Elica S.p.A.

Half-Year Report

at June 30, 2010

Contents

Corporate boards

Members of the Board of Directors

Francesco Casoli
Executive Chairman,
born in Senigallia (AN) on 5/6/1961, appointed a director by resolution dated 27/04/2009.

Andrea Sasso
Chief Executive Officer, born in Rome on 24/8/1965, appointed by resolution dated 27/04/2009.

Gianna Pieralisi
Executive Director, born in Monsano (AN) on 12/12/1934, appointed a director by resolution dated 27/04/2009.

Gennaro Pieralisi
Director, born in Monsano (AN) on 14/02/1938, appointed a director by resolution dated 27/04/2009.

Stefano Romiti
Independent Director and Lead Independent Director, born in Rome (RM) on 17/11/1957, appointed a director by resolution dated 27/04/2009.

Fiorenzo Busso
Independent Director, born in Milan (MI) on 11/9/1942, appointed a director by resolution dated 27/04/2009

Giovanni Frezzotti
Independent Director, born in Jesi (AN) on 22/02/1944, appointed by resolution dated 27/04/2009.

Members of the Board of Statutory Auditors

Corrado Mariotti
Chairman, born in Numana (AN) on 29/2/1944, appointed by resolution dated 27/4/2009.

Stefano Marasca
Statutory Auditor, born in Osimo (AN) on 9/8/1960, appointed by resolution dated 27/4/2009.

Gilberto Casali
Statutory Auditor, born in Jesi (AN) on 14/1/1954, appointed by resolution dated 27/04/2009.

Franco Borioni
Alternate Auditor, born in Jesi (AN) on 23/06/1945, appointed by resolution dated 27/4/2009.

Daniele Capecci
Alternate Auditor, born in Jesi (AN) on 03/04/1972, appointed by resolution dated 27/4/2009.

Internal Control Committee
Stefano Romiti
Gennaro Pieralisi
Giovanni Frezzotti

Remuneration Committee
Stefano Romiti
Gennaro Pieralisi
Giovanni Frezzotti

Independent Auditors
Deloitte & Touche S.p.A.

Registered office and Company Data
Elica S.p.A.
Registered office: Via Dante, 288 – 60044 Fabriano (AN)
Share capital: Euro 12,664,560.00
Tax Code and Companies' Register Number: 00096570429
Ancona REA No. 63006 – VAT Number 00096570429

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Interim Directors' Report on first half 2010

Financial and operating review

In Euro thousands	**H1 2010**	**revenue margin**	**H1 2009**	**revenue margin**	**10 Vs 09 %**
Revenues	179,455		163,984		9.4%
EBITDA	13,242	7.4%	8,624	5.3%	53.5%
EBIT	5,040	2.8%	304	0.2%	1.557.9%
Financial income/(charges)	(666)	(0.4%)	(727)	(0.4%)	(8.4%)
Income taxes	(1,657)	(0.9%)	1,005	0.6%	(264.9%)
Net profit from continuing operations	2,717	1.5%	582	0.4%	366.8%
Net profit from continuing operations and discontinuing operations	2,717	1.5%	582	0.4%	366.8%
Group net profit	**2,413**	**1.3%**	**320**	**0.2%**	**654.1%**
Basic earnings per share on continuing operations and discontinuing operations	4.23		0.56		654.1%
Diluted earnings per share on continuing operations and discontinuing operations	4.23		0.56		654.1%

The earnings per share for H1 2010 and 2009 were calculated by dividing the Group net Result from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

In Euro thousands	**Q2 2010**	**revenue margin**	**Q2 2009**	**revenue margin**	**10 Vs 09 %**
Revenues	91,352		81,652		11.9%
EBITDA	6,800	7.4%	4,272	5.2%	59.2%
EBIT	2,725	3.0%	98	0.1%	2.680.6%
Financial income/(charges)	(942)	(1.0%)	(915)	(1.1%)	3.0%
Income taxes	(672)	(0.7%)	(734)	(0.9%)	(8.4%)
Net profit/(loss) from continuing operations	1,111	1.2%	(1,551)	(1.9%)	(171.6%)
Net profit/(loss) from continuing operations and discontinuing operations	1,111	1.2%	(1,551)	(1.9%)	(171.6%)
Group net profit/(loss)	**955**	**1.0%**	**(1,657)**	**(2.0%)**	**(157.6%)**
Basic earnings per share on continuing operations and discontinuing operations	1.68		(2.91)		(157.6%)
Diluted earnings per share on continuing operations and discontinuing operations	1.68		(2.91)		(157.6%)

The earnings per share for Q2 2010 and Q2 2009 were calculated by dividing the Group Result from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

EBITDA is the operating profit (EBIT) plus amortisation and depreciation and write-downs of goodwill for losses in value. EBIT is the operating profit as reported in the consolidated income statement.

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**June 30, 2009**
Trade receivables	94,192	85,589	84,831
Inventories	42,576	41,451	41,408
Trade payables	(91,817)	(86,806)	(76,138)
Managerial Working Capital	**44,951**	**40,234**	**50,101**
as a % of annualised revenues	12.5%	12.0%	15.3%
Other net receivables/payables	(4,771)	(6,963)	(9,054)
Net Working Capital	**40,180**	**33,271**	**41,047**
as a % of annualised revenues	11.2%	9.9%	12.5%

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**June 30, 2009**
Cash and cash equivalents	**22,411**	**19,235**	**20,902**
Finance leases and other lenders	(88)	(2,430)	(2,744)
Bank loans and mortgages	(18,056)	(14,780)	(4,044)
Long-term debt	**(18,144)**	**(17,210)**	**(6,788)**
Finance leases and other lenders	(3,243)	(1,903)	(1,589)
Bank loans and mortgages	(25,214)	(23,058)	(44,501)
Short-term debt	**(28,457)**	**(24,961)**	**(46,090)**
Net Debt	**(24,190)**	**(22,936)**	**(31,976)**

Net debt is the sum of cash and cash equivalents less amounts due under finance leases and other borrowings (current and non-current), plus bank loans and mortgages (current and non-current), as reported in the balance sheet.

Operating review H1 2010

During the first half of 2010 Group consolidated revenues grew 9.4% on the same period of the previous year - a performance ahead of the general market. The growth in revenues was driven by both divisions and in particular by the motors division. In the range hood area, the growth was particularly strong in the own brands segment and generally across the medium-high range segments. Revenues grew in all geographic areas but particularly in America and Asia.

The strong revenue performance and the improvement in operating efficiency resulted in an increase in the EBITDA margin to 7.4% from 5.3% in the first half of 2009.

In the first half of 2010 the Euro performed poorly against nearly all the currencies in which the Group carries out its commercial transactions; however the exchange rate movements did not have a significant impact on the Profit and Loss but the Translation Reserve changed for Euro 4,069 thousand.

	average 2010	average 2009	%	June 30, 2010	June 30, 2009	%
USD	1.33	1.33	-0.2%	1.23	1.41	-13.0%
GBP	0.87	0.89	-2.2%	0.82	0.85	-3.8%
JPY	121.32	127.27	-4.7%	108.79	135.51	-19.7%
PLN	4.00	4.48	-10.7%	4.15	4.45	-6.8%
MXN	16.81	18.45	-8.9%	15.74	18.55	-15.2%
INR	60.73	65.56	-7.4%	56.93	67.52	-15.7%

The percentage of Managerial Working Capital on net annualised revenues decreased from 15.3% in June 2009 to 12.5% in June 2010. This result follows the curtailment of extended payment terms granted to customers, the improvement of the percentage of stock held and the control policy implemented on supplier payment terms.

The Net Debt at June 30, 2010 improved strongly on June 30, 2009 and slightly below the value as of December 31, 2009.

Significant events in the first half of 2010

The Board of Directors met on March 30, 2010 and approved the Consolidated Financial Statements and the proposal of the Individual Financial Statements of Elica S.p.A., as well as the proposal for the Individual Financial Statements of Fime S.p.A., a company merged with Elica Spa from January 1, 2010.

On April 26, 2010, the Shareholders' AGM of Elica S.p.A. approved the Individual Financial Statements of Fime S.p.A., the Individual Financial Statements of Elica S.p.A. and a stock grant plan, called the 2010 Stock Grant Plan, for employees, including senior management, advisors and executive directors of the Company and of its subsidiaries considered "key managers" for the achievement of the business growth and development objectives of the Company, as well as the consequent extension to utilise treasury shares acquired by the Company under the Shareholders' Meeting resolution of August 3, 2007.
The Shareholders' AGM of Elica S.p.A. attributed to the Board of Directors, with faculty to delegate, all powers necessary and/or considered opportune to implement the Plan.
In execution of the above-stated shareholders' meeting resolution, the Board of Directors of the Company on April 26, 2010 approved the 2010 Stock Grant Plan Regulation, defined the 2010 performance objectives and identified some of the Plan beneficiaries.

The Elica Group presented its new products at "Eurocucina 2010" at the 49th International Furniture Trade Show in Milan from April 14, 2010.

On May 3, 2010, Elica S.p.A. signed a Joint Venture agreement with an Indian entrepreneur, Mr. Bhutada, and several senior managers.
The above-stated joint venture agreement provided for the subscription by the Elica Group to a share capital increase of a newly-incorporated Indian company (called Elica PB India Private Ltd.) for a 51% stake; the remainder of the share capital was subscribed by Pralhad Bhutada and the other senior managers of the company.

Elica Group structure and consolidation scope

The Elica Group is currently the world's largest manufacturer of kitchen range hoods for domestic use and is leader in Europe in the sector of motors for boilers used in home heating systems.

Parent Company

- Elica S.p.A, - Fabriano (AN) is the parent company of the Group.

Subsidiaries at the publication date of the Interim Report

- Elica Group Polska Sp.zoo – Wroclaw – (Poland). This company has been operational since September 2005 in the production and sale of electric motors and from December 2006 in the production and sale of exhaust range hoods for domestic use;

- ELICAMEX S.A. de C.V. – Queretaro (Mexico). The company was incorporated at the beginning of 2006 and is held 100%. Through this company, the Group intends to concentrate the production of products for the American markets in Mexico and reap the benefits deriving from optimisation of operational and logistical activities;

- Leonardo Services S.A. de C.V. – Queretaro (Mexico). This wholly-owned subsidiary was incorporated in January 2006 (the Parent Company owns 98% directly and 2% indirectly through Elica Group Polska Sp.zo.o.). Leonardo Services S.A. de C.V. manages all Mexican staff, providing services to ELICAMEX S.A. de C.V.;

- ARIAFINA CO., LTD – Sagamihara-Shi (Japan). Established in September 2002 as a 50/50 joint venture with Tokyo-based Fuji Industrial and leader in Japan with over 70% of the range hood market. Elica S.p.A. acquired control of this joint venture in May 2006 to provide further impetus to the development of the important Japanese market, where high-quality products are sold;

- Airforce S.p.A. – Fabriano (AN). This company operates in a special segment of the production and sale of hoods sector. The holding of Elica S.p.A. is 60%;

- Airforce Germany GmbH – Stuttgart (Germany). Airforce S.p.A. owns 95% of Airforce Germany G.m.b.h., a company that sells hoods in Germany through so -called "kitchen studios";

- Elica Inc. – Chicago, Illinois (United States). The company aims to develop the Group's brands in the US market by carrying out marketing and trade marketing with resident staff. The company is a wholly owned subsidiary of ELICAMEX S.A. de C.V.;

- Elica International S.à.r.l. – Luxembourg, 100% held by Elica S.p.A;

- Elica Finance Limited – Dublin (Ireland), 100% held by Elica International S.à.r.l.;

- Exklusiv Hauben Gutmann GmbH – Mulacker (Germany) - a German company entirely held by Elica International S.à.r.l. and the German leader in the high-end kitchen range hood market, specialised in "tailor made" and high performance hoods;

- Elica PB India Private Ltd. - Pune (India); in June 2010 Elica S.p.A. signed a joint venture agreement subscribing 51% of the share capital of the newly-incorporated Indian company. Elica PB India Private Ltd. is involved in the sale of Group products;

Associated companies

- I.S.M. Srl – Cerreto d'Esi (AN). The company manufactures semi-finished products for the hood production cycle. Elica S.p.A. has a 49.385% equity interest in this company.

Changes in the consolidation scope

As set out in the paragraph "Significant events in the first half of 2010", the Indian company Elica PB India Private Ltd joined the Elica Group following a joint venture agreement between Elica S.p.A. and Mr. Bhutada and a number of the principal managers of the company.

Elica Group Inter-company and other related-party transactions

During the first half of 2010, transactions were entered into with subsidiaries, associated companies and other related parties. All transactions were conducted on an arm's length basis in the ordinary course of business.

Subsequent events and business outlook

The ongoing demand analysis activity by Management continues. At the beginning of 2010, the principal markets in which the Group carries out its trading activities improved slightly; demand visibility remains limited however.

In July 2010 Elica signed an equity transfer agreement and a joint venture agreement with the Chinese entrepreneur Mr. Renyao Du and his wife Ms. Dong Wenhua which provides for the acquisition by Elica of a majority holding in the Chinese company Zhejiang Putian Electric Co. Ltd, operating under the Putian brand and a leader in the Chinese home appliance sector producing and marketing range hoods, gas hobs and kitchenware sterilisers.
Consideration of Euro 13.8 million was paid for 55% of the share capital. The agreement establishes a mechanism for an adjustment of the sum paid based on the EBITDA recorded by Putian for the financial year 2010.
The contract remains subject to the fulfilment of certain conditions, including the granting by the Chinese authorities of the necessary authorisations to complete the operation. It is expected that these conditions will be fulfilled by the third quarter of the present year.
The agreements also establish that Elica will consolidate its control of Putian in 2011 through the acquisition of a further 15% stake.
The purchase price of this latter holding will be based on the EBITDA which Putian records in 2010. This further transfer also remains subject to the fulfilment of certain conditions including the granting by the Chinese authorities of the necessary authorisation to complete the operation and the establishment of the 2010 EBITDA of Putian.
The Elica Group can consolidate its position as a global player in the range hoods sector through entering the Chinese market, with the Group already established in Europe, The Americas and India (with consistently increasing market shares) and also creates the opportunity to serve the OEM client base with local production and increases purchasing from Low Cost Countries.

Compliance pursuant to Section VI of the regulation implementing legislative decree No. 58 of February 24, 1998 concerning market regulations ("Market Regulations")

Elica S.p.A. confirms compliance with the conditions for listing pursuant to articles 36 and 37 of Consob's Market Regulations. In particular, having control, directly or indirectly, over some companies registered in countries outside of the European Union, the financial statements of the above-mentioned companies, prepared for the purposes of the Elica Group Consolidated Financial Statements, were made available in accordance with the provisions required by the current regulations enacted on March 30, 2009.

Elica S.p.A.

Condensed consolidated half-year financial statements

at June 30, 2010

Consolidated financial statements as at June 30, 2010

Consolidated Income Statement at June 30, 2010 (in Euro thousands)

	Note	Q2 10 (*)	Q2 09 (*)	H1 10	H1 09
Revenues	**1**	91,352	81,652	179,455	163,984
Other operating revenues	**2**	1,481	483	2,002	918
Changes in inventories of finished and semi-finished goods		1,671	(853)	1,240	(1,510)
Increase in internal work capitalised		330	986	978	1,675
Raw materials and consumables	**3**	(47,543)	(41,977)	(91,995)	(85,104)
Services	**4**	(19,032)	(16,617)	(36,688)	(33,414)
Labour costs	**5**	(18,754)	(17,174)	(36,915)	(33,761)
Amortisation and Depreciation		(4,075)	(4,174)	(8,202)	(8,320)
Other operating expenses and provisions		(2,705)	(2,228)	(4,835)	(4,164)
EBIT		**2,725**	**98**	**5,040**	**304**
Share of profit/(loss) from associates	**10**	(340)	37	(607)	37
Financial income	**6**	53	29	1,319	640
Financial charges	**6**	(491)	(728)	(1,384)	(1,560)
Exchange gains/(losses)	**6**	(164)	(253)	6	156
Profit/(loss) before taxes		**1,783**	**(817)**	**4,374**	**(423)**
Income taxes		(672)	(734)	(1,657)	1,005
Net profit/(loss) for the period		**1,111**	**(1,551)**	**2,717**	**582**
of which:					
Minority interests share		156	106	304	262
Group net profit/(loss)		955	(1,657)	2,413	320
Basic earnings per share					
From continuing operations (Euro/cents)		1.68	(2.91)	4.23	0.56
Diluted earnings per share					
From continuing operations (Euro/cents)		1.68	(2.91)	4.23	0.56

(*) Data not audited

Comprehensive Consolidated Income Statement at June 30, 2010

In Euro thousands	Q 2 10 (*)	Q2 09 (*)	H1 10	H1 09
Net profit/(loss)	**1,111**	**(1,551)**	**2,717**	**582**
Other comprehensive income statement items:				
Exchange differences on the conversion of foreign financial statements	(337)	1,305	4,069	(1,023)
Net change in cash flow hedge	(6)	(10)	3	(10)
Income taxes on other comprehensive income statement items	2	2	(1)	2
Total other comprehensive income statement items, net of tax effects:	**(341)**	**1,297**	**4,071**	**(1,031)**
Total comprehensive profit/(loss) of which:	**770**	**(254)**	**6,788**	**(449)**
Minority interests share	768	50	554	166
Group comprehensive net profit/(loss)	2	(304)	6,234	(615)

(*) Data not audited

Consolidated Balance Sheet at June 30, 2010 ***(in thousands of Euro)***

	Note	June 30, 2010	Dec 31, 2009
Property, plant & equipment	7	69,822	69,100
Goodwill	8	33,818	33,818
Other intangible assets	9	21,015	21,093
Investments in associated companies	10	1,701	2,309
Other financial assets		30	30
Other receivables		944	200
Tax receivables		6	6
Deferred tax assets	11	9,462	9,200
Financial assets available-for-sale		779	680
Total non-current assets		**137,577**	**136,436**
Trade and financial receivables	12	94,192	85,589
Inventories	13	42,576	41,451
Other receivables		5,426	3,841
Tax receivables		8,472	9,663
Derivative financial instruments		457	770
Cash and cash equivalents		22,411	19,235
Current assets		**173,534**	**160,549**
Total assets		**311,111**	**296,985**
Liabilities for post-employment benefits		9,898	9,554
Provisions for risks and charges	14	4,758	5,752
Deferred tax liabilities	11	5,254	5,328
Finance leases and other lenders	17	88	2,430
Bank loans and mortgages	17	18,056	14,780
Other payables		1,353	1,381
Tax payables		1,040	1,058
Derivative financial instruments		-	-
Non-current liabilities		**40,447**	**40,283**
Provisions for risks and charges	14	852	1,082
Finance leases and other lenders	17	3,243	1,903
Bank loans and mortgages	17	25,214	23,058
Trade payables	15	91,817	86,806
Other payables		12,706	14,686
Tax payables		5,111	4,699
Derivative financial instruments		409	311
Current liabilities		**139,352**	**132,545**
Share Capital		12,665	12,665
Capital reserves		71,123	71,123
Hedging, translation and stock option reserve		(3,843)	(8,431)
Treasury shares		(17,629)	(17,629)
Profit reserves		64,206	64,086
Group profit		2,413	231
Group shareholders' equity		**128,935**	**122,045**
Capital and reserves of minority interests		2,073	1,561
Minority interest profit		304	551
Minority interest equity		**2,377**	**2,112**
Consolidated shareholders' equity	**16**	**131,312**	**124,157**

Total liabilities and shareholders' equity	**311,111**	**296,985**

Consolidated Cash Flow Statement at June 30, 2010 (in thousands of Euro)

	June 30, 2010	**Dec 31, 2009**
Opening cash and cash equivalents	**19,235**	**14,968**
EBIT- Operating profit	5,040	304
Amortisation, depreciation and write-downs	8,202	8,320
Write-down of Goodwill for loss of value	0	0
EBITDA	13,242	8,624
Trade working capital	(4,451)	5,773
Other working capital accounts	3,826	861
Income taxes paid	(709)	(1,223)
Change in provisions	(1,180)	(1,697)
Other changes	347	(328)
Cash flow from operating activity	**11,075**	**12,011**
Net increases	(12,906)	(6,931)
Intangible assets	(1,931)	(2,328)
Property, plant & equipment	(4,606)	(4,603)
Equity investments and other financial assets	(6,369)	0
Cash flow from investments	**(12,906)**	**(6,931)**
Dividends	0	(1,066)
Increase (decrease) financial payables	4,430	2,963
Net changes in other financial assets/liabilities	427	447
Interest paid	(848)	(1,271)
Cash flow from financing activity	**4,009**	**1,073**
Change in cash and cash equivalents	**2,178**	**6,153**
Effect of exchange rate change on liquidity	**998**	**(219)**
Closing cash and cash equivalents	**22,411**	**20,902**

Statement of changes in Consolidated Shareholders' Equity	**Share Capital**	**Share premium reserve**	**Acquisition of treasury shares**	**Profit reserves**	**Hedge, trans. & stock option reserve**	**Result for the period**	**Total group NE**	**Total Minorities NE**	**Total**
In Euro thousands									
Balance at December 31, 2008	**12,665**	**71,123**	**(17,629)**	**61,871**	**(9,081)**	**3,579**	**122,528**	**1,966**	**124,494**
Change in cash flow hedges net of the tax effect					(8)		**(8)**		**(8)**
Differences arising from translation of foreign subsidiaries' financial statements				(78)	(849)		**(927)**	(96)	**(1,023)**
Total comprehensive losses	-	-	-	(78)	(857)	-	**(935)**	**(96)**	**(1,031)**
Net profit						320	**320**	262	**9,579**
Total gains recognised in the income statement	-	-		-	-	320	**320**	262	**582**
Allocation of net profit				3,579		(3,579)	**-**		**-**
Other movements				(250)			**(250)**	(327)	**(577)**
Dividends				(1,066)			**(1,066)**		**(1,066)**
Balance at June 30, 2009	**12,665**	**71,123**	**(17,629)**	**64,056**	**(9,938)**	**320**	**120,597**	**1,805**	**122,402**
Balance at December 31, 2009	**12,665**	**71,123**	**(17,629)**	**64,086**	**(8,431)**	**231**	**122,045**	**2,112**	**124,157**
Change in cash flow hedges net of the tax effect					2		**2**		**2**
Recognition of stock options					846		**846**		**846**
Differences arising from translation of foreign subsidiaries' financial statements					3,819		**3,819**	250	**4,069**
Total gains recognised directly to equity	-	-	-	-	4,667	-	**4,667**	**250**	**4,917**
Net profit for the period						2,413	**2,413**	304	**2,717**
Total gains recognised in the income statement	-	-		-	-	2,413	**2,413**	304	**2,717**
Allocation of net profit/(loss)				310	(79)	(231)	**-**		**-**
Other movements				(190)			**(190)**	(289)	**(479)**
Balance at June 30, 2010	**12,665**	**71,123**	**(17,629)**	**64,206**	**(3,843)**	**2,413**	**128,935**	**2,377**	**131,312**

Notes to the Condensed Consolidated Half-Year Financial Statements

Group structure and brief description of its activities

The Group operates in the following operating segments:

- "Range Hoods": production and sale of range hoods and accessories;
- "Motors": production and sale of electric motors.

The Group's activities are carried out in Italy, Poland, Mexico, Germany, Japan and India and the revenues are prevalently sourced from America, Europe and the Commonwealth of Independent States.

The Euro is the functional and reporting currency for Elica S.p.A and all consolidated companies, except for such foreign subsidiaries as Elica Group Polska Sp.zo.o, ELICAMEX S.A. de C.V., Leonardo S.A. de C.V., ARIAFINA CO., LTD and Elica PB India Private Ltd., which prepare their accounts in Polish Zloty, Mexican Pesos, Japanese Yen and Indian Rupees, respectively.

The exchange rates used for the translation to Euro of the financial statements of companies consolidated in a currency other than the consolidation currency, compared with those used in the previous periods, are shown in the table below:

	average 2010	average 2009	%	June 30, 2010	June 30, 2009	%
USD	1.33	1.33	-0.2%	1.23	1.41	-13.0%
GBP	0.87	0.89	-2.2%	0.82	0.85	-3.8%
JPY	121.32	127.27	-4.7%	108.79	135.51	-19.7%
PLN	4.00	4.48	-10.7%	4.15	4.45	-6.8%
MXN	16.81	18.45	-8.9%	15.74	18.55	-15.2%
INR	60.73	65.56	-7.4%	56.93	67.52	-15.7%

Approval of the Half-Year Report at June 30, 2010

The report for the period ended June 30, 2010 was approved by the Board of Directors on August 6, 2010.

Accounting principles and basis of consolidation

The annual consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union through Regulation No. 1606/2002.

The present condensed half-yearly financial statements were prepared, in summary form, in conformity with IAS 34 "Interim Financial Statements" and in conformity with the requirements of Consob Regulation No. 11971 of May 14, 1999 and subsequent amendments and integrations.
The condensed half-year financial statements therefore do not include all the information published in the annual report and must be read together with the consolidated financial statements as at December 31, 2009.

The accounting and consolidation principles adopted for the preparation of the current condensed half-year financial statements are unchanged compared to those adopted for the preparation of the Group annual consolidated financial statements for the year ended December 31, 2009.

The condensed half-year financial statements at June 30, 2010 are compared with the condensed half-year financial statements for the corresponding period of 2008 for the income statement accounts and with the consolidated balance sheet accounts and financial position at December 31, 2009. The financial statements consist of the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement and the Changes in Shareholders' Equity.

The present consolidated financial statements are presented in thousands of Euro and all the amounts are rounded to the nearest thousandth, unless otherwise specified.

Changes in accounting standards

The financial statements utilised are the same as those used for the preparation of the consolidated financial statements at December 31, 2009, with the exception of those amendments and interpretations applied from January 1, 2010. These latter specifically concern:

IFRS 3 -Business combinations
The principal changes to IFRS 3 relate to the elimination of the obligation to value the individual assets and liabilities of a subsidiary at fair value for each successive acquisition, in the case of several acquisitions in an investment. The goodwill will only be determined in the acquisition phase and will be the difference between the value of the investments immediately before the payment for the transaction and the value of the net assets acquired. In addition, where the company does not acquire 100% of the investment, the minority interest share of net equity may be valued at fair value or utilising the method already contained previously in IFRS 3. The revised version of the standard provides for the allocation to the income statement of all the costs relating to the business combination and recognition at the acquisition date of the liabilities for payments subject to conditions.

IAS 27 - Consolidated and separate financial statements
In the amendment to IAS 27, the IASB has established that the modifications in shareholdings which do not constitute a loss of control must be treated as an equity transaction and therefore recorded under equity. In addition, it is established that when a parent company loses control of an investment but still has a holding, the investment must be valued at fair value with recording of any gains or losses deriving from the loss of control in the income statement. Finally, the amendment to IAS 27 requires that all the losses attributable to minority shareholders are allocated to the minority shareholders net equity, even when this exceeds their holding in the investment.

IFRS 8 – Operating segments
This amendment requires that companies provide the value of all assets for each sector subject to disclosure, if this value is provided periodically at the highest operating level. This information was required previously without this condition.

Utilisation of estimates

In the preparation of the condensed half-year financial statements, the Group's management made accounting estimates and assumptions which have an effect on the values of the assets and liabilities and disclosures. The actual results may differ from these estimates. The estimates and assumptions are revised periodically and the effects of any change are promptly reflected in the financial statements.

In this context it is reported that the situation caused by the current economic and financial crisis resulted in the need to make assumptions on a future outlook characterised by significant uncertainty, for which it cannot be excluded that results in the coming years will be different from such estimates and which therefore could require adjustment, currently not possible to estimate or forecast, which may even be significant, to the book value of the relative items.

The account items principally concerned by uncertainty are: goodwill, doubtful debt provision and inventory write downs, non-current assets (tangible and intangible), pension funds and other post-employment benefits, provisions for risks and charges and deferred tax assets and liabilities.

Reference is made to the 2009 annual accounts and the notes to the present condensed half-year financial statements for the details relating to the estimates stated above.

Composition and main changes in the Income Statement and Balance Sheet

1 Revenues

In Euro thousands	H1 2010	H1 2009	Changes
Revenues from product sales	179,294	163,951	15,343
Service revenues	161	33	128
Total revenues	**179,455**	**163,984**	**15,471**

For the comments relating to the changes in revenues, reference should be made to the paragraph "Operating review H1 2010". Clients who comprise more than 10% of total revenues constituted 28.2% of revenues in the first six months of 2010 compared to 29.6% in the first half of 2009.

The table below provides an analysis of sales by geographic area, regardless of the origin of the goods and services. Sales information by sector is reported in note 18.

In Euro thousands	The Americas	Europe + CIS	Other countries	Consolidated
June 30, 2010	15,436	146,972	17,048	**179,455**
June 30, 2009	12,213	138,148	13,623	**163,984**

2. Other operating revenues

In Euro thousands	H1 2010	H1 2009	Changes
Rental income	15	-	15
Operating grants	10	15	(5)
Ordinary gains on disposal	179	46	133
Claims and insurance payouts	74	201	(127)
Expenses recovered	213	186	27
Other revenues and income	1,510	470	1,041
Total other revenues	**2,002**	**918**	**1,084**

The account is principally affected by the release of excess provisions which had a positive impact in the half-year of Euro 1,163 thousand.

3. Raw materials and consumables

In Euro thousands	H1 2010	H1 2009	Changes
Purchase of raw materials	(80,316)	(69,306)	(11,010)
Shipping expenses on purchases	(1,031)	(808)	(223)
Purchases of consumable materials	(649)	(570)	(79)
Packaging	(4,054)	(4,421)	367
Purchases of supplies	(367)	(184)	(183)
Purchases of semi-finished materials	(2,719)	(63)	(2,656)
Purchase of finished products	(1,524)	(1,332)	(192)
Other purchases	(221)	(157)	(64)
Change in inventory of raw materials, consumables and goods for re-sale	(1,114)	(8,263)	7,149
Total	**(91,995)**	**(85,104)**	**(6,891)**

Raw materials and consumables increased by Euro 6,891 thousand due to the increase in production volumes.

The percentage of revenues improved from 52% in H1 2009 to 51% in H1 2010. This positive effect was due to the changes introduced to the purchases and logistical policy.

4. Services

In Euro thousands	H1 2010	H1 2009	Changes
Outsourcing expenses	(15,658)	(12,872)	(2,786)
Transport	(3,666)	(3,844)	178
Finished goods inventories	(1,934)	(1,992)	58
Consulting	(3,567)	(2,972)	(595)
Other professional services	(3,509)	(3,606)	97
Maintenance	(1,106)	(1,505)	399
Utilities	(2,015)	(1,980)	(35)
Commissions	(1,261)	(1,136)	(125)
Travel expenses	(1,158)	(1,112)	(46)
Advertising	(538)	(674)	136
General insurance	(726)	(654)	(72)
Directors & Statutory Auditor fees	(550)	(452)	(98)
Trade fairs and promotional events	(544)	(165)	(379)
Industrial services	(267)	(305)	38
Banking commissions and charges	(189)	(145)	(44)
Total Services	**(36,688)**	**(33,414)**	**(3,274)**

The increase in the account principally relates to "outsourcing expenses" following the higher production volumes in the period.

5. Labour costs

Labour costs incurred by the Group were as follows:

In Euro thousands	H1 2010	H1 2009	Changes
Salaries and wages	(25,095)	(24,363)	(732)
Social security expenses	(7,718)	(7,358)	(360)
Employee leaving indemnity	(1,792)	(938)	(854)
Other costs	(2,310)	(1,102)	(1,208)
Total labour costs	**(36,915)**	**(33,761)**	**(3,154)**

The increase in the account is principally related to the effects of the new collective work contract (national and supplementary) and the performance-based remuneration policy which the company is implementing.
The account "other costs" includes Euro 846 thousand relating to the recording of the "2010 Stock Grant Plan" as illustrated in the paragraph "Significant events in H1 2010".

6. Net Financial income/(charges)

In Euro thousands	**H1 2010**	**H1 2009**	**Changes**
Financial income	1,319	640	679
Financial charges	(1,384)	(1,560)	176
Exchange gains	6	156	(150)
Total net financial income/(charges)	**(59)**	**(764)**	**705**

"Financial income" includes Euro 949 thousand related to the fee from Whirlpool for the acquisition of 1,899,684 shares of the Company in accordance with the Second Modifying Agreement of the Share Option Agreement of June 15, 2009 and the Supplementary Agreement of March 8, 2010. These agreements concern, among other issues, the purchase of shares of the Company by Whirlpool until February 23, 2010 and subject to the payment of Euro 0.50 on each share purchased. Further information on the modifying agreement is contained in the Annual Corporate Governance and Shareholder Report available on the website www.elicagroup.com.

7. Property, plant & equipment

The breakdown of property, plant and equipment at June 30, 2010 and December 31, 2009 is detailed below.

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Land and buildings	40,459	38,789	1,670
Plant and machinery	17,390	16,866	524
Commercial and industrial equipment	8,283	8,596	(313)
Other assets	2,565	1,989	576
Assets in progress and advances	1,125	2,860	(1,735)
Total	**69,822**	**69,100**	**722**

Property, plant and equipment increased from Euro 69,100 thousand at December 31, 2009 to Euro 69,822 thousand at June 30, 2010, an increase of Euro 722 thousand as a result of the sales, purchases and of depreciation recorded in the income statement of Euro 5,920 thousand. The change includes the exchange gains of Euro 1,994 thousand.
The increase includes Euro 376 thousand from the consolidation of Elica PB India.

8. Goodwill

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Goodwill recorded by subsidiaries	33,818	33,818	-
Total	**33,818**	**33,818**	**-**

The account has not changed on December 2009.

Details of the allocations are provided below:

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Cost per CGU			
Electric motors	19,896	19,896	-
Hoods	3,863	3,863	-
Gutmann Hoods	10,059	10,059	-
Total	**33,818**	**33,818**	**-**

Based on the information currently available, no impairment indicators were evident at June 30, 2010. The Management of the Group will continue to constantly monitor the circumstances and the events which form the basis of the future development of the business and will carry out at December 31, 2010 a more extensive analysis in relation to an impairment test.

9. Other intangible assets

The breakdown of the "Other intangible assets" at June 30, 2010 and December 31, 2009 is shown below.

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Development Costs	2,320	2,544	(224)
Industrial patents and intellectual property rights	8,116	8,047	69
Concessions, licenses, trade marks & similar rights	2,023	2,090	(67)
Assets in progress and advances	1,149	582	567
Other intangible assets	7,407	7,830	(423)
Total	**21,015**	**21,093**	**(78)**

The other intangible assets decreased from Euro 21,093 thousand at December 31, 2009 to Euro 21,015 thousand at June 30, 2010, a reduction of Euro 78 thousand as a result of the purchases, sales and amortisation recorded to the income statement of Euro 2,282 thousand. The change includes the exchange gains of Euro 263 thousand.
The account "Assets in progress and advances" includes the advance relating to the implementation of software projects, principally referring to the design and development of a new and innovative electronic platform and the related IT project. The account "Other intangible fixed assets" relates principally to the

recording both of technologies developed and the client portfolio deriving from the acquisition of the German subsidiary Exklusiv Hauben Gutmann GmbH in 2008.

10. Investments in associated companies

The table below shows changes in investments in associated companies:

In Euro thousands	**Dec 31, 2009**	**Reval./ (Write-downs)**	**June 30, 2010**
I.S.M. Srl	2,309	(608)	1,701
Total	**2,309**	**(608)**	**1,701**

In the first half of 2010, the associated company I.S.M. Srl sold the entire holding in "Sider S.r.l.". This holding arose from the conferment to "Sider S.r.l." of the "productive-industrial" business unit on December 14, 2009.
The mobility incentives, recorded at June 2010, offered to workers under the temporary lay-off scheme at I.S.M. Srl and the reduced benefit of IAS 19 are the principal reasons behind the write-down of the investment.

11. Deferred tax assets – Deferred tax liabilities

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Deferred tax assets	9,462	9,200	262
Deferred tax liabilities	(5,254)	(5,328)	74
Total	**4,208**	**3,872**	**336**

The account did not change significantly on December 31, 2009.
Following admission to the Special Economic Zone by the Polish Tax Authorities in February 2007, the Group acquired tax credit rights related to an investment programme, equal to Zloty 41 million, to be realised by December 31, 2011, which require the maintenance of a workforce of 160 persons until December 31, 2016.
At June 30, 2010, a tax credit in proportion to investments undertaken of Zloty 1.617 million was recorded. The net amount of tax credit as of June 2010 is Zloty 4.253 million.
The deferred tax asset was recorded as it is considered recoverable in relation to the assessable results for the periods in which deferred taxes will reverse in the financial statements and as Group management considers that such commitments will be respected.

12. Trade and financial receivables

The account trade and financial receivables consists of:

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Trade receivables	93,183	84,564	8,619
Receivables from associated companies	1	8	(7)
Receiv. from holding comp.	1,008	1,017	(9)
Total	**94,192**	**85,589**	**8,603**

This account does not include receivables due after more than five years at the period end.
Receivables are recorded net of the bad debt provision of Euro 3,412 thousand (Euro 2,687 thousand at December 31, 2009) made following an analysis of the credit risk on receivables and on the basis of historical data on credit losses, considering that a substantial portion of the receivables are insured by prime international insurance companies.

Management considers that the value approximates the fair value of the receivables.
The change includes exchange gains of Euro 1,662 thousand.

13. Inventories

In Euro thousands	June 30, 2010	Dec 31, 2009	Changes
Raw material, ancillary and consumables	20,112	15,160	4,952
Raw materials obsolescence provision	(825)	(903)	78
Total	19,287	14,257	5,030
Products in work-in-progress and semi-finished	12,367	13,733	(1,366)
Work-in–progress obsolescence provision	(817)	(870)	53
Total	11,550	12,863	(1,313)
Finished products and goods for resale	12,575	14,769	(2,194)
Finished products obsolescence provision	(857)	(708)	(149)
Total	11,718	14,061	(2,343)
Payments on account	21	270	(249)
Total	**42,576**	**41,451**	**1,125**

The account recorded a 0.5% reduction of annualised revenues (11.9% compared to 12.4% in December 2009), principally due to the reorganisation of the productive facilities. The increase in the account is due to the exchange rate effect for an amount of Euro 714 thousand.
Inventories are stated net of the obsolescence provisions of Euro 2,499 thousand (Euro 2,481 thousand at December 31, 2009), in order to take into consideration the effect of waste, obsolete and slow moving items and the risk estimates of the use of some categories of raw and semi-finished materials based on assumptions made by management.
Inventories also include materials and products that were not physically held by the Group at the balance sheet date. These items were held by third parties on display, for processing or for examination.
The increase includes Euro 456 thousand from the consolidation of Elica PB India.

14. Provisions for risks and charges

The details are shown below.

(in Euro thousands)	June 30, 2010	Dec 31, 2009	Changes
Supplementary agent termination benefits	932	651	281
Directors' termination benefits	109	108	1
Restructuring provisions	1,000	1,860	(860)
Provisions for risks	2,717	3,133	(416)
Product warranty provisions	778	893	(115)
Other Provisions	74	189	(115)
Total	**5,610**	**6,834**	**(1,224)**
of which			
Non-current	4,758	5,752	(994)
Current	852	1,082	(230)
Total	**5,610**	**6,834**	**(1,224)**

The "Provisions for risks" relates to likely costs and charges to be incurred as a result of ongoing legal disputes. The provisions have been determined based on the best possible estimates, considering the available information and decreased in the half-year by Euro 416 thousand.
The "Restructuring provision" shows a balance of Euro 1,000 thousand, following the release of part of the provision made in the 2009 annual accounts.
"Product warranty provisions" represent an estimate of the costs likely to be incurred to repair or replace items sold to customers. These provisions reflect the average warranty costs historically incurred by the Group as a percentage of sales still covered by warranty.

15. Trade payables

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Trade payables	91,817	84,027	7,790
Associated companies	-	2,779	(2,779)
Total	**91,817**	**86,806**	**5,011**

Trade payables mainly include payables for trade purchases and other costs. Management believes that the book value of trade payables and other payables reflects their fair value.
The payables to associated companies are of a commercial nature. The change is principally due to the project on I.S.M. Srl as showed in the paragraph "10. Investments in associated companies".
The increase includes exchange effects of Euro 2,110 thousand.
The increase includes Euro 463 thousand from the consolidation of Elica PB India.

16. Net equity

The account Group Net Equity amounting to Euro 131,312 thousand (Euro 124,157 thousand at December 31, 2009) increased by Euro 7,155 thousand in the half-year, principally due to the effect of the profit for the period of Euro 2,717 thousand, the increase in the translation reserve of Euro 4,069 thousand and the recording of the Stock Grants of Euro 846 thousand.
At June 30, 2010, the treasury shares in portfolio amounted to 6,332,280 ordinary shares, recording a reduction in the shareholders' equity of Euro 17,629 thousand. In the period, no movements were recorded and therefore these continue to account for 10% of the share capital.

17. Net Debt

The net debt at June 30, 2010 and December 31, 2009 is detailed below:

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**
Cash and cash equivalents	**22,411**	**19,235**
Finance leases and other lenders	(88)	(2,430)
Bank loans and mortgages	(18,056)	(14,780)
Long-term debt	**(18,144)**	**(17,210)**
Finance leases and other lenders	(3,243)	(1,903)
Bank loans and mortgages	(25,214)	(23,058)
Short-term debt	**(28,457)**	**(24,961)**
Net Debt	**(24,190)**	**(22,936)**

For further information on the net financial position movements, reference should be made to the Interim Directors' Report.

The medium/long-term credit lines and the committed credit lines at June 30 contain restrictions in the case of a worsening of the Group's creditworthiness (financial covenants). Other obligations also exist in relation to the determination of the price and of the minimum/maximum levels of some economic/balance sheet performance indicators on committed credit lines.
At June 30, 2010, the income statement/balance sheet performance indicators had all been respected.

The details of the financial payables are shown below:

In Euro thousands	**currency**	**June 30, 2010**	**Dec 31, 2009**	**Changes**
Short-term bank loans	Euro	25,214	23,058	2,156
Medium/long term bank loans	Euro	18,056	14,780	3,276
Finance leases	Euro	3,331	4,333	(1,002)
Total		**46,601**	**42,171**	**4,430**

18. Segment information

The Group operates in the following sectors:

- "Range Hoods": production and sale of range hoods and accessories;
- "Motors": production and sale of electric motors.

Segment revenues are determined in accordance with the classification of the products sold in a business sector. Segment results are determined by taking into account all the costs that can be allocated directly to sales in a specific segment. Costs not allocated to the segments include all costs not directly attributable to the area, including manufacturing, sales, general, administrative costs, as well as financial income and charges and taxes.
Inter-segment revenues include revenues between Group segments that are consolidated on a line-by-line basis in relation to sales made to other segments.
Assets, liabilities and investments are allocated directly on the basis of their classification in a specific sector.
The following tables contain segment information by business segment as defined above:

Income statement data by segment *(in thousands of Euro)*

INCOME STATEMENT	Hoods		Electric motors		Not allocated and eliminations		Consolidated	
	June 2010	June 2009	June 2010	June 2009	June 2010	June 2009	June 2010	June 2009
Segment revenue:								
customers	153,353	141,810	26,103	22,174			179,455	163,984
Inter-segment	386	146	9,783	9,566	(10,169)	(9,712)	0	0
Total revenues	**153,739**	**141,956**	**35,886**	**31,740**	**(10,169)**	**(9,712)**	**179,455**	**163,984**
Segment result:	**15,920**	**11,172(*)**	**3,203**	**1,707(*)**			**19,123**	**12,879(*)**
Overheads not allocated							**(14,083)**	**(12,575) (*)**
Operating profit							**5,040**	**304**
Share of profit/(loss) from associates					(607)	37	(607)	37
Financial income					1,319	640	1,319	640
Financial charges					(1,384)	(1,560)	(1,384)	(1,560)
Exchange gains					6	156	6	156
Profit/(loss) before taxes					**4,374**	**(423)**	**4,374**	**(423)**
Income taxes					(1,657)	1,005	(1,657)	1,005
Net profit from normal operations					**2,717**	**582**	**2,717**	**582**
Net profit from discontinued operations					0	0	0	0
Net profit for the period					**2,717**	**582**	**2,717**	**582**

Balance sheet data by segment *(in thousands of Euro)*

BALANCE SHEET	Hoods		Electric motors		Not allocated and eliminations		Consolidated	
	June 2010	Dec 2009	June 2010	Dec 2009	June 2010	Dec 2009	June 2010	Dec 2009
Assets:								
Segment assets	188,950	188,474	77,298	66,946	(4,825)	(4, 369)	261,423	251,051
Investments in ass. companies					1,701	2,309	1,701	2,309
Unallocated assets					47,987	43,625	47,987	43,625
Total operational assets							**311,111**	**296,985**
Total assets of discontinued operations							**0**	**0**
Total assets							**311,111**	**296,985**
Liabilities								
Segment liabilities	(84,425)	(78,241)	(22,114)	(22,490)	4,825	4,371	(101,715)	(96,360)
Liabilities not allocated					(78,084)	(76,468)	(78,084)	(76,468)
Shareholders' Equity					(131,312)	(124,157)	(131,312)	(124,157)
Total operational liabilities							**(311,111)**	**(296,985)**
Total liabilities of discontinued operations							**0**	**0**
Total liabilities							**(311,111)**	**(296,985)**

(*) Data reclassified on June 2009 for a better comparability with figures as of June 2010

19. Transactions and balances with related parties

The transactions between the company and its consolidated subsidiaries were eliminated in the half-year financial statements and are therefore not shown in these notes.
Operations with related parties were carried out in accordance with law and based on reciprocal business needs.
The income statement and balance sheet amounts deriving from the operations carried out in the first half of 2010 as per IAS 24 with related parties are summarised below.

Elica Group and FASTNET S.p.A.

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**
Costs	11	19
Payables	18	19

Elica Group and Fintrack S.p.A.

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**
Receivables	1,008	1,017

The receivable from Fintrack SpA relates to the instalment concerning the sale of the Roal Electronics SpA holding on June 25, 2007.

Elica Group and Roal Electronics S.p.A.

In Euro thousands	**June 30, 2010**	**Dec 31, 2009**
Revenues	28	72
Costs	1,663	3,107
Receivables	45	49
Payables	937	1,048

20. Contingent liabilities

The Parent Company and its subsidiaries are not involved in administrative, judicial or arbitration proceedings that are underway or have been settled by means of a ruling or arbitration award issued in the last 12 months and which might have or might have had an effect on the financial situation or profitability of the Group.

Group companies have valued the contingent liabilities that could arise from pending judicial proceedings and have made appropriate provisions in their financial statements on a prudent basis.

The provision included in the Group consolidated financial statements at June 30, 2010 for contingent risks and charges relating to legal disputes amount to Euro 2,717 thousand.

Management considers that the provision for risks in order to cover possible liabilities from pending or potential disputes is, on the whole, adequate.

21. Positions or transactions arising from exceptional and/or unusual transactions

In the first half of 2010, no operations classifiable in this category were recorded.

22. Subsequent events after the period end

For information on events after June 30, 2010, reference should be made to the Directors' Report.

Fabriano, August 6, 2010

The Chairman

Francesco Casoli

Declaration of the executive responsible for the preparation of the corporate accounting documents in accordance with article 154 bis, paragraph 2 of Legislative Decree 58/1998

The undersigned Andrea Sasso, as Chief Executive Officer, and Vincenzo Maragliano, Executive responsible for the preparation of the corporate accounting documents of Elica S.p.A., affirm, and also in consideration of article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:
- the accuracy of the information on company operations and
- the effective application

of the administrative and accounting procedures for the compilation of the condensed half-year financial statements for the first half-year of 2010.

In addition, we certify that the condensed half-year financial statements:
a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;
b) correspond to the underlying accounting documents and records;
c) provide a true and correct representation of the economic, balance sheet and financial situation of the issuer and of the companies included in the consolidation.

The Interim Directors' Report on operations includes the significant events in the first six months of the year and their impact on the condensed half-year financial statements, with a description of the principal risks and uncertainties for the remaining six months. The interim directors' report also includes a reliable analysis of the information on significant operations with related parties.

Fabriano, August 6, 2010

The Chief Executive Officer
Andrea Sasso

Executive responsible for the preparation
of corporate accounting documents
Vincenzo Maragliano