



PRESS RELEASE

Fabriano, 5 April 2007 – Elica S.p.A, Parent Company of a Group that is the leading manufacturer of kitchen range hoods, announces that at the Board of Directors held on 29 March 2007, a proposal was brought forward to distribute a **dividend of €0.04 per share** for a total payout of **€2.5 million**, equivalent to about 30% of consolidated net profit.

The proposed ex-dividend date will be 14 May 2007. The dividend shall be paid as of 17 May 2007 (coupon No. 1).

The **Elica Group**, active in the market of kitchen range hoods for domestic use since the 1970s, is today a world leader in the production of range hoods for domestic use, and market leader in terms of units sold in the major European countries. The company is also a leader in Europe in the design, production and marketing of electric motors for range hoods and for boilers for domestic use. With over 2,100 employees and an annual production of about 5 million range hoods, the Elica Group has 10 specialized production sites. Of these, 8 are located in Italy, one is in Poland and one in Mexico. Through its thirty years of experience in the sector, attention to design and use of refined materials and advanced technologies, Elica has distinguished itself and revolutionised the traditional image of kitchen range hoods for domestic use: no longer basic accessories, they are now unique design objects.

This announcement is not an offer for sale of securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Elica does not intend to register any portion of the offering of the securities in the United States or to conduct a public offering of the securities in the United States. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from Elica or the selling shareholder and that will contain detailed information about the company and management, as well as financial statements. Copies of this announcement are not being made and may not be distributed or sent into the United States, Canada, Australia or Japan.

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The Balance Sheet, Income Statement and Statement of Cash Flows of Elica S.p.A. and of the Consolidated Balance Sheet, Consolidated Income Statement and Consolidated Statement of Cash Flows Group are provided below. These financial statements have not been audited by the Auditing Firm Deloitte & Touche S.p.A.

Consolidated Balance Sheet

(€000)

Continuing operations

Assets	31 December 2005	31 December 2006
Property, plant and equipment	62,573	79,007
Goodwill	26,809	29,382
Other intangible assets	3,033	3,751
Investments in associates and Joint ventures	3,641	5,916
Other financial assets	1,748	180
Sundry receivables	1,307	1,456
Tax assets	46	41
Deferred tax assets	3,325	6,305
Available-for-sale financial assets	94	251
Total non-current assets	102,576	126,289
Trade receivables and loans	90,831	106,874
Inventories	40,466	48,899
Sundry receivables	1,446	5,784
Tax assets	5,403	6,201
Derivative financial instruments	2	96
Cash and cash equivalents	18,316	29,334
Current assets	156,464	197,188
Total assets	259,040	323,477

Consolidated Balance Sheet

(€000)

Continuing operations

Liabilities and equity	31 December 2005	31 December 2006
Liabilities for post-retirement benefits	10,679	13,228
Provisions	1,769	2,207
Deferred tax liabilities	8,995	10,357
Amounts due under finance leases and other borrowings	12,725	9,617
Bank borrowings and mortgages	18,465	7,614
Sundry payables	4,034	4,025
Tax liabilities	4,070	4,045
Derivative financial instruments	136	75
Non-current liabilities	60,873	51,168
Provisions	504	784
Amounts due under finance leases and other borrowings	3,524	3,109
Bank borrowings and mortgages	12,147	11,284
Trade payables	87,467	94,392
Sundry payables	10,633	16,022
Tax liabilities	4,185	4,483
Derivative financial instruments	203	14
Current liabilities	118,663	130,088
Share capital	10,165	12,665
Capital reserves	14,811	71,123
Other reserves	-104	-200
Retained earnings	43,686	49,816
Net profit for the period attributable to shareholders of the Parent Company	10,144	8,328
Total equity attributable to shareholders of the Parent Company	78,702	141,732
Total equity attributable to minority interests	802	489
Consolidated equity	79,504	142,221
Total liabilities and equity	259,040	323,477

Consolidated income statement

(€000)

	FY 2005	FY 2006
Revenue	350,813	405,366
Other operating income	3,656	3,895
Change in inventories of finished goods and semi-finished products	(1,612)	401
Increase in self-constructed assets	860	1,578
Cost of raw and consumable materials	(171,184)	(202,804)
Service expense	(78,427)	(89,674)
Staff costs	(58,903)	(70,896)
Amortisation and depreciation	(15,084)	(16,051)
Other operating expenses and provisions	(6,080)	(7,624)
Restructuring charges	-	(437)
EBIT	24,039	23,754
Share of profit/(loss) of associates	265	809
Impairment available-for-sale financial assets	(607)	(195)
Finance income	397	675
Finance costs	(3,083)	(3,529)
Foreign exchange gains/(losses)	737	(837)
Other non-operating income	-	12
Pre-tax profit	21,748	20,689
Taxation	(11,243)	(12,103)
Net profit from continuing operations	10,505	8,586
Net profit/(loss) from discontinued operations	-	(167)
Net profit for the period	10,505	8,419
of which:		
Attributable to minority interest	361	91
Net profit attributable to Shareholders of the Parent Company	10,144	8,328
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Basic EPS		
From continuing and discontinued operations (euro/cents)	19.96	15.83
From continuing operations (euro/cents)	19.96	16.15
Diluted EPS		
From continuing and discontinued operations (euro/cents)	19.96	15.83
From continuing operations (euro/cents)	19.96	16.15

Cash flow statement	December 31, 2005	December 31, 2006
Profit (Loss) for the year	10,505	8,419
<i>Adjustments for non cash items:</i>		
Amortization of intangible assets	1,680	1,952
Depreciation of tangible assets	13,404	14,258
Termination indemnity accruing for year	1,967	2,685
Termination indemnity paid during year	(1,702)	(3,923)
Financial charges on termination indemnity	483	651
Financial charges	2,600	2,878
Effect of foreign exchange rate changes	(265)	140
Increase/(Decrease) in provision for doubtful debts	365	391
Increase/(Decrease) in provisions	74	648
Writedown/(revaluation) of equity investments	342	(614)
Gains on disposal of tangible assets	-	(12)
Gains on disposal of tangible assets	-	(2)
Cash flow from operating activities before changes in working capital	29,453	27,471
<i>Changes in current assets and liabilities:</i>		
(Increase)/decrease in receivables	(3,019)	(7,208)
(Increase)/decrease in inventories	6,383	(2,129)
Increase/(decrease) in payables	(7,792)	(10,791)
	(4,428)	(20,128)
Cash flow from operating activities	25,025	7,343
<i>Cash flow from investing activities:</i>		
Proceeds on disposal of tangible assets	1,001	8,456
Purchases of tangible assets	(9,372)	(25,356)
Net increase in intangible assets	(1,604)	(2,166)
Net increase/decrease in non current financial assets	(483)	(398)
Acquisition of Turbo business	-	(553)
Acquisition of remaining 40% interest in Jet Air S,r,l,	-	(2,806)
Acquisition of investment in Ariafina Co, Ltd,	-	715
Net cash used in investing activities	(10,458)	(22,106)
Cash flow from financial activities		
Loans repaid	(4,618)	(20,976)
Increase / (Decrease) in financial payables	(3,649)	(9,452)
IPO net proceeds	-	58,813
Distribution of dividends	(708)	(2,541)
Payment of capital by minority interests	(97)	-
Decrease (increase) in other financial assets	(41)	6
Net cash from financing activities	(9,113)	28,392
Net increase (decrease) in cash and cash equivalents	5,454	13,628
Cash and cash equivalents at the start of the period	12,842	18,316
Effect of foreign exchange rate changes	20	(69)
Cash and cash equivalents at the end of the period	18,316	29,334

Balance Sheet of the Parent Company Elica S.p.A.**31 December
2005
adjusted****31 December
2006****Continuing operations**

Property, plant and equipment	35,176,628	35,093,365
Other intangible assets	2,283,770	2,983,627
Investments in subsidiaries	32,559,130	48,080,640
Investments in associates and Joint ventures	4,286,208	6,057,834
Other financial assets	1,748,112	150,000
Sundry receivables	1,295,148	1,262,597
Tax assets	6,041	752
Deferred tax assets	1,849,068	3,457,258
Available-for-sale financial assets	84,223	86,223
Total non-current assets	79,288,328	97,172,296
Trade receivables and loans	55,936,021	57,439,089
Tax assets and loans to related parties	11,933,979	50,981,580
Inventories	21,682,538	24,161,036
Sundry receivables	949,613	1,189,275
Tax assets	4,476,202	1,163,826
Derivative financial instruments	2,000	96,000
Cash and cash equivalents	13,803,054	11,301,281
Current assets	108,783,407	146,332,087
Total assets	188,071,736	243,504,383

Balance Sheet of the Parent Company Elica S.p.A.**31 December
2005
adjusted****31 December
2006****Liabilities and equity**

Liabilities for post-retirement benefits	6,993,518	7,357,761
Provisions	1,075,705	1,136,588
Deferred tax liabilities	4,579,311	4,615,726
Amounts due under finance leases and other borrowings	4,618,799	3,372,274
Bank borrowings and mortgages	8,666,744	1,881,643
Sundry payables	3,943,225	3,934,581
Tax liabilities	3,877,277	3,851,924
Derivative financial instruments	58,000	10,000
Non-current liabilities	33,812,579	26,160,497
Bank borrowings and mortgages	4,587,953	254,191
Amounts due under finance leases and other borrowings	1,348,109	1,248,137
Provisions	350,000	611,000
Trade payables	61,460,756	62,907,271
Tax liabilities	3,540,929	2,582,285
Sundry payables	6,535,363	7,054,000
Derivative financial instruments	25,000	16,000
Current liabilities	77,848,111	74,672,884
Share capital	10,164,560	12,664,560
Capital reserves	14,810,711	71,123,336
Covering reserves	(48,801)	(17,651)
Retained earnings	43,268,658	48,943,432
Net profit for the year	8,215,918	9,957,326
Equity	76,411,046	142,671,002
Total equity attributable to minority interests		
Total liabilities and equity	188,071,736	243,504,383

Income statement of the Parent Company Elica S.p.A.

	FY 2005 Adjusted	FY 2006
Continuing operations		
Revenue	211,848,953	224,827,853
Revenues from related parties	23,325,632	26,437,279
Other operating income	2,617,521	2,462,156
Change in inventories of finished goods and semi-finished products	82,990	1,074,044
Increase in self-constructed assets	309,517	497,061
Cost of raw and consumable materials	(93,211,039)	(101,917,479)
Cost of raw and consumable materials to related parties	(25,377,147)	(23,772,485)
Service expense	(39,372,863)	(41,242,561)
Service expense to related parties	(13,471,963)	(14,107,716)
Staff costs	(39,960,130)	(42,792,586)
Amortisation and depreciation	(8,576,404)	(9,008,904)
Other operating expenses and provisions	(4,129,658)	(4,214,457)
EBIT	14,085,408	18,242,204
Income and charges from investments	1,620,577	1,745,161
Finance income	457,919	620,755
Finance costs	(1,502,685)	(1,258,497)
Foreign exchange gains/(losses)	336,367	(550,494)
Pre-tax profit	14,997,586	18,799,129
Taxation	(6,781,668)	(8,841,803)
Net profit	8,215,918	9,957,326
Basic EPS		
From continuing operations (euro/cents)	16.17	18.93
Diluted EPS		
From continuing operations (euro/cents)	16.17	18.93