Elica S.p.A.

Half-Year Report

at June 30, 2012

Contents

Corporate boards

Members of the Board of Directors

Francesco Casoli
Executive Chairman,
born in Senigallia (AN) on 5/6/1961, appointed by resolution of 27/4/2012.

Andrea Sasso
Chief Executive Officer, born in Rome on 24/8/1965, appointed by resolution of 27/4/2012.

Gianna Pieralisi
Executive Director, born in Monsano (AN) 12/12/1934, appointed by resolution of 27/4/2012.

Gennaro Pieralisi
Director, born in Monsano (AN) on 14/02/1938, appointed by resolution of 27/04/2012.

Stefano Romiti
Independent Director and Lead Independent Director, born in Rome (RM) on 17/11/1957, appointed by resolution of 27/4/2012.

Giuseppe Perucchetti
Independent Director, born in Varese (VA) on 30/10/1958, appointed by resolution of 27/4/2012.

Elena Magri
Independent Director, born in Brescia (BS) on 19/7/1946, appointed by resolution of 27/4/2012.

Members of the Board of Statutory Auditors

Corrado Mariotti
Chairman, born in Numana (AN) on 29/2/1944, appointed by resolution of 27/4/2012.

Stefano Marasca
Statutory Auditor, born in Osimo (AN) on 9/8/1960, appointed by resolution of 27/4/2012.

Gilberto Casali
Statutory Auditor, born in Jesi (AN) on 14/1/1954, appointed by resolution of 27/4/2012.

Franco Borioni
Alternate Auditor, born in Jesi (AN) on 23/6/1945, appointed by resolution of 27/4/2012.

Daniele Capecci
Alternate Auditor, born in Jesi (AN) on 3/4/1972, appointed by resolution of 27/4/2012.

Internal control & risk management Cmte.

Stefano Romiti
Gennaro Pieralisi
Giuseppe Perucchetti

Nominations and Remuneration Committee

Stefano Romiti
Gennaro Pieralisi
Giuseppe Perucchetti

Independent Audit Firm
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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Laura Giovanetti
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Directors' Report on first half 2012

Financial and operating review

In Euro thousands	H1 12	% revenues	H1 11	% revenues	12 Vs 11 %
Revenues	191,550		192,505		(0.5%)
EBITDA	11,527	6.0%	13,732	7.1%	(16.1%)
EBIT	4,141	2.2%	5,530	2.9%	(25.1%)
Financial income/(charges)	(1,887)	(1.0%)	(1,577)	(0.8%)	19.7%
Income taxes	(1,131)	(0.6%)	(1,439)	(0.7%)	(21.4%)
Net profit from continuing operations	1,123	0.6%	2,514	1.3%	(55.3%)
Net profit from continuing operations and discontinuing operations	1,123	0.6%	2,514	1.3%	(55.3%)
Group net profit	**966**	**0.5%**	**2,381**	**1.2%**	**(59.4%)**
Basic earnings per share on continuing operations and discontinuing operations	1.61		4.04		(60.3%)
Diluted earnings per share on continuing operations and discontinuing operations	1.54		4.04		(61.8%)

The earnings per share for H1 2012 and H1 2011 were calculated by dividing the Group net result from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

In Euro thousands	Q2 12 (*)	% revenues	Q2 11 (*)	% revenues	12 Vs 11 %
Revenues	96,826		99,496		(2.7%)
EBITDA	6,476	6.7%	7,498	7.5%	(13.6%)
EBIT	2,803	2.9%	3,431	3.4%	(18.3%)
Financial income/(charges)	(1,983)	(2.0%)	(731)	(0.7%)	171.3%
Income taxes	(424)	(0.4%)	(1,222)	(1.2%)	(65.3%)
Net profit from continuing operations	396	0.4%	1,478	1.5%	(73.2%)
Net profit from continuing operations and discontinuing operations	396	0.4%	1,478	1.5%	(73.2%)
Group net profit	**276**	**0.3%**	**1,327**	**1.3%**	**(79.2%)**
Basic earnings per share on continuing operations and discontinuing operations	0.46		2.26		(79.7%)
Diluted earnings per share on continuing operations and discontinuing operations	0.45		2.26		(80.0%)

(*) Data not subject to limited audit.

The earnings per share for Q2 2012 and Q2 2011 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 any 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, 2012	Dec 31, 2011	June 30, 2011
Trade receivables	87,714	82,207	90,551
Inventories	50,801	50,598	51,983
Trade payables	(92,944)	(89,806)	(95,048)
Managerial Working Capital	**45,571**	**42,999**	**47,486**
as a % of annualised revenues	*11,9%*	*11,4%*	*12,3%*
Other net receivables/payables	(2,234)	(2,929)	(1,948)
Net Working Capital	**43,337**	**40,070**	**45,538**

In Euro thousands	June 30, 2012	Dec 31, 2011	June 30, 2011
Cash and cash equivalents	**22,489**	**20,026**	**27,588**
Finance leases and other lenders	(393)	(56)	(64)
Bank loans and mortgages	(39,727)	(45,105)	(34,178)
Long-term debt	**(40,120)**	**(45,161)**	**(34,242)**
Finance leases and other lenders	(36)	(25)	(24)
Bank loans and mortgages	(49,211)	(43,640)	(63,670)
Short-term debt	**(49,247)**	**(43,665)**	**(63,694)**
Total net financial debt	**(66,878)**	**(68,800)**	**(70,348)**

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.

H1 2012 operating review

The consolidated revenues of the Elica Group in the first half of 2012 were substantially in line with the first half of 2011 (-0.5%), significantly outperforming global demand levels which dropped 7.1%[1] in the first six months of 2012, increasing considerably the Group domestic use range hood market share.
Growth was driven by the Cooking segment which increased revenues by 2.1%, with sales increasing both for own brand products (+2.5%) and third party products (+1.9%). The Motor segment in the first half of 2012 reports a contraction in revenues of 13.7%, with the differing sectors serviced affected to varying degrees with the exception of products for kitchen hoods.
Revenues in the Americas and in Asia were particularly strong thanks to respective growth of 30.7% and 9.8 % on 2011, while difficulties in Europe relate principally to the slowdown in consumption stemming from the current macroeconomic conditions with a 5.6% decrease in revenues on the same period of the previous year.

EBITDA in the first half of 2012 of Euro 11.5 million contracted by 16.1% on the first half of 2011, significantly impacted by the sales mix, principally in the third party brand product segment which was only partially offset by an improvement in raw material cost levels and exchange gains.

[1] Global range hood market volumes.

	average 2012	average 2011	%	June 30, 2012	June 30, 2011	%
USD	1.30	1.40	-7.4%	1.26	1.45	-13.2%
JPY	103.31	114.97	-10.1%	100.13	116.25	-13.9%
PLN	4.25	3.95	7.5%	4.25	3.99	6.5%
MXN	17.19	16.69	3.0%	16.88	16.98	-0.6%
INR	67.60	63.14	7.1%	70.12	64.56	8.6%
CNY	8.19	9.18	-10.8%	8.00	9.34	-14.3%
RUB	39.71	40.14	-1.1%	41.37	40.40	2.4%
GBP	0.82	0.87	-5.5%	0.81	0.90	-10.4%

In the first half of 2012 the Euro, at average exchange rates, strengthened against the Mexican Peso, the Polish Zloty and the Indian Rupee, while weakening against the U.S. Dollar, the Japanese Yen, the Chinese Yuan, the Russian Rouble and U.K. Sterling.
The impact of financial charges in the first half of 2012 increased slightly (+1.0% on revenues), due to the higher level of average debt in the half year, although with a positive contribution from currency management.

Income taxes amount to Euro 1.1 million, corresponding to a tax rate of 50.2%, compared to 36.4% in H1 2011 which benefited from significant tax breaks.

The Group result reported a profit of Euro 966 thousand, contracting by 59% on the same period of the previous year, reflecting principally the issues concerning the margin.

Managerial Working Capital on Annualised Revenues of 11.9% improved by 50 basis points on the corresponding period of 2011 and slightly increased on December 31, 2011 due to seasonal issues.

The Net Debt at June 30, 2012 of Euro 66.9 million reduced significantly on Euro 70.3 million at June 30, 2011 due to the strong generation of cash, particularly from operations, due to ongoing and stringent monitoring of financial cash flows. The Net Debt decreased also compared to December 31, 2011 (Euro 68.8 million).

Significant events in H1 2012

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

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

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

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

On April 27, 2012, the Shareholders' Meeting of Elica S.p.A. approved the 2011 Annual Accounts of Elica S.p.A. and noted the results of the 2011 Consolidated Annual Accounts, in addition to appointing the members of the Board of Directors and the Board of Statutory Auditors who will remain in office until the Shareholders' Meeting called for the approval of the 2014 annual accounts.
The Shareholders' Meeting also approved the authorisation to purchase and utilise treasury shares, pursuant to Article 2357 and 2357 *ter* of the Civil Code, in order to provide the company with an important instrument of strategic and operative flexibility.

On the same date, the Board of Directors of Elica S.p.A., among other issues, confirmed the appointment of Mr. Cristiano Babbo as Internal Audit Manager and Internal Control Manager.

On May 14, 2012, the Board of Directors of Elica S.p.A. approved the Interim Report at March 31, 2012.
On the same day Elica S.p.A. signed an agreement for the sale to Fuji Industrial Co., Ltd. (Fuji Industrial) of 3.24% of the Chinese subsidiary Zhejiang Putian Electric Co. Ltd. (Putian). Under the equity transfer agreement Elica sold to Fuji a 3.24% holding in Putian for consideration of approx. Euro 2 million, equal pro-quota therefore to the consideration paid by Elica for the 70% holding in Putian which, following the sale, was therefore reduced to 66.76%.
The sale of the holding in Putian was subject to the necessary authorisations from the relative Chinese authorities, which were obtained on June 21, 2012.
The disposal operation concluded on June 25, 2012 following the payment of consideration to Elica S.p.A..

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

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

Subsidiary companies at June 30, 2012

o Elica Group Polska Sp.zo.o – Wroclaw – (Poland) (in short Elica Group Polska). This wholly-owned 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;

o Elicamex S.A. de C.V. – Queretaro (Mexico) (in short Elicamex). The company was incorporated at the beginning of 2006 (the Parent Company owns 98% directly and 2% through Elica Group Polska). 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;

o Leonardo Services S.A. de C.V. – Queretaro (Mexico) (in short Leonardo). This 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.;

o Ariafina CO., LTD – Sagamihara-Shi (Japan) (in short Ariafina). Incorporated in September 2002 as an equal Joint Venture with Fuji Industrial of Tokyo, the Japanese range hood market leader, Elica S.p.A. acquired control in May 2006 (51% holding) to provide further impetus to the development of the important Japanese market, where high-quality products are sold;

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

o Airforce Germany Hochleigstungs-Dunstabzugssysteme GmbH – Stuttgart (Germany) (in short Airforce 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";

o 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.;

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

o Elica PB India Private Ltd. - Pune (India) (in short Elica India); in 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 production and sale of Group products.

o Zhejiang Putian Electric Co. Ltd – Shengzhou (China) (in short Putian), a Chinese company held 66.76% and operating under the "Puti" brand, a leader in the Chinese home appliances sector, producing and marketing range hoods, gas hobs and kitchenware sterilisers. Putian is one of the main players in the Chinese range hood market and the principal company developing western style range hoods. The production site is located in Shengzhou, a major Chinese industrial district for the production of kitchen home appliances.

o Elica Trading LLC – St. Petersberg (Russian Federation) (in short Elica Trading), a Russian company held 70%, incorporated on June 28, 2011.

Associated companies

o I.S.M. S.r.l. – Cerreto d'Esi (AN). The company, of which Elica S.p.A. holds 49.385% of the Share Capital, operates within the real estate sector.

Changes in the consolidation scope

During the half-year Elica sold to Fuji Industrial Co., Ltd a 3.24% holding in Putian. Therefore the Group holding in this Company decreased from 70% at December 31, 2011 to 66.76% at June 30, 2012.

Elica Group Inter-company and other related-party transactions

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

Subsequent events and business outlook

The Group carries out an ongoing and extensive monitoring of demand dynamics, which in the first six months of 2012 significantly reduced overall on the first half of 2011, although with differing performances across the various geographic regions.
Although within such a challenging market environment, thanks to the actions undertaken by the Group, the Management of Elica confirms the 2012 Guidance indications, communicated to the market on May 14, 2012 which estimate growth in consolidated Revenues of between 1% and 3% on 2011, EBITDA growth of between 2% and 7% compared to 2011 and a Net Debt of December 31, 2012 of not greater than Euro 63 million.
The ongoing focus continues on innovation and efficiency pursued by the Elica Group to strengthen further its global leadership footprint.

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, 2012

H1 2012 Consolidated Financial Statements

H1 2012 Consolidated Income Statement

In Euro thousands	***Notes***	**Q2 12 (*)**	**Q2 11 (*)**	**H1 2012**	**H1 2011**
Revenues	**1.**	96,826	99,496	191,550	192,505
Other operating revenues	**2.**	1,373	1,794	1,844	3,284
Changes in inventories of finished and semi-finished goods		640	1,405	3,171	9,419
Increase in internal work capitalised		914	461	1,592	1,250
Raw materials and consumables	**3.**	(54,797)	(54,891)	(109,329)	(111,709)
Services	**4.**	(17,637)	(18,115)	(35,460)	(36,790)
Labour costs	**5.**	(18,539)	(19,803)	(38,074)	(40,057)
Amortisation & Depreciation		(3,673)	(4,067)	(7,386)	(8,202)
Other operating expenses and provisions		(2,304)	(2,849)	(3,767)	(4,170)
Restructuring charges		-	-	-	-
Write-down of Goodwill for loss of value		-	-	-	-
EBIT		**2,803**	**3,431**	**4,141**	**5,530**
Share of associates		(20)	(21)	(19)	(36)
Financial income	**6.**	35	21	51	172
Financial charges	**6.**	(1,133)	(1,021)	(2,219)	(1,722)
Exchange gains/(losses)	**6.**	(865)	290	300	9
Profit before taxes		**820**	**2,700**	**2,254**	**3,953**
Income taxes		(424)	(1,222)	(1,131)	(1,439)
Net profit from continuing operations		**396**	**1,478**	**1,123**	**2,514**
Net profit from discontinued operations		-	-	-	-
Net profit for the period		**396**	**1,478**	**1,123**	**2,514**
of which:					
Minority interests share		120	151	157	133
Group net profit		276	1,327	966	2,381
Basic earnings per share		0.46	2.26	1.61	4.08
Diluted earnings per share		0.45	2.26	1.54	4.08

(*) Data not subject to limited audit

H1 2012 Comprehensive Consolidated Income Statement

In Euro thousands	**Q2 12 (*)**	**Q2 11 (*)**	**H1 2012**	**H1 2011**
Net Profit	**396**	**1,478**	**1,123**	**2,514**
Other comprehensive income statement items:				
Exchange differences on the conversion of foreign financial statements	1,085	116	3,064	(2,125)
Net change in cash flow hedges	(91)	(85)	(145)	91
Income taxes on other comprehensive income statement items	20	18	32	(20)
Total other comprehensive income statement items, net of tax effects:	**1,014**	**49**	**2,951**	**(2,054)**
Total comprehensive profit	**1,410**	**1,527**	**4,074**	**460**
of which:				
Minority interests share	599	252	282	(186)
Group comprehensive profit	811	1,275	3,792	646

(*) Data not subject to limited audit

Consolidated Balance Sheet at June 30, 2012

In Euro thousands	*Notes*	June 30, 2012	Dec 31, 2011
Property, plant and equipment	7.	86,721	85,165
Goodwill	8.	41,922	41,765
Other intangible assets	9.	24,138	24,424
Investments in associated companies	10.	1,358	1,377
Other receivables	16.	288	276
Tax receivables		6	6
Deferred tax assets	11.	10,047	10,032
AFS financial assets	14.	159	672
Derivative financial instruments		29	29
Total non-current assets		**164,668**	**163,746**
Trade and financial receivables	12.	87,714	82,207
Inventories	13.	50,801	50,598
Other receivables	16.	7,305	6,036
Tax receivables		12,739	5,943
Derivative financial instruments		945	813
Cash and cash equivalents	18.	22,489	20,026
Current assets		**181,993**	**165,623**
Assets of discontinued operations	2.	**-**	**1,065**
Total Assets		**346,661**	**330,434**
Liabilities for post-employment benefits		8,725	8,907
Provisions for liabilities and charges	15.	2,276	2,505
Deferred tax liabilities	11.	6,739	6,772
Finance leases and other lenders	18.	393	56
Bank loans and mortgages	18.	39,727	45,105
Other payables	16.	1,243	1,859
Tax payables		849	888
Derivative financial instruments		67	60
Non-current liabilities		**60,019**	**66,152**
Provisions for liabilities and charges	15.	2,076	1,882
Finance leases and other lenders	18.	36	25
Bank loans and mortgages	18.	49,211	43,640
Trade payables	12.	92,944	89,806
Other payables	16.	13,271	10,211
Tax payables		6,931	2,814
Derivative financial instruments		1,188	1,004
Current liabilities		**165,657**	**149,382**
Share capital		12,665	12,665
Capital reserves		71,123	71,123
Hedging, translation and stock option reserve		(2,231)	(5,668)
Treasury shares		(8,815)	(8,815)
Retained earnings		40,285	34,684
Group profit		966	4,162
Group shareholders' equity	17.	**113,993**	**108,151**
Capital and reserves of minority interests		6,835	6,794
Minority interest profit/(loss)		157	(46)
Minority interest equity	17.	**6,992**	**6,748**
Consolidated shareholders’ equity		**120,985**	**114,899**
Total liabilities and equity		**346,661**	**330,434**

Consolidated Cash Flow Statement at June 30, 2012

In Euro thousands		**June 30, 2012**	**June 30, 2011**
Opening cash and cash equivalents		**20,026**	**25,102**
EBIT- Operating profit		4,141	5,530
Amortisation, depreciation and write-downs		7,386	8,202
EBITDA		11,527	13,732
Trade working capital		(1,805)	(4,479)
Other working capital accounts		339	(1,894)
Income taxes paid		(2,061)	(1,881)
Change in provisions		(447)	(3,507)
Other changes		(372)	1,204
Cash flow from operating activity		**7,181**	**3,175**
Net increases		(5,117)	(10,282)
Intangible assets		(1,849)	(2,386)
Property, plant & equipment		(3,900)	(8,012)
Equity investments and other financial assets		632	116
Acquisition/sale of investments	**20.**	1,998	(29,785)
Cash flow from investments		**(3,119)**	**(40,067)**
(Acquisition)/Sale of treasury shares		0	3,115
Other movements in share capital		0	0
Dividends		0	(1,478)
Increase (decrease) financial payables		579	38,155
Net changes in other financial assets/liabilities		(561)	1,419
Interest paid		(2,008)	(1,289)
Cash flow from financing activity		**(1,990)**	**39,922**
Change in cash and cash equivalents		**2,072**	**3,031**
Effect of exchange rate change on liquidity		**391**	**(545)**
Closing cash and cash equivalents		**22,489**	**27,588**

Statement of changes in Consolidated Shareholders' Equity

In Euro thousands	**Share capital**	**Share premium reserve**	**Treasury shares**	**Retained earnings**	**Hedge, trans. & stock option reserve**	**Result for the period**	**Total Group NE**	**Minorities NE**	**Total**
Balance at December 31, 2010	**12,665**	**71,123**	**(17,629)**	**64,210**	**(3,411)**	**4,262**	**131,220**	**8,310**	**139,530**
Change in cash flow hedges net of the tax effect	0	0	0	0	71	0	**71**	0	**71**
Recognition of stock grant	0	0	0	0	1,480	0	**1,480**	0	**1,480**
Differences from translation foreign subsidiaries' financial statements	0	0	0	0	(1,806)	0	**(1,806)**	(324)	**(2,130)**
Total gains/(losses) recognised directly to equity	0	0	0	0	(255)	0	**(255)**	**(324)**	**(579)**
Net profit for the period	0	0	0	0	0	2,381	**2,381**	133	**2,514**
Total gains recognised in the income statement	0	0	0	0	0	2,381	**2,381**	133	**2,514**
Allocation of net profit	0	0	0	4,262	(11)	(4,262)	**(11)**	0	**(11)**
Sale of treasury shares	0	0	5,289	(2,174)	0	0	**3,115**	0	**3,115**
Other movements	0	0	0	(27,713)	0	0	**(27,713)**	(2,283)	**(29,996)**
Dividends	0	0	0	(1,478)	0	0	**(1,478)**	0	**(1,478)**
Balance at June 30, 2011	**12,665**	**71,123**	**(12,340)**	**37,107**	**(3,678)**	**2,381**	**107,258**	**5,836**	**113,094**
Balance at December 31, 2011	**12,665**	**71,123**	**(8,815)**	**34,684**	**(5,668)**	**4,162**	**108,151**	**6,748**	**114,899**
Change in cash flow hedges net of the tax effect	0	0	0	0	(114)	0	**(114)**	0	**(114)**
Recognition of stock grant	0	0	0	0	347	0	**347**	0	**347**
Differences from translation foreign subsidiaries' financial statements	0	0	0	0	2,939	0	**2,939**	125	**3,064**
Total gains/(losses) recognised directly to equity	0	0	0	0	3,172	0	**3,172**	**125**	**3,298**
Net profit for the period	0	0	0	0	0	966	**966**	157	**1,123**
Total gains recognised in the income statement	0	0	0	0	0	966	**966**	157	**1,123**
Allocation of net profit	0	0	0	3,897	265	(4,162)	**0**	0	**0**
Sale 3.24% of Putian	0	0	0	1,539	0	0	**1,539**	458	**1,998**
Other movements	0	0	0	165	0	0	**165**	(498)	**(333)**
Dividends	0	0	0	0	0	0	**0**		**0**
Balance at June 30, 2012	**12,665**	**71,123**	**(8,815)**	**40,285**	**(2,231)**	**966**	**113,993**	**6,992**	**120,985**

Notes to the 2012 Condensed Consolidated Half-Year Financial Statements

Group structure and brief description of its activities

The operational segments are as follows:

- "Europe": production and sale of range hoods, accessories and electric motors developed by companies with bases in Europe;
- "America": production and sale of range hoods and accessories developed by Group companies with bases in America;
- "Asia and the rest of the world": production and sale of range hoods, accessories and other products developed by Group companies with bases in Asia.

The activities are based in the same geographic areas and therefore in Europe, specifically in Italy, Poland, Germany and Russia, in America, i.e. in Mexico and in the United States, and in Asia, respectively in China, India and Japan.

The Euro is the functional and presentation currency of Elica and all of the consolidated companies, except for the foreign subsidiaries Elica Polska Sp.zo.o, Elicamex S.A. de C.V., Leonardo Services S.A.d.C.V., Ariafina CO., LTD, Elica Inc., Elica PB India Private Ltd, Zhejiang Putian Electric Co. Ltd and Elica Trading LLC which prepare their financial statements in the Polish Zloty, the Mexican Peso (Elicamex S.A.de C.V. and Leonardo Services S.A. de C.V.), Japanese Yen, US Dollar, Indian Rupee, Chinese Renminbi and Russian Rouble 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 2012	average 2011	%	June 30, 2012	June 30, 2011	%
USD	1.30	1.40	-7.4%	1.26	1.45	-13.2%
JPY	103.31	114.97	-10.1%	100.13	117.11	-14.5%
PLN	4.25	3.95	7.5%	4.25	3.96	7.3%
MXN	17.19	16.69	3.0%	16.88	16.68	1.2%
INR	67.60	63.14	7.1%	70.12	64.61	8.5%
CNY	8.19	9.18	-10.8%	8.00	9.34	-14.3%
RUB	39.71	N/A	N/A	41.37	N/A	N/A

Approval of the Half-Year Report at June 30, 2012

The report for the period ended June 30, 2012 was approved by the Board of Directors on August 28, 2012.

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, 2011.

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, 2011.

The condensed half-year financial statements at June 30, 2012 are compared with the condensed half-year financial statements for the corresponding period of the previous year for the income statement accounts and with the consolidated balance sheet accounts and financial position at December 31, 2011. The financial statements consist of the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement and the Statement of 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 principles

The financial statements utilised are the same as those used for the preparation of the consolidated financial statements at December 31, 2011.

On October 7, 2010, the IASB published an amendment to IAS 7 – Financial instruments: Additional disclosure, to be applied for the Group from January 1, 2012. The amendments were issued in order to improve understanding of transfers (derecognition) of financial assets, including understanding the possible effects of any risks pertaining to the company which has transferred these assets. The amendments also require additional information in the case in which a disproportionate amount of these transactions are carried out near the end of an accounting period. The adoption of these amendments did not have significant effects on the disclosure provided in the present Report.

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 previous year 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 2012	H1 2011	Changes
Revenues from product sales	191,494	192,458	(964)
Service revenues	56	47	9
Total revenues	**191,550**	**192,505**	**(955)**

For the comments relating to the changes in revenues, reference should be made to the paragraph "Operating review H1 2012". Clients who comprise more than 10% of total revenues constituted 10.7% of revenues in the first six months of 2012 compared to 33.87% in the first half of 2011.

Sales information by sector is reported in note 19.

2. Other operating revenues

(in Euro thousands)	H1 2012	H1 2011	Changes
Rental income	83	43	40
Operating grants	434	687	(253)
Ordinary gains on disposal	863	176	687
Claims and insurance payouts	102	296	(194)
Expenses recovered	(7)	121	(128)
Other revenues and income	369	1,961	(1,593)
Total	**1,844**	**3,284**	**(1,440)**

The account reduced by Euro 1.4 million. We highlight on the other hand the increase in the account Ordinary gains on disposal, due principally to the completion of the disposal by the Company Elica Group Polska, entirely held by the Group, of a building to a third party. At December 31, 2011 this asset was classified in the account Assets held-for-sale as the Notary Deed had not yet been prepared, which was signed in 2012. The decrease in Operating grants relates principally to the 2015 Industry Projects of the Parent Company, which have reached the final phase.

3. Raw materials and consumables

In Euro thousands	H1 2012	H1 2011	Changes
Purchase of raw materials	(92,177)	(96,384)	4,207
Shipping expenses on purchases	(1,970)	(1,514)	(456)
Purchases of consumable materials	(910)	(856)	(54)
Packaging	(1,789)	(1,369)	(420)
Purchases of supplies	(477)	(320)	(158)
Purchases of semi-finished materials	(5,946)	(6,562)	616
Purchase of finished products	(3,158)	(5,029)	1,871
Other purchases	(301)	(395)	94
Change in inventory of raw materials, consumables and goods for re-sale	(2,601)	719	(3,320)
Total	**(109,329)**	**(111,709)**	**2,380**

Raw materials and consumables decreased by approx. Euro 2.4 million due to reduced pressure on raw material costs.

4. Services

This account decreased by approx. Euro 1.3 million. This decrease is a result of the cost reduction plan carried out by the Group.

In Euro thousands	**H1 2012**	**H1 2011**	**Changes**
Outsourcing expenses	(13,022)	(14,418)	1,396
Transport	(4,239)	(3,956)	(283)
Finished goods warehouse	(1,989)	(2,227)	238
Consulting	(1,980)	(2,383)	403
Other professional services	(4,105)	(3,786)	(319)
Maintenance	(1,174)	(1,209)	35
Utilities	(2,527)	(2,158)	(368)
Commissions	(1,467)	(1,337)	(129)
Travel expenses	(1,320)	(1,461)	141
Advertising	(1,103)	(1,482)	379
Insurance	(636)	(647)	11
Directors & Statutory Auditor fees	(708)	(711)	2
Trade fairs and promotional events	(832)	(620)	(212)
Industrial services	(156)	(175)	19
Banking commissions and charges	(204)	(219)	15
Total Services	**(35,460)**	**(36,790)**	**1,330**

5. Labour costs

Labour costs incurred by the Group were as follows:

In Euro thousands	**H1 2012**	**H1 2011**	**Changes**
Wages and salaries	(26,639)	(27,343)	704
Social security	(7,611)	(7,906)	295
Employment leaving indemnity	(1,253)	(1,551)	299
Other expenses	(2,572)	(3,257)	685
Total labour costs	**(38,074)**	**(40,057)**	**1,983**

The decrease in the account relates to the parent company and is due principally to the reduction in costs following the implementation of the new Group organisation.

6. Net financial charges

In Euro thousands	**H1 2012**	**H1 2011**	**Changes**
Financial income	51	172	(122)
Financial charges	(2,219)	(1,722)	(497)
Exchange gains	300	9	290
Total net financial charges	**(1,869)**	**(1,541)**	**(328)**

The increased Financial Charges is principally due to interest on bank loans matured on the debt of the company granted for the acquisition of the holding in Putian in the second quarter of 2011.

7. Property, plant and equipment

The breakdown of property, plant and equipment at June 30, 2012 and December 31, 2011 is detailed below.

In Euro thousands	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Land, land usage rights and buildings	50,046	50,141	(95)
Plant and machinery	20,737	19,973	764
Commercial and industrial equipment	10,730	10,271	459
Other assets	3,453	3,866	(413)
Assets in progress and advances	1,755	914	841
Total	**86,721**	**85,165**	**1,556**

Property, plant and equipment increased from Euro 85,165 thousand at December 31, 2011 to Euro 86,721 thousand at June 30, 2012, an increase of Euro 1,556 thousand as a result of the sales, purchases and of depreciation recorded in the income statement of Euro 5,119 thousand. The change includes exchange losses of approx. Euro 1.7 million.

8. Goodwill

In Euro thousands	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Goodwill recorded by subsidiaries	41,922	41,765	157
Total goodwill	**41,922**	**41,765**	**157**

The only change in the account compared to December 2011 relates to exchange differences.

Based on the information currently available, no indications of impairment are evident at June 30, 2012. In particular, Group Management confirms the 2012 Guidance indications communicated to the market on May 14, 2012 on the approval of the 2012 First Quarter Report which forecast an increase in consolidated revenues of between 1% and 3% and an improvement in consolidated EBITDA of between 2% and 7% on 2011, and a Net Debt at the end of 2012 which will remain no greater than Euro 63 million. The Net Debt at December 31, 2011 amounted to Euro 68.8 million.

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, 2012 a more extensive analysis in relation to an impairment test.

9. Other intangible assets

The breakdown of the "Other intangible assets" at June 30, 2012 and December 31, 2011 is shown below.

In Euro thousands	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Development Costs	2,509	2,855	(346)
Industrial patents and intellectual property rights	8,101	9,120	(1,019)
Concessions, licenses, trade marks & similar rights	1,803	1,856	(53)
Assets in progress and advances	5,970	4,428	1,542
Other intangible assets	5,755	6,166	(411)
Total other intangible fixed assets	**24,138**	**24,424**	**(286)**

The other intangible assets decreased from Euro 24,424 thousand at December 31, 2011 to Euro 24,138 thousand at June 30, 2012, a decrease of Euro 287 thousand as a result of the purchases, sales and amortisation recorded to the income statement of Euro 2,267 thousand.
Assets in progress and advances refer in part to advances and the development of projects for the implementation of new IT platforms and the design, development and creation of new software applications, and also the development of new products.

The account Other intangible assets relates principally to the recording both of technologies developed and the client portfolio of the German subsidiary Exklusiv Hauben Gutmann GmbH.

10. Investments in associated companies

The decrease in the account from Euro 1,377 thousand at December 31, 2011 to Euro 1,358 thousand at June 30, 2012 is due to the results of the company I.S.M. s.r.l..

11. Deferred tax assets – Deferred tax liabilities

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Deferred tax assets	10,047	10,032	15
Deferred tax liabilities	(6,739)	(6,772)	33
Total	**3,308**	**3,260**	**48**

The account Deferred tax liabilities - Deferred tax assets did not change significantly compared to December 2011.
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, realised by December 31, 2011, which require the maintenance of a workforce of 160 persons until December 31, 2016. In 2012 a net decrease of 872 thousand Zloty took place.
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 receivables and trade payables

The accounts Trade Receivables and Trade Payables were as follows:

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Trade and financial receivables	87,714	82,207	5,507
Trade payables	(92,944)	(89,806)	(3,138)
Total	**(5,230)**	**(7,599)**	**2,369**

The increase in the two accounts relates principally to seasonal factors. The comparison with June 2011 highlights a positive effect on cash, given that the Trade and Financial Receivables amounted to Euro 90,551 thousand while Trade Payables amounted to Euro 95,048 thousand.
Trade Receivables are recorded net of the bad debt provision of Euro 3,666 thousand (Euro 3,474 thousand at December 31, 2011) 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.

13. Inventories

In Euro thousands	June 30, 2012	Dec 31, 2011	Changes
Raw material, ancillary and consumables	22,997	22,975	22
Raw materials obsolescence provision	(1,358)	(1,157)	(201)
Total	21,639	21,818	(179)
Products in work-in-progress and semi-finished	11,273	11,499	(226)
Semi-finished product obsolescence provision	(748)	(684)	(64)
Total	10,525	10,815	(290)
Finished products and goods for resale	19,822	19,018	804
Finished products obsolescence provision	(1,211)	(1,125)	(86)
Total	18,610	17,893	717
Payments on account	31	72	(41)
Total inventories	**50,805**	**50,598**	**207**

The account remains almost in line, increasing from Euro 50,598 thousand at December 31, 2011 to Euro 50,805 thousand at June 30, 2012, confirming the strong performance of the working capital.
Inventories are stated net of the obsolescence provisions of Euro 3,317 thousand (Euro 2,966 thousand at December 31, 2011), 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.

14. AFS financial assets

(in Euro thousands)	June 30, 2012	Dec 31, 2011	Changes
Inox Market Mexico	0	512	(512)
Meccano S.p.A.	15	15	0
UnifabrianoSoc. S.r.l.	2	2	0
Consorzio Energia	4	4	0
Ceced	4	4	0
Other minor investments	133	133	0
Total	**159**	**671**	**(512)**

The decrease in the account relates principally to the investment in the Inox Market Mexico. The ownership of the Group share in this Company was in fact transferred to third parties during the first half of 2012 with a recovery of the book value.

15. Provisions for risks and charges

The details are shown below.

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Supplementary agent termination benefits	475	529	(54)
Directors' termination benefits	0	109	(109)
Product warranty provisions	1,092	1,218	(126)
Provisions for risks	1,800	1,865	(65)
Restructuring provisions	129	200	(71)
Personnel Fund	792	425	367
Other Provisions	63	41	22
Total	**4,352**	**4,387**	**(35)**
of which			
Non-current	2,276	2,505	(229)
Current	2,076	1,882	194
Total	**4,352**	**4,387**	**(35)**

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.

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.

The Restructuring provision shows a balance of Euro 129 thousand, following the use of part of the provision made in the 2011 annual accounts.

The Personnel Fund includes the higher cost estimated by the company for contractual indemnity and for employee bonuses. This provision decreased following the payment of the higher costs related to the previous year and increased following the provision made for this cost for the current period.

The Directors' termination benefits were utilised in the half-year on the expiry of the mandate of the Executive Chairman of the Parent Company. This office was renewed on the same date.

16. Other Receivables and Other Payables

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Other receivables (non-current)	288	276	12
Other receivables (current)	7,305	6,036	1,269
Total	**7,593**	**6,312**	**1,281**

The increase in Other receivables relates to the current portion and is principally due to the increase in prepayments and accrued income due to the seasonality of contracts, in addition to the share of the receivable not yet matured concerning the transfer of ownership in the holding in the Inox Market Mexico (see note 14) by the Mexican subsidiary.

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Other payables (non-current)	1,243	1,859	(616)
Other payables (current)	13,271	10,211	3,060
Total	**14,514**	**12,070**	**2,444**

The increase in Other Payables is due principally to the current portion which increased principally due to personnel payables. At year-end, the payable for vacation days matured was much lower than at June, due to the seasonality of the item.

The Management considers that the book value of Other Receivables and Other Payables approximates their fair value.

17. Shareholders' equity

The account "Group Net Equity" at June 30, 2012 amounted to Euro 113,993 thousand (Euro 108,151 thousand at December 31, 2011). Movements in the account in the period principally related to:

- an increase of Euro 966 thousand concerning the profit for the period;
- an increase of Euro 1,539 thousand, due to the recognition of the sale of 3.24% of Putian. For further details on the operation, reference should be made to note 21;
- an increase of Euro 347 thousand concerning the recognition of the Stock Grants;
- an increase of Euro 2,939 thousand concerning the translation reserve.

The account "Minority Interest Net Equity" at June 30, 2012 amounted to Euro 6,992 thousand (Euro 6,748 thousand at December 31, 2011). The movements in the account in the period principally related to: an increase of Euro 157 thousand following the recording of profit for the period, an increase of Euro 125 thousand relating to changes in the translation reserve, a decrease of Euro 488 thousand concerning the distribution of dividends and finally an increase of Euro 458 thousand for the sale by the Group of a 3.24% share in the Chinese subsidiary.

18. Net debt

The Net Debt at June 30, 2012 and December 31, 2011 is detailed below:

In Euro thousands	**June 30, 2012**	**Dec 31, 2011**
Cash and cash equivalents	**22,489**	**20,026**
Finance leases and other lenders	(393)	(56)
Bank loans and mortgages	(39,727)	(45,105)
Long-term debt	**(40,120)**	**(45,161)**
Finance leases and other lenders	(36)	(25)
Bank loans and mortgages	(49,211)	(43,640)
Short-term debt	**(49,247)**	**(43,665)**
Total net financial debt	**(66,878)**	**(68,800)**

The Net Debt at June 30, 2012 amounted to Euro 66.9 million compared to Euro 68.8 million at December 31, 2011.

Covenants exist on the medium-long term credit lines existing at June 30 based on the Consolidated Annual and Half Year Financial Statements. At June 30, 2012 and until the preparation of the present report, the covenants had all been fulfilled.

Management believes that at the present moment, the funds available, in addition to those that will be generated from operating and financial activities, will permit the Group to satisfy its requirements deriving from investment activities, working capital management and repayment of debt in accordance with their maturities.
The following table shows the expected cash flows in relation to the contractual expiries of financial liabilities:

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**	**Changes**
Bank loans and mortgages	88,938	88,745	193
Total	**88,938**	**88,745**	**193**
Bank loans and mortgages have the following repayment schedules			
On demand or within one year	49,211	43,640	5,571
Within two years	12,057	11,571	486
Within three years	9,792	11,405	(1,613)
Within four years	7,456	8,070	(614)
Within five years	6,254	6,946	(692)
Beyond 5 years	4,168	7,113	(2,945)
Total	**88,938**	**88,745**	**193**
Less amounts to be repaid within one year	49,211	43,640	5,571
Due beyond one year	**39,727**	**45,105**	**(5,378)**

19. Segment information

The segment disclosure reflects the Corporate Reporting system, amended by the company in the previous year and at June 30, 2011 still in progress. This change did not result in substantial amendments to the set of internal reports reviewed periodically by management, but provides greater emphasis on the geographic breakdown of data rather than analysis by product. As per IFRS 8 the segment disclosure is reviewed and reported in line with that utilised by management for the undertaking of operational decisions. In order to ensure comparability, a restatement of the disclosure concerning the previous half-year was made, in which the revision was still not complete.
The present reporting is in line with group management strategy which increasingly has a global focus, with a direct presence now established in Europe, America and Asia. In this manner the Group can provide information which enables readers of the financial statements to evaluate the nature and effects on the financial statements of the strategies undertaken and of the general economic context.

The operational segments are as follows:

- "Europe": production and sale of range hoods, accessories and electric motors developed by the companies based in Europe, i.e. the Italian companies Elica S.p.A. and Airforce S.p.A., the German companies Exklusiv Hauben Gutmann GmbH and Airforce Germany GmbH, the Polish company Elica Group Polska Sp.zo.o and the Russian company Elica Trading LLC;

- "America": production and sale of range hoods and accessories, developed by the Group companies based in America, i.e. the Mexican companies Elicamex S.A. de C.V. and Leonardo S.A. de C.V. and the US company Elica Inc;

- "Asia and the rest of the world": production and sale of range hoods, accessories and other products, developed by the Group companies located in Asia, i.e. the Chinese company Zhejiang Putian Electric Co. Ltd, the Indian company Elica PB India Private Ltd. and the Japanese company Ariafina CO., LTD.

The activities are based in the same geographic areas and therefore in Europe, specifically in Italy, Poland, Germany and Russia, in America, i.e. in Mexico and in the United States, and in Asia, respectively in China, India and Japan.

Segment revenues are determined based on the geographic area to which the respective companies belong. 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 geographic area.
The following tables contain segment information by business segment as defined above:

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

INCOME STATEMENT	Europe		America		Asia		Unallocated and eliminations		Consolidated	
	H1 2012	H1 2011 (*)	H1 2012	H1 2011 *)	H1 2012	H1 2011 *)	H1 2012	H1 2011 (*)	H1 2012	H1 2011 (*)
Segment revenue:										
third parties	151,247	158,920	21,620	16,391	18,737	17,176	(55)	20	191,550	192,505
Inter-segment	5,591	4,390	5	2	6	955	(5,602)	(5,347)	-	
Total revenues	**156,838**	**163,310**	**21,625**	**16,394**	**18,743**	**18,131**	**(5,657)**	**(5,328)**	**191,550**	**192,505**
Segment result:	**13,433**	**16,082**	**2,242**	**1,329**	**(23)**	**839**			**15,652**	**18,250**
Unallocated overheads									**(11,512)**	**(12,720)**
Operating profit									**4,141**	**5,530**
Share of associates							(19)	(36)	(19)	(36)
Financial income							51	172	51	172
Financial charges							(2,219)	(1,722)	(2,219)	(1,722)
Exchange gains							300	9	300	9
Profit before taxes							**2,254**	**3,953**	**2,254**	**3,953**
Income taxes							(1,131)	(1,439)	(1,131)	(1,439)
Net profit from normal operations							**1,123**	**2,514**	**1,123**	**2,514**
Net profit from discontinued operations							-	-	-	-
Net profit							**1,123**	**2,514**	**1,123**	**2,514**

(*) The data relating to the previous year was re-stated for comparability with June 30, 2012.

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

BALANCE SHEET	Europe		America		Asia and the rest of the world		Unallocated and eliminations		Consolidated	
	June 12	Dec 11	June 12	Dec 11	June 12	Dec 11	June 12	Dec 11	June 12	Dec 11
Assets:										
Segment assets	247,705	234,948	33,260	30,253	33,768	33,540	(8,065)	(6,777)	306,668	291,964
Investments							1,358	1,377	1,358	1,377
Unallocated assets				-		-	38,635	36,029	38,635	36,029
Total operational assets	**247,705**	**234,949**	**33,260**	**30,253**	**33,768**	**33,540**	**31,928**	**30,628**	**346,661**	**329,370**
Total assets of discount. operations		**1,065**	**-**		**-**		**-**		**-**	**1,065**
Total Assets	**247,705**	**236,013**	**33,260**	**30,253**	**33,768**	**33,540**	**31,928**	**30,628**	**346,661**	**330,434**
Liabilities										
Segment liabilities	(120,528)	(109,795)	(11,556)	(10,898)	(11,876)	(12,779)	7,645	6,763	(136,315)	(126,709)
Unallocated Liabilities		-		-		-	(89,361)	(88,827)	(89,361)	(88,827)
Shareholders' Equity		-		-		-	(120,985)	(114,899)	(120,985)	(114,899)
Total operational liabilities	**(120,528)**	**(109,795)**	**(11,556)**	**(10,898)**	**(11,876)**	**(12,779)**	**(202,701)**	**(196,962)**	**(346,661)**	**(330,434)**
Total liabilities of discount operations			-		-					
Total Liabilities	**(120,528)**	**(109,795)**	**(11,556)**	**(10,898)**	**(11,876)**	**(12,779)**	**(202,701)**	**(196,962)**	**(346,661)**	**(330,434)**

20. Acquisitions and sales

Sale of 3.24% of Zhejiang Putian Electric

The Elica Group in H1 2012 sold 3.24% of the Chinese company Zhejiang Putian Electric, as described in the paragraph "Significant events in H1 2012" within the Directors' Report.
The effects of this operation are summarised in the table below:

Adjusted net equity of Subsidiary	**14,151**
Portion sold (3.24%)	**458**
Increase in Group & Consolidated Group net equity	1,539
Cash inflow from sale	**1,998**

This operation, based on IAS 27, was recognised within Net Equity given the change in the share of control but does not imply a loss in control.

21. Transactions and balances with related parties

The transactions between the company and its consolidated subsidiaries were eliminated in the half-year report 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 transactions carried out as per IAS 24 with related parties are summarised below.

Elica Group and FASTNET S.p.A.

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**
Cost and charges	13	34
Payables	30	11

Elica Group and Fintrack S.p.A.

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**
Receivables	18	765
Revenues and income	18	15

The decrease in the receivable from Fintrack S.p.A is due to the receipt of the installment in the period of the receivable concerning the sale of the investment in Roal Electronics S.p.A on June 25, 2007.

Elica Group and Roal Electronics S.p.A.

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**
Receivables	12	86
Payables	648	479
Revenues and Income	20	84
Cost and Charges	1,067	2,933

Elica Group vs I.S.M. S.r.l.

(in Euro thousands)	**June 30, 2012**	**Dec 31, 2011**
Receivables	100	103
Revenues and Income	1	3

In accordance with IAS 24, remuneration paid to Directors, Statutory Auditors and Senior Managers with strategic responsibility are included in transactions with related parties, and whose amounts are in line with previous periods.

22. 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, 2012 for contingent risks and charges relating to legal disputes amount to Euro 918 thousand.

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

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

In the first half of 2012, no operations classifiable in this category were recorded.

24. Subsequent events after the period end

For information on events after June 30, 2012, reference should be made to the Directors' Report.

Fabriano, August 28, 2012

The Chairman

Francesco Casoli

Declaration of the executive responsible for the preparation of the corporate accounting documents in accordance with article 154 bis, paragraph 5 of Legislative Decree 58/1998

The undersigned Andrea Sasso, as Chief Executive Officer, and Alberto Romagnoli, 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 in the first half-year of 2012.

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 an analysis of 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. This intermediate report also contains a reliable analysis of the significant operations with related parties.

Fabriano, August 28, 2012

The Chief Executive Officer
Andrea Sasso

Executive responsible for the preparation
of corporate accounting documents
Alberto Romagnoli