PRESS RELEASE

ELICA S.p.A. BoD APPROVES 2018 CONSOLIDATED RESULTS AND 2018 SEPARATE FINANCIAL STATEMENTS

FURTHER MARGIN GAINS AND NET FINANCIAL POSITION SIGNIFICANTLY IMPROVES

2018 consolidated financial highlights:

- **Revenue: Euro 472.4 million (Euro 117.3 million in Q4 2018), +2.2% on same period of previous year (net of currency effect and changes to consolidation scope[1] (-1.4% reported);**
- **Own brand product sales, mainly the Elica brand, continue to grow (+12% at like-for-like exchange rates), with contribution to cooking revenue up to 51% in Q4 2018;**
- **OEM revenue, mainly in EMEA, again impacted by forecast lower market demand in the area and sales numbers of some of the main segment customers;**
- **Adjusted EBITDA[2]: Euro 40.0 million, up 8.5% (80bp) on 2017 (Euro 36.8 million); revenue margin rises to 8.5% from 7.7% in the previous year, further improving in the fourth quarter to 9% on revenue (Euro 10.5 million); this growth stems from a strong product/channel mix and further cost streamlining - particularly in final quarter of the year;**
- **Adjusted EBIT[2]: Euro 19.8 million, up 21.1% on 2017 (Euro 16.3 million), with revenue margin of 4.2% significantly improving on 3.4% in 2017;**
- **Adjusted Net Profit attributable to the Group[2]: Euro 7.3 million, considerably up on Euro 4.7 million in 2017;**
- **Net Financial Position: Euro 56.3 million, compared to Euro 69.3 million at December 31, 2017, featuring considerably improved operating cash of Euro 39.5 million - more than offsetting investments and the benefit from the sale of 33% of the Indian subsidiary in the third quarter;**
- **Motions on the profit for the year;**
- **Motions on the 2016 – 2018 Phantom Stock Plan;**
- **Calling of the Shareholders' Meeting and approval of the illustrative reports on matters on the Agenda.**

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[1] Net of the contribution of the German subsidiary Exklusiv-Hauben Gutmann, sold on 28 August 2017.
[2] Net of the extraordinary accrual of Euro 11.3 million in 2018 (of which Euro 10.2 million EBITDA effect and Euro 8.3 million net of the tax effect), considered necessary in view of the settlement stipulating mutual positions on the insolvency declaration of Exklusiv-Hauben Gutmann GmbH, in full and final settlement of all claims.

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Milan, March 7, 2019 – The Board of Directors of **Elica S.p.A.**, the parent of a Group that is the leading manufacturer of kitchen range hoods, has today approved the 2018 consolidated results at December 31, 2018 and the statutory financial statements at December 31, 2018, prepared in accordance with IFRS, in addition to the Directors' Report.

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FY 2018 Consolidated revenue

In 2018, Elica returned **Consolidated revenue of Euro 472.4 million,** up 2.2% on 2017 (-1.4% reported), net of the currency effect and the changes to the consolidation scope[1], with the sale of the German subsidiary Exklusiv-Hauben Gutmann on August 28, 2017.

The market in the fourth quarter saw a turnaround on preceding quarters, with demand up 4.6%, resulting in an upward revision in 2018 forecast demand to 1.4% on the previous year. This was principally driven by the Asian market, particularly India (+8.9% in 2018) and China, which in the final quarter of the year welcomed a return to growth.

In 2018, net of the currency effect and at like-for-like consolidation scope, **own brand** product sales rose 12% (10% in Q4 2018), with gains particularly in India, Russia and Western Europe (Germany) more than offsetting the 4.5% OEM revenue contraction on the previous year (-10.7% in Q4 2018).

The cooking segment contribution to **own brand** product sales rose to 49% in 2018 and was 51% in the fourth quarter of the year, confirming the Group's strategy to increasingly focus on this product category.

The **Motors** business, representing 13% of turnover, reported a 2% revenue contraction in 2018, in line with the general OEM sector in the EMEA region and weaker demand - particularly in Turkey.

Profitability - FY 2018

Adjusted EBITDA[2] of Euro 40.0 million was up 8.5% on 2017 (Euro 36.8 million), with a revenue margin of 8.5% significantly improving on 7.7% in the previous year and rising to 9% in the fourth quarter. The improving operating margin benefited from higher prices and the improved product/channel mix (growth of **own brand** sales), which more than offset increasing raw material prices and brand and new product promotion costs and reduced OEM sales, in addition to further cost streamlining in the final quarter of the year.

The Group made an extraordinary accrual of Euro 11.3 million in 2018, of which Euro 4 million in the first half of the year (Euro 8.3 million net of the tax effect), considered necessary in view of the opening of preliminary voluntary insolvency proceedings at the German ex-subsidiary Exklusiv Hauben Gutmann GmbH, against whom Elica S.p.A. has a non-current commercial receivable, arising before the disposal on August 28, 2017. This transaction definitively concludes all disputes between the two companies, excluding further impacts on future accounts.

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[1] Net of the contribution of the German subsidiary Exklusiv-Hauben Gutmann, sold on August 28, 2017.

[2] Net of the extraordinary accrual of Euro 11.3 million in 2018 (of which Euro 10.2 million EBITDA effect and Euro 8.3 million net of the tax effect), considered necessary in view of the settlement stipulating mutual positions on the insolvency declaration of Exklusiv-Hauben Gutmann GmbH, in full and final settlement of all claims.

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The Adjusted EBIT[2] of Euro 19.8 million grew 21.1% on Euro 16.3 million in 2017. This result reflects the business dynamics outlined above.

Financial charges of Euro 4.1 million were significantly down on Euro 5.2 million in 2017, thanks to lower interest on the improved net financial position, the renegotiation of the medium-term debt and reduced coverage costs and currency losses.

The Adjusted Net Profit attributable to the Parent [2]of Euro 7.3 million was up on Euro 4.7 million for 2017, thanks principally to the developments outlined above. The value of Minorities was Euro 3.3 million, compared to Euro 1.2 million in 2017. This increase mainly relates to revenue and EBITDA growth in India and the deconsolidation of 30% of the losses of the Chinese subsidiary, present in the first 8 months of 2017.

In Euro thousands	**2018**	**% revenue**	**2017**	**% revenue**	**18 Vs 17%**
Revenue	472,387		479,305		(1.4%)
Adjusted EBITDA*	**39,973**	8.5%	**36,840**	7.7%	8.5%
EBITDA	29,818	6.3%	34,521	7.2%	(13.6%)
Adjusted EBIT*	**19,771**	4.2%	**16,324**	3.4%	21.1%
EBIT	8,539	1.8%	14,005	2.9%	(39.0%)
Net financial charges	(4,053)	(0.9%)	(5,242)	(1.1%)	22.7%
Subsidiary disposal charges	-	0.0%	(3,908)	(0.8%)	100.0%
Income taxes	(2,172)	(0.5%)	(3,463)	(0.7%)	37.3%
Profit from continuing operations	2,314	0.5%	1,392	0.3%	66.2%
Adjusted Profit for the year *	**10,593**	2.2%	**5,919**	1.2%	79.0%
Profit for the year	2,314	0.5%	1,392	0.3%	66.2%
Profit attribut. to the Parent - Adjusted*	**7,318**	1.6%	**4,693**	1.0%	56.0%
Profit/(loss) attributable to owners of the Parent	(961)	(0.2%)	166	0.0%	(678.9%)
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	(1.55)		0.27		(674.1%)
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	(1.55)		0.27		(674.1%)

(*) See Definitions and Reconciliations

2 Net of the extraordinary accrual of Euro 11.3 million in 2018 (of which Euro 10.2 million EBITDA effect and Euro 8.3 million net of the tax effect), considered necessary in view of the settlement stipulating mutual positions on the insolvency declaration of Exklusiv-Hauben Gutmann GmbH, in full and final settlement of all claims.

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Statement of Financial Position

The Net Financial Position at December 31, 2018 was Euro 56.3 million, improving on Euro 69.3 million at December 31, 2017, thanks to the sale of 33% of the Indian subsidiary and a generation of operating cash which offset the major investments in support of development.

Operating activities in 2018 generated cash of Euro 39.5 million, compared to Euro 34.6 million in 2017 (+14.1%) - generating in fact stronger cash than investing activities.

In Euro thousands	**Dec 31, 18**	**Dec 31, 17**
Cash and cash equivalents	**35,612**	**34,873**
Finance leases and other lenders	0	0
Bank loans and borrowings	(37,792)	(57,040)
Current loans and borrowings	**(37,792)**	**(57,040)**
Finance leases and other lenders	0	(33)
Bank loans and borrowings	(54,102)	(47,121)
Non-current loans and borrowings	**(54,102)**	**(47,154)**
Net financial position	**(56,282)**	**(69,321)**
Assets for derivatives	513	1,014
Liabilities for derivatives (current)	(1,737)	(749)
Liabilities for derivatives (non-current)	(120)	(75)
Net Financial Position - Including Derivatives Effect	**(57,626)**	**(69,132)**

Managerial Working Capital on annualised revenue of 3.7% reduced on 6.0% in 2017.

In Euro thousands	**Dec 31, 18**	**Dec 31, 17**
Trade receivables	51,192	75,923
Inventories	76,196	73,298
Trade payables	(109,916)	(120,541)
Managerial Working Capital	**17,472**	**28,680**
% annualised revenue	*3.7%*	*6.0%*
Other net receivables/payables	(10,801)	(14,682)
Net Working Capital	**6,671**	**13,998**
% annualised revenue	*1.4%*	*2.9%*

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2018 Separate Financial Statements of Elica S.p.A.

In 2018, company revenue decreased 1.10% on 2017. The decrease mainly follows a drop in B2B channel demand, particularly in the fourth quarter of 2018 and partly offset by own brand product sales growth.

Adjusted EBITDA of Euro 13.9 million rose 6.5% on Euro 13.0 million in 2017, despite the drop in revenue, owing to the own brand sales growth strategy and the improved margin on the new products distributed in 2018.

EBITDA in 2018 of Euro 3.7 million was down 65.9% on 2017, impacted by the extraordinary accrual of Euro 10.2 million for the settlement with the German former subsidiary Exklusiv Hauben Gutmann GmbH, from whom Elica S.p.A. had a non-current commercial receivable.

Net interest expense decreased on 2017 by 26.52%, following the improvement in the net financial position and the renegotiation of the medium-term debt.

The 2018 Profit was Euro 0.5 million, compared to a loss of Euro 22.1 million in 2017 and was impacted by three main factors: the higher margin on new products distributed in 2018, the gain of Euro 8.4 million thanks to the sale of 33% of the Indian subsidiary to Whirlpool of India Ltd in September 2018 and the impact from the settlement with the German former subsidiary Exklusiv Hauben Gutmann GmbH.

Managerial Working Capital of 0.84% significantly reduced on December 2017, mainly due to the decrease in Trade receivables from third parties.

The Net Financial Position improved from a net debt of Euro 69.6 million at December 31, 2017 to Euro 58.9 million at December 31, 2018, mainly due to the sale of 33% of the Indian subsidiary to Whirlpool of India Ltd in September 2018.

Income Statement

In Euro thousands	**2018**	**2017**	**18 Vs 17%**
Revenue	359,074	363,084	-1.10%
Adjusted EBITDA	**13,876**	**13,025**	**6.53%**
revenue margin	3.86%	3.59%	
EBITDA	**3,721**	**10,905**	**-65.88%**
revenue margin	1.04%	3.00%	
EBIT	**(9,059)**	**(296)**	**-2960.32%**
revenue margin	-2.52%	-0.08%	
Net interest expense	**(989)**	**(1,346)**	**26.52%**
revenue margin	-0.28%	-0.37%	
Dividends from subsidiaries	5,395	3,021	78.57%
revenue margin	1.50%	0.83%	
Write-downs of investments in subsidiaries	(5,000)	(1,980)	-152.53%
revenue margin	-1.39%	-0.55%	
Exchange rate gains/losses	399	(2,241)	117.82%
revenue margin	0.11%	-0.62%	
Income/(Charges) from subsidiary disposal	8,432	(21,793)	138.69%
revenue margin	2.35%	-6.00%	
Profit/(loss) for the year	**529**	**(22,112)**	**102.39%**
revenue margin	0.15%	-6.09%	

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Statement of Financial Position

In Euro thousands	Dec 31, 18	Dec 31, 17
Cash and cash equivalents	**5,377**	**8,337**
Financial receivables from related parties	19,989	17,053
Financial payables to related parties	(2,245)	(2,861)
Bank loans and borrowings	(27,950)	(44,966)
Current loans and borrowings	**(10,206)**	**(30,774)**
Bank loans and borrowings	(54,102)	(47,121)
Non-current loans and borrowings	**(54,102)**	**(47,121)**
Net Financial Position	**(58,931)**	**(69,558)**
Assets for derivatives	840	1,014
Liabilities for derivatives (current)	(1,734)	(833)
Liabilities for derivatives (non-current)	(120)	(75)
Net Financial Position - Including Derivatives Effect	**(59,944)**	**(69,452)**

Working Capital

In Euro thousands	Dec 31, 18	Dec 31, 17
Trade receivables	23,246	49,994
Trade receivables - related parties	31,470	31,568
Inventories	37,098	36,032
Trade payables	(68,540)	(74,546)
Trade payables - related parties	(20,252)	(27,364)
Managerial Working Capital	**3,022**	**15,685**
% of revenue	*0.84%*	*4.32%*
Other net receivables/payables	108	426
Net Working Capital	**3,130**	**16,111**
% of revenue	*0.87%*	*4.44%*

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Significant events in 2019 and following year-end

On January 30, 2019, in accordance with Article 2.6.2, paragraph 1, letter b) of the Regulations of the Markets Organised and Managed by Borsa Italiana S.p.A., Elica S.p.A. published the Financial Calendar for the year 2019.

On February 12, 2019, the Board of Directors of Elica S.p.A. approved the additional periodic disclosure for the fourth quarter of 2018, prepared according to IFRS and the 2018 preliminary consolidated results.

On February 27, 2019, Elica S.p.A. announced the reaching - together with the subsidiary Elica GmbH - of a settlement with the company Exklusiv-Hauben Gutmann GmbH ("Gutmann") in insolvency, with its administrators and with its sole shareholder Manuel Fernandez Salgado, to whom the company was sold in August 2017.

The agreement was approved by the creditors committee of the Gutmann insolvency and the Administrator of the insolvency and is binding upon the parties.

The Board of Directors of Elica S.p.A., in consideration of the opportunity to establish mutual positions on the insolvency declaration of Exklusiv-Hauben Gutmann GmbH and to mitigate the main risks associated with the claims advanced and the disputes threatened against Elica S.p.A and Elica GmbH, assessed the proposal as being in the interest of the company and mandated the Chief Executive Officer to conclude a possible agreement.

Within the overall framework of the agreement and in settlement of the mutual rights and claims, Elica S.p.A. shall recognise to Gutmann Euro 2.6 million (with an overall adjustment effect on the EBITDA of Elica S.p.A. of Euro 3.4 million, including the write-down of Euro 0.8 million of the original receivable of Euro 2.5 million of Elica S.p.A. from Manuel Fernandez Salgado), of which Euro 800 thousand to be paid within three weeks from the agreement's conclusion, Euro 1.7 million through the transfer to Gutmann of Elica S.p.A.'s receivable from Manuel Fernandez Salgado for the transfer of the shares of Gutmann and a further Euro 100 thousand to be fully offset against that to be paid by Gutmann for the retransfer of the "Gutmann" brands acquired by Elica S.p.A. in 2017 (with an overall adjustment effect on the EBIT of Elica S.p.A. of Euro 1.1 million, deriving from the write-down of the Gutmann brands recognised to the statement of financial position of Elica S.p.A.). Manuel Fernandez Salgado shall remain liable to pay to Elica S.p.A. the residual amount of Euro 800 thousand, due for the transfer of the Gutmann shares. This obligation will be settled by paying Elica S.p.A. the amount of Euro 200 thousand by February 28, 2020, in settlement of his entire debt position. For completeness, Elica S.p.A. in addition agrees to settle the guarantee provided in 2015 in favour of the company owning the property leased by Gutmann of Euro 1.65 million, which has already been provisioned in the company's accounts, and to settle the amounts regarding the trade payables arising in favour of Gutmann GmbH after the sale of the company and prior to its declaration of insolvency, related to ordinary operations and amounting to approx. Euro 0.5 million, currently prudently blocked by Elica S.p.A.. Elica S.p.A. therefore updated the 2018 result adjustments. Elica S.p.A., following the opening of the preliminary insolvency proceedings, partially wrote-down the trade receivable - for an amount of Euro 4.0 million - recognised when communicating its H1 2018 results. Subsequently, during the 2018 Fourth Quarter a further write-down of Euro 2.8 million was made to cover the insolvency risks of the German company regarding the trade receivable of Elica S.p.A. in view of its continuing insolvency.

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The agreement concluded therefore had an additional adjustment impact for Elica S.p.A. of Euro 4.5 million (with an overall effect of Euro 3.4 million on EBITDA and an additional Euro 1.1 million on EBIT, as previously stated) concerning financial year 2018 and in settlement of the respective positions, of which Euro 0.8 million with cash effect in 2019.
This transaction definitively concludes all disputes between the two companies, excluding further impacts on future accounts.

Outlook

The World Bank forecasts global economic growth in 2019 of 2.9%, with a reduction in the world trade view over the 2018-2020 three-year period of approx. half a percentage point on the June 2018 forecast. This trend is mainly based on the current international trade tensions and the consequent drop in global trade.
In this environment, two-speed growth with a divergence between the "mature" economies and the emerging economies is expected. In particular, while the US economy is estimated to grow 2.5% and the Eurozone 1.6%, the Chinese economy forecasts a 6.2% expansion, with the wealth produced by the Emerging Economies to grow 4.2%.
The home appliances business and cooker hoods in particular (as highly sensitive to economic trends), GDP and the property sector are most likely to be impacted by these dynamics.
The Group continues extensive monitoring of demand dynamics across all markets, in order to develop the business model for the delivery of results both over the short and long-term.

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Motions upon allocation of the result for the year

In view of the 2018 results, the Board of Directors proposed not to distribute a dividend for 2018, in order to maintain all available company resources for investment in future development, approving the allocation of the 2018 profit to "Retained Earnings".

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The Board of Directors also reviewed and resolved upon the following matters:

- **Closing of the First Cycle of the 2016-2022 Phantom Stock & Voluntary Co-investment Plan**

  The Board of Directors, on conclusion of the vesting period for the First Cycle of the Plan (2016-2018), on the basis of the year results, considered the set targets not to have been reached and therefore decided not to allocate any of the phantom stock or execute the consequent cash out.

- **Assessment of the independence of Directors and Statutory Auditors**

  The Board of Directors assessed the independence of the Directors Elio Catania, Davide Croff, Barbara Poggiali, Cristina Finocchi Mahne and Federica De Medici, declaring them independent in accordance with Article 148, paragraph 3 of the CFA (restated in Article 147-*ter*, paragraph 4 of the CFA) and under Article 3.C.1. of the Self-Governance Code for listed companies. Furthermore, the Board of Statutory Auditors of the company, in addition to verifying the correct application of the declaration criteria and procedures adopted by the Board of Directors to assess the independence of its members, positively assessed and communicated to the Board of Statutory Auditors the independence of its members.

- **Shareholders' Meeting Call**

  The Board of Directors of Elica S.p.A. called the Shareholders' Meeting at the registered office in Fabriano, via Ermanno Casoli No. 2, for April 18, 2019 at 9AM in single call. The Shareholders' Meeting call notice shall be made available to the public at the registered office, in addition to the 1Info authorised storage mechanism at www.1info.it and on the website http://elica.com/corporation (Investor Relations - Shareholders' Meeting Section) according to the legally-established times and means.

- **Approval of:**

  - **Illustrative Report of the Directors to the Shareholders' Meeting on the proposal to establish a long-term incentive plan called the 2019-2025 Phantom Stock & Voluntary Co-investment Plan, in favour of certain directors and employees of Elica S.p.A. and/or its subsidiaries and of the Disclosure Document.**

    The Board of Directors has decided to propose to the Shareholders' Meeting approval of a long-term incentive plan called the 2019-2025 Phantom Stock & Voluntary Co-investment Plan: a) the beneficiaries of the stated plan are identified directors and employees of Elica S.p.A. and/or its subsidiaries, whose features are outlined in the Disclosure Document according to the means established by paragraph 1, Schedule 7, by Attachment 3A of the Issuers' Regulation, whose names are not communicated today and will be provided subsequently, where available, during the implementation of the plan, according to the means established by Article 84-bis, paragraph 5, letter a) of the Issuers' Regulation; b) the financial instruments on which this incentive plan is based are Phantom Stocks or "units", virtually representing an ordinary share of Elica S.p.A., whose value they trace over time and with a monetary payment; c) the 2019-2025 Phantom Stock & Voluntary Co-investment Plan is proposed for the following purposes: i) to guarantee the alignment of the interests

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of management with those of the Shareholders; ii) to maintain the focus of key managers on company objectives; iii) to support the retention of key employees over the long term.

In order to strengthen the incentive mechanism of the Plan, the Allocation of Phantom Stock will be linked to the achievement of the Performance Objectives, based on earnings and the company's long-term operating performance, as assessed on conclusion of the Vesting Period.

The Performance Objectives underlying the Plan are identified by the Board of Directors, on the proposal of the Appointments and Remuneration Committee, following its approval by the Shareholders' Meeting.

The performance indicators - on which the pay-out of the bonus is based - are:

- **LTI EBIT** Cumulative Three-Year;
- **FREE CASH FLOW** Cumulative Three-Year.

Each indicator has a 50% weighting and therefore accounts for 50% of the Bonus's maturity. In particular:

- **LTI EBIT** is EBIT net of the adjustment items concerning: 1) corporate finance transactions (e.g: acquisitions, disposals, mergers, incorporations) and 2) restructuring costs and/or extraordinary events to be identified following Board of Directors approval.

- **FREE CASH FLOW**, i.e Cash Flow from Operating Activities and from Investing Activities, less Acquisition/Sale of investments, as per the Consolidated Statement of Cash Flows of the company for each financial year.

The Illustrative Report of the Directors to the Shareholders' Meeting on the proposal to establish a long-term incentive plan called the 2019-2025 Phantom Stock & Voluntary Co-investment Plan and the Disclosure Document, drawn up as per paragraph 1, Schedule 7, by Attachment 3A of the Issuers' Regulation, will be made available to the public at the registered office, in addition to the 1Info authorised storage mechanism at www.1info.it and on the website http://elica.com/corporation, according to the legally-established timeframes and means.

- **Corporate Governance and Ownership Structure Report, Remuneration Report and Non-Financial Report for 2018**

The Board of Directors of Elica S.p.A. today approved the 2018 Corporate Governance and Ownership Structure Report, the Remuneration Report and the 2018 Non-Financial Report, which will be made available to the public at the registered offices of the Company and on the authorised storage mechanism 1Info at www.1info.it and the website http://elica.com/corporation, according to the legally required timelines and means.

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- **Directors' Report to the Shareholders' Meeting concerning the purchase and utilisation of treasury shares**

The Board of Directors today also approved the Directors' Report to the Shareholders' Meeting on the proposal concerning the authorisation of the purchase and utilisation of treasury shares.

Execute any future share-based incentive plans which may be authorised in favour of Directors and/or employees and/or business partners of the company and/or its subsidiaries, in accordance with applicable legal and regulatory provisions; and/or b) sign agreements with individual Directors, employees and/or business partners of the company or companies controlled by it, not falling under the scrip issue plans governed by Article 144-bis of the CFA; and/or c) act, where necessary and in compliance with applicable provisions (including those considered by market practices), directly or through authorised intermediaries, with the objective to contain irregular share price movements of the company or to enable fluid trading; and/or d) invest in treasury shares within the pursuit of company policies (for example utilising such as remuneration, including shares swaps, for the acquisition of investments or in acquisition operations of other companies), or where market conditions render such operations advantageous;

The proposal drawn up by the Board of Directors concerns the purchase of ordinary shares by the Company within a maximum limit of 20% of the share capital, i.e. 12,664,560 ordinary shares.

The authorisation for the purchase of ordinary treasury shares is requested for a period of 18 months from the date on which the Shareholders' Meeting adopts the relative motion.

The Board of Directors proposes that the purchase price per ordinary share is fixed as: (a) not below a minimum of 95% of the official price recorded of the share in the trading session before each operation (b) not above a maximum (i) Euro 5 and (ii) 105% of the official price of the share in the trading session before each operation. It is expected that the purchases will be carried out at price conditions in line with that established by Article 5 of Regulation No. 596/2014 of April 16, 2014, and however in compliance with the applicable regulations and conditions and the limits fixed by Consob in relation to accepted industry guidelines, where applicable.

The Board of Directors in concluding the individual treasury share buy-back operations must comply with the operational conditions established by the market concerning the purchase of treasury shares of Consob in accordance with Article 13, Regulation 596/2014, with resolution No. 16839 of March 19, 2009, in addition to the applicable legal and regulatory provisions, including the Regulations as per Regulation 596/2014, Delegated Regulation 2016/1052 and the relative EU and national executing regulations, and in particular in compliance with Article 132 of the CFA, Article 144-bis first paragraph, letter b) of the Issuers' Regulations and Regulation No. 596/2014 of April 16, 2014), in addition to applicable regulations, in order to ensure equal treatment among shareholders. The Company today holds 1,275,498 ordinary treasury shares, comprising 2.01% of the share capital. The approval of the proposal is subject to revocation of the authorisation granted on April 27, 2018, for that part not utilised. The Directors' Report concerning the proposal to purchase and utilise treasury shares will be made available to the public at the registered

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offices and on the authorised storage mechanism 1Info atwww.1info.it and the website https://elica.com/corporation(Investor Relations - Shareholders' Meeting section) according to the legally required timelines and means.

Statement pursuant to Article 154-*bis*, paragraph two, of the Consolidated Finance Act

The Corporate Financial Reporting Manager, Mr. Alessandro Carloni, declares, pursuant to Article 154-bis, second paragraph of Legs. Decree No. 58/98, that this 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 1970's, is chaired by Francesco Casoli and led by Antonio Recinella 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 over 3,800 employees and an annual output of approx. 21 million units, the Elica Group has seven plants, including in Italy, Poland, Mexico, India and China. With many years' experience in the sector, Elica has combined meticulous care in design, judicious choice of materials and cutting-edge technology guaranteeing maximum efficiency and reducing consumption, making Elica the prominent market figure it is today. The company has revolutionized the traditional image of the kitchen cooker hood: it is no longer seen as simple accessory but as a design object which improves quality of life.

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Definitions and reconciliations

EBITDA is the operating profit (EBIT) plus amortisation and depreciation and any impairment losses on goodwill and brands. **EBIT** is the operating profit as reported in the consolidated income statement.
Adjusted EBITDA is EBITDA net of the relative adjustment items. Adjusted EBIT is EBIT net of the relative adjustment items.
Net financial income/(charges) is the sum of the Share of profit/(loss) from associates, Financial income, Financial Charges, Impairment of available-for-sale financial assets and Exchange rate gains and losses.
The adjusted profit is the result for the year, as published in the Consolidated Income Statement, net of the relative adjustment items.
The adjusted profit attributable to the owners of the Parent is the result for the year attributable to the owners of the Parent, as published in the Consolidated Income Statement, net of the relative adjustment items.
Adjustment items: earnings items are considered for adjustment where they: (i) derive from non-recurring events and operations or from operations or events which do not occur frequently; (ii) derive from events and operations not considered as in the normal course of business operations, as is the case for impairments, disputes considered atypical in terms of frequency and amount and restructuring charges.
The earnings per share for 2018 and 2017 was calculated by dividing the Group profit attributable to the owners of the Parent, as defined in the Consolidated Income Statement, by the number of outstanding shares at the respective reporting dates. The numbers of shares in circulation at the reporting date is unchanged on December 31, 2017 (62,047,302).
The earnings per share so calculated coincide with the earnings per share as per the consolidated income statement, as there were no changes to the number of shares in circulation.
Managerial Working Capital is the sum of Trade receivables with Inventories, net of Trade payables, as presented in the Consolidated Statement of Financial Position.
Net Working Capital is the amount of Managerial Working Capital and Other net receivables/payables. Other net receivables/payables comprise the current portion of Other receivables and Tax Receivables, net of the current portion of Provisions for risks and charges, Other payables and Tax payables, as presented in the Consolidated Statement of Financial Position.
Net Financial Position (NFP) is the sum of Cash and Cash equivalents and Other financial assets less Current loans and borrowings (including the current portion of amounts due under finance leases and to other lenders and of bank loans and borrowings, as reported in the Statement of Financial Position) and Non-current loans and borrowings (including the non-current portion of amounts due under finance leases and to other lenders and of bank loans and borrowings, as reported in the Statement of Financial Position). The Net Financial Position - Including Derivative Instruments is the sum of the Net Financial Position and derivative instrument assets and liabilities, as per the Statement of Financial Position.

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ANNEX A: Adjusted Consolidated EBITDA

Euro thousands	**2018**	**2017**
Operating profit – EBIT	**8,539**	**14,005**
(Impairment of Brands - Goodwill)	1,077	-
(Amortisation & Depreciation)	20,202	20,516
EBITDA	**29,818**	**34,521**
(Accrual to the risks provision for settlement with Gutmann)	2,600	
(Valuation receivable for sale Gutmann shares, from Manuel Fernandez)	800	
(Write-down of Intangibles relating to Gutmann sale)		285
(Valuation trade receivable before sale, from Gutmann)	6,755	
(Restructuring charges)		2,034
Adjusted EBITDA	**39,973**	**36,840**

ANNEX B: Adjusted Consolidated EBIT

Euro thousands	**2018**	**2017**
Operating profit – EBIT	**8,539**	**14,005**
(Impairment of Brands - Goodwill)	1,077	0
(Accrual to the risks provision for settlement with Gutmann)	2,600	0
(Valuation receivable for sale Gutmann shares, from Manuel Fernandez)	800	0
(Write-down of Intangibles relating to Gutmann sale)	0	285
(Valuation trade receivable before sale, from Gutmann)	6,755	0
(Restructuring charges)	0	2,034
Adjusted EBIT	**19,771**	**16,324**

ANNEX C: Adjusted Profit attributable to the owners of the Parent

Euro thousands	**2018**	**2017**
Profit for the year	**2,314**	**1,392**
(Impairment of Goodwill)	1,077	-
(Accrual to the risks provision for settlement with Gutmann)	2,600	-
(Valuation receivable for sale Gutmann shares, from Manuel Fernandez)	800	-
(Write-down of Intangibles relating to Gutmann sale)	-	285
(Valuation trade receivable before sale, from Gutmann)	6,755	-
(Restructuring charges)	-	2,034
(Subsidiary disposal charges)	-	3,908
(Release discounting receivable from Manuel Fernandez)	(139)	
(Adjusted non-recurring income taxes & adjusted items)	(2,814)	(1,701)
Adjusted Profit for the year	**10,593**	**5,919**
(Loss attributable to non-controlling interests)	**(3,275)**	**(1,226)**
(Non-controlling interest profit adjustment items)	-	-
Adjusted Profit attributable to the owners of the Parent	**7,318**	**4,693**

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ANNEX D: Earnings (loss) per share (Euro/cents)

	2018	2017
Profit/(loss) attributable to the owners of the Parent *(in Euro thousands)*	(961)	166
Shares in circulation at year-end	62,047,302	62,047,302
Earnings (loss) per share (Euro/cents)	**(1.55)**	**0.27**

ANNEX E: Other net receivables / payables at December 31, 2018

Euro thousands	2018	2017
Other receivables	6,589	4,180
Tax receivables	17,275	14,306
(Provision for risks and charges)	(9,318)	(6,679)
(Other payables)	(14,503)	(16,706)
(Tax liabilities)	(10,844)	(9,784)
Other net receivables / payables	**(10,801)**	**(14,682)**

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