

**PRESS RELEASE**

**BOARD OF DIRECTORS OF ELICA S.P.A.  
APPROVES INTERIM REPORT AT SEPTEMBER 30, 2009**

**Consolidated result<sup>1</sup> for Q3 2009 (July-September 2009)**

- **Revenues: Euro 83.1 million (Euro 93.2 million in the same period of 2008);**
- **EBITDA: Euro 6.6 million (Euro 6.3 million in the same period of 2008);**
- **EBIT: Euro 2.6 million (Euro 2.3 million in the same period of 2008);**
- **Net Profit: Euro 1.0 million (Euro 2.1 million in the same period of 2008);**
- **Net Debt: Euro 23.7 million**, compared to Euro 32.0 million at June 30, 2009 and Euro 18.6 million at September 30, 2008.

**Fabriano, November 12, 2009** – 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 approved the **Interim Report at September 30, 2009**, prepared in accordance with IFRS.

**Consolidated revenues<sup>2</sup> – Q3 2009**

In the third quarter of 2009, the Elica Group **consolidated revenues** amounted to **Euro 83.1 million**, a **decrease of 10.8%** on the same period of the previous year.

The fall in revenues in Q3 2009 is again affected by the negative performance of the Motors Business Unit and the general drop in consumption in the “cooking” segment of the home appliances market which occurred in the geographic markets in which the Elica Group derives the majority of its revenue - although easing on the first six months. In relation to the Range Hoods Business Unit, the contraction in revenues was 6.9%, in part due to the continuation of the rationalisation of the client portfolio with unsatisfactory credit ratings. **Own brand revenues increased by 15.1%** - mainly due to the performance of Gutmann. Revenues in the **high-end segment grew by 4.2%** on the same period of 2008, once again confirming their robustness **in a market which has contracted by 12%<sup>3</sup> globally**. The Motors Business Unit recorded a drop in revenues of 29.9% on the same period of the previous year, although reporting a more contained contraction than in the first six months. Within the Motors Business the “heating” segment was in particular affected by the downturn in the “new housing” sector.

In relation to the geographic areas, **Europe** recorded a decrease in revenues of 6.5% on the same period of 2008 with the **Americas** recording a drop of 44.7%, principally due to the performance of the OEM clients, while the **other geographic areas** recorded a slight drop of 3.1%.

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<sup>1</sup> The 2009 amounts include the consolidation of the German company Exklusiv-Hauben Gutmann GmbH.

<sup>2</sup> See Note 1.

<sup>3</sup> Company estimates, volume data.

## Profit margins Q3 2009<sup>4</sup>

**EBITDA** amounted to **Euro 6.6 million** compared to Euro 6.3 million in the same period of 2008 - **7.9% of revenues**. The **margin** increased by **1.2 percentage points** on the same period of the previous year, thanks to the higher efficiencies achieved which offset the contraction in consumption caused by the general market conditions which continued in the third quarter of 2009, although easing on the first half of the year.

**EBIT** amounted to **Euro 2.6 million** compared to Euro 2.3 million in Q3 2008 - **3.1% of revenues**.

The **Group net profit** amounted to **Euro 0.8 million** compared to Euro 2.0 million in the same period of 2008 - **1.0% of revenues**.

	Q3 09	revenue margin	Q3 08	revenue margin	09 Vs 08 %	Change consol. area
<i>In Euro thousands</i>						
Revenues	83,125		93,172		(10.8%)	5,193
EBITDA	6,587	7.9%	6,288	6.7%	4.8%	539
EBIT	2,588	3.1%	2,327	2.5%	11.2%	241
Financial income/(costs)	(1,019)	(1.2%)	363	0.4%	(380.7%)	(7)
Income taxes	(589)	(0.7%)	(596)	(0.6%)	(1.2%)	(27)
Net profit from continuing operations	980	1.2%	2,094	2.2%	(53.2%)	207
Net profit from continuing operations and discontinuing operations	<b>980</b>	<b>1.2%</b>	<b>2,094</b>	<b>2.2%</b>	(53.2%)	207
<b>Group net profit</b>	<b>811</b>	<b>1.0%</b>	<b>1,953</b>	<b>2.1%</b>	<b>(58.5%)</b>	<b>207</b>
Basic earnings per share on continuing operations and discontinuing operations	1.42		3.43		(58.5%)	
Diluted earnings per share on continuing operations and discontinuing operations	1.42		3.43		(58.5%)	

(\*) The earnings per share was calculated by dividing the Group net result by the number of outstanding shares at the respective reporting dates.

## Balance sheet

The **Net debt at September 30, 2009** amounted to **Euro 23.7 million** compared to Euro 32.0 million at June 30, 2009 and Euro 18.6 million at September 30, 2008. The improvement is principally related to the reduction in Net Working Capital, the strict control of investments in non-core activities and the fiscal Cash Flow.

<sup>4</sup> See Note 1.

	Sept. 30, 09	June,30 09	Dec. 31, 08	Sept. 30, 08	Change consol. area Sept. 09- Sept. 08
<i>In Euro thousands</i>					
<b>Cash and cash equivalents</b>	<b>22,459</b>	<b>20,902</b>	<b>14,968</b>	<b>14,250</b>	<b>2,536</b>
Finance leases and other lenders	(2,588)	(2,744)	(3,914)	(4,346)	(24,996)
Bank loans and mortgages	(9,247)	(4,044)	(4,677)	(4,934)	(197)
<b>Long-term debt</b>	<b>(11,835)</b>	<b>(6,788)</b>	<b>(8,591)</b>	<b>(9,280)</b>	<b>(25,193)</b>
Finance leases and other lenders	(1,423)	(1,589)	(1,000)	(556)	(19)
Bank loans and mortgages	(32,944)	(44,501)	(40,324)	(23,046)	0
<b>Short-term debt</b>	<b>(34,367)</b>	<b>(46,090)</b>	<b>(41,324)</b>	<b>(23,602)</b>	<b>(19)</b>
<b>Net Debt</b>	<b>(23,743)</b>	<b>(31,976)</b>	<b>(34,947)</b>	<b>(18,632)</b>	<b>(22,676)</b>

**Managerial Working Capital** on annualised net revenues **improved significantly** from 15.8% at September 30, 2008 to **13.5% at September 30, 2009**. This improvement was possible thanks to the significant reduction in inventories and the improved management of trade payables, whose effects more than offset the support activities in favour of a select number of clients.

	Sept. 30, 09	June 30, 09	Dec. 31, 08	Sept. 30, 08	Change consol. area Sept. 09- Sept. 08
<i>In Euro thousands</i>					
Trade receivables	87,800	84,831	91,335	101,927	2,516
Inventories	41,539	41,408	51,868	57,645	1,914
Trade payables	(84,971)	(76,138)	(86,968)	(96,632)	(844)
<b>Managerial Working Capital</b>	<b>44,368</b>	<b>50,101</b>	<b>56,235</b>	<b>62,940</b>	<b>3,586</b>
as a % of annualised revenues	13.5%	15.3%	14.6%	15.8%	
Other net receivables/payables	(8,701)	(9,054)	(7,919)	(4,848)	(7,710)
<b>Net Working Capital</b>	<b>35,667</b>	<b>41,047</b>	<b>48,316</b>	<b>58,092</b>	<b>(4,124)</b>
as a % of annualised revenues	10.8%	12.5%	12.5%	14.5%	

The Elica Group is continuing the specific actions aimed not only at effectively responding to changed conditions in the sector but specifically at consolidating levers for growth and future profitability:

- **production outsourcing plans:** 28% of volumes were produced in Low Cost Countries in the third quarter of 2009, compared to 18% in Q3 2008;
- **increase of the own brand revenues mix** in the Range Hoods Business Unit: from 26% in the third quarter of 2008 to 33% in the third quarter of 2009;
- **reduction in industrial costs;**
- **reduction in capex for non-core activities;**
- **continued improvement of Net Working Capital.**

## **Significant events in the third quarter of 2009 and subsequent events after September 30, 2009.**

The Board of Directors met on August 27, 2009 and approved the 2009 half year report.

On September 7, 2009, the Board of Directors of Elica S.p.A. approved the merger by incorporation project of FIME S.p.A. into Elica S.p.A. and the Board of Directors of FIME S.p.A. also approved the merger; the merger project was filed at the registered offices of the company, Borsa Italiana and Consob and was also filed at the Ancona Company Registration Office and is available on the internet site [www.elicagroup.com](http://www.elicagroup.com).

On October 12, 2009, the Board of Directors of Elica S.p.A. resolved in extraordinary session and by public deed the merger by incorporation of the company FIME S.p.A. into Elica S.p.A. while the Extraordinary Shareholders' Meeting of FIME S.p.A. also approved the merger. The minutes of the merger resolution of Elica S.p.A. were filed, in accordance with law, at the registered offices of the company, Borsa Italiana and Consob and are available on the Internet site [www.elicagroup.com](http://www.elicagroup.com). The minutes were also filed at the Ancona Company Registration Office on October 13, 2009; the signing of the merger deed is scheduled to take place sixty days following this registration.

The operation is part of the reorganisation of the Elica Group, through simplifying the holding structure, achieving greater operational efficiency and integration and a reduction of administrative costs, which will be achieved in part through the transfer of the main administrative offices to Elica S.p.A.. The transaction will be executed on the basis of the financial statements at June 30, 2009 of both the incorporating and the incorporated companies and effective from January 1, 2010.

## **Declaration pursuant to art. 154-bis, paragraph two, of the Consolidated Finance Act**

The Chief Executive Officer, Mr. Andrea Sasso and the Executive responsible for the preparation of corporate accounting documents, Mr. Vincenzo Maragliano, declare, pursuant to section 2 of article 154 bis of the Consolidated Finance Act, 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 and is today 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 for domestic use. With 2,400 employees and an annual output of approx. 20 million units of kitchen hoods and motors, the Elica Group has 8 plants - of these, five are in Italy, one is in Poland, one in Mexico and one in Germany.

With over thirty years' experience in the sector, Elica has combined meticulous care in design, judicious choice of material and cutting edge technology to become the prominent market figure it is today. The company has revolutionized the traditional image of the kitchen cooker hood: it is no longer seen as a simple accessory but as a design object.

### **For further information:**

#### **Elica S.p.A.**

Laura Giovanetti, Giada Aquilani

#### **Investor Relations**

Tel: +39 0732 610727

E-mail: [investor-relations@elica.com](mailto:investor-relations@elica.com)

Donatella Vici

**Press Office**

Tel: +39 0732 610315

E-mail: [ufficiostampa@elica.com](mailto:ufficiostampa@elica.com)

**Image Building**

Simona Raffaelli, Valentina Burlando

Tel: +39 02 89011300

E-mail: [elica@imagebuilding.it](mailto:elica@imagebuilding.it)

## ATTACHMENT A

### Consolidated income statement for Q3 and YTD 2009 (in Euro thousands)

	Q3 09	Q3 08	9M 09	9M 08
<i>In Euro thousands</i>				
Revenues	83,125	93,172	247,109	299,638
Other operating revenues	373	879	1,291	4,369
Changes in inventories of finished and semi-finished goods	3,386	(2,401)	1,876	1,068
Increase in internal work capitalised	583	360	2,258	1,103
Raw materials and consumables	(46,354)	(48,564)	(131,458)	(160,731)
Services	(15,872)	(18,575)	(49,286)	(64,392)
Labour costs	(15,851)	(16,174)	(49,612)	(53,023)
Amortisation & depreciation	(3,999)	(3,961)	(12,319)	(12,490)
Other operating expenses and provisions	(2,755)	(2,259)	(6,918)	(6,307)
Restructuring charges	(48)	(150)	(49)	(2,214)
<b>EBIT</b>	<b>2,588</b>	<b>2,327</b>	<b>2,892</b>	<b>7,021</b>
Share of profit/(loss) from associates	(11)	52	26	(13)
Financial income	33	77	673	945
Financial charges	(586)	(931)	(2,146)	(2,381)
Exchange gains/(losses)	(455)	1,165	(299)	2,839
<b>Profit before taxes</b>	<b>1,569</b>	<b>2,690</b>	<b>1,146</b>	<b>8,411</b>
Income taxes	(589)	(596)	416	(773)
<b>Net profit from continuing operations</b>	<b>980</b>	<b>2,094</b>	<b>1,562</b>	<b>7,638</b>
<b>Net profit from discontinued operations</b>	-	-	-	63
<b>Net profit for the period</b>	<b>980</b>	<b>2,094</b>	<b>1,562</b>	<b>7,701</b>
of which:				
Minority interests share	169	141	431	368
Group net profit	811	1,953	1,131	7,333
<b>Basic earnings per share</b>				
From continuing and discontinued operations (Euro/cents)	1.42	3.41	1.98	12.51
From continuing operations (Euro/cents)	1.42	3.41	1.98	12.40
<b>Diluted earnings per share</b>				
From continuing and discontinued operations (Euro/cents)	1.42	3.41	1.98	12.51
From continuing operations (Euro/cents)	1.42	3.41	1.98	12.40

## ATTACHMENT B

### Comprehensive consolidated income statement at September 30, 2009

<i>In Euro thousands</i>	<b>Q 3 09</b>	<b>Q3 08</b>	<b>YTD 09</b>	<b>YTD 08</b>
<b>Net profit</b>	<b>980</b>	<b>2,094</b>	<b>1,562</b>	<b>7,701</b>
<b>Other comprehensive income statement items:</b>				
Exchange differences on the conversion of foreign financial statements	(48)	(494)	(1,071)	(324)
Net change in cash flow hedges	-	(8)	(10)	5
Income taxes on other comprehensive income statement items	2	-	2	-
<b>Total other comprehensive income statement items, net of tax effects:</b>	<b>(46)</b>	<b>(502)</b>	<b>(1,079)</b>	<b>(319)</b>
<b>Total comprehensive result</b>	<b>934</b>	<b>1,592</b>	<b>483</b>	<b>7,382</b>
of which:				
Minority interests share	168	108	334	363
Group comprehensive net profit	958	1,484	149	7,019

## ATTACHMENT C

### Consolidated balance sheet at September 30, 2009 (*in thousands of Euro*)

	<b>Sept. 30, 09</b>	<b>Dec. 31, 08</b>
<i>In Euro thousands</i>		
Property, plant & equipment	67,843	70,010
Goodwill	35,898	35,862
Other intangible assets	19,606	20,199
Investments in associated companies	2,697	2,627
Other financial assets	30	30
Other receivables	183	344
Tax receivables	6	6
Deferred tax assets	7,856	6,372
Financial assets available-for-sale	191	191
<b>Total non-current assets</b>	<b>134,310</b>	<b>135,641</b>
Trade and financial receivables	87,800	91,335
Inventories	41,539	51,868
Other receivables	5,560	5,722
Tax receivables	10,739	9,131
Derivative financial instruments	494	2,554
Cash and cash equivalents	22,459	14,968
<b>Current assets</b>	<b>168,591</b>	<b>175,578</b>
<b>Total assets</b>	<b>302,901</b>	<b>311,219</b>
Liabilities for post-employment benefits	10,230	11,023
Provisions for risks and charges	3,344	3,127
Deferred tax liabilities	6,128	7,739
Finance leases and other lenders	2,588	3,914
Bank loans and mortgages	9,247	4,677
Other payables	2,016	1,225
Tax payables	1,402	1,400
Derivative financial instruments	-	-
<b>Non-current liabilities</b>	<b>34,955</b>	<b>33,105</b>
Provisions for risks and charges	1,178	1,307
Finance leases and other lenders	1,423	1,000
Bank loans and mortgages	32,944	40,324
Trade payables	84,971	86,968
Other payables	17,354	17,122
Tax payables	6,468	4,343
Derivative financial instruments	197	2,556
<b>Current liabilities</b>	<b>144,535</b>	<b>153,620</b>
Share Capital	12,665	12,665
Capital reserves	71,123	71,123
Hedging, translation and stock option reserve	(9,985)	(9,081)
Treasury shares	(17,629)	(17,629)
Retained earnings	64,095	61,871
Group profit for the period	1,131	3,579
<b>Group shareholders' equity</b>	<b>121,400</b>	<b>122,528</b>
Capital and reserves of minority interests	1,580	1,311
Minority interest profit	431	655
<b>Minority interest equity</b>	<b>2,011</b>	<b>1,966</b>
<b>Consolidated shareholders' equity</b>	<b>123,411</b>	<b>124,494</b>
<b>Total liabilities and shareholders' equity</b>	<b>302,901</b>	<b>311,219</b>



## ATTACHMENT D

### Condensed consolidated cash flow statement at September 30, 2009 (in Euro thousands)

	Sept. 30, 09	Sept. 30, 08
<i>In Euro thousands</i>		
<b>Opening cash and cash equivalents</b>	<b>14,968</b>	<b>21,948</b>
EBIT- Operating profit	2,892	7,021
Amortisation, depreciation and write-downs	12,319	12,490
EBITDA	15,211	19,511
Changes in Working Capital	10,244	(12,489)
	trade working capital	11,697
	other working capital accounts	(1,453)
Income taxes paid	(1,226)	(4,057)
Change in provisions	(1,124)	398
Other changes	(162)	(229)
Gain on earthquake write-offs		(4,084)
<b>Cash flow from operating activity</b>	<b>22,943</b>	<b>(950)</b>
Net increases	(10,110)	(10,301)
	Intangible assets	(2,187)
	Property, plant & equipment	(7,923)
	Equity investments and other financial assets	0
		84
Divestment of Business Unit	0	944
<b>Cash flow from investments</b>	<b>(10,110)</b>	<b>(9,357)</b>
Acquisition of treasury shares	0	(10,958)
Dividends	(1,066)	(2,817)
Increase (decrease) financial payables	(3,713)	14,186
Net changes in other financial assets/liabilities	686	864
Interest paid	(1,046)	1,334
<b>Cash flow from financing activity</b>	<b>(5,139)</b>	<b>2,609</b>
<b>Change in cash and cash equivalents</b>	<b>7,694</b>	<b>(7,698)</b>
<b>Effect of exchange rate change on liquidity</b>	<b>(203)</b>	<b>0</b>
<b>Closing cash and cash equivalents</b>	<b>22,459</b>	<b>14,250</b>