

**PRESS RELEASE**

**ELICA GROUP:**

**Q2 2011 MANAGEMENT RESULTS**

**Consolidated results Q2 2011 (April-June 2011)**

- **Revenues: Euro 99.5 million (Euro 91.4 million in 2010), growth of 8.9%;**
- **EBITDA: Euro 7.5 million (Euro 6.8 million in 2010), up 10.3%;**
- **EBIT: Euro 3.4 million (Euro 2.7 million in 2010), an increase of 25.9%;**
- **Group net profit: Euro 1.3 million (Euro 1.0 million in 2010), growth of 39.0%;**
- **Net Debt: Euro 70.3 million, compared to Euro 34.9 million at December 31, 2010 and Euro 24.2 million at June 30, 2010.**

**Fabriano, July 28, 2011 – Elica S.p.A.**, the parent company of a Group that is the leading manufacturer of kitchen range hoods, voluntarily issues the management results for the second quarter 2011 of the Elica Group, which will be included in the half-year report 2011, subject to examination by the Board of Directors of Elica S.p.A. on August 25, 2011.

**Consolidated revenues – Q2 2011**

**In the second quarter of 2011 Elica Group consolidated revenues** amounted to **Euro 99.5 million - an increase of 8.9%** on the same period of the previous year. The growth was principally driven by improved sales volumes. Revenues in Q2 2011 comprehensively outperformed a contracting global range hood market, improving across all international regions.

**The Hood Business Unit increased revenues by 7.7%. Own brand revenues grew 26.6%** on 2010, thanks also to the sales of the Indian and Chinese companies<sup>1</sup>.

**The Motors Business Unit grew revenues by 16.1%** 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<sup>2</sup>, European revenues increased by **5.9%** on the same period of 2010. **The Americas<sup>3</sup> recorded revenue growth of 25.2%**, with revenues in the **other geographic areas progressing 18.3%** - principally due to the consolidation of the Indian and Chinese companies.

**Profitability - Q2 2011**

**EBITDA** amounted to **Euro 7.5 million** compared to Euro 6.8 million in 2010 - **7.5% of revenues**. **The margin increased 10.3%** on the same period of the previous year, affected by the rising cost of raw materials - in particular metals, copper and oil-based materials - which increased following a rise in oil prices, however offset by the effects of the production efficiency programmes and the reduction of fixed costs.

**EBIT** amounted to **Euro 3.4 million** compared to Euro 2.7 million in 2010 - **3.4% of revenues**.

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

<sup>2</sup> Revenues by geographic area of products sold.

<sup>3</sup> Includes North, Central and South America.

The Group net profit amounted to Euro 1.3 million, 1.3% of revenues, compared to Euro 1.0 million in the same period of 2010.

<i>In Euro thousands</i>	Q2 11		Q2 10		11 Vs 10 %
		revenue margin		revenue margin	
Revenues	99,496		91,352		8.9%
EBITDA	7,498	7.5%	6,800	7.4%	10.3%
EBIT	3,431	3.4%	2,725	3.0%	25.9%
Financial income/(charges)	(731)	(0.7%)	(942)	(1.0%)	(22.4%)
Income taxes	(1,222)	(1.2%)	(672)	(0.7%)	81.8%
Net profit from continuing operations	1,478	1.5%	1,111	1.2%	33.0%
Net profit from continuing operations and discontinuing operations	1,478	1.5%	1,111	1.2%	33.0%
<b>Group net profit</b>	<b>1,327</b>	<b>1.3%</b>	<b>955</b>	<b>1.0%</b>	<b>39.0%</b>
Basic earnings per share on continuing operations and discontinued operations	2.26		1.68		34.7%
Diluted earnings per share on continuing operations and discontinued operations	2.26		1.68		34.7%

\*The earnings per share for Q2 2011 and 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 June 30, 2011 amounted to Euro 70.3 million, from Euro 34.9 million at December 31, 2010, principally due to the payment for the further 15% stake in the Chinese company Putian<sup>4</sup>, concluded on April 29, 2011.

<i>In Euro thousands</i>	30/06/2011	31/12/2010	30/06/2010
<b>Cash and cash equivalents</b>	<b>27,588</b>	<b>25,102</b>	<b>22,411</b>
Finance leases and other lenders	(64)	(76)	(88)
Bank loans and mortgages	(34,178)	(30,457)	(18,056)
<b>Long-term debt</b>	<b>(34,242)</b>	<b>(30,533)</b>	<b>(18,144)</b>
Finance leases and other lenders	(24)	(23)	(3,242)
Bank loans and mortgages	(63,670)	(29,426)	(25,214)
<b>Short-term debt</b>	<b>(63,694)</b>	<b>(29,449)</b>	<b>(28,456)</b>
<b>Net Debt</b>	<b>(70,348)</b>	<b>(34,880)</b>	<b>(24,189)</b>

Managerial Working Capital on annualised net revenues increased from 11.7% at December 31, 2010 to 12.3% at June 30, 2011, principally due to an increase in the level of inventory held, while substantially stable on 12.5% at June 30, 2010.

<sup>4</sup> Zhejiang Putian Electric Co. Ltd

<i>In Euro thousands</i>	<b>30/06/2011</b>	<b>31/12/2010</b>	<b>30/06/2010</b>
Trade receivables	90,551	89,276	94,192
Inventories	51,983	42,671	42,576
Trade payables	(95,048)	(88,742)	(91,817)
<b>Managerial Working Capital</b>	<b>47,486</b>	<b>43,205</b>	<b>44,951</b>
as a % of annualised revenues	12.3%	11.7%	12.5%
Other net receivables/payables	(1,948)	(3,869)	(4,771)
as a % of annualised revenues	-0.5%	-1.1%	-1.3%
<b>Net Working Capital</b>	<b>45,538</b>	<b>39,336</b>	<b>40,180</b>
as a % of annualised revenues	11.8%	10.7%	11.2%

The key pro-forma management data relating to the first half of 2011 is summarised below

<i>In Euro thousands</i>	<b>H1 11</b>	<b>revenue margin</b>	<b>H1 10</b>	<b>revenue margin</b>	<b>11 Vs 10 %</b>
Revenues	192,505		179,455		7.3%
EBITDA	13,732	7.1%	13,242	7.4%	3.7%
EBIT	5,530	2.9%	5,040	2.8%	9.7%
Financial income/(charges)	(1,577)	(0.8%)	(666)	(0.4%)	136.8%
Income taxes	(1,439)	(0.7%)	(1,657)	(0.9%)	(13.2%)
Net profit from continuing operations	2,514	1.3%	2,717	1.5%	(7.5%)
Net profit from continuing operations and discontinued operations	2,514	1.3%	2,717	1.5%	(7.5%)
<b>Group net profit</b>	<b>2,381</b>	<b>1.2%</b>	<b>2,413</b>	<b>1.3%</b>	<b>(1.3%)</b>
Basic earnings per share on continuing operations and discontinued operations	4.04		4.23		(4.5%)
Diluted earnings per share on continuing operations and discontinued operations	4.04		4.23		(4.5%)

The Elica Group **confirms the 2011 Guidance** announced to the market on May 12, 2011 on the approval of the Q1 2011 results which estimates an increase in **Consolidated Revenues of between 5% and 7% on 2010, EBITDA growth of between 5% and 10% on 2010 and stability in Managerial Working Capital** on consolidated revenues.

The ongoing focus on innovation continues, as does the efficiency drive, and which have combined to enable the Elica Group to maintain and strengthen further its global leadership position in the sector and to absorb the impacts of rising raw material prices.

The present communication was filed today and will be available at [www.elicagroup.com](http://www.elicagroup.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.

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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 Andrea Sasso 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 approx. 2,900 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.

**For further information:**

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