

PRESS RELEASE

**BOARD OF DIRECTORS OF ELICA SPA  
APPROVES HALF-YEAR REPORT AT JUNE 30, 2013**

H1 2013 Consolidated results (January-June 2013)

- **Revenues: Euro 195.1 million (Euro 191.6 million in 2012), growth of 1.8%;**
- **EBITDA: Euro 12.3 million (Euro 11.5 million in 2012), up 6.5%;**
- **EBIT: Euro 4.3 million (Euro 4.1 million in 2012), up 2.9%;**
- **Group Net Profit: Euro 1.4 million (Euro 1.0 million in 2012), growth of 39.7%;**
- **Net Debt: Euro 64.4 million, compared to Euro 62.3 million at December 31, 2012, reducing on Euro 66.9 million at June 30, 2012 – in line with seasonality of the business.**

Updating of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01

**Fabriano, August 28, 2013** – The Board of Directors of **Elica S.p.A.**, the parent company of a Group that is the leading manufacturer of kitchen range hoods, meeting today in Fabriano approved the **Half-Year Report at June 30, 2013**, prepared in accordance with IFRS.

**Consolidated revenues H1 2013**

**In the first half of 2013 Elica Group consolidated revenues of Euro 195.1 million increased 1.8%** on H1 2012, thanks to sales growth in the Cooking and Motors segments.

In particular, the **Cooking Segment** reported a **1.8% rise** in revenues on the same period of the previous year, with the **increase well-balanced between own brand product sales (+1.9%) and third party product sales (+1.8%)**. In the first half year, the global range hood market expanded by 3.0%<sup>1</sup>, confirming the turnaround seen in the first quarter. While nearly all markets recovered in the period, Western Europe - which has seen market demand contract by 37% over the past 5 years - reported a reduction of 3.8%. The **Motor Segment** also reported **revenue growth in the period (+2.1%)**, driven by the sharp uptake in the heating and ventilation segments in the second quarter.

Analysing revenues from sales on the principal markets, **the Americas and Asia performed particularly strongly thanks to growth of 17.2% and 9.3% respectively**, while **European revenues reduced slightly (-1.9% on H1 2012)**.

In relation to revenues achieved in the principal geographic markets<sup>2</sup>, **Europe again reports a contraction (-1.9%) compared to the previous year, due to weakness in the Group's more consolidated Western European markets. Revenues in the Americas and Asia<sup>3</sup> made a particularly strong contribution, with respective growth of 17.2% and 9.3%.**

<sup>1</sup> Global range hood market volumes.

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

<sup>3</sup> Data includes also revenues from the Rest of the World, which however principally concerns Asia.

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

<i>(in Euro thousands)</i>	Europe		America		Asia and the Rest of the World		Unallocated and eliminations		Consolidated	
	H1 13	H1 12 restated	H1 13	H1 12 restated	H1 13	H1 12 restated	H1 13	H1 12 restated	H1 13	H1 12 restated
<b>Segment revenue:</b>										
Third parties	148,352	151,247	25,978	21,620	20,763	18,737	-	(55)	195,093	191,550
Inter-segment	7,532	5,591	3	5	89	6	(7,624)	(5,602)	-	
<b>Total revenues</b>	<b>155,884</b>	<b>156,838</b>	<b>25,981</b>	<b>21,625</b>	<b>20,852</b>	<b>18,743</b>	<b>(7,624)</b>	<b>(5,657)</b>	<b>195,093</b>	<b>191,550</b>

### Profitability - H1 2013

The **EBITDA** in the first half of 2013 of **Euro 12.3 million** grew by **6.5%** on the same period of 2012, benefitting, in addition to the decrease in the raw materials cost, from an improvement in the price/mix in the half-year and the reduction in costs through the industrial and overhead cost streamlining programmes. These effects were in part offset by negative currency movements.

**EBIT** of Euro 4.3 million was up **2.9%** on Euro 4.1 million in H1 2012.

The **Group Net Profit** amounted to **Euro 1.4 million**, **+39.7%** on Euro 1.0 million in H1 2012, which benefitted however from a particularly strong currency component.

<i>In Euro thousands</i>	H1 13	% revenues	H1 12 restated	% revenues	13 Vs 12 %
Revenues	195,093		191,550		1.8%
EBITDA	12,274	6.3%	11,530	6.0%	6.5%
EBIT	4,263	2.2%	4,144	2.2%	2.9%
Financial income/(charges)	(2,388)	(1.2%)	(1,887)	(1.0%)	26.6%
Income taxes	(677)	(0.3%)	(1,132)	(0.6%)	(40.2%)
Net profit from continuing operations	1,198	0.6%	1,125	0.6%	6.5%
Net profit from continuing operations and discontinuing operations	1,198	0.6%	1,125	0.6%	6.5%
<b>Group Net Profit</b>	<b>1,352</b>	<b>0.7%</b>	<b>968</b>	<b>0.5%</b>	<b>39.7%</b>
Basic earnings per share on continuing operations and discontinuing operations (Euro/cents)	2.24		1.61		39.1%
Diluted earnings per share on continuing operations and discontinuing operations (Euro/cents)	2.24		1.54		45.5%

\*The earnings per share for H1 2013 and 2012 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 June 30, 2013 totalled **Euro 64.4 million**, reducing on **Euro 66.9 million** at **June 30, 2012**, principally due to the generation of cash from operations and increased slightly on Euro 62.3 million at December 31, 2012, **in line with the typical business seasonality**.

<i>In Euro thousands</i>	<b>June 30, 13</b>	<b>Dec 31, 12 restated</b>	<b>June 30, 12 restated</b>
<b>Cash and cash equivalents</b>	<b>23,709</b>	<b>29,551</b>	<b>22,489</b>
Finance leases and other lenders	(15)	(333)	(393)
Bank loans and mortgages	(38,353)	(46,343)	(39,727)
<b>Long-term debt</b>	<b>(38,368)</b>	<b>(46,676)</b>	<b>(40,120)</b>
Finance leases and other lenders	(14)	(40)	(36)
Bank loans and mortgages	(49,756)	(45,165)	(49,211)
<b>Short-term debt</b>	<b>(49,770)</b>	<b>(45,205)</b>	<b>(49,247)</b>
<b>Net Debt</b>	<b>(64,429)</b>	<b>(62,330)</b>	<b>(66,878)</b>

The **Managerial Working Capital** on annualised revenues of 10.4% improved by 150 basis points on the corresponding period of 2012 and slightly increased on 10.0% at December 31, 2012, in line with normal Group business seasonality.

<i>In Euro thousands</i>	<b>June 30, 13</b>	<b>Dec 31, 12 restated</b>	<b>June 30, 12 restated</b>
Trade receivables	82,628	77,465	87,714
Inventories	54,027	49,597	50,801
Trade payables	(96,248)	(88,716)	(92,944)
<b>Managerial Working Capital</b>	<b>40,407</b>	<b>38,346</b>	<b>45,571</b>
as a % of annualised revenues	10.4%	10.0%	11.9%
Other net receivables/payables	(5,417)	(761)	(2,234)
<b>Net Working Capital</b>	<b>34,990</b>	<b>37,585</b>	<b>43,337</b>

### Significant events in the first half of 2013 and subsequent events after June 30, 2013

On **January 16, 2013**, Elica S.p.A., in accordance with Article 70, paragraph 8 and Article 71, paragraph 1-*bis* of the Consob Issuers' Regulation, announced that it would employ the exemption from publication of the required disclosure documents concerning significant merger, spin-off, share capital increase through conferment of assets in kind, acquisition and sales operations.

The Board of Directors of Elica S.p.A. on **February 14, 2013** approved the 2012 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

**On March 15, 2013** the Board of Directors of Elica S.p.A approved the Consolidated Financial Statements at December 31, 2012 and the Separate Financial Statements at December 31, 2012 of Elica S.p.A, prepared in accordance with IFRS.

**On March 28, 2013**, the Board of Directors decided to propose May 20, 2013 as the coupon No. 5 date, record date of May 22, 2013 and dividend payment date of May 23, 2013.

**On April 24, 2013**, the Shareholders' Meeting of Elica S.p.A., meeting in Ordinary and Extraordinary session, approved the Financial Statements at December 31, 2012 of Elica S.p.A., the distribution of a dividend of Euro 0.0237 per share, resulting in a pay-out ratio of 30.0% of the Consolidated Group Net Profit, excluding the distribution of a dividend for treasury shares held at May 20, 2013, date of the dividend coupon No. 5 and record date of May 22. The dividend payment date is May 23, 2013. On the same date, the Shareholders' Meeting approved the Remuneration Report, authorised the purchase of treasury shares and the utilisation of such shares, approved the amendments to the By-laws and an increase in the number of Board members from 7 to 8, appointing Evasio Novarese as Director, born in Omegna (VB) on 25/08/1947 and resident in Comerio (VA).

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

The Board of Directors also approved the reconversion Project of the production area of Serra San Quirico (Ancona) as a logistical hub and the gradual transfer of the workforce to the nearby Mergo (Ancona) production site. The Project stems from the need to ensure the competitiveness of the Italian production structure and includes, parallel to investments in the region, a proportionate and gradual resizing of the workforce over a period of approximately 24 months from the fourth quarter of 2013.

**On May 14, 2013** the Board of Directors noted that on April 24, 2013 the Vesting Period of the 2010 Stock Grant Plan concluded and verified the achievement of the Retention and Performance Objectives established by the plan, allocating overall 203,976 Elica S.p.A. shares to the Beneficiaries.

**On May 14, 2013**, Elica S.p.A. undertook a convertible loan of Euro 5 million, issued by the Indian subsidiary Elica PB India Private Ltd, investing in the development of the business on the Indian market.

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

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

**On May 21, 2013** it was communicated that the Minutes of the Extraordinary and Ordinary Shareholders' Meeting held on April 24, 2013, with the relative attachments, and the By-laws amended by such, with and without highlighting of the amendments, were made available to the public at the

registered office, CONSOB and on the website of Borsa Italiana S.p.A., in addition to the Company website.

**On July 15, 2013**, Elica S.p.A., following the authorisation on June 19, 2013 of the Board of Directors to utilise treasury shares, announced the sale of 1,700,000 shares, comprising 2.68% of the Share Capital, to INVESCO PERPETUAL, an investment fund with a division dedicated to shareholdings in small-mid cap European companies, at a price of Euro 1.134 per share. Following this operation, Elica S.p.A. holds 1,275,498 treasury shares.

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The Half-Year Report at June 30, 2013 was filed today and made available to whomever making such request at the registered offices of the Company and on the Group internet site [www.elicagroup.com](http://www.elicagroup.com), Investor Relations/Financial Data/Accounts and Reports section at the following link <http://www.elicagroup.com/info.php?page=1032&lng=en> and on the website of Borsa Italiana S.p.A.. The Financial Presentation concerning the H1 2013 results will also be available on the Group internet site at the following link <http://www.elicagroup.com/info.php?page=1109&lng=en>.

### **Updating of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01**

The Board of Directors of Elica S.p.A. today also approved the updating of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01 of Elica S.p.A., approved on March 27, 2008, following the introduction of new offences to the Decree and recent judicial interpretations concerning the responsibility of entities.

### **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.

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The **Elica Group** has been present in the cooker hood market since the 1970s, is chaired by Francesco Casoli and led by Giuseppe Perucchetti and today is the world leader in terms of units sold. It is also a European leader in the design, manufacture and sale of motors for central heating boilers. With approximately 3,000 employees and an annual output of over 17 million units, the Elica Group has nine plants, including in Italy, Poland, Mexico, Germany, India and China. With many years' experience in the sector, Elica has combined meticulous care in design, judicious choice of material and cutting edge technology guaranteeing maximum efficiency and reducing consumption making the Elica Group the prominent market figure it is today. The Group has revolutionised the traditional image of the kitchen cooker hood: it is no longer seen as simple accessory but as a design object which improves the quality of life.



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	Q2 13 (*)	Q2 12 restated (*)	H1 13	H1 12 restated
<i>In Euro thousands</i>				
Revenues	99,959	96,826	195,093	191,550
Other operating revenues	957	1,373	1,375	1,844
Changes in inventories of finished and semi-finished goods	(709)	640	2,313	3,171
Increase in internal work capitalised	967	914	1,710	1,592
Raw materials and consumables	(53,774)	(54,797)	(108,824)	(109,329)
Services	(17,852)	(17,637)	(34,753)	(35,460)
Labour costs	(20,178)	(18,536)	(40,787)	(38,071)
Amortisation & Depreciation	(4,075)	(3,673)	(8,011)	(7,386)
Other operating expenses and provisions	(2,549)	(2,304)	(3,853)	(3,767)
<b>EBIT</b>	<b>2,746</b>	<b>2,806</b>	<b>4,263</b>	<b>4,144</b>
Share of associates	(10)	(20)	(14)	(19)
Financial income	66	35	105	51
Financial charges	(1,013)	(1,133)	(2,013)	(2,219)
Exchange gains/(losses)	(168)	(865)	(466)	300
<b>Profit before taxes</b>	<b>1,621</b>	<b>823</b>	<b>1,875</b>	<b>2,257</b>
Income taxes	(1,000)	(425)	(677)	(1,132)
<b>Net profit from continuing operations</b>	<b>621</b>	<b>398</b>	<b>1,198</b>	<b>1,125</b>
<b>Net profit from discontinued operations</b>	-	-	-	-
<b>Net profit for the period</b>	<b>621</b>	<b>398</b>	<b>1,198</b>	<b>1,125</b>
of which:				
Minority interests share	(305)	120	(154)	157
Group Net Profit	926	278	1,352	968
<b>Basic earnings per Share (Euro/cents)</b>	1,54	0,46	2,25	1,61
<b>Diluted earnings per Share (Euro/cents)</b>	1,53	0,45	2,24	1,54

(\*) Data not subject to limited audited.

<i>In Euro thousands</i>	Q2 13 (*)	Q2 12 restated (*)	H1 13	H1 12 restated
<b>Net Profit</b>	<b>621</b>	<b>398</b>	<b>1,198</b>	<b>1,125</b>
<b>Other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period:</b>				
Actuarial gains/(losses) of employee defined plans	408	(488)	509	(975)
Tax effect concerning the Other profits/(losses) which may not be subsequently reclassified to the net profit/(loss) for the period	(162)	85	(185)	217
<b>Total other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period, net of the tax effect</b>	<b>246</b>	<b>(403)</b>	<b>324</b>	<b>(758)</b>
<b>Other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period:</b>				
Exchange differences on the conversion of foreign financial statements	(3,691)	1,085	(1,765)	3,064
Net change in cash flow hedges	(30)	(91)	(54)	(145)
Tax effect concerning the Other profits/(losses) which may be subsequently be reclassified to the net profit/(loss) for the period	8	17	12	31
<b>Total other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period, net of the tax effect</b>	<b>(3,712)</b>	<b>1,011</b>	<b>(1,807)</b>	<b>2,950</b>
<b>Total other comprehensive income statement items, net of the tax effect:</b>	<b>(3,466)</b>	<b>608</b>	<b>(1,483)</b>	<b>2,192</b>
<b>Total comprehensive profit/(loss)</b>	<b>(2,845)</b>	<b>1,006</b>	<b>(285)</b>	<b>3,317</b>
of which:				
Minority interests share	(584)	467	(497)	145
Group comprehensive profit/(loss)	(2,265)	539	211	3,172

(\*) Data not subject to limited audited.

**ATTACHMENT C - Consolidated Balance Sheet at June 30, 2013**

<i>In Euro thousands</i>	<b>June 30, 13</b>	<b>Dec 31, 12 restated</b>	<b>Jan 1, 12 restated</b>
Property, plant & equipment	87,311	86,861	85,165
Goodwill	41,894	41,705	41,765
Other intangible assets	25,246	25,426	24,424
Investments in associated companies	1,380	1,394	1,377
Other receivables	218	245	276
Tax receivables	6	6	6
Deferred tax assets	11,376	10,387	10,032
AFS financial assets	156	156	672
Derivative financial instruments	20	-	29
<b>Total non-current assets</b>	<b>167,607</b>	<b>166,180</b>	<b>163,746</b>
Trade and financial receivables	82,628	77,465	82,207
Inventories	54,027	49,597	50,598
Other receivables	7,105	5,816	6,036
Tax receivables	10,792	9,035	5,943
Derivative financial instruments	733	638	813
Cash and cash equivalents	23,709	29,551	20,026
<b>Current assets</b>	<b>178,994</b>	<b>172,102</b>	<b>165,623</b>
<b>Assets of discontinued operations</b>	<b>-</b>	<b>-</b>	<b>1,065</b>
<b>Total Assets</b>	<b>346,601</b>	<b>338,282</b>	<b>330,434</b>
Liabilities for post-employment benefits	11,591	12,178	9,981
Provisions for risks and charges	2,730	2,710	2,505
Deferred tax liabilities	5,691	5,376	6,425
Finance leases and other lenders	15	333	56
Bank loans and mortgages	38,353	46,343	45,105
Other payables	1,073	1,174	1,859
Tax payables	735	807	888
Derivative financial instruments	199	373	60
<b>Non-current liabilities</b>	<b>60,387</b>	<b>69,293</b>	<b>66,879</b>
Provisions for risks and charges	2,682	2,086	1,882
Finance leases and other lenders	14	40	25
Bank loans and mortgages	49,756	45,165	43,640
Trade payables	96,248	88,716	89,806
Other payables	14,094	8,366	10,211
Tax payables	6,538	5,160	2,814
Derivative financial instruments	787	907	1,004
<b>Current liabilities</b>	<b>170,119</b>	<b>150,440</b>	<b>149,382</b>
Share capital	12,665	12,665	12,665
Capital reserves	71,123	71,123	71,123
Hedging, translation and stock option reserve	(7,149)	(5,356)	(5,668)
Reserve for actuarial profit/losses	(2,205)	(2,544)	(705)
Treasury shares	(8,284)	(8,815)	(8,815)
Retained earnings	43,127	39,926	34,684
Group Profit	1,352	5,008	4,162
<b>Group shareholders' equity</b>	<b>110,629</b>	<b>112,007</b>	<b>107,446</b>
Capital and reserves of minority interests	5,620	6,492	6,773
Minority interest profit/(loss)	(154)	50	(46)
<b>Minority interest equity</b>	<b>5,466</b>	<b>6,542</b>	<b>6,727</b>
<b>Consolidated shareholders' equity</b>	<b>116,095</b>	<b>118,549</b>	<b>114,173</b>
<b>Total liabilities and equity</b>	<b>346,601</b>	<b>338,282</b>	<b>330,434</b>

**ATTACHMENT D**  
**Consolidated cash flow statement at June 30, 2013**

<i>In Euro thousands</i>	<b>June 30, 13</b>	<b>June 30, 12 restated</b>
<b>Opening cash and cash equivalents</b>	<b>29,551</b>	<b>20,026</b>
EBIT- Operating profit	4,263	4,144
Amortisation, depreciation and write-downs	8,011	7,386
EBITDA	12,274	11,530
Trade working capital	(2,651)	(1,805)
Other working capital accounts	3,672	339
Income taxes paid	(2,367)	(2,061)
Change in provisions	410	(450)
Other changes	(1,212)	(372)
<b>Cash flow from operating activity</b>	<b>10,126</b>	<b>7,181</b>
Net increases	(8,937)	(5,117)
Intangible assets	(2,455)	(1,849)
Property, plant & equipment	(6,450)	(3,900)
Equity investments and other financial assets	(32)	632
Acquisition/Sale of investments	0	1,998
<b>Cash flow from investments</b>	<b>(8,937)</b>	<b>(3,119)</b>
Dividends	(628)	0
Increase (decrease) financial payables	(3,551)	579
Net changes in other financial assets/liabilities	(491)	(561)
Interest paid	(1,735)	(2,008)
<b>Cash flow from financing activity</b>	<b>(6,406)</b>	<b>(1,990)</b>
<b>Change in cash and cash equivalents</b>	<b>(5,216)</b>	<b>2,072</b>
<b>Effect of exchange rate change on liquidity</b>	<b>(626)</b>	<b>391</b>
<b>Closing cash and cash equivalents</b>	<b>23,709</b>	<b>22,489</b>