

PRESS RELEASE

**THE BOARD OF DIRECTORS OF ELICA S.P.A.
APPROVES 2014 CONSOLIDATED RESULTS**

**REVENUES UP 0.8%
AT LIKE-FOR-LIKE EXCHANGE RATES
AND NET PROFIT UP 144.5%**

2014 Consolidated Results (January-December 2014)

- **Revenues: Euro 391.9 million, +0.8% at like-for-like exchange rates and stable including the exchange rate effect;**
- **EBITDA before restructuring charges: Euro 30.8 million (growth of 6.6%);**
- **EBITDA: Euro 27.9 million (up 22.2%);**
- **EBIT: Euro 11.3 million (up 63.8%);**
- **Net Profit: Euro 3.5 million (Euro 1.4 million in 2013), growth of 144.5%;**
- **Net Debt: Euro 51.4 million, reducing Euro 5.3 million on Euro 56.7 million at December 31, 2013, thanks to the strong cash generation from operating activities.**

Motion on dividend distribution

- **The Board of Directors have proposed the distribution of a dividend of Euro 0.0284 per share (before withholding taxes) from the Parent Company Net Profit, resulting in a payout ratio of 36.3% on the Parent Company Net Profit.**
- **Proposed dividend coupon No. 7 of May 25, record date of May 26 and payment date of May 27, 2015.**

2014 performance objectives achieved

Approval of the Corporate Governance and Ownership Structure Report, the Remuneration Report, the Illustrative Report to the Shareholders' Meeting for the appointment of the Board of Directors and fixing of relative remuneration, the Illustrative Report to the Shareholders' Meeting for the appointment of the Board of Statutory Auditors and fixing of relative remuneration and the Illustrative Report to the Shareholders' Meeting concerning the proposal of the Board of Statutory Auditors for the appointment of the Independent Audit Firm

Directors' Report concerning the purchase and utilisation of treasury shares proposal approved

Fabriano, March 19, 2015 – The Board of Directors of Elica S.p.A., the parent company of a Group that is the leading manufacturer of kitchen range hoods, has today approved the **2014 Consolidated Financial Statements** and the **2014 Separate Financial Statements of Elica S.p.A.**, prepared in accordance with IFRS.

2014 Consolidated Revenues

In 2014, Elica Group consolidated revenues totalled Euro 391.9 million - an increase of 0.8% at like-for-like exchange rates and substantially in line with 2013 including the exchange rate effect, comfortably outperforming the general global

market which contracted 1.6%¹. The contraction in the general market mainly stems from the Chinese, Japanese and Ukrainian markets, with the latter two undergoing difficult economic conditions.

The Cooking segment reported a 0.7% revenue increase at like-for-like exchange rates, driven by own brand product sales (+3.2% at like-for-like exchange rates), with the Elica brand performing very strongly (+11.7%). Recent Elica brand investment centred on a renewal of the brand image and a stronger web presence - to improve visibility, as a product distribution tool for certain categories (accessories, diffusers, fragrances) and to strengthen our presence in markets with room for market share growth (France, Poland and APAC).

The Motors Segment in 2014 reported a 1.3% revenue increase, due principally to improved white goods segment sales.

Analysing revenues from sales on the principal markets², the Americas³ and Asia contributed to revenue growth (+2.9% and 2.2% respectively). Growth in Asia was significantly restricted by unfavourable exchange rate movements (+5.6% at like-for-like exchange rates) and the recession in Japan. European revenues contracted 1.0% (-0.6% at like-for-like exchange rates), impacted by geo-political considerations owing to the tensions between the Ukraine and Russia and therefore the performance of the Ruble.

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

	Europe		America		Asia & Rest of the world		Unallocated & eliminations		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Segment revenue:										
Third parties	291,698	292,598	54,210	53,541	45,992	45,710	-	-	391,901	391,849
Inter-segment	13,378	14,738	11	4	1,660	362	(15,048)	(15,105)	-	0
Total revenues	305,076	307,336	54,221	53,545	47,652	46,072	(15,048)	(15,105)	391,901	391,849

2014 Earnings

EBITDA before restructuring charges of Euro 30.8 million (7.9% margin) improved 6.6% on Euro 28.9 million in 2013. EBITDA net of restructuring charges was Euro 27.9 million, increasing 22.2% compared to Euro 22.9 million in 2013.

The improved operating margin stems from the industrial efficiency and overhead cost containment programmes implemented since 2013 as a central pillars of the Elica strategy to ensure the full integration of the supply chain and the creation of a quick and flexible structure. These effects were in part offset by a negative exchange effect.

EBIT of Euro 11.3 million increased 63.8% on the previous year (Euro 6.9 million).

The Net Profit of Euro 3.5 million increased 144.5% on the previous year (Euro 1.4 million), partly due to lower restructuring charges.

¹Global range hood market volumes.

²Data concerns sales revenues by geographic area and therefore does not refer to the breakdown by operating segment according to the various Group company locations.

³Includes North, Central and South America

<i>In Euro thousands</i>	FY 14	%	FY 13	%	14 Vs 13 %
	revenues		revenues		
Revenues	391,901		391,849		0.0%
EBITDA before restructuring charges	30,770	7.9%	28,853	7.4%	6.6%
EBITDA	27,923	7.1%	22,857	5.8%	22.2%
EBIT	11,251	2.9%	6,869	1.8%	63.8%
Financial income/(charges)	(4,360)	-1.1%	(4,455)	(1.1%)	(1.9%)
Income taxes	(3,405)	-0.9%	(988)	(0.3%)	244.6%
Net profit from continuing operations	3,486	0.9%	1,426	0.4%	144.5%
Net profit from continuing operations and discontinued operations	3,486	0.9%	1,426	0.4%	144.5%
Group Net Profit	2,592	0.7%	1,357	0.3%	91.0%
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	4.1800		2.1870		90.9%
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	4.1800		2.1870		90.9%

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

Balance Sheet

The Net Debt at December 31, 2014 totalled Euro 51.4 million, reducing on Euro 56.7 million at December 31, 2013, principally thanks to improved cash generation from operating activities.

<i>In Euro thousands</i>	Dec 31, 14	Sep 30, 14	Dec 31, 13
Cash and cash equivalents	35,241	30,154	27,664
Finance leases and other lenders	(12)	(12)	(14)
Bank loans and mortgages	(29,277)	(29,097)	(37,757)
Long-term debt	(29,289)	(29,109)	(37,771)
Finance leases and other lenders	(12)	(2)	(14)
Bank loans and mortgages	(57,364)	(58,773)	(46,554)
Short-term debt	(57,376)	(58,775)	(46,568)
Net Debt	(51,424)	(57,730)	(56,675)

The Managerial Working Capital on annualised revenues of 8.4% is lower than 10.5% at December 31, 2013 and a continual improvement also on 9.9% at September 30, 2014, thanks to the positive development of all components due to Elica's constant focus on optimising the allocation of resources.

<i>In Euro thousands</i>	Dec 31, 14	Sep 30, 14	Dec 31, 13
Trade receivables	63,456	68,233	74,497
Inventories	57,609	60,931	52,327
Trade payables	(88,238)	(90,434)	(85,520)
Managerial Working Capital	32,827	38,730	41,304
as a % of annualised revenues	8.4%	9.9%	10.5%
Other net receivables/payables	(11,854)	(15,145)	(13,237)
Net Working Capital	20,973	23,585	28,067

2014 Financial Statements of Elica S.p.A.

In 2014, Elica SpA revenues grew by 0.9% on the previous year (+3.3% from related parties, +0.3% from third parties).

EBITDA in 2014 of Euro 7.6 million improved 153.5% on 2013, principally due to the reduced provisioning of restructuring charges related to the Workforce Restructuring Plan in Italy (Euro 2.8 million in 2014 and Euro 5.3 million in 2013). EBITDA before restructuring charges increased significantly on 2013 (+24.5%).

In 2014 the Reconversion Project of the production area of Serra San Quirico (Ancona) into a logistical hub concluded, with the gradual transfer of production lines to the nearby Mergo facility. The Workforce Restructuring Plan was implemented through the voluntary mobility option. The Project ensures the competitiveness of the Italian production structure and includes fresh production investment in Italy.

The Company also signed a one-year Solidarity Agreement with the Trade Unions, with an option for a further year, beginning 2015.

The Managerial Working Capital of 5.5% was stable on December 2013.

The Net Debt reduced from Euro 66.7 million at December 31, 2013 to Euro 61.8 million at December 31, 2014, principally due to the strong generation of cash from operating activities.

Significant events in 2014 and following year-end

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

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

On **March 21, 2014**, the Board of Directors of Elica S.p.A approved the 2013 Consolidated Financial Statements and the 2013 Separate Financial Statements of Elica S.p.A., prepared in accordance with IFRS, in addition to the 2013 Corporate Governance and Ownership Structure Report, the Remuneration Report and the Directors' Report to the Shareholders' AGM on the proposal to authorise the buy-back and utilisation of treasury shares.

On the same date, the Board of Directors proposed the distribution of a dividend of Euro 0.0269 per share (before withholding taxes), allocated from the available and distributable reserves and excluding the distribution of a dividend for treasury shares on May 26, 2014, date of dividend coupon No. 6 (and record date May 28, 2014), with dividend payment date of May 29, 2014.

In addition, the Board of Directors of Elica S.p.A., with conclusion of the three-year mandate conferred to the Supervisory Board, appointed the following new members: Massinissa Magini Paolo and Cruciani Marco, while confirming the appointment of Babbo Cristiano. The mandate is of three-year duration.

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

Elica participated at the STAR Conference 2014 in Milan, filing the relative Presentation on **March 24, 2014**, which may be viewed on the Company website.

On **April 4, 2014**, the Group announced the publication, as required by the applicable regulation, of the Annual Report including the Separate Financial Statements and the Consolidated Financial Statements at December 31, 2013, the Directors' Report and the Declaration as per Article 154-bis, paragraph 5 of Legislative Decree 58/1998, together with the Board of Statutory Auditors' Report and the Independent Auditors' Report, in addition to the 2013 Corporate Governance and Ownership Structure Report, the Remuneration Report, the financial statements of the subsidiaries as per Article 36 of the Market Regulation and the Illustrative Report of the Directors to the Shareholders' AGM, called for April 29, 2014, concerning the proposal for the purchase and utilisation of treasury shares.

The annual accounts and/or the financial statements as per Article 2429 of the Civil Code of the subsidiaries and associated companies of Elica S.p.A. are also available to the public at the registered office.

On **April 29, 2014**, the Shareholders' Meeting of Elica S.p.A., meeting in Ordinary session, approved the Financial Statements at December 31, 2013 of Elica S.p.A. and the distribution of a dividend of Euro 0.0269 per share (before withholding tax), excluding the distribution of a dividend for treasury shares held at May 26, 2014, date of the dividend coupon No. 6 and record date of May 28, 2014, with dividend payment date of May 29, 2014.

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

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.

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

The subsidiary Elica Inc. transferred its offices to Bellevue in Washington State. The company however remains incorporated in the State of Illinois.

During the period the subsidiary Elica Group Polska Elica acquired 100% of the Polish company I.S.M. Poland located in Wroclaw (Poland).

On **August 28, 2014**, the Board of Directors of Elica S.p.A. approved the 2014 Half-Year Report, prepared in accordance with IFRS accounting standards.

On **September 17, 2014**, Elica was involved in the Italian Stock Market Opportunities event, organised in Milan by Banca IMI, through presentations and meetings with the financial community and investors.

On **October 2, 2014**, Elica participated at STAR Conference 2014, organised in London by Borsa Italiana, through presentations and meetings with the financial community and investors.

The Board of Directors meeting of Elica S.p.A. on **November 13, 2014** in Fabriano approved the 2014 Third Quarter Report, prepared in accordance with IFRS accounting standards.

On the same date, the Board of Directors assigned the Internal Audit, until December 31, 2017, to Protiviti S.r.l., a management consultancy firm. Previously this duty was carried out directly by the executive responsible Mr. Cristiano Babbo, who leaves the role.

On **January 27, 2015**, in accordance with Article 2.6.2, paragraph 1, letter b) of the Regulations of the Markets organised and managed by Borsa Italiana S.p.A., Elica S.p.A. published the financial calendar for the year 2015.

The Board of Directors of Elica S.p.A. on **February 12, 2015** approved the 2014 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

At the same meeting, the Board of Directors also decided to appoint Equita SIM, a leading merchant bank involved in stock markets globally and a leading broker for institutional investors interested in Italian equities, as the new Specialist for Elica S.p.A.. Equita SIM's appointment was effective from March 2, 2015.

The Annual Report, comprising the 2014 Financial Statements of Elica S.p.A., the 2014 Consolidated Financial Statements, the declaration pursuant to Article 154-*bis* of the CFA and the Directors' Report, the Report of the Board of Statutory Auditors' and the Independent Auditors' Report, will be made available to the public, at the Company's registered office and on the authorised storage mechanism IInfo at www.linfo.it and the website <http://corporation.elica.com> (Investor Relations - Financial Statements & Reports), according to the legally required timelines and means.

Motions on dividend distribution

The Board of Directors have proposed the distribution of a dividend of **Euro 0.0284 per share** (before withholding taxes) from the Parent Company Net Profit, resulting in a payout ratio of 36.3% on the Parent Company Net Profit. **Proposed dividend coupon No. 7 of May 25, record date of May 26 and payment date of May 27, 2015.**

2014 performance objectives achieved

Elica has substantially achieved the Guidance performance objectives announced to the market on February 14, 2014, reporting consolidated revenue growth of 0.8% at like-for-like exchange rates (forecast at between 1 and 3%), EBITDA before restructuring charges of Euro 30.8 million, growth of 6.6% (forecast at between 4 and 7%) and a Net Debt of Euro 51.4 million (forecast not to exceed Euro 52 million).

Approval of the Corporate Governance and Ownership Structure Report, the Remuneration Report, the Illustrative Report to the Shareholders' Meeting for the appointment of the Board of Directors and fixing of relative remuneration, the Illustrative Report to the Shareholders' Meeting for the appointment of the Board of Statutory Auditors and fixing of relative remuneration and the Illustrative Report to the Shareholders' Meeting concerning the proposal of the Board of Statutory Auditors for the appointment of the Independent Audit Firm

The Board of Directors of Elica S.p.A. today approved the 2014 Corporate Governance and Ownership Structure Report and the Remuneration Report, which will be made available to the public at the registered offices of the Company and on the authorised storage mechanism IInfo at www.linfo.it and the website <http://corporation.elica.com>, according to the legally required timelines and means.

The Board of Directors of Elica S.p.A. today approved the Illustrative Report to the Shareholders' Meeting for the appointment of the Board of Directors and fixing of relative remuneration, the Illustrative Report to the Shareholders' Meeting for the appointment of the Board of Statutory Auditors and fixing of relative remuneration and the Illustrative Report to the Shareholders' Meeting concerning the proposal of the Board of Statutory Auditors for the appointment of the Independent Audit Firm, which are made available to the public at the registered offices of the Company and on the authorised storage mechanism IInfo at www.linfo.it and the website <http://corporation.elica.com>, (Investor Relations - Shareholders' Meeting section).

Directors' Report concerning the purchase and utilisation of treasury shares proposal approved

The Board of Directors today also approved the Directors' Report to the Shareholders' Meeting on the proposal concerning the authorisation of the purchase and utilisation of treasury shares.

The Shareholders' Meeting was requested to authorise the purchase and utilisation of treasury shares in order to provide the Company with an important operational and strategic instrument, establishing the possibility to: execute any future share-based incentive plans which may be authorised in favour of Directors and/or employees and/or business partners of the company and/or its subsidiaries, in accordance with applicable legal and regulatory provisions; and/or b) sign agreements with individual Directors, employees and/or business partners of the company or companies controlled by it, not falling under the scrip issue plans governed by Article 144-bis of the CFA; and/or c) act, where necessary and in compliance with applicable provisions (including those considered by market practices), directly or through authorised intermediaries, with the objective to contain irregular share price movements of the company or to enable fluid trading; and/or d) invest in treasury shares within the pursuit of company policies (for example utilising such as remuneration, including shares swaps, for the acquisition of investments or in acquisition operations of other companies), or where market conditions render such operations advantageous; and/or e) utilise treasury shares for operations such as sales, conferment, allocation, exchange or other disposal within agreements with strategic partners, or to serve any extraordinary financial operations (e.g. convertible loans); and/or f) utilise treasury shares as guarantees on loans.

The proposal drawn up by the Board of Directors concerns the purchase of ordinary shares by the Company within a maximum limit of 20% of the share capital, i.e. 12,664,560 ordinary shares.

The authorisation for the purchase of ordinary treasury shares is requested for a period of 18 months from the date on which the Shareholders' Meeting adopts the relative resolution.

The Board of Directors proposes that the purchase price per ordinary share is fixed as: (a) not below a minimum of 95% of the official price recorded of the share in the trading session before each operation (b) not above a maximum (i) Euro 5 and (ii) 105% of the official price of the share in the trading session before each operation. It is expected that the purchases will be carried out at price conditions in line with that established by Article 5 of Regulation (EC) No. 2273/2003 of December 22, 2003, and however in compliance with the applicable regulations and conditions and the limits fixed by Consob in relation to accepted industry guidelines, where applicable.

The Board of Directors in concluding the individual treasury share buy-back operations must comply with the operational conditions established by the market concerning the purchase of treasury shares of Consob in accordance with Article 180, paragraph 1, letter c) of the CFA with resolution No. 16839 of March 19, 2009, in addition to the applicable legal and regulatory provisions, including the Regulations as per Directive (EC) 2003/6 and the relative EU and national executing regulations, and in particular in compliance with Article 132 of the CFA, Article 144-bis first paragraph, letter b) of the Issuers' Regulations and Regulation (EC) 2273/2003, in order to ensure equal treatment among shareholders. The Company today holds 1,275,498 ordinary treasury shares, comprising 2.01% of the share capital. The approval of the proposal is subject to revocation of the authorisation granted on April 29, 2014, for that part not utilised. The Directors' Report concerning the proposal to purchase and utilise treasury shares will be made available to the public at the registered offices and on the authorised storage mechanism IInfo

at www.1info.it and the website <http://corporation.elica.com> (Investor Relations - Shareholders' Meeting section) according to the legally required timelines and means.

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

The Chief Executive Officer, Mr. Giuseppe Perucchetti and the Executive responsible for the preparation of corporate accounting documents, Mr. Alberto Romagnoli, declare, pursuant to Article 154-bis, second paragraph of Legs. Decree No. 58/98, that the present press release corresponds to the underlying accounting documents, records and accounting entries.

The Elica Group has been present in the cooker hood market since the 1970's, 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 3,500 employees and an annual output of over 19 million units, the Elica Group has eight plants, including in Italy, Poland, Mexico, Germany, India and China. With many years' experience in the sector, Elica has combined meticulous care in design, judicious choice of material and cutting edge technology guaranteeing maximum efficiency and reducing consumption making the Elica Group the prominent market figure it is today. The Group has revolutionised the traditional image of the kitchen cooker hood: it is no longer seen as simple accessory but as a design object which improves the quality of life.

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