

PRESS RELEASE

BOARD OF DIRECTORS OF ELICA S.P.A. APPROVE THE INTERIM REPORT AT MARCH 31, 2011

Consolidated results¹ – Q1 2011

- **Revenues: Euro 93.0 million (Euro 88.1 million in 2010), growth of 5.6%;**
- **EBITDA: Euro 6.2 million (Euro 6.4 million in 2010), a reduction of 3.2%;**
- **EBIT: Euro 2.1 million (Euro 2.3 million in 2010);**
- **Group net profit: Euro 1.1 million (Euro 1.5 million in 2010);**
- **Net Debt: Euro 40.5 million,** compared to Euro 34.9 million at December 31, 2010 and Euro 24.6 million at March 31, 2010.

2011 outlook

- **Slight growth in international market;**
- **Consolidated revenue growth of between 5 and 7% on 2010;**
- **EBITDA growth of between 5 and 10% on 2010;**
- **Managerial Working Capital as a percentage of revenues stable.**

Fabriano, May 12, 2011 – The Board of Directors of **Elica S.p.A.**, the parent company of a Group that is the leading manufacturer of kitchen range hoods, has approved the **Interim Report at March 31, 2011**, prepared in accordance with IFRS.

Consolidated revenues² – Q1 2011

In the first quarter of 2011 Elica Group consolidated revenues amounted to **Euro 93.0 million - an increase of 5.6%** on the same period of the previous year.

Revenues in Q1 2011 comprehensively outperformed a contracting global range hood (-4.0%³) and home appliance market. The principal growth driver across the two Business Units was an improvement in the price/mix.

The Range Hood Business Unit increased revenues by 2.7%. In particular, own brand revenues grew 10.5% on the same period of 2010, principally due to the revenues of the Chinese and Indian companies⁴.

The Motors Business Unit grew revenues by 21.3% on the same period of 2010 thanks to the expansion of the "heating" segment and strong performances across all segments.

In relation to the geographic areas, **Europe recorded modest revenue growth of 0.7% on 2010 - in line with the European market (+0.7%).** In the **Americas⁵ revenues growth of 2.5%** was recorded

¹ The 2011 figures include the consolidation of the Indian company Elica PB India Private Ltd. and the Chinese company Zhejiang Putian Electric Co. Ltd., respectively consolidated from July and October 2010.

² See Note 1.

³ Company estimates, volume data.

⁴ See Note 1.

- outperforming the market (+1.1%) - with revenues in the **other geographic areas overall growing 62.8%**, due to organic growth but principally from the consolidation of the Indian and Chinese companies.

Profitability – Q1 2011

EBITDA amounted to **Euro 6.2 million** compared to Euro 6.4 million in 2010 - **6.7% of revenues**. The margin reduced 3.2% on the same period of the previous year principally due to the increase in the cost of raw materials - in particular metals, copper and oil-based materials - which increased following a rise in oil prices. These increases were largely offset by the implementation of the production efficiency and fixed cost reduction programmes.

EBIT amounted to **Euro 2.1 million** compared to Euro 2.3 million in 2010 - **2.3% of revenues**.

The Group Net Profit totalled Euro 1.1 million – a 1.1% revenue margin, compared to Euro 1.5 million in the same period of 2010, which included non-recurring financial income of approx. Euro 0.9 million concerning the fee paid by Whirlpool following the purchase of Elica shares.

	Q1 11 like-for- like consol. scope	reven ue margi n	Q1 11	reven ue margi n	Q1 10	reven ue margi n	11 Vs 10 %
<i>In Euro thousands</i>							
Revenues	87,900		93,009		88,103		5.6%
EBITDA	6,396	7.3%	6,234	6.7%	6,442	7.3%	(3.2%)
EBIT	2,549	2.9%	2,099	2.3%	2,315	2.6%	(9.3%)
Financial income/(charges)	(742)	(0.8%)	(846)	(0.9%)	276	0.3%	(406.5%)
Income taxes	(852)	(1.0%)	(217)	(0.2%)	(985)	(1.1%)	(78.0%)
Net profit from continuing operations	955	1.1%	1,036	1.1%	1,606	1.8%	(35.5%)
Group net profit	1,164	1.3%	1,054	1.1%	1,458	1.7%	(27.7%)
Basic earnings per share on continuing operations and discontinuing operations	1.98		1.79		2.56		(30.0%)
Diluted earnings per share on continuing operations and discontinuing operations	1.98		1.79		2.56		(30.0%)

The earnings per share for Q1 2011 and Q1 2010 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 March 31, 2011 amounted to **Euro 40.5 million** compared to Euro 34.9 million at December 31, 2010 and **Euro 24.6 million at March 31, 2010**. The increase on the same period of 2010 is in particular due to the expansion policies of the Elica Group which have required the commitment of financial resources - including the acquisition of 55% of the company Zhejiang Putian

⁵ Includes North, Central and South America.

Electric Co. Ltd. for Euro 13.4 million and the earn-out relating to the acquisition of the Germany company Gutmann⁶.

	Mar 31, 11	Mar 31, 11 like-for-like consol. scope	Dec 31, 10	Dec 31, 11 like-for- like consol. scope	Mar 31, 10
<i>In Euro thousands</i>					
Cash and cash equivalents	24,386	35,450	25,102	35,089	17,999
Finance leases and other lenders	(72)	(72)	(76)	(76)	(91)
Bank loans and mortgages	(28,157)	(28,089)	(30,457)	(30,381)	(13,707)
Long-term debt	(28,229)	(28,161)	(30,533)	(30,457)	(13,798)
Finance leases and other lenders	(23)	(23)	(23)	(23)	(3,388)
Bank loans and mortgages	(36,668)	(34,704)	(29,426)	(26,488)	(25,404)
Short-term debt	(36,691)	(34,727)	(29,449)	(26,511)	(28,792)
Net Debt	(40,534)	(27,438)	(34,880)	(21,879)	(24,591)

Managerial Working Capital on annualised net revenues increased from 11.7% at December 31, 2010 to 12.0% at March 31, 2011 due to a temporary increase in the level of inventory held, while improving on 13.7% at March 31, 2010.

	Mar 31, 11	Mar 31, 11 like-for-like consol. scope	Dec 31, 10	Dec 31, 10 like-for- like consol. scope	Mar 31, 10
<i>In Euro thousands</i>					
Trade receivables	88,008	84,582	89,276	86,234	88,196
Inventories	51,450	47,159	42,671	39,335	40,118
Trade payables	(94,889)	(87,893)	(88,742)	(83,082)	(79,947)
Managerial Working Capital	44,569	43,848	43,205	42,487	48,367
as a % of annualised revenues	12.0%	12.5%	11.7%	11.9%	13.7%
Other net receivables/payables	590	1,266	(3,869)	(2,396)	(7,711)
Net Working Capital	45,159	45,114	49,752	40,091	33,271
as a % of annualised revenues	12.1%	12.8%	13.5%	11.3%	9.4%

2011 outlook

With the global range hood market expected to grow moderately in 2011 - although with varying performances across the geographic areas - the Elica Group targets revenue growth with consolidation

⁶ Purchase of investment in Exklusiv Hauben Gutmann GmbH

and strengthening of the sector global leadership position and absorption of the increased raw material costs forecast for the entire year.

In this economic environment, the Elica Group **estimates an increase in Consolidated revenues of between 5 and 7% and an increase in consolidated EBITDA of between 5% and 10%** on 2010. The **percentage of Managerial Working Capital of revenues is expected to remain stable** on 2010.

Significant events in the first quarter of 2011 and subsequent events after March 31, 2011

On January 31, 2011 the period for the share capital increase as per Article 2439, paragraph 2 of the civil code approved by the Board of Directors on June 27, 2007, based on the delegation of power by the Shareholders' Meeting of April 12, 2006, elapsed without any subscriptions. The subscribed and paid-in share capital therefore remains unchanged at Euro 12,664,560.00

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

On February 14, 2011, Elica S.p.A., following the authorisation of the Board of Directors' to utilise treasury shares at the same date, sold 1,899,684 shares, equal to 3% of the share capital, to First Capital S.p.A., at the price of Euro 1.64 Euro per share - higher than the average market price over the previous 3 months. The acquisition of a significant holding by an investor such as First Capital S.p.A., which seeks to establish a holding within the company, is considered a strategically important operation for the future development of the Elica Group.

On March 19, 2011, Elica S.p.A. signed an agreement to acquire a further 15% holding in the Chinese company Zhejiang Putian Electric Co. Ltd.

Elica S.p.A. signed, among other agreements, an equity transfer agreement with the Putian minority shareholders, Renyao Du and Dong Wenhua, which modifies and supplements the equity transfer agreement signed with the same parties in July 2010. In particular, in accordance with the new equity transfer agreement, the Company is committed to acquire a further 15% holding of Putian, for consideration of Renminbi 278,312,573 (corresponding to Euro 29,983,148 at the Euro/Renminbi exchange rate of March 18, 2011). This new equity transfer agreement, until April 2011, remained subject to the fulfilment of certain conditions including the granting by the Chinese authorities of the necessary authorisations, the establishment of guarantees in favour of Elica and substantial fulfilment of the conditions. Since April 2011 Elica holds 70% of the share capital of Putian, while the remaining 30% is held by Mr. Renyao Du. The Elica Group considers this consolidation of control to be a strategically important move given the excellent results achieved in 2010 and the expected future development of the market and the company itself.

On March 22, 2011, the Board of Directors of Elica S.p.A. approved the 2010 annual accounts, prepared in accordance with IFRS accounting standards. The appointments of Mr. Bruno Assumma as Chairman and of Messrs. Glauco Vico and Massimo Enrico Ferri were also confirmed as members of the Supervisory Board.

On April 28, 2011, the Extraordinary Shareholders' Meeting amended the By-Laws and the Shareholders' Meeting Regulation in line with the Directors' Report to the Shareholders' Meeting on the By-Law amendments, which is available on the company internet site. The Shareholders' Meeting also noted the 2010 consolidated results, approved the 2010 Financial Statements of Elica S.p.A., in addition to the distribution of a dividend of Euro 00.0251 per share (gross of withholding taxes), with dividend coupon No. 4 of May 23, 2011. The dividend payment date is May 26, 2011.

The Shareholders' Meeting also appointed Luca Paces to the Board of Directors, who will remain in office until the Shareholders' Meeting called for the approval of the 2011 annual accounts, in addition to establishing his remuneration. On the same date, the Board of Directors of Elica S.p.A. met and

confirmed the independence of the new director Luca Paces and appointed him as a member of the Remuneration Committee. The Board of Directors also established the 2011 performance objective concerning the 2010 Stock Grant plan and included two further Beneficiaries, updating therefore the Disclosure Document - available on the internet site of the Company. They also noted the resignation of the Internal Control Manager, also member of the Supervisory Board and Internal Audit Manager and therefore noted that the Supervisory Board currently comprises the Chairman Mr. Brune Assummo and Mr. Glauco Vico.

On April 29, 2011, Elica S.p.A. concluded the acquisition of a further 15% holding in the Chinese company Zhejiang Putian Electric Co. Ltd. following fulfilment of the outstanding conditions.

The Interim Report at March 31, 2011 was filed and made available to whomever making such request at the registered office of the Company, and at Borsa Italiana S.p.A. and on the internet site www.elicagroup.com, Investor Relations section.

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

The Chief Executive Officer of Elica S.p.A., Mr. Andrea Sasso and the Executive responsible for the preparation of corporate accounting documents, Mr. Vincenzo Maragliano, declare, pursuant to section 2 of article 154 bis of the Consolidated Finance Act, that the present press release corresponds to the underlying accounting documents, records and accounting entries.

The **Elica Group** has been present in the cooker hood market since the 1970s and is today world leader in terms of units sold. It is also a European leader in the design, manufacture and sale of motors for central heating boilers for domestic use. With approx. 2,800 employees and an annual output of approx. 17 million units of kitchen hoods and motors, the Elica Group has 9 plants - of these, four are in Italy, one is in Poland, one in Mexico, one in Germany, one in India and one in 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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Consolidated Income Statement – Q1 2011 (in Euro thousands)

<i>In Euro thousands</i>	<i>Note</i>	Q1 11	Q1 10
Revenues	1	93,009	88,103
Other operating revenues		1,490	521
Changes in inventories of finished and semi-finished goods		8,014	(431)
Increase in internal work capitalised		789	648
Raw materials and consumables	2	(56,818)	(44,452)
Services	3	(18,675)	(17,656)
Labour costs	4	(20,254)	(18,161)
Amortisation and depreciation		(4,135)	(4,127)
Other operating expenses and provisions		(1,321)	(2,130)
Restructuring charges		-	-
Write-down of Goodwill for loss of value		-	-
EBIT		2,099	2,315
Share of profit/(loss) from associates		(15)	(267)
Financial income	5	151	1,266
Financial charges	5	(701)	(893)
Exchange gains/(losses)	5	(281)	170
Profit before taxes		1,253	2,591
Income taxes		(217)	(985)
Net profit from continuing operations		1,036	1,606
Net profit from discontinued operations		-	-
Net profit for the period		1,036	1,606
of which:			
Minority interests share		(18)	148
Group net profit		1,054	1,458
<i>Basic earnings per share</i>			
From continuing and discontinued operations (Euro/cents)		1.82	2.56
From continuing operations (Euro/cents)		1.82	2.56
<i>Diluted earnings per share</i>			
From continuing and discontinued operations (Euro/cents)		1.82	2.56
From continuing operations (Euro/cents)		1.82	2.56

Data not subject to limited audited.

Comprehensive Consolidated Income Statement - Q1 2011

<i>In Euro thousands</i>	Q1 11	Q1 10
Net profit	1,036	1,606
Other comprehensive income statement items:		
Exchange differences on the conversion of foreign financial statements	(2,241)	4,406
Net change in cash flow hedges	176	548
Income taxes on other comprehensive income statement items	(38)	(119)
Total other comprehensive income statement items, net of tax effects:	(2,103)	4,835
Total comprehensive profit (loss)	(1,067)	6,441
of which:		
Minority interests share	(438)	208
Group comprehensive net profit	(629)	6,233

Data not subject to limited audit.

Consolidated Balance Sheet at March 31, 2011 (in thousands of Euro)

<i>In Euro thousands</i>	<i>Note</i>	Mar 31, 11	Dec 31, 10	Mar 31, 10
Property, plant and equipment	6	84,186	83,680	70,201
Goodwill	7	40,787	41,168	33,818
Other intangible assets	8	24,029	23,868	20,921
Investments in associated companies		1,702	1,717	2,042
Other financial assets		30	30	30
Other receivables		248	1,920	195
Tax receivables		6	6	6
Deferred tax assets		9,105	9,357	9,336
AFS financial assets		601	614	747
Derivative financial instruments		435	189	
Total non-current assets		161,129	162,549	137,296
Trade and financial receivables	9	88,008	89,276	88,196
Inventories	10	51,450	42,671	40,118
Other receivables		5,715	4,281	5,706
Tax receivables		9,749	7,589	7,306
Derivative financial instruments		627	649	828
Cash and cash equivalents		24,386	25,102	17,999
Current assets		179,935	169,568	160,153
Total assets		341,064	332,117	297,449
Liabilities for post-employment benefits		9,118	9,182	9,414
Provisions for risks and charges		5,511	8,254	6,153
Deferred tax liabilities		6,964	7,890	5,313
Finance leases and other lenders		72	76	91
Bank loans and mortgages		28,157	30,457	13,707
Other payables		1,482	1,510	1,373
Tax payables		1,213	978	1,056
Derivative financial instruments		56		
Non-current liabilities		52,573	58,347	37,107
Provisions for risks and charges		998	953	857
Finance leases and other lenders		23	23	3,388
Bank loans and mortgages		36,668	29,426	25,404
Trade payables		94,889	88,742	79,947
Other payables		10,512	9,022	16,111
Tax payables		3,364	5,764	3,755
Derivative financial instruments		257	310	467
Current liabilities		146,711	134,240	129,929
Share Capital		12,665	12,665	12,665
Capital reserves		71,123	71,123	71,123
Hedging, translation and stock option reserve		(4,765)	(3,411)	(3,735)
Treasury shares		(12,340)	(17,629)	(17,629)
Profit reserves		66,435	64,210	64,521
Group profit		1,054	4,262	1,458
Group shareholders' equity		134,172	131,220	128,403
Capital and reserves of minority interests		7,626	6,995	1,862
Minority interest profit		(18)	1,315	148
Minority interest equity		7,608	8,310	2,010
Consolidated shareholders' equity		141,780	139,530	130,413
Total liabilities and shareholders' equity		341,064	332,117	297,449

Data not subject to limited audit.

Consolidated cash flow statement at March 31, 2011 (in thousands of Euro)

	Mar 31, 11	Mar 31, 10
<i>In Euro thousands</i>		
Opening cash and cash equivalents	25,102	19,235
EBIT- Operating profit	2,099	2,315
Amortisation, depreciation and write-downs	4,135	4,127
Write-down of Goodwill for loss of value	0	0
EBITDA	6,234	6,442
Trade working capital	(1,591)	(8,133)
Other working capital accounts	(4,828)	263
Exchange rate effect	0	1,020
Income taxes paid	(506)	0
Change in provisions	(2,875)	(119)
Other changes	95	125
Cash flow from operating activity	(3,471)	(402)
Net increases	(5,989)	(2,526)
Intangible assets	(1,389)	(951)
Property, plant & equipment	(4,594)	(4,105)
Equity investments and other financial assets	(6)	0
Exchange rate effect	0	2,530
Cash flow from investments	(5,989)	(2,526)
Acquisition of treasury shares	3,115	0
Other movements in share capital	0	0
Dividends	0	0
Increase (decrease) financial payables	5,060	419
Net changes in other financial assets/liabilities	1,424	4
Interest paid	(422)	445
Cash flow from financing activity	9,177	868
Change in cash and cash equivalents	(283)	(2,060)
Effect of exchange rate change on liquidity	(433)	824
Closing cash and cash equivalents	24,386	17,999

Data not subject to limited audit.