The Hi-Life Company

PRESS RELEASE

THE BOARD OF DIRECTORS OF ELICA S.p.A. APPROVES THE THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2007

Consolidated result[1] for full year 2007

- **Revenues: Euro 426.8 million (up 7.0% on 2006) in line with Guidance for 2007;**
- **EBITDA before non-recurring items: Euro 40.4 million (up 1.5% on 2006);**
- **EBIT before non-recurring items: Euro 23.9 million (up 0.2%, in line with 2006);**
- **EBIT: Euro 22.1 million (down 7.8% on 2006);**
- **Net profit: Euro 9.6 million (up 13.8% on 2006), well ahead of Guidance for 2007 (up 7%);**
- **Net funds of Euro 3.3 million have improved Euro 3.8 million on 2006, after completing a share buy-back programme of Euro 6.6 million.**

Resolutions on dividend distribution and Shareholder' AGM

- **The Board of Directors have proposed the distribution of a dividend of Euro 0.0482 per share (before withholding taxes), resulting in a payout ratio of 32.8%, and excluding the distribution of a dividend for treasury shares held at 19 May 2008, date of the dividend coupon. The payment date proposed for the dividend is 22 May 2008.**
- **The Board of Directors also called the Shareholders' AGM for 28 April 2008 in first call and for 5 May 2008 in second call.**

Fabriano, 27 March 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 **Consolidated financial statements as at 31 December 2007**, prepared in accordance with IFRS.

Consolidated revenues for full year 2007

The Group reports **consolidated revenues** of **Euro 426.8 million** in 2007, a **growth of 7.0%** on the previous year, in line with Guidance for 2007 and beating the market growth

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[1] The results refer to continuing operations in the current Group consolidation area. The costs and revenues and the assets and liabilities of the "ACEM division", as reported in the Directors' Report on Operations, were eliminated from the Consolidated Balance Sheet and Income Statement as at 31 December 2006 and 2007 and reported in a single line item and therefore the comments below do not take account of the impact of this division.

rate[2]. On a like-for-like exchange rate basis, overall growth was 7.7%. Revenue growth was driven by the range hood business unit, which saw growth of 8.6%, while the motor business unit recorded revenues in line with 2006.
The Group's brand sales in the range hood business were extremely strong, with revenue growth of approximately 37%, and in particular the Elica Collection which recorded growth of 58%. High-end and medium range products growth continued, in particular decorative hoods which rose by 27%.
In terms of geographical area, **Europe**[3] was the main driver of growth which increased from Euro 336.7 million in 2006 to **Euro 358.7 million in 2007 (+6.5%),** while revenues in **America**[4] remained largely stable on like-for-like exchange rates, and **grew by 4.8% at like-for-like exchange rates** on 2006 and in line with Company forecasts.

Earnings for the full year 2007

EBITDA before non-recurring items of **Euro 40.4 million is up 1.5%** on the Euro 39.8 million in 2006.

EBIT before non-recurring items of **Euro 23.9 million** was in line with 2006. The operating profit was affected by unfavourable exchange rate movements and by the increase of raw material costs, against which the Group introduced a higher average price and achieved greater levels of industrial efficiencies.
A further impact derived from non-recurring items of Euro 0.7 million relating to restructuring costs and Euro 1.1 million relating to reforms to the Italian pension system, which was accounted in accordance with IAS 19. Excluding these non-recurring items, EBIT was in line with 2006 and therefore able to absorb external factors such as the exchange rate movements and the increase in the cost of raw materials.

Net financial costs decreased from 2006 due to a decrease in financial charges, in spite of higher exchange losses from valuations related to intercompany payables/receivables and therefore non-cash items.

Based on average exchange rates published by the Italian Exchange Office in 2007, the Euro rose strongly against all the currencies in the areas in which the Elica Group operates. This was particularly significant against the US Dollar, the Japanese Yen and the Mexican Peso and rose sharply at the end of the year. At the end of 2007, there was a notable rise in the Euro against UK Sterling. The Euro however fell against the Polish Zloty.

	Average 2007	Average 2006	%	Dec 31, 07	Dec 29, 06	%
USD	1.3705	1.2556	9.2%	1.4721	1.3170	11.8%
GBP	0.6843	0.6817	0.4%	0.7333	0.6715	9.2%
JPY	161.253	146.015	10.4%	164.930	156.930	5.1%
ZTL	3.7837	3.8959	-2.9%	3.5935	3.831	-6.2%
MXN	14.9748	13.6943	9.4%	16.054	14.2937	12.3%

[2] Estimates by the Company's management based on GFK data.
[3] Includes CIS member countries (Community of Independent States).
[4] Includes North, Central and South America.

Net profit is up from Euro 8.4 million in 2006 to **Euro 9.6 million** in 2007, recording a strong increase of **13.8%,** well ahead of Guidance for 2007 (+7%) and particularly strong in consideration of the industrial restructuring costs (Euro 0.7 million) incurred in furtherance of the Strategic Plan 2008-2010.

in Euro thousands	**31-dic-07**	**31-dic-06**	**07 Vs 06**
Revenues	426,795	398,758	7.0%
EBITDA before non-recurring items	40,381	39,788	1.5%
EBIT before non-recurring items	23,938	23,892	0.2%
revenue margin	5.6%	6.0%	
Non-recurring items (revenues and charges)	(1,835)		
revenue margin	(0.4%)		
EBIT from continuing operations	**22,103**	**23,982**	(7.8%)
revenue margin	5.2%	6.0%	
Financial income/(costs)	(2,542)	(3,691)	(31.1%)
revenue margin	(0.6%)	(0.9%)	
Net profit from continuing operations	9,562	8,869	7.8%
revenue margin	2.2%	2.2%	
Net profit from discontinued operations	17	(450)	
revenue margin	0.0%	(0.1%)	
Net profit	**9,579**	**8,419**	**13.8%**
revenue margin	2.2%	2.1%	
Group net profit	9,252	8,328	11.1%
Basic earnings per share			
from continuing and discontinued operations (Euro/cents)	14.78	13.30	11.1%
from continuing operations (Euro/cents)	14.75	14.14	4.3%
Diluted earnings per share			
from continuing and discontinued operations (Euro/cents)	14.78	13.30	11.1%
from continuing operations (Euro/cents)	14.75	14.14	4.3%

The earnings per share is calculated by dividing the Group net profit by the average number of shares outstanding, net of treasury shares, at March 7, 2008. The previous year's basic and diluted earnings per share have been restated based on the current number of shares outstanding.

Net Funds

Net funds of Euro 3.3 million at 31 December 2007 have improved Euro 3.8 million on 2006, after completion of a share buy back programme of Euro 6.6 million. Operating cash flow generated Euro 10.4 million before the share buyback programme.

	Continuing Operations		Division to be sold		Consolidated	
in Euro thousands	**31-dic-07**	**31-dic-06**	**31-dic-07**	**31-dic-06**	**31-dic-07**	**31-dic-06**
Cash and cash equivalents	***21,948***	***29,334***	-	-	***21,948***	***29,334***
Finance leases and other lenders	(4,614)	(7,865)	(1,080)	(1,752)	(5,694)	(9,617)
Bank loans and mortgages	(6,705)	(7,614)		-	(6,705)	(7,614)
Long-term debt	***(11,319)***	***(15,479)***	***(1,080)***	***(1,752)***	***(12,399)***	***(17,231)***
					-	-
Finance leases and other lenders	(1,170)	(3,109)	-	-	(1,170)	(3,109)
Bank loans and mortgages	(6,206)	(11,284)	-	-	(6,206)	(11,284)
Short-term debt	***(7,376)***	***(14,393)***	**-**	**-**	***(7,376)***	***(14,393)***
					-	-
Net funds/(debt)	**3,253**	**(538)**	**(1,080)**	**(1,752)**	**2,173**	**(2,290)**

Net working capital improved by over 2.5 percentage points compared to December 2006 - the improvement stems in particular from efficient management of trade payables and receivables.

	Continuing Operations		Division to be sold		Consolidated	
in Euro thousands	**31-dic-07**	**31-dic-06**	**31-dic-07**	**31-dic-06**	**31-dic-07**	**31-dic-06**
Trade receivables	108,457	106,874			108,457	106,874
Inventories	56,408	47,366	1,215	1,533	57,623	48,899
Trade payables	(112,503)	(94,392)			(112,503)	(94,392)
Operating Working Capital	***52,362***	***59,848***	***1,215***	***1,533***	***53,577***	***61,381***
revenues margin	12.3%	15.0%			12.3%	15.1%
Other receivables/payables - net	(5,719)	(9,356)			(5,719)	(9,356)
Net Working Capital	***46,643***	***50,492***	***1,215***	***1,533***	***47,858***	***52,025***
revenues margin	10.9%	12.7%			11.0%	12.0%

Significant events after the year end

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 both 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 investments in 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 Shareholders' AGM. The appointment was conducted pursuant to article 16.6 of the By-laws in force and article 2386 of the 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, appointed by resolution on 12 April 2006, who has resigned.

On 27 March 2008, The Board of Directors also approved the **Financial Statements as at 31 December 2007 of Elica SpA**, the Corporate Governance Report for 2007, the Report on the nomination of the new director and the Internal Control Committee Report.
The Board also approved the adoption of the Organisational Model pursuant to Legislative Decree 231/2001 and appointed the Supervision Committee and the person responsible for the Internal Auditing function, Mr. Massimo Enrico Ferri.
Massimo Enrico Ferri, after graduating in Economics and Commerce from the Polytechnic University of Marche in July 2000, gained significant experience in the auditing field in both the Italian and foreign offices of a leading multi-national company until 2005. Following this, he was involved in the preparation of the consolidated financial statements of the Elica Group and the fulfilling of the legal obligations related to the IPO and the subsequent stock market listing.

The Consolidated and Separate Financial Statements as at 31 December 2007 of Elica SpA and the Corporate Governance Report for the year 2007 will be available on the Internet site www.elica.com in the terms prescribed by law, which is expected to take place no later than 12 April 2008.

Resolutions on dividend distribution

The Board of Directors have proposed the distribution of a dividend of Euro 0.0482 per share (before withholding taxes), resulting in a payout ratio of 32.8%, and excluding the distribution of a dividend for treasury shares held at 19 May 2008, date of the dividend coupon. The payment date proposed for the dividend is 22 May 2008.

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

The executive responsible for the corporate accounting documents, Mr. Vincenzo Maragliano, declares pursuant to section 2 of article 154 bis of the Consolidated Finance Act, that the Consolidated and Separate Financial Statements of Elica SpA as at 31 December 2007 correspond to the underlying accounting documents, records and accounting entries.

Convocation of the Shareholders' AGM

The Board of Directors also called the Shareholders' AGM for 28 April 2008 in first call at the company's registered office in Fabriano, Via Dante No. 288, and for 5 May 2008 in second call, at the same time and location.

The **Elica Group** 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 experiencing 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 both Eastern and Western Europe. With over 2,300 employees and an annual output of over 5 million units, the Elica Group has ten plants specialising by type of process and product; of these, eight are in Italy, one is in Poland and one in Mexico.

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.

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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ATTACHMENT A

Consolidated income statement – Full Year 2007

Consolidated Income Statement		
(in thousands of Euro)	**2006**	**2007**
Continuing Operations		
Revenues	405,366	426,795
Other operating revenues	3,895	5,321
Changes in inventories of finished and semi-finished goods	401	1,471
Increase in internal work capitalised	1,578	2,956
Raw materials and consumables	(202,804)	(218,417)
Services	(89,674)	(95,026)
Labour costs	(70,896)	(75,307)
Amortisation and depreciation	(16,051)	(16,443)
Other operating expenses and provisions	(7,624)	(8,547)
Restructuring charges	(437)	(700)
EBIT	**23,754**	**22,103**
Share of profit/(loss) from associates	809	(163)
Impairment of available-for-sale financial assets	(195)	-
Financial income	675	948
Financial costs	(3,529)	(1,344)
Foreign exchange gains/(losses)	(837)	(2,146)
Other non-operating income	12	26
Pre-tax profit	**20,689**	**19,424**
Income taxes	(12,103)	(9,862)
Net profit from continuing operations	**8,586**	**9,562**
Discontinued operations		
Net profit/(loss) from discontinued operations	(167)	17
Net profit for the year	**8,419**	**9,579**
of which:		
Minority interest share	91	327
Group net profit	**8,328**	**9,252**
Basic earnings per share		
From continuing and discontinued operations (Euro/cents)	15.83	14.68
From continuing operations (Euro/cents)	16.15	14.65
Diluted earnings per share		
From continuing and discontinued operations (Euro/cents)	15.83	14.68
From continuing operations (Euro/cents)	16.15	14.65

NOTE: In accordance with IFRS 5, the costs and revenues and the assets and liabilities of the "ACEM division", as reported in the Directors' Report on Operations, were eliminated from the Consolidated Balance Sheet and Income Statement as at 31 December 2007 and reported in a single line item but not from the Consolidated Balance Sheet and Income Statement as at 31 December 2006.
The earnings per share in 2007 was calculated by dividing the Group net profit by the weighted average number of ordinary shares outstanding , excluding treasury shares, as at 31 December 2007.

The Hi-Life Company

ATTACHMENT B

Consolidated balance sheet as at 31 December 2007

Consolidated balance sheet

(in thousands of Euro)	**31 December 2006**	**31 December 2007**
Assets		
Property, plant & equipment	79,007	78,091
Goodwill	29,382	29,798
Other intangible assets	3,751	5,515
Investments in associated companies	5,916	2,363
Other financial assets	180	31
Other receivables	1,456	1,318
Tax assets	41	9
Deferred tax assets	6,305	6,607
Available-for-sale financial assets	251	26
Total non-current assets	**126,289**	**123,758**
Trade receivables and loans	106,874	108,457
Inventories	48,899	56,408
Other receivables	5,784	6,141
Tax assets	6,201	5,249
Derivative financial instruments	96	544
Cash and cash equivalents	29,334	21,948
Current assets	**197,188**	**198,747**
Assets of discontinued operations	**-**	**3,258**
Total assets	**323,477**	**325,763**
Liabilities		
Liabilities for post-employment benefits	13,228	12,349
Provisions for risks and charges	2,155	3,322
Deferred tax liabilities	10,357	9,381
Finance leases and other lenders	9,617	4,614
Bank loans and mortgages	7,614	6,705
Other payables	4,025	4,016
Tax liabilities	4,045	4,004
Derivative financial instruments	10	-
Non-current liabilities	**51,051**	**44,391**
Provisions for risks and charges	836	612
Finance leases and other lenders	3,109	1,170
Bank loans and mortgages	11,284	6,206
Trade payables	94,392	112,503
Other payables	16,022	13,144
Tax liabilities	4,483	3,353
Derivative financial instruments	79	422
Current liabilities	**130,205**	**137,410**
Liabilities of discontinued operations	**-**	**1,905**
Share capital	12,665	12,665
Capital reserves	71,123	71,123
Hedging and currency translation reserve	(200)	(854)

Treasury shares		(6,671)
Retained earnings	49,816	55,392
Group profit for the year	8,328	9,252
Group shareholders' equity	**141,732**	**140,907**
Capital and reserves of minority interests	398	823
Minority interest profit for the year	91	327
Minority interest equity	**489**	**1,150**
Consolidated shareholders' equity	**142,221**	**142,057**
Total liabilities and equity	**323,477**	**325,763**