PRESS RELEASE

BOARD OF DIRECTORS OF ELICA SPA
APPROVES QUARTERLY REPORT AT 31 DECEMBER 2007

Consolidated results ahead of guidance for 2007 (up 7.0%)

Consolidated results for full year 2007

- **Revenue of €434.4 million (up 7.2% on same period of 2006) in line with guidance for 2007 (up 7.0%);**
- **Net profit of €9.6 million (up 13.8% on same period of 2006) ahead of guidance for 2007 (up 7.0%).**

Results for fourth quarter of 2007

- **Revenue of €111.6 million (up 3.2% on same period of 2006[1]);**
- **EBITDA of €7.6 million (up 5.4% on same period of 2006);**
- **EBIT of €3.8 million (up 17.8% on same period of 2006);**
- **Net profit of €1.7 million (up 139.1% on same period of 2006);**
- **Net funds of €2.2 million have improved €4.5 million on same period of 2006, after carrying out share buyback programme worth €6.6 million.**

Fabriano, 14 February 2008 – The Board of Directors of Elica S.p.A., the parent company of a Group that is the leading manufacturer of kitchen range hoods, has approved the **quarterly report at 31 December 2007**, prepared in accordance with IFRS.

Consolidated revenue for the fourth quarter of 2007
The Group reports **consolidated revenue** of **€111.4 million** for the fourth quarter of 2007, marking **an increase of 3.2%** on the same period of the previous year and beating the market growth rate. On a like-for-like exchange rate basis, **overall growth** was **3.8%**. The increase in revenue was driven by the range hood business unit, which saw growth of 3.5% (4.3% on a like-for-like exchange rate basis). The performance of products in the range hood unit sold under the Group's brand name was particularly positive, with revenue rising by 35%. Decorative hoods and Elica Collection branded hoods saw increases of 12% and 50%, respectively.

In terms of geographical area, **Europe**[2] saw the best rate of growth in absolute terms, with **revenue** up **€8.9 million** on the same period of 2006 (up 10.3%), whilst **America**[3]

[1] Market estimates by the Company’s management.
[2] Includes countries in the CIS.
[3] Includes North, Central and South America.

recorded a reduction in revenue compared with the same period of 2006. The decline, which is in line with expectations, was due to the fact that sales to a major customer were concentrated in the third quarter, and to the implementation of a new production layout for the product platform in order to meet the needs of a new customer. Revenue in the other geographical areas is substantially stable compared with the same period of 2006.

Earnings in the fourth quarter of 2007

EBITDA of **€7.6 million** is **up 5.7%** on the €7.2 million of the fourth quarter of 2006.

At **€3.8 million, EBIT** is up **17.8%** on the same period of 2006, reflecting exchange rate movements, the effect of pension reform in Italy, as accounted for in accordance with IAS 19, and provisions for restructuring charges. After stripping out all the above elements, EBIT is up 100.1%.

The Group's earnings were affected by net foreign exchange losses of approximately €0.7 million during the fourth quarter of 2007.

Based on average monthly exchange rates published by the Italian Exchange Office, over the fourth quarter of 2007 the euro rose substantially against all the currencies in which the Elica Group operates, whilst falling against the zloty. A comparison of exchange rates at 31 December 2007 and 2006 confirms these trends.

	Q4 2007	Q4 2006	%	Dec 2007	Dec 2006	%
USD	1.464	1.302	12.4%	1.472	1.317	11.8%
GBP	0.715	0.671	6.5%	0.734	0.672	9.2%
JPY	164.950	153.270	7.6%	164.930	156.930	5.1%
PLN	3.615	3.838	-5.8%	3.594	3.831	-6.2%
MXN	15.881	14.169	12.1%	16.055	14.294	12.3%

EBIT for the fourth quarter of 2007 reflects non-recurring costs relating to both the accounting effect of application of IAS 19 in view of the recent pension reform[4], amounting to €1.3 million, and the early launch (with respect to the Strategic Plan for 2008-2010) of the industrial restructuring process, amounting to €0.7 million.
The impact of net finance costs on revenue is slightly up due to increased foreign exchange losses. These have resulted from the valuation of intercompany payables and receivables, and therefore have no cash effect.

Net profit attributable to shareholders of the Parent Company is up from the €0.7 million of 2006 to **€1.7 million** for 2007, marking a significant increase of **139.1%**.

[4] Law 296 of 26 December 2007 and Labour and Welfare Ministry Decree of 30 January 2007.

€000	Q4 2007	% of revenue	Q4 2006	% of revenue	2007/2006 (%)
Revenue	111,631		108,177		3.2%
EBITDA	7,633	6.8%	7,245	6.7%	5.4%
EBIT	3,790	3.4%	3,218	3.0%	17.8%
Finance income/(costs)	(926)	-0.8%	(721)	-0.7%	28.4%
Taxation for the period	(1,214)	-1.1%	(1,640)	-1.5%	-26.0%
Net profit/(loss) for the period	**1,650**	**1.5%**	**690**	**0.6%**	139.1%
Basic earnings per share from continuing operations (euro cents)*	2.49		1.32		89.0%
Diluted earnings per share from continuing operations (euro cents)*	2.49		1.32		89.0%

* Earnings per share for the fourth quarter of 2006 and for full year 2006 have been restated on the basis of the average number of shares in issue and in circulation during the fourth quarter of 2007 and full year 2007.

Net funds

Net funds of €2.2 million at 31 December 2007 have **improved €4.5 million** on the same period of 2006, after completing share buybacks worth €6.6 million. The improvement in operating cash flow was as much as €11.1 million, excluding the share buyback programme.

€000	31 Dec 2007	30 Sept 2007	31 Dec 2006
Cash and cash equivalents	**21,948**	**23,515**	**29,334**
Amounts due under finance leases and other borrowings	(6,089)	(7,832)	(9,617)
Bank borrowings and mortgages	(10,160)	(7,283)	(7,614)
Long-term debt	**(16,249)**	**(15,115)**	**(17,231)**
Amounts due under finance leases and other borrowings	(775)	(2,680)	(3,109)
Bank borrowings and mortgages	(2,751)	(1,005)	(11,284)
Short-term debt	**(3,526)**	**(3,685)**	**(14,393)**
Net funds/(debt)	**2,173**	**4,715**	**(2,290)**

Net working capital has improved with respect to December 2006 and September 2007. Compared with September 2007, the improvement was driven by a reduction in inventories. Despite an overall improvement, inventories are up compared with 31 December 2006, following an improvement in the level of service provided in American markets and the launch of the industrial restructuring plan.

€000	31 Dec 2007	30 Sept 2007	31 Dec 2006
Trade receivables	110,013	109,918	106,874
Inventories	57,623	63,919	48,899
Trade payables	(112,503)	(110,453)	(94,392)
Operating Working Capital	**55,133**	**63,384**	**61,381**
as a % of annualised revenue	12.7%	14.7%	15.1%
Net other receivables/payables	(7,276)	(11,626)	(9,356)
Net Working Capital	**47,857**	**51,758**	**52,025**
as a % of annualised revenue	11.0%	12.0%	12.8%

Consolidated results for full year 2007 ahead of guidance for 2007

Consolidated revenue for the twelve months ended 31 December 2007 **are up 7.2%** compared with the same period of the previous year (up 7.8% on a like-for-like exchange rate basis), confirming previous guidance for 2007, which estimated increases of 7.0% in both revenue and net profit.

The increase in revenue was driven by the range hood business unit, which saw growth of 7.2%. The performance of products in the range hood unit sold under the Group's brand name was particularly positive, with revenue rising by 37%. Decorative hoods and Elica Collection branded hoods saw increases of 27% and 58%, respectively.

EBIT is down 6.8%. However, after stripping out the impact of foreign exchange movements, amounting to a loss of €2.4 million, the effect of the above pension reform, amounting to a charge of €1.3 million, and the charges incurred for the industrial restructuring, amounting €0.7 million, EBIT totals €26.5 million, marking an improvement of 11.6%.

Net profit attributable to shareholders of the Parent Company for the twelve months ended 31 December 2007 amounts to **€9.6 million**, marking an increase of **13.8%** and coming in ahead of guidance for 2007, above all if the early launch of the industrial restructuring process, with respect to the Strategic Plan for 2008-2010, is taken into account.
*

€000	FY 2007	% of revenue	FY 2006	% of revenue	2007/2006 (%)
Revenue	434,359		405,366		7.2%
EBITDA	39,061	9.0%	39,805	9.8%	-1.9%
EBIT	22,149	5.1%	23,754	5.9%	-6.8%
Finance income/(costs)	(2,678)	-0.6%	(3,065)	-0.8%	-12.6%
Taxation for the period	(9,892)	-2.3%	(12,103)	-3.0%	-18.3%
Net profit/(loss) for the period	**9,579**	**2.2%**	**8,419**	**2.1%**	13.8%
Basic earnings per share from continuing operations (euro cents)*	14.68		13.48		8.9%
Diluted earnings per share from continuing operations (euro cents)*	14.68		13.48		8.9%

* Earnings per share for the fourth quarter of 2006 and for full year 2006 have been restated on the basis of the average number of shares in issue and in circulation during the fourth quarter of 2007 and full year 2007.

Significant events after 31 December 2007

On 10 December 2007 the Elica Group announced a **supply agreement** with **Whirlpool Corporation**, the world's leading producer of electrical appliances, with the aim of boosting both companies' growth in the kitchen range hoods market and strengthening their partnership.

As a result of this agreement, Elica, the world leader with 17% of the market, will further expand its share of the North American market. Based on this agreement and the forecasts contained in the Strategic Plan for 2008-2010, Elica expects to see a gradual increase in annual sales in the American market, achieving, once fully operational, an additional US$20 million in revenue in 2011.

Fan S.A., Elica's parent company, has also agreed to sell (directly or through an intermediary) a 5% holding in Elica S.p.A. at a price of €5.0 per share. At the same time, Whirlpool has acquired a call option on a further 10% of the Company, to be exercised in accordance with the terms and conditions announced in the press release of 10 December 2007.

On 16 January 2008, **Fime S.p.A.**, a wholly owned subsidiary of Elica S.p.A., divested its "ACEM division", which produces transformers, as it was no longer considered of strategic importance for the businesses of the Elica Group and Fime S.p.A., which following the transaction owns 10% of Acem S.r.l..
This transaction will enable the Elica Group to benefit by concentrating investment on its motors business, freeing up the necessary funds to finance investment in this area.

On 14 February 2008, Elica S.p.A.'s Board of Directors elected **Fiorenzo Busso** (born in Milan on 11 September 1942, resident in Viale Matteotti 2, 10048 Vinovo - TO) to serve as a Director until the next General Meeting of shareholders. The election was conducted pursuant to article 16.6 of the Articles of Association in force and article 2386 of the Italian Civil Code, and in accordance with the criteria set out in art. 3.C.1 of the Corporate Governance Code and with Regulatory Instructions. Fiorenzo Busso replaces Alberto Neroli, elected by resolution on 12 April 2006, who has resigned.

The consolidated quarterly report at 31 December 2007 will be available on the Internet at www.elica.com from the date it is filed, expected to take place no later than 14 February 2008.

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

The manager responsible for the Company's financial reporting, Vincenzo Maragliano, declares, pursuant to section 2 of article 154 bis of the Consolidated Finance Act, that the consolidated quarterly report at 31 December 2007 is consistent with the underlying accounting records.

About Elica Group

Elica has been present in the cooker hood market since the 1970s and is today world leader in the production of hoods and market leader in terms of units sold in the main European countries. The Group is also seeing significant growth in its market share in strategically important countries such as the USA, Japan and Russia and is gradually moving towards a position of leadership in the planning, production and sale of motors for central heating boilers for domestic use in Eastern and Western Europe.
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: no longer seen as a mere domestic accessory, it has been transformed into a fascinating and sophisticated design object. Eye-catching and luxurious, an Elica product is designed to enhance every type of kitchen environment. Additional information about the company can be found at http://www.elica.com.

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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ANNEX A

Consolidated income statement for Q4 and FY 2007

'(€000)	Q4 2007	Q4 2006	FY 2007	FY 2006
Revenue	111,631	108,177	434,359	405,366
Other operating income	812	1,552	5,354	3,895
Changes in inventories of finished goods and semi-fi	(3,940)	(3,319)	1,685	401
Increase in self-constructed assets	1,574	294	2,956	1,578
Cost of raw and consumable materials	(55,358)	(53,635)	(222,895)	(202,804)
Service expense	(23,322)	(25,421)	(96,147)	(89,674)
Staff costs	(21,196)	(17,987)	(76,967)	(70,896)
Amortisation and depreciation	(3,843)	(4,027)	(16,912)	(16,051)
Other operating expenses and provisions	(1,866)	(2,416)	(8,582)	(7,624)
Restructuring charges	(702)	0	(702)	(437)
EBIT	**3,790**	**3,218**	**22,149**	**23,754**
Share of profit/(loss) of associates	(63)	404	(162)	809
Impairment of available-for-sale financial assets	0	(123)	0	(195)
Finance income	159	404	948	675
Finance costs	(165)	(775)	(1,344)	(3,529)
Foreign exchange gains/(losses)	(883)	(360)	(2,146)	(837)
Other non-operating income	26	(271)	26	12
Pre-tax profit	**2,864**	**2,497**	**19,471**	**20,689**
Taxation for the period	(1,214)	(1,640)	(9,892)	(12,103)
Net profit from continuing operations	1,650	857	9,579	8,586
Net profit from discontinued operations	0	(167)		(167)
Net profit for the period	**1,650**	**690**	**9,579**	**8,419**
of which:				
Attributable to minority interest	102	38	327	91
Attributable to shareholders of the Parent Company	**1,548**	**652**	**9,252**	**8,328**
Basic earnings per share (euro cents)				
from continuing and discontinued operations	2.49	1.13	14.68	15.83
from continuing operations	2.49	1.41	14.68	16.15
Diluted earnings per share (euro cents)				
from continuing and discontinued operations	2.49	1.13	14.68	15.83
from continuing operations	2.49	1.41	14.68	16.15

ANNEX B

Consolidated balance sheet at 31 December 2007

Assets *(€000)*	**31 Dec 2007**	**31 Dec 2006**
Continuing operations		
Property, plant and equipment	80,120	79,007
Goodwill	29,798	29,382
Other intangible assets	5,529	3,751
Investments in associates and joint ventures	2,363	5,916
Other financial assets	31	180
Sundry receivables	1,318	1,456
Tax assets	9	41
Deferred tax assets	6,607	6,305
Available-for-sale financial assets	26	251
Total non-current assets	**125,801**	**126,289**
Trade receivables and loans	110,013	106,874
Inventories	57,623	48,899
Other receivables	4,584	5,784
Tax assets	4,510	6,201
Derivative financial instruments	544	96
Cash and cash equivalents	21,948	29,334
Current assets	**199,222**	**197,188**
Total assets	**325,023**	**323,477**

Liabilities and equity *(€000)*	**31 Dec 2007**	**31 Dec 2006**
Continuing operations		
Liabilities for post-retirement benefits	12,991	13,228
Provisions	3,322	2,155
Deferred tax liabilities	9,564	10,357
Amounts due under finance leases and other borrowings	6,089	9,617
Bank borrowings and mortgages	10,160	7,614
Sundry payables	4,016	4,025
Tax liabilities	4,004	4,045
Derivative financial instruments	0	10
Non-current liabilities	**50,146**	**51,051**
Provisions	612	836
Amounts due under finance leases and other borrowings	775	3,109
Bank borrowings and mortgages	2,751	11,284
Trade payables	112,503	94,392
Other payables	13,144	16,022
Tax liabilities	2,614	4,483
Derivative financial instruments	422	79
Current liabilities	**132,821**	**130,205**
Share capital	12,665	12,665
Capital reserves	71,123	71,123
Other reserves	35	-200
Retained earnings	47,831	49,816
Net profit for the period attributable to shareholders of the Parent Company	9,252	8,328
Total equity attributable to shareholders of the Parent Company	**140,906**	**141,732**
Total equity attributable to minority interest	1,150	489
Consolidated equity	**142,056**	**142,221**
Total liabilities and equity	**325,023**	**323,477**