

PRESS RELEASE

**BOARD OF DIRECTORS OF ELICA SPA
APPROVES HALF-YEAR REPORT AT JUNE 30, 2009**

Consolidated results¹ at June 30, 2009 (January - June 2009)

- **Revenues: Euro 164.0 million (Euro 206.5 million in 2008);**
- **EBITDA: Euro 8.6 million (Euro 13.2 million in 2008);**
- **EBIT: Euro 0.3 million (Euro 4.7 million in 2008);**
- **Group net profit: Euro 0.3 million (Euro 5.4 million in 2008);**
- **Net Debt: Euro 32.0 million**, compared to Euro 36.8 million at March 31, 2009 and Euro 18.1 million at June 30, 2008.

Resolutions approved implementing Stock Option Plan

Fabriano, August 27, 2009 – The Board of Directors of **Elica S.p.A.**, the parent company of a Group that is the leading manufacturer of kitchen range hoods, today approved the **Half-Year Report at June 30, 2009**, prepared in accordance with IFRS.

Consolidated revenues² - first half 2009

In the first half of 2009, Elica Group **consolidated revenues** amounted to **Euro 164.0 million**, a **decrease of 20.6%** on the same period of the previous year.

The fall in revenues in the first half of 2009 is principally due to the negative performance of the Motors Business Unit and confirms the general drop in consumption in the “cooking” segment of the home appliances market which particularly affected the geographic markets in which the Elica Group derives the majority of its revenue. In relation to the Range Hoods Business Unit, the contraction in revenues was 17.0%, also due to the continuation of the rationalisation of the client portfolio with unsatisfactory credit ratings. **Own brand revenues increased by 4.4%** - mainly owing to the performance of Gutmann. Revenues in the **high-end segment, with a decrease of 9.9%** on the same period of 2008, confirm their robustness once again in this half-year **in a market which has contracted by 24%³ globally**. The Motors Business Unit recorded a drop in revenues of 37.7% on the same period of the previous year, with the “heating” segment in particular being affected by the negative trend in the “new housing” sector.

¹ The 2009 amounts include the consolidation of the German company Exklusiv-Hauben Gutmann GmbH.

² See Note 1.

³ Company estimates, volume data.

In relation to the geographic areas, **Europe**⁴ recorded a **decrease in revenues of 19.9%** on the same period of 2008 with the **Americas** recording a **drop of 40.0%**, while the **other geographic areas** recorded substantially stable revenues (-0.6%) thanks also to the particularly good performance of the Range Hoods Business Unit in Japan.

Profit margins - first half 2009⁵

EBITDA amounted to **Euro 8.6 million** compared to Euro 13.2 million in the same period of 2008 - **5.3% of revenues**.

The contraction in volumes, due to the continuation into the second quarter of the negative market trend, strongly affected the margin, although offset by the positive effects of the higher efficiencies reached through the industrial and supply chain reorganisation process and the corporate fixed costs reduction programme pursued throughout the first half of 2009.

EBIT amounted to **Euro 0.3 million** compared to Euro 4.7 million in the same period of 2008 - **0.2% of revenues**.

The Group net profit amounted to **Euro 0.3 million** compared to Euro 5.4 million in the same period of 2008 - **0.2% of revenues**.

	1H 09	revenue margin	1H 08	revenue margin	09 Vs 08 %	Change consol. area
<i>In Euro thousands</i>						
Revenues	163,984		206,466		(20.6%)	10,109
EBITDA	8,624	5.3%	13,223	6.4%	(34.8%)	700
EBIT	304	0.2%	4,694	2.3%	(93.5%)	96
Financial income/(costs)	(727)	(0.4%)	1,027	0.5%	(170.8%)	(12)
Income taxes	1,005	0.6%	(177)	(0.1%)	(667.8%)	62
Net profit from continuing operations	582	0.4%	5,544	2.7%	(89.5%)	146
Net profit from continuing operations and discontinuing operations	582	0.4%	5,607	2.7%	(89.6%)	83
Group net profit	320	0.2%	5,380	2.6%	(94.1%)	83
Basic earnings per share on continuing operations and discontinuing operations	0.56		9.33		(94.0%)	
Diluted earnings per share on continuing operations and discontinuing operations	0.56		9.33		(94.0%)	

(*) The earnings per share was calculated by dividing the Group net profit by the number of outstanding shares at the respective reporting dates.

⁴ See Note 3.

⁵ See Note 1.

Balance sheet

The **Net debt at June 30, 2009** amounted to **Euro 32.0 million** compared to Euro 36.8 million at March 31, 2009 and Euro 18.1 million at June 30, 2008. The improvement is due both to the strict control of investments in non-core activities and the generation of positive operating cash flows, although in the presence of a strongly contracted margin, which benefited from the amounts released from Net Working Capital.

	June 30, 09	Mar 31, 09	Dec 31, 08	June 30, 08	Change consol. area June 09- June 08
<i>In Euro thousands</i>					
Cash and cash equivalents	20,902	8,199	14,968	18,364	1,699
Finance leases and other lenders	(2,744)	(2,895)	(3,914)	(4,583)	(109)
Bank loans and mortgages	(4,044)	(4,435)	(4,677)	(5,292)	(231)
Long-term debt	(6,788)	(7,330)	(8,591)	(9,875)	(340)
Finance leases and other lenders	(1,589)	(1,789)	(1,000)	(563)	(19)
Bank loans and mortgages	(44,501)	(35,921)	(40,324)	(25,986)	0
Short-term debt	(46,090)	(37,710)	(41,324)	(26,549)	(19)
Net Debt	(31,976)	(36,841)	(34,947)	(18,060)	1,340

Net Working Capital on annualised revenues improved significantly from 13.3% at June 30, 2008 to **12.5% at June 30, 2009**.

This **lower percentage** is due to the **significant reduction in inventories** and the improvement of trade receivable collection days, despite the reduction at the same time in trade payables due to the contraction of market demand and therefore purchases. The improvement in stock rotation follows the modifications introduced to the purchases and logistical policy, together with the implementation of a consignment stock plan at some of the Group suppliers.

	June 30, 09	Mar 31, 09	June 30, 08	Change consol. area June 09- June 08
<i>In Euro thousands</i>				
Trade receivables	84,831	84,595	111,392	2,364
Inventories	41,408	46,697	65,995	1,817
Trade payables	(76,138)	(78,131)	(116,783)	(466)
Managerial Working Capital	50,101	53,161	60,604	3,715
as a % of annualised revenues	15.3%	16.1%	14.7%	
Other net receivables/payables	(9,054)	(5,424)	(5,503)	(7,302)
Net Working Capital	41,047	47,737	55,101	(3,587)
as a % of annualised revenues	12.5%	14.5%	13.3%	

The Elica Group is continuing the specific actions aimed not only at effectively responding to changed conditions in the sector but specifically at consolidating levers for growth and future profitability:

- **production outsourcing plans:** 27% of volumes were produced in Low Cost Countries in the first half of 2009, compared to 16% in the first half of 2008;
- **increase of the own brand revenues mix** in the Range Hoods Business Unit: which increased from 26% in the first half of 2008 to 33% in the first half of 2009;
- **reduction in industrial costs;**
- **reduction in capex for non-core activities;**
- **continued improvement of Net Working Capital.**

Significant events in the first half of 2009 and after June 30, 2009

The Board of Directors' meeting of March 30, 2009 approved the Consolidated Financial Statements and the Parent Company's Financial Statements.

On April 27, 2009, the Shareholders' AGM of Elica S.p.A. approved the 2008 Directors' Report and parent company Financial Statements and a dividend of Euro 0.0187 per share, corresponding to a payout ratio of 33.0% on the Group Consolidated Result, with the exclusion of the shares in portfolio at May 4, 2009, date of the coupon. The dividend was paid on May 7, 2009. The residual profit for the year was allocated to the Extraordinary Reserve. The Majority shareholder revoked the dividend allocated as a tangible move in support of the corporate strategy to strengthen the balance sheet of the company.

The Board of Directors of Elica S.p.A. and its Chairman were appointed for the years 2009, 2010 and 2011 and the Board of Statutory Auditors were appointed for the years 2009, 2010 and 2011.

On June 15, 2009, the Board of Directors of Elica S.p.A. approved the amendment to the Options Agreement signed on December 10, 2007 with Whirlpool. The amendment to the Agreement concerns the extension of the exercise period of the call option on Elica shares until December 31, 2009. In addition, Whirlpool, in the same period, will have the option to purchase up to 3% of Elica shares on the market, with Elica having the right to receive Euro 0.50 for each share bought and a maximum 15% holding by Whirlpool of Elica shares, as stated in the Options Agreement. The modification of the Agreement is due to the persistence of the exceptional macro-economic conditions which have affected its fulfilment and represents the will of the individual parties. Detailed information regarding the Shareholder Agreements was communicated through the publication of the extract of the Agreements in the manner and within the time limits established by article 122 of Legislative Decree No. 58/1998.

In the first months of the third quarter 2009, the seasonally adjusted revenues were slightly up on the second quarter - both for range hoods and motors. Limited visibility remains in relation to demand and the Group intends to continue with a prudent approach in terms of credit exposure.

The consolidated half-year report was filed today and will be available on the Internet at www.elica.com within the period and manner established by law.

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

The Chief Executive Officer, 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.

Resolutions approved implementing Stock Option Plan

The Board of Directors today approved the definition of the target benchmark for the third tranche of the Stock Option Plan, approved by the Shareholders' Meeting of June 25, 2007, as exceeding 100% of the budget EBITDA for the year ended December 31, 2009.

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 2,400 employees and an annual output of approx. 20 million units of kitchen hoods and motors, the Elica Group has 8 plants - of these, five are in Italy, one is in Poland, one in Mexico and one in Germany.

With over thirty years' experience in the sector, Elica has combined meticulous care in design, judicious choice of material and cutting edge technology to become the prominent market figure it is today. The company has revolutionized the traditional image of the kitchen cooker hood: it is no longer seen as a simple accessory but as a design object.

For further information:

Elica S.p.A.

Laura Giovanetti, Giada Aquilani

Investor Relations

Tel: +39 0732 610727

E-mail: investor-relations@elica.com

Donatella Vici

Press Office

Tel: +39 0732 610315

E-mail: ufficiostampa@elica.com

Image Building

Simona Raffaelli, Valentina Burlando

Tel: +39 02 89011300

E-mail: elica@imagebuilding.it

ATTACHMENT A

Consolidated income statement as at June 30, 2009

		Q2 09 (1)	Q2 08 (1)	1H 09	1H 08
<i>In Euro thousands</i>	<i>Note</i>				
Revenues	1	81,652	104,807	163,984	206,466
Other operating revenues		483	2,362	918	3,490
Changes in inventories of finished and semi-finished goods		(853)	2,082	(1,510)	3,469
Increase in internal work capitalised	8	986	328	1,675	743
Raw materials and consumables	2	(41,977)	(57,696)	(85,104)	(112,167)
Services	3	(16,617)	(23,639)	(33,414)	(45,817)
Labour costs	4	(17,174)	(17,383)	(33,761)	(36,849)
Amortisation & depreciation		(4,174)	(4,313)	(8,320)	(8,529)
Other operating expenses and provisions		(2,227)	(2,128)	(4,163)	(4,048)
Restructuring charges		(1)	(2,064)	(1)	(2,064)
EBIT		98	2,356	304	4,694
Share of profit/(loss) from associates	9	37	14	37	(65)
Financial income	5	29	767	640	868
Financial charges	5	(728)	(781)	(1,560)	(1,450)
Exchange gains/(losses)	5	(253)	883	156	1,674
Profit/(loss) before taxes		(817)	3,239	(423)	5,721
Income taxes	10	(734)	648	1,005	(177)
Net profit/(loss) from continuing operations		(1,551)	3,887	582	5,544
Net profit/(loss) from discontinued operations		-	(296)	-	63
Net profit/(loss) for the period		(1,551)	3,591	582	5,607
of which:					
Minority interests share		106	142	262	227
Group net profit/(loss)		(1,657)	3,449	320	5,380
Earnings per share					
From continuing and discontinued operations (Euro/cents)		(2.91)	5.90	0.56	9.07
From continuing operations (Euro/cents)		(2.91)	6.41	0.56	8.96
Diluted earnings per share					
From continuing and discontinued operations (Euro/cents)		(2.91)	5.90	0.56	9.07
From continuing operations (Euro/cents)		(2.91)	6.41	0.56	8.96

ATTACHMENT B

Consolidated balance sheet as at June 30, 2009

<i>In Euro thousands</i>	<i>Note</i>	June 30, 09	Dec 31, 08
Property, plant & equipment	9	67,695	70,010
Goodwill		35,898	35,862
Other intangible assets	10	20,803	20,199
Investments in associated companies	11	2,682	2,627
Other financial assets		30	30
Other receivables		190	344
Tax receivables		6	6
Deferred tax assets	12	9,427	6,372
Financial assets available-for-sale		191	191
Total non-current assets		136,922	135,641
Trade and financial receivables	13	84,831	91,335
Inventories	14	41,408	51,868
Other receivables		5,654	5,722
Tax receivables		7,717	9,131
Derivative financial instruments	15	596	2,554
Cash and cash equivalents	20	20,902	14,968
Current assets		161,108	175,578
Total assets		298,030	311,219
Liabilities for post-employment benefits	16	10,273	11,023
Provisions for risks and charges	17	2,713	3,127
Deferred tax liabilities	12	7,053	7,739
Finance leases and other lenders	20	2,744	3,914
Bank loans and mortgages	20	4,044	4,677
Other payables		1,251	1,225
Tax payables		1,290	1,400
Derivative financial instruments	15	-	-
Non-current liabilities		29,368	33,105
Provisions for risks and charges	17	1,062	1,307
Finance leases and other lenders	20	1,589	1,000
Bank loans and mortgages	20	44,501	40,324
Trade payables	18	76,138	86,968
Other payables		17,485	17,122
Tax payables		3,878	4,343
Derivative financial instruments	15	293	2,556
Current liabilities		144,946	153,620
Share Capital		12,665	12,665
Capital reserves		71,123	71,123
Hedging, translation and stock option reserve		(9,931)	(9,081)
Treasury shares		(17,629)	(17,629)
Retained earnings		64,056	61,871
Group profit for the period		1,627	3,579
Group shareholders' equity		121,911	122,528
Capital and reserves of minority interests		1,543	1,311
Minority interest profit		262	655
Minority interest equity		1,805	1,966
Consolidated shareholders' equity	19	123,716	124,494
Total liabilities and shareholders' equity		298,030	311,219

ATTACHMENT C
Consolidated cash flow statement at June 30, 2009

		June 30, 09	June 30, 08
<i>In Euro thousands</i>			
	Note		
Opening cash and cash equivalents		14,968	21,948
EBIT - Operating profit		304	4,694
Amortisation, depreciation and write-downs		8,320	8,529
EBITDA		8,624	13,223
Changes in Working Capital		6,634	(6,846)
	trade working capital	5,773	(7,932)
	other working capital accounts	861	1,086
Income taxes paid		(1,223)	(4,937)
Change in provisions		(1,697)	397
Other changes		(328)	(2,504)
Cash flow from operating activity	19	12,011	(667)
Net increases		(6,931)	(8,293)
	Intangible assets	(2,328)	(2,512)
	Property, plant & equipment	(4,603)	(5,576)
	Equity investments and other financial assets	0	(205)
Divestment of Business Unit		0	944
Cash flow from investments		(6,931)	(7,349)
Acquisition of treasury shares		0	(9,644)
Dividends	17	(1,066)	(2,817)
Increase (decrease) financial payables		2,963	17,729
Net changes in other financial assets/liabilities		(186)	79
Net interest paid		(638)	(876)
Cash flow from financing activity		1,073	4,471
Change in cash and cash equivalents		6,153	(3,545)
Effect of exchange rate change on liquidity		(219)	(39)
Closing cash and cash equivalents		20,902	18,364