PRESS RELEASE

THE BOARD OF DIRECTORS OF ELICA S.p.A.
APPROVES THE DRAFT FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006

Consolidated results at 31 December 2006 (January-December 2006)

Revenues: €405.4 million (up 15.6% on 2005, thanks above all to a strong performance in America and sales of up-market hoods)
EBITDA before non-recurring items: €43.2 million (up 12.1% on 2005)
EBIT before non-recurring items: €27.2 million (up 15.8% on 2005, thanks to a better sales mix and improved operating efficiency)
Net profit for the year: €8.4 million (down 19.9% on 2005)
Net debt: €2.3 million (€28.5 million at 31 December 2005)

Fabriano, 29 March 2007 – The Board of Directors of **Elica S.p.A.,** the parent company of a Group that is the leading manufacturer of kitchen range hoods, approved the **draft financial statements for the year ended 31 December 2006**, prepared in accordance with IFRS.

In 2006, **consolidated revenues** amounted to **€405.4 million**, marking an increase of 15.6% on 2005. Kitchen range hoods generated 81.6% of such revenue, while the motor business accounted for the remaining part.

In addition to organic revenue growth of 4.1%, the above figure reflected consolidation of the range hood and motor businesses of Turbo Air S.p.A., which became part of the Group in February 2006, contributing over €42.0 million to consolidated revenue.

Sales of up-market hoods also performed well. The Elica Collection saw revenue increase from €5.5 million of 2005 to €10.2 million in 2006, whilst sales of decorative hoods rose from €98.1 million in 2005 to €116.5 million in 2006 (up 18.7% on 2005).

In the motor business revenues from sales of heating systems increased from approximately €30 million in 2005 to over €31 million in 2006.

Consolidated revenue growth was particularly strong in the strategically important area of the Americas, where revenues rose from €30.8 million of 2005 to €38.4 million in 2006.

EBITDA before non-recurring items of **€43.2 million** increased **12.1%** compared to €38.6 million in 2005.

EBIT before non-recurring items of **€27.2 million** was 15.8% ahead of the €23.5 million of the previous year.

During 2006, the Group incurred non-recurring charges (net of non-recurring income) amounting to about €3.4 million (around 0.9% of revenue). Moreover, operating loss amounting to €0.23 million relate to Turbo Air's plastics business, which was discontinued in January 2006. Non-recurring charges included: over €1.7 million in start-up costs linked to the start-up of operations in America; charges of €0.24 million in connection with the application of IFRS 3 in accounting for the business combination with Turbo Air; approximately €1 million due to redundancies and restructuring, half of which attributable to the reorganization of Turbo Air. Finally, €0.4 million reflecting the greater costs incurred to develop the sales of hoods under the Company's own brand.

EBITDA after non-recurring items amounted to **€39.8 million,** representing an increase of approximately 1.7% on the previous year. **EBIT for 2006** amounted to €**23.8 million,** slightly declined with respect to 2005, when the figure was €24 million. As explained above, EBIT was significantly impacted by non-recurring charges mainly linked to start-up investments aimed at expanding Group operations internationally, and the merger of Turbo Air, which was included in the consolidation area as of February 1, 2006. **Net profit** including non-recurring items went from €10.5 million in 2005 to €8.4 million in 2006. Net profit for 2006 adjusted for non-recurring items was in line with that for 2005.

The basic **EPS from continuing operations,** which amounted to approximately 20 eurocents in 2005, amounted to 16 eurocents in 2006. This economic indicator is reported net of the results of Turbo Air's plastic business line, which was discontinued in December 2006.

The ratio of Net Working Capital to net revenues increased from **10% at 31 December 2005** to **12.9% at 31 December 2006**. This increase does not involve a worsening of the company's liquidity, which in fact improved, rather it was due to the Company's one-off policy to bring forward the payment of some selected suppliers in exchange for a discount. This allowed Elica SpA to benefit from cash discounts for a total of over €**200 thousand**. Excluding this one-off policy, the ratio of Net Working Capital to revenues was less than **9%**.

The Group's financial stability remains high, since the **Net Financial Position is negative at €2.3 million compared to €-28.5 million at 31 December 2005**. This improvement is also due to the increase in capital made during the IPO.

Operating, Financial and Cash Flow Highlights

€ thousand	**31 Dec. 2005**	**31 Dec. 2006**	**2006 Vs 2005**
Revenue	350,813	405,366	15.6%
EBITDA before non-recurring items	38,561	43,240	12.1%
as a % of revenue	10.99%	10.67%	-0.3%
EBIT before non-recurring items	23,477	27,189	15.8%
as a % of revenue	6.69%	6.71%	0.0%
Non-recurring items (income and charges)	562	-3,435	-711.2%
as a % of revenue	0.16%	-0.85%	-1.0%
EBITDA	39,123	39,805	1.7%
as a % of revenue	11.15%	9.82%	-1.3%
EBIT	24,039	23,754	-1.2%
as a % of revenue	6.85%	5.86%	-1.0%
Net interest expense	-2,686	-2,854	6.3%
as a % of revenue	-0.77%	-0.70%	0.1%
Foreign exchange gains/(losses)	737	-837	-213.6%
as a % of revenue	0.21%	-0.21%	-0.4%
Net profit from continuing operations	10,505	8,586	-18.3%
as a % of revenue	2.99%	2.12%	-0.9%
Net result from discontinued operations	0	-167	0
as a % of revenue	0.00%	-0.04%	0.0%
Net profit	10,505	8,419	-19.9%
% a % of revenues	2.99%	2.08%	-0.9%
Net profit attributable to the Group	10,144	8,328	-17.9%
Basic EPS			
From continuing and discontinued operations	19.96	15.83	
(euro/cents)			-20.7%
From continuing operations (euro/cents)	19.96	16.15	-19.1%
			15.6%
Diluted EPS (euro/cents)			12.1%
From continuing and discontinued operations	19.96	15.83	
(euro/cents)			-0.3%
From continuing operations (euro/cents)	19.96	16.15	15.8%

€ thousand	31 Dec. 2005	31 Dec. 2006
Trade receivables	90,831	106,874
Inventories	40,466	48,899
Trade payables	-87,467	-94,392
Managerial Working Capital	***43,830***	***61,381***
as a % of revenue	12.49%	15.14%
Net other receivables /payables	-8,674	-9,222
Net Working Capital	***35,156***	***52,159***
as a % of revenue	10.02%	12.87%
Net debt	-28,545	-2,290
Total equity	79,504	142,221
Gearing	**35.90%**	**1.61%**
Net debt	-28,545	-2,290
EBITDA before non-recurring items	38,561	43,240
Debt coverage	**0.74**	**0.05**

At the same meeting, the Board of Directors **approved the draft financial statements of Elica S.p.A. for the year ended 31 December 2006** and the report on the transition to the IAS/IFRS and the relevant reconciliation statements at 1 January 2005 and 31 December 2005.

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.

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