PRESS RELEASE

BOARD OF DIRECTORS OF ELICA S.p.A.
APPROVES Q3 2016 RESULTS

Consolidated results Q3 2016 (July-September 2016)

- **Revenue: Euro 105.5 million (Euro 105.1 million in 2015);**
- **Normalised EBITDA[1]: Euro 8.7 million (Euro 9.1 million in 2015);**
- **EBITDA: Euro 7.1 million (Euro 8.8 million in 2015);**
- **Normalised EBIT: Euro 4.0 million (Euro 4.7 million in 2015);**
- **EBIT: Euro 2.3 million (Euro 4.4 million in 2015);**
- **Net Profit: Euro 0.7 million (Euro 2.1 million in 2015);**
- **Net Financial Debt: Euro 62.5 million,** compared to Euro 53.0 million at December 31, 2015 and Euro 62.2 million at September 30, 2015.

Consolidated results 9M 2016 (January-September 2016)

- **Revenue: Euro 321.0 million (Euro 308.3 million in 2015), up 4.1%;**
- **Normalised EBITDA[2]: Euro 25.0 million (Euro 23.5 million in 2015), up 6.6%;**
- **EBITDA: Euro 23.2 million (Euro 22.2 million in 2015), up 4.6%;**
- **Normalised EBIT: Euro 11.2 million (Euro 10.5 million in 2015), up 6.7%;**
- **EBIT: Euro 9.4 million (Euro 9.3 million in 2015), up 1.9%;**
- **Net Profit: Euro 3.5 million (Euro 3.7 million in 2015), contraction of 6.2%;**

2016 Performance Objectives updated

2016-2022 Phantom Stock & Voluntary Co-investment Plan launched

Milan, November 14, 2016 – The Board of Directors of **Elica S.p.A.**, the parent of a Group that is the leading manufacturer of kitchen range hoods, has approved today in Milan the **2016 Third Quarter results**, prepared in accordance with IFRS.

Consolidated revenues – Q3 2016

In the third quarter of 2016, Elica Group consolidated revenue amounted to Euro 105.5 million, substantially stable (+0.3%) on the same period of 2015. Global range hood demand improved 1.5%[3] in Q3 2016, developing on growth in the previous quarter, principally thanks to the recovery of the Asian[4] market (+1.2% on Q3 2015) and more vibrant demand in

[1] See breakdown in Definitions and Reconciliations paragraph
[2] See breakdown in Definitions and Reconciliations paragraph
[3] Global range hood market volumes calculated by the Company.
[4] Concerning "Other Countries" demand - principally the Asian markets.

Western Europe (+1.5%) and North America (+5.0%). The Latin American market was stable, reporting a slight contraction of 0.6% on the same period of 2015.

Cooking segment revenue was up 2.0% on Q3 2015, **principally following improved own brand product sales (+12.6%) which initially emerged in the first part of the year; in particular, Elica brand product revenue was up 24.4% on Q3 2015**, thanks to the brand focused strategy and development of the distribution structure. **Third party brand sales contracted 5.2% due to market developments impacting the main OEM clients[5]**.

The Motor segment in Q3 2016 reported a 9.9% revenue contraction - relating in particular to the heating and white goods segments.

Analysing revenue by the principal markets[6], **Europe remained stable, despite unfavourable currency developments, while Asian[7] sales grew 9.6%,** although impacted by the poor performance of the Chinese subsidiary. **Revenue in the Americas contracted 7.3%.**

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

	Europe		Americas		Asia and the Rest of World		Unallocated items and eliminations		Consolidated	
In Euro thousands	Q3 16	Q3 15	Q3 16	Q3 15	Q3 16	Q3 15	Q3 16	Q3 15	Q3 16	Q3 15
Segment revenue:										
Third parties	75,928	74,959	15,935	18,039	13,592	12,124	20	5	105,475	105,127
Inter-segment	3,515	3,576	11	5	1,572	610	(5,098)	(4,192)	-	-
Total revenue	**79,444**	**78,535**	**15,946**	**18,045**	**15,164**	**12,734**	**(5,078)**	**(4,187)**	**105,475**	**105,127**

	Europe		Americas		Asia and the Rest of World		Unallocated items and eliminations		Consolidated	
In Euro thousands	9M 16	9M 15	9M 16	9M 15	9M 16	9M 15	9M 16	9M 15	9M 16	9M 15
Segment revenue:										
Third parties	237,353	226,208	48,340	48,515	35,301	33,560	41	56	321,035	308,339
Inter-segment	9,663	10,695	12	14	4,634	1,780	(14,309)	(12,489)	-	-
Total revenue	**247,016**	**236,903**	**48,352**	**48,529**	**39,935**	**35,340**	**(14,268)**	**(12,433)**	**321,035**	**308,339**

Profitability - Q3 2016

Normalised EBITDA[8] of Euro 8.7 million (8.3% of Revenue) slightly reduced (-4.0%) on the same period of 2015 (Euro 9.1 million). **Procurement and productivity programme efficiencies**, together with the generation of a slight profit on the basis of currency movements, **were offset by higher overhead costs related to the major own brand focus and the development of the production structure. The combined effect of overall volumes and the price-mix on the margin was substantially in line with Q3 2015.**

Q3 2016 EBITDA of Euro 7.1 million compared to Euro 8.8 million for Q3 2015 and was significantly impacted by costs for the agreement reached with the outgoing Chief Executive Officer totalling Euro 1.7 million.

Normalised EBIT[9] totalled Euro 4.0 million, compared to Euro 4.7 million for the same period of 2015, **reducing 14.5% - in line with the business dynamics outlined above.** EBIT was Euro 2.3 million, compared to Euro 4.4 million in 2015.

[5] Original Equipment Manufacturer
[6] 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.
[7] Concerning revenue in "Other Countries" - principally the Asian markets.
[8] See breakdown in Definitions and Reconciliations paragraph
[9] See breakdown in Definitions and Reconciliations paragraph

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Net financial charges as a percentage of revenue of 0.8% in Q3 2016 was in line with Q3 2015.

The Normalised Net Profit[10] for the period of Euro 1.9 million contracted 18.6% on Euro 2.3 million for the same period of 2015. The Net Profit amounted to Euro 0.7 million (Euro 2.1 million in Q3 2016).

In Euro thousands	**Q3 16**	**% rev.**	**Q3 15**	**% rev.**	**16 Vs 15 %**
Revenue	105,475		105,127		0.3%
Normalised EBITDA	**8,748**	**8.3%**	**9,110**	**8.7%**	**(4.0%)**
EBITDA	7,052	6.7%	8,816	8.4%	(20.0%)
Normalised EBIT	**4,014**	**3.8%**	**4,694**	**4.5%**	**(14.5%)**
EBIT	2,318	2.2%	4,400	4.2%	(47.3%)
Net financial charges	(816)	(0.8%)	(803)	(0.8%)	1.6%
Income taxes	(837)	(0.8%)	(1,469)	(1.4%)	(43.0%)
Normalised Profit for the period	**1,894**	**1.8%**	**2,326**	**2.2%**	**(18.6%)**
Profit for the period	665	0.6%	2,128	2.0%	(68.8%)
Attributable to the owners of the Parent	454	0.4%	1,973	1.9%	(77.0%)
Attributable to the owners of the Parent - Normalised	**1,683**	**1.6%**	**2,171**	**2.1%**	**(22.5%)**
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	0.73		3.18		(77.0%)
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	0.73		3.18		(77.0%)

In Euro thousands	**9M 16**	**% rev.**	**9M 15**	**% rev.**	**16 Vs 15 %**
Revenue	321,035		308,339		4.1%
Normalised EBITDA	**25,011**	**7.8%**	**23,464**	**7.6%**	**6.6%**
EBITDA	23,243	7.2%	22,228	7.2%	4.6%
Normalised EBIT	**11,217**	**3.5%**	**10,509**	**3.4%**	**6.7%**
EBIT	9,449	2.9%	9,273	3.0%	1.9%
Net financial charges	(2,329)	(0.7%)	(1,855)	(0.6%)	25.6%
Income taxes	(3,609)	(1.1%)	(3,675)	(1.2%)	(1.8%)
Normalised Profit for the period	**5,278**	**1.6%**	**5,085**	**1.6%**	**3.8%**
Profit for the period	3,511	1.1%	3,743	1.2%	(6.2%)
Attributable to the owners of the Parent - Normalised	**4,828**	**1.5%**	**4,686**	**1.5%**	**3.0%**
Attributable to the owners of the Parent	3,061	1.0%	3,344	1.1%	(8.5%)
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	4.93		5.39		(8.5%)
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	4.93		5.39		(8.5%)

For the normalisation of the figures in the table, see the Definitions and Reconciliations paragraph

[10] See breakdown in Definitions and Reconciliations paragraph

Statement of Financial Position

The Net Financial Debt at September 30, 2016 of Euro 62.5 million increased on Euro 53.0 million at December 31, 2015, **although was in line with Euro 62.2 million at September 30, 2015 and business seasonality.**

In Euro thousands	Sep 30, 16	Dec 31, 15	Sep 30, 15
Cash and cash equivalents	**32,973**	**34,463**	**32,496**
Finance leases and other lenders	(7)	(9)	(10)
Bank loans and borrowings	(36,683)	(44,048)	(37,144)
Non-current loans and borrowings	**(36,690)**	**(44,057)**	**(37,154)**
Finance leases and other lenders	(12)	(6)	(9)
Bank loans and borrowings	(58,782)	(43,405)	(57,547)
Current loans and borrowings	**(58,794)**	**(43,411)**	**(57,556)**
Net Financial Debt	**(62,511)**	**(53,005)**	**(62,214)**

Managerial Working Capital on annualised revenue **of 6.9% is significantly lower than 8.6% at September 30, 2015 and a further improvement on 7.5% at December 31, 2015. This stems from the company's continually effective focus on optimising financial resource allocation** since the beginning of the year.

Other Receivables and Other Payables reduced on December 31, 2015, principally due to the use of the Provision for the 2013-2015 Long-Term Incentive Plan in the first half of 2016.

In Euro thousands	Sep 30, 16	Dec 31, 15	Sep 30, 15
Trade receivables	68,838	68,504	71,087
Inventories	69,384	62,701	66,166
Trade payables	(108,549)	(99,474)	(102,086)
Managerial Working Capital	**29,673**	**31,731**	**35,167**
as a % of annualised revenue	*6.9%*	*7.5%*	*8.6%*
Other net receivables/payables	(9,223)	(14,061)	(11,453)
Net Working Capital	**20,450**	**17,670**	**23,714**
as a % of annualised revenue	*4.8%*	*4.2%*	*5.8%*

Cash Flows

In Q3 2016, **Investments in new product development, in the testing and research Laboratory and in expanding production capacity** absorbed additional cash flows of Euro 2.3 million.

In Euro thousands	**9M 16**	**9M 15**	**Q3 16**	**Q3 15**
Cash Flow from Operating Activities	15,816	9,955	7,889	6,847
Cash Flow from Investing Activities	(19,175)	(14,142)	(6,367)	(4,062)
Cash Flow from Financing Activities	(5,770)	(6,208)	(1,704)	(578)
Effect of exchange rate change on NFD	(377)	(395)	(479)	(654)
Change in Net Financial Debt	**(9,506)**	**(10,790)**	**(660)**	**1,553**

Significant events in the third quarter of 2016 and subsequent to September 30, 2016

On July 6, 2016, Elica S.p.A. announced the initiation of a top management transition process with a focus on continuity and growth. After four years in office, Giuseppe Perucchetti and the company mutually agreed that the appropriate conditions had developed for a transition of leadership which particularly focused on growth and an improved Group competitive capacity. Therefore, an agreement was reached by which Giuseppe Perucchetti would remain as company Chief Executive Officer until August 25, 2016. The settlement included a total indemnity of Euro 1.5 million gross, with approx. 50% paid by July 15, 2016 and the remainder by September 15, 2016. The Board of Directors on the same date tasked the Appointments and Remuneration Committee, together with the Chairman of the Board of Directors, and in accordance with the executive director succession plan adopted by the company, to activate the succession process for the selection of the new Chief Executive Officer.

On August 25, 2016, the Board of Directors of Elica S.p.A. approved the 2016 Half-Year Report, prepared in accordance with IFRS accounting standards.

On August 25, 2016, Giuseppe Perucchetti left the position of Chief Executive Officer of Elica S.p.A. with effect from August 26, 2016, with Francesco Casoli, current Executive Chairman of Elica S.p.A. appointed as the *ad interim* CEO by the Board of Directors, until conclusion of the succession process undertaken by the Appointments and Remuneration Committee.

On October 28, 2016, the Board of Directors of Elica S.p.A. appointed Antonio Recinella as the new Chief Executive Officer of Elica S.p.A. with effect from November 1, 2016, on conclusion of a meticulous succession process by the Appointments and Remuneration Committee. Francesco Casoli resigned from the role of *ad interim* Chief Executive Officer undertaken on August 25, 2016, while continuing as Executive Chairman of the Board of Directors and maintaining the related powers. On the same date, the company terminated the employment of Mr. Alberto Romagnoli and consequently appointed Mr. Giampaolo Caselli as the Chief Financial Officer *ad interim* of Elica S.p.A. and Executive Officer for Financial Reporting.

Elica S.p.A., in order to improve transparency and access to the interim results, chose to publish in a single document the key results and the consolidated statement of financial position concerning the third quarter of 2016, outlining all significant events in the period and commenting upon their impact on the Group's statement of financial position, in line with Borsa Italiana Notice No. 7587 of April 21, 2016.

2016 Performance Objectives updated

On the basis of Q3 2016 results and in consideration of the outlook, the Board of Directors of Elica S.p.A. updated the 2016 Performance objectives communicated to the market on February 12, 2016, estimating an **increase in Consolidated net revenue**

of between 2.5% and 3.5%, a Consolidated normalised EBIT margin[11] of greater than 3% and a Net Financial Debt of Euro 61 million at 2016 year-end.

2016-2022 Phantom Stock & Voluntary Co-investment Plan launched

In line with Borsa Italiana Notice No. 8342 of May 6, 2013 and Article 6.P.2 of the Self-Governance Code, in addition to the motion passed by the Shareholders' Meeting of April 28, 2016, the Board of Directors of Elica S.p.A. today **launched the 2016-2022 Phantom Stock & Voluntary Co-investment Plan, identifying the Beneficiaries of the 2016-2018 plan cycle, the relative Performance objectives,** and modifying the performance threshold from 80% to 90%, as defined in the prospectus published on March 22, 2016 and available on the website http://corporation.elica.com, Investor Relations/Shareholders' Meeting section, to which reference should be made for greater details.

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The Financial Presentation concerning the Q3 2016 consolidated results will today also be available on the website http://corporation.elica.com in the Investor Relations/Presentations section.

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This press release was drawn up in accordance with the enacting regulation of Legislative Decree No. 58 of February 24, 1998, adopted by Consob with motion No. 11971 of May 14, 1999 and subsequent amendments and supplements. It is available to the public on the website http://corporation.elica.com, Investor Relations/Financial Press Release section and also on the authorised storage mechanism "1Info" (www.1info.it).

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

The Corporate Financial Reporting Manager, Mr. Giampaolo Caselli, declares, 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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Definitions

EBITDA is the operating profit (EBIT) plus amortisation and depreciation and any impairment losses on goodwill.

EBIT is the operating profit as reported in the consolidated income statement.

Normalised EBITDA is EBITDA net of the relative normalisation items.

Normalised EBIT is EBIT net of the relative normalisation items.

Net financial income/(charges) is the sum of the Share of profit/(loss) from associates, Financial income, Financial Charges, Impairment of available-for-sale financial assets and Exchange rate gains and losses.

The normalised result is the period result, as published in the Consolidated Income Statement, net of the relative normalisation items.

[11] See breakdown in Definitions and Reconciliations paragraph

The normalised result attributable to the owners of the Parent is the period result attributable to the owners of the Parent, as published in the Consolidated Income Statement, net of the relative normalisation items.

Normalisation items: earnings items are considered for normalisation where they: (i) derive from non-recurring events and operations or from operations or events which do not occur frequently; (ii) derive from events and operations not considered as in the normal course of business operations, as is the case for impairments, disputes considered atypical in terms of frequency and amount and restructuring charges.

The Earnings Per Share for 9M 2016 and 9M 2015 was calculated by dividing the Group Net Result, as defined in the Consolidated Income Statement, by the number of outstanding shares at the respective reporting dates. The numbers of shares in circulation at the reporting date is unchanged on September 30, 2015 (62,047,302).

Managerial Working Capital is the sum of Trade receivables with Inventories, net of Trade payables, as presented in the Consolidated Statement of Financial Position.

Net Working Capital is the amount of Managerial Working Capital and Other net receivables/payables.

Other net receivables/payables comprise the current portion of Other receivables and Tax Receivables, net of the current portion of Provisions for risks and charges, Other payables and Tax payables, as presented in the Consolidated Statement of Financial Position.

Net Financial Debt (NFD) is the sum of Cash and Cash equivalents less Current loans and borrowings (including the current portion of amounts due under finance leases and to other lenders and of bank loans and borrowings, as reported in the Statement of Financial Position) and Non-current loans and borrowings (including the non-current portion of amounts due under finance leases and to other lenders and of bank loans and borrowings, as reported in the Statement of Financial Position).

The account Change in the Net Financial Debt includes the change in the Net Financial Debt. The Cash Flows from Operating Activities and Cash Flows from Investing Activities lines include the same entries as the Consolidated Statement of Cash Flows. The Cash Flows from Financing Activities line includes the same accounts as the Consolidated Statement of Cash Flows, in addition to the change in Loans and borrowings. The Effect of exchange rate changes on the NFD includes, in addition to the effect of exchange rate movements on cash and cash equivalents in the statement of cash flows, the effect of such movements on loans and borrowings.

Reconciliations

In Euro thousands	**Q3 16**	**Q3 15**	**9M 16**	**9M 15**
Operating profit – EBIT	2,318	4,400	9,449	9,273
(Impairment of Goodwill)	-	-	-	-
(Amortisation & Depreciation)	4,734	4,416	13,794	12,955
EBITDA	**7,052**	**8,816**	**23,243**	**22,228**
Non-recurring service expense	(164)	-	(164)	-
Non-recurring personnel expense	(1,500)	-	(1,500)	-
Restructuring charges	(32)	(294)	(104)	(1,236)
Normalised EBITDA	**8,748**	**9,110**	**25,011**	**23,464**

In Euro thousands	**Q3 16**	**Q3 15**	**9M 16**	**9M 15**
EBIT	2,318	4,400	9,449	9,273
Non-recurring service expense	(164)	-	(164)	-
Non-recurring personnel expense	(1,500)	-	(1,500)	-
Restructuring charges	(32)	(294)	(104)	(1,236)
Normalised EBIT	**4,014**	**4,694**	**11,217**	**10,509**

In Euro thousands	Q3 16	Q3 15	9M 16	9M 15
Profit for the period	665	2,128	3,511	3,743
(Non-recurring service expense)	164	-	164	-
(Non-recurring personnel expense)	1,500	-	1,500	-
(Restructuring charges)	32	294	104	1,236
(Non-recurring income taxes)	(458)	-	29	330
(Income taxes concerning restructuring charges)	(9)	(96)	(29)	(224)
Normalised Profit for the period	**1,894**	**2,326**	**5,278**	**5,085**
Profit attributable to non-controlling interests	211	155	450	399
Profit attributable to the owners of the Parent - Normalised	**1,683**	**2,171**	**4,828**	**4,686**

	Q3 2016	Q3 2015	9M 16	9M 15
Profit attributable to the owners of the Parent *(In Euro thousands)*	454	1,973	3,061	3,344
Shares in circulation at period-end	62,047,302	62,047,302	62,047,302	62,047,302
Earnings per share (Euro/cents)	**0.73**	**3.18**	**4.93**	**5.39**

In Euro thousands	Sep 30, 16	Dec 31, 15	Sep 30, 15
Other receivables	9,697	7,370	8,130
Tax assets	8,978	7,825	10,928
(Provision for risks and charges)	(3,034)	(7,398)	(5,123)
(Other payables)	(17,071)	(14,133)	(17,612)
(Tax liabilities)	(7,793)	(7,726)	(7,776)
Other net receivables/payables	**(9,223)**	**(14,061)**	**(11,453)**

In Euro thousands	Q3 16	Q3 15	9M 16	9M 15
Cash Flow from Financing Activities - from Statement of Cash Flows	(4,333)	3,600	2,880	1,405
Cash Flow from Financing Activities - from change in loans and borrowings	2,629	(4,178)	(8,650)	(7,613)
Cash Flow from Financing Activities	**(1,704)**	**(578)**	**(5,770)**	**(6,208)**

In Euro thousands	Q3 16	Q3 15	9M 16	9M 15
Effect of exchange rate change on cash and cash equivalents - from Statement of Cash Flows	(551)	(865)	(1,012)	37
Effect of exchange rate change on loans and borrowings	72	211	635	(432)
Effect of exchange rate change on NFD	**(479)**	**(654)**	**(377)**	**(395)**

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The Elica Group has been present in the cooker hood market since the 1970's, is chaired by Francesco Casoli 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 over 3,700 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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