

PRESS RELEASE

ELICA S.p.A. TARGETS INDIAN MARKET

SIGNED A CONVERTIBLE BOND ISSUED BY ELICA PB INDIA PRIVATE LTD.

Fabriano, May 14, 2013 – Elica S.p.A., parent company of a Group that is the leading manufacturer of kitchen range hoods, has signed a convertible bond of Euro 5 million, issued by the Indian subsidiary Elica PB India Private Ltd, investing in the development of the business in the Indian market.

Elica PB India Private Ltd. - a joint venture held 51% by Elica S.p.A. - just a few years since its creation has established itself as the second largest player in the local range hood market with a share of 18% and targets overall leadership. The resources invested will support the growth and development of a more expansive commercial strategy in the high growth potential Indian market.

Manner, terms and timeframe of the operation

The convertible bond, issued by Elica PB India Private Ltd. and fully subscribed by Elica S.p.A., has a duration of 9 years and will mature interest annually at a fixed rate of 3.5%; on maturity of this 9 years period or - based on the economic-financial results of the Indian company - also before this maturity, the convertible bond will be fully converted into shares in Elica PB India Private Ltd., for a nominal value equal to the principal of the convertible bond.

Call/put options agreed between the parties

Subsequent to this conversion, the minority shareholders of Elica PB India Private Ltd. will have the option to purchase from Elica S.p.A., at their nominal value, a part of the shares deriving from the conversion of the convertible bond, in order to enable the above-stated shareholders to maintain unaltered their holding in the Indian company (currently 49%). In the case in which the minority shareholders do not exercise this right, Elica S.p.A. will have the right and obligation to purchase the shares of the above-stated minority shareholders of Elica PB India Private Ltd. for consideration equal to the fair market value of these shares, which will be established by independent experts.

Lock-up conditions

Within this operation, in addition, Elica S.p.A. and the minority shareholders of Elica PB India Private Ltd. extended until 2023 the lock-up conditions undertaken in 2010 concerning the transfer of shares in Elica PB India Private Ltd..

Terms of the operation

For the conclusion of the operation Elica S.p.A. has utilised pre-existing bank credit lines.



Key financial highlights of Elica PB India Ltd.

In accordance with Article 36 of the Regulation adopted with Consob decision No. 16191 of October 29, 2007, on April 5, 2013 Elica made available to the public, together with the Consolidated Financial Statements, a summary Balance Sheet and Income Statement of Elica PB India Ltd., which are available at the registered office of Elica and on the Company website www.elicagroup.com at the following link <http://www.elicagroup.com/info.php?page=1055&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 3,000 employees and an annual output of over 17 million units, the Elica Group has nine 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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