,741
Total liabilities and equity	349,095	342,349	335,651

(*) At like-for-like consolidation scope with March 31, 2013 and December 31, 2013