PRESS RELEASE

BOARD OF DIRECTORS OF ELICA S.p.A.
APPROVES 2016 CONSOLIDATED RESULTS
AND APPOINTS CRISTINA SCOCCHIA AS BOARD MEMBER

2016 Preliminary Consolidated Results (January-December 2016)

- **Revenue: Euro 439.3 million (Euro 421.6 million in 2015), up 4.2%;**
- **Adjusted EBITDA[1]: Euro 32.4 million** (Euro 35.3 million in 2015);
- **Adjusted EBIT: Euro 13.7 million** (Euro 17.9 million in 2015);
- **Adjusted Profit: Euro 3.2 million** (Euro 9.4 million in 2015);
- **Loss: Euro 5.5 million** (Profit of Euro 7.4 million in 2015)

Motions upon allocation of the loss for the year

Appointment of the Supervisory Board

Corporate Governance and Ownership Structure Report and Remuneration Report approved

Directors' Report concerning the purchase and utilisation of treasury shares proposal approved

Approval of the Illustrative Report of the Directors to the Shareholders' AGM on the proposal to amend the plan called the 2016-2022 Phantom Stock & Voluntary Co-investment Plan, in favour of certain directors and employees of Elica S.p.A. and/or its subsidiaries and the relative amended Disclosure Document

Approval of the Illustrative Reports of the Directors to the Shareholders' Meeting upon the appointment of two directors and the establishment of the remuneration for members of the Board of Directors, as per Article 2386 of the Civil Code.

Shareholders' AGM Call

Milan, March 24, 2017 – 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 today in Milan approved **the 2016 Consolidated Financial Statements and the Directors' Report, and the 2016 Separate Financial Statements of Elica S.p.A. and the Directors' Report,** prepared in accordance with IFRS and otherwise appoints Cristina Scocchia as Board member, in replacement of Gianna Pieralisi, who will remain in office until the next Shareholders' Meeting.

Cristina Scocchia, graduate in Economics from L. Bocconi University, has extensive experience in the sector of consumer goods, having held increasingly challenging positions. From January 1, 2014 she covers the positions of Chief Executive Officer of L'Oréal

[1] See Definitions and Reconciliations

Italia. Her *curriculum vitae* is available on the Company website http://corporation.elica.com in the Corporate Governance/Other documents section.
Cristina Scocchia was assessed as independent as per the Self-Governance Code and, to the extent of his knowledge, in accordance with the Consolidated Finance Act. Cristina Scocchia currently does not hold Company shares.

2016 Consolidated Revenue

The Elica Group reports for 2016 **consolidated revenue of Euro 439.3 million, up 4.2% and at like-for-like exchange rates up 4.4%** on 2015.

Analysing revenues on the principal markets[2], **sales in Asia[3] (excluding China) rose 23.2%,** principally following the **excellent Indian and Japanese market performances, with sales growth respectively of over 40% and 20%. Chinese market sales however significantly declined (-30.4%). European revenue grew 3.9%** on the previous year, while **American[4] market sales overall were substantially stable (+0.6%).**

For completeness, the breakdown of consolidated revenues by geographic location of the Group companies is reported below.

	Europe		Americas		Asia and the Rest of World		Unallocated items and eliminations		Consolidated	
In Euro thousands	**FY 16**	**FY 15**	**FY 16**	**FY 15**	**FY 16**	**FY 15**	**FY 16**	**FY 15**	**FY 16**	**FY 15**
Segment revenue:										
Third parties	322,969	307,826	65,496	67,177	51,098	46,624	(246)	-	439,318	421,627
Inter-segment	13,634	14,464	23	14	6,468	3,380	(20,124)	(17,858)	-	-
Total revenue	**336,603**	**322,290**	**65,519**	**67,191**	**57,566**	**50,004**	**(20,369)**	**(17,858)**	**439,318**	**421,627**

Profitability - FY 2016

Adjusted EBITDA[5] was Euro 32.4 million (7.4% of Revenue), reducing 8.2% on Euro 35.3 million in 2015. **The increase in sales volumes and efficiencies generated from product cost optimisation programmes, together with favourable exchange rate movements, supported the margin. On the other hand, margins were impacted by higher overheads related to the own brand sales growth strategy and the performances of the German and Chinese subsidiaries.**
2016 EBITDA amounted to Euro 25.2 million, reducing 24.8% on Euro 33.5 million in the previous year, differing from the preliminary figures communicated on February 13, 2017, principally due to the additional accrual to the legal risks provision of Euro 2.9 million, prudently made in view of the cases between Esperança Real S/A, Madson Eletrometalurgica Ltda. and Elica S.p.A., communicated on March 13, 2017.

Adjusted EBIT[6] was Euro 13.7 million (3.1% of Revenue), compared to Euro 17.9 million in 2015 and in line with **the dynamics reported above impacting the business margin.**
Consolidated EBIT of Euro 3.6 million (Euro 16.2 million in 2015) **was heavily impacted by Euro 10.1 million of non-ordinary charges,** of which Euro 3.0 million relating to the write-down of Asian CGU goodwill, Euro 1.7 million of costs relating to the

[2] Data concerns sales revenues by geographic area and therefore does not refer to the breakdown by operating segment according to the various Group company locations.
[3] Concerning revenue in "Other Countries" - principally the Asian markets.
[4] Includes North, Central and South America
[5] See Definitions and Reconciliations.
[6] See Definitions and Reconciliations.

agreement reached with the departing Chief Executive Officer, charges of Euro 1.6 million concerning the disposal of obsolete stock, Euro 0.9 million of restructuring costs for the plan implemented at the German subsidiary Exklusiv Hauben Gutmann GmbH, and finally the above-stated accrual of Euro 2.9 million to the legal risks provision.

The Adjusted Profit[7] was Euro 3.2 million, compared to Euro 9.4 million in the previous year.

The 2016 Loss was Euro 5.5 million, compared to a profit of Euro 7.4 million in 2015 and was in addition **impacted by non-ordinary tax charges** following the tax audits of 2014 (Euro 0.5 million).

In Euro thousands	**FY 16**	**% revenue**	**FY 15**	**% revenue**	**16 Vs 15 %**
Revenue	439,318		421,627		4.2%
Adjusted EBITDA	32,370	7.4%	35,277	8.4%	(8.2%)
EBITDA	25,229	5.7%	33,526	8.0%	(24.8%)
Adjusted EBIT	13,694	3.1%	17,927	4.3%	(23.6%)
EBIT	3,553	0.8%	16,176	3.8%	(78.0%)
Net financial charges	(3,655)	(0.8%)	(2,936)	(0.7%)	24.5%
Income taxes	(5,398)	(1.2%)	(5,795)	(1.4%)	(6.9%)
Adjusted Profit	3,183	0.7%	9,357	2.2%	(66.0%)
Profit/(loss)	(5,500)	(1.3%)	7,445	1.8%	(173.9%)
Profit attributable to the owners of the Parent - Adjusted	2,990	0.7%	8,060	1.9%	(62.9%)
Profit/(loss) attributable to the owners of the Parent	(5,563)	(1.3%)	6,190	1.5%	(189.9%)
Basic earnings/(loss) per share on continuing operations and discontinued operations (Euro/cents) *	(8.97)		9.98		(189.9%)
Diluted earnings (loss) per share on continuing operations and discontinued operations (Euro/cents) *	(8.97)		9.98		(189.9%)

*The earnings per share for 2016 and 2015 were calculated by dividing the Group profit/(loss) attributable to the owners of the Parent from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

Statement of Financial Position

The Net Financial Debt at December 31, 2016 of Euro 60.8 million increased on Euro 53.0 million at December 31, 2015, partly due to higher capex in 2016 and the payout during 2016 on the 2013-2015 Long Term Incentive Plan.

In Euro thousands	**Dec 31, 16**	**Dec 31, 15**
Cash and cash equivalents	**31,998**	**34,463**
Finance leases and other lenders	(21)	(6)
Bank loans and borrowings	(59,004)	(43,405)
Current loans and borrowings	**(59,025)**	**(43,411)**
Finance leases and other lenders	(6)	(9)
Bank loans and borrowings	(33,718)	(44,048)
Non-current loans and borrowings	**(33,724)**	**(44,057)**
Net Financial Debt	**(60,751)**	**(53,005)**

In 2016, **Investments in new product development, in the testing and research Laboratory and in expanding production capacity absorbed additional cash flows of Euro 8.4 million** compared to 2015.

[7] See Definitions and Reconciliations.

Managerial Working Capital on annualised revenue **of 5.3% is significantly lower than 7.5% at December 31, 2015. This stems from the Company's continually effective focus on optimising financial resource allocation.**

Other Receivables and Other Payables reduced on December 31, 2015, principally due to the use of the Provision for the 2013-2015 Long-Term Incentive Plan in the first half of 2016.

In Euro thousands	**Dec 31, 16**	**Dec 31, 15**
Trade receivables	70,561	68,504
Inventories	67,732	62,701
Trade payables	(114,831)	(99,474)
Managerial Working Capital	**23,462**	**31,731**
% annualised revenue	*5.3%*	*7.5%*
Other net receivables/payables	(11,756)	(14,062)
Net Working Capital	**11,706**	**17,670**
% annualised revenue	*2.7%*	*4.2%*

2016 Separate Financial Statements of Elica S.p.A.

In 2016, revenue grew 3.9% on the previous year (+6.3% from related parties, +3.3% from third parties).

2016 EBITDA amounted to Euro 5.4 million, contracting 53.6% on 2015, principally due to increased overheads related to the own brand sales growth strategy, in addition to the significant impact of non-ordinary charges, Euro 1.7 million of costs related to the agreement reached with the departing Chief Executive Officer, charges of Euro 0.6 million for the disposal of obsolete stock, Euro 0.1 million of restructuring costs and finally Euro 2.9 million concerning the additional accrual to the legal risks provision prudently made for the case between Esperança Real S/A, Madson Eletrometalurgica Ltda and Elica S.p.A.. Adjusted EBITDA of Euro 10.7 million contracted 13.3% on Euro 12.3 million for 2015.

Net interest expense, including the financial component of IAS 19, reduced on 2015 by 30.2%, following the reduction in the average debt and also in the cost of debt.

Managerial Working Capital, at 4.1% of revenue, increased on December 2015, due to the significant increase in Trade receivables from related companies, following the alteration to the cash flow management policy by the Mexican subsidiary, in order to contain costs related to centralised cash management.

The Net Financial Debt decreased from Euro 55.5 million at December 31, 2015 to Euro 47.4 million at December 31, 2016 due to the cash management centralisation policies.

The company signed a solidarity contract in November 2016 with conclusion at the end of November 2017.

In Euro thousands	**FY 16**	**FY 15**	**16 Vs 15 %**
Revenue	326,031	313,860	3.9%
Adjusted EBITDA	**10,683**	**12,319**	-13.3%
revenue margin	3.3%	3.9%	
EBITDA	**5,438**	**11,722**	-53.6%
revenue margin	1.7%	3.7%	
EBIT	**(4,599)**	**2,455**	-287.3%
revenue margin	-1.4%	0.8%	

Net interest expense	**(1,460)**	**(2,092)**	30.2%
revenue margin	-0.4%	-0.7%	
Dividends from subsidiaries	3,362	8,588	-60.9%
revenue margin	1.0%	2.7%	
Write-downs of investments in subsidiaries	(4,050)	0	n.a.
revenue margin	-1.2%	0.0%	
Exchange rate gains/losses	(547)	(509)	-7.5%
revenue margin	-0.2%	-0.2%	
Profit/(loss) for the year	**(6,541)**	**6,552**	-199.8%
revenue margin	-2.0%	2.1%	

In Euro thousands	**Dec 31, 16**	**Dec 31, 15**
Cash and cash equivalents	**9,826**	**5,801**
Financial receivables from related parties	27,891	21,467
Financial payables to related parties	(2,495)	(2,141)
Bank loans and borrowings	(48,898)	(36,750)
Current loans and borrowings	**(23,502)**	**(17,425)**
Bank loans and borrowings	(33,697)	(43,904)
Non-current loans and borrowings	**(33,697)**	**(43,904)**
Net Financial Debt	**(47,372)**	**(55,528)**

In Euro thousands	**Dec 31, 16**	**Dec 31, 15**
Trade receivables	44,678	46,147
Trade receivables - related parties	38,650	24,353
Inventories	31,666	30,603
Trade payables	(69,427)	(60,606)
Trade payables - related parties	(32,286)	(30,418)
Managerial Working Capital	**13,281**	**10,079**
% of revenue	*4.1%*	*3.2%*
Other net receivables/payables	2,397	(2,353)
Net Working Capital	**15,678**	**7,725**
% of revenue	*4.8%*	*2.5%*

Significant events in 2016 and following year-end

On January 27, 2016, Elica joined the Internet of Things market with the launch of a new product: SNAP, the first Air Quality Balancer. With SNAP, Elica continues to innovate as an air treatment specialist, unveiling its first IOT product for other household environments. The project sees the participation of 2 leading partners: Vodafone, which contributed to the implementation of the APP for the launch of the SNAP remote control, providing also a SIM card which ensures an alternative connection of the product to Wi-Fi and IBM, owner of the cloud in which all of the data collated is stored.

On January 29, 2016, 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 2016. On February 12, 2016, the Board of Directors of Elica S.p.A. approved the 2015 Fourth Quarter Report prepared in accordance with IFRS, communicated to the market also the 2016 Objectives which forecast an increase in Consolidated revenue of between 5% and 9% and an increase in consolidated EBIT of between 13% and 26% on 2015, while targeting also a Net Financial Debt of Euro 58 million.

On February 12, 2016, the Board of Directors approved the 2015 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

On March 15, 2016, Elica participated in the 2016 STAR Conference organised in Milan by Borsa Italiana.

On March 22, 2016, the Board of Directors of Elica S.p.A approved the 2015 Consolidated Financial Statements and the 2015 Separate Financial Statements of Elica S.p.A., prepared in accordance with IFRS, proposed the distribution of a dividend of Euro 0.0098 per share and approved the 2015 Corporate Governance and Ownership Structure Report and the Remuneration Report, in addition to the Directors' Report to the Shareholders' AGM on the proposal to authorise the buy-back and utilisation of treasury shares. The Board of Directors also approved the proposal to the Shareholders' AGM of a long-term incentive plan called the 2016-2022 Phantom Stock & Voluntary Co-investment Plan in favour of certain directors and employees of Elica S.p.A. and/or its subsidiaries, according to the Disclosure Document published on the same date. The Board of Directors of Elica S.p.A. called the Shareholders' AGM for April 28, 2016 at 9AM in single call.

On April 6, 2016, Elica S.p.A. announced that the Annual Report of Elica S.p.A. comprising the Separate and Consolidated Financial Statements at December 31, 2015, the Directors' Report and the Statement as per Article 154-bis, paragraph 5 of Legs. Decree No. 58/1998, together with the Board of Statutory Auditors' Report, the Independent Auditors' Report, the Corporate Governance and Ownership Structure Report and the Remuneration Report, according to the legally required means for each document, were made available to the public. On the same date, the Board of Directors' Illustrative Report to the Shareholders' AGM, concerning the proposal to purchase and utilise treasury shares, in addition to the Annual Accounts and/or the Financial Statements as per Article 2429 of the Civil Code of the subsidiaries and associates of Elica S.p.A. and the Financial Statements of the subsidiaries as per Article 36 of the Market Regulation, were made available to the public.

On April 28, 2016, the Shareholders' AGM of Elica S.p.A. approved the 2015 Annual Accounts of Elica S.p.A., the Directors' Report, the Board of Statutory Auditors' Report and the Independent Auditors' Report. The AGM also noted the consolidated results for 2015. The Meeting approved the distribution of a dividend of Euro 0.0098 per share. The adoption of the phantom stock option incentive plan for the 2016-2022 period was also approved (the "2016-2022 Phantom Stock & Voluntary Co-investment Plan"). In accordance with Article 123-*ter*, paragraph 6 of Legs. Decree No. 58/1998, the Shareholders' AGM of Elica S.p.A. noted the content of the Remuneration Report and approved the First Section. The Shareholders' AGM also approved, following revocation of the previous authorisation of April 29, 2015, the authorisation to purchase and utilise treasury shares, pursuant to Article 2357 and 2357-ter of the Civil Code.

On May 12, 2016, the Board of Directors approved the 2016 Interim Report at March 31, 2016, prepared in accordance with IFRS accounting standards.

On May 24, 2016, the company was involved in the Italian Stock Market Opportunities Conference, organised in Paris by Banca IMI, through presentations and meetings with the financial community and institutional investors.

On July 6, 2016, Elica S.p.A. announced the initiation of a top management transition process with a focus on continuity and growth. After four years in office, Giuseppe Perucchetti and the company mutually agreed that the appropriate conditions had developed for a transition of leadership which particularly focused on growth and an improved Group competitive capacity. Therefore, an agreement was reached by which Giuseppe Perucchetti would remain as company Chief Executive Officer until August 25, 2016. The settlement included a total indemnity of Euro 1.5 million gross, with approx. 50% paid by July 15, 2016 and the remainder by September 15, 2016. The Board of Directors on the same date tasked the Appointments and Remuneration Committee, together with the Chairman of the Board of Directors, and in accordance with the executive director succession plan adopted by the company, to activate the succession process for the selection of the new Chief Executive Officer.

On August 25, 2016, the Board of Directors of Elica S.p.A. approved the 2016 Half-Year Report, prepared in accordance with IFRS accounting standards. On August 25, 2016, Giuseppe Perucchetti left the position of Chief Executive Officer of Elica S.p.A. with effect from August 26, 2016, with Francesco Casoli, current Executive Chairman of Elica S.p.A. appointed as the *ad interim*

CEO by the Board of Directors, until conclusion of the succession process undertaken by the Appointments and Remuneration Committee.

On October 6, 2016, Elica S.p.A. participated at the Star Conference, organised in London by Borsa Italiana, through presentations and meetings with institutional investors.

On October 28, 2016, the Board of Directors of Elica S.p.A. appointed Antonio Recinella as the new Chief Executive Officer of Elica S.p.A. with effect from November 1, 2016. Francesco Casoli resigned from the role of *ad interim* Chief Executive Officer undertaken on August 25, 2016, while continuing as Executive Chairman of the Board of Directors and maintaining the related powers. On the same date, the company terminated the employment of Mr. Alberto Romagnoli and consequently appointed Mr. Giampaolo Caselli as the Chief Financial Officer *ad interim* of Elica S.p.A. and Executive Officer for Financial Reporting.

On November 14, 2016, the Board of Directors of Elica S.p.A. approved the 2016 Third Quarter results, prepared in accordance with IFRS accounting standards.
On the same date, the Board of Directors of Elica S.p.A., on the basis of Q3 2016 results and in consideration of the outlook, updated the 2016 Performance objectives, estimating an increase in Consolidated net revenue of between 2.5% and 3.5%, a Consolidated adjusted EBIT margin[8] of greater than 3% and a Net Financial Debt of Euro 61 million at 2016 year-end. In addition, in line with Borsa Italiana's requirement, the Self-Governance Code and the motion passed by the Shareholders' Meeting of April 28, 2016, the Board of Directors of Elica S.p.A. on the same date launched the 2016-2022 Phantom Stock & Voluntary Co-investment Plan.

On December 6, 2016, Elica S.p.A. expressed its condolences upon the passing of Ms. Gianna Pieralisi – controlling shareholder of Elica S.p.A. (through usufruct rights upon the companies controlling FAN Srl, the direct parent of Elica S.p.A.).
Due to the passing of Gianna Pieralisi, holder of 33,608,690 ordinary Elica S.p.A. shares, her son Francesco Casoli – Chairman of Elica S.p.A. since 2006 and currently in office – *ope legis* (automatically) became the controlling shareholder of FAN S.r.l. and therefore of Elica S.p.A., as holder of the bare ownership rights stemming from the above-stated usufruct rights.

On December 19, 2016, the company published a notice in accordance with Article 122 of Legislative Decree No. 58 of 24.2.1998 ("CFA") and Article 129 and subsequent of the Issuers' Regulation as per Consob motion No. 11971/1999 ("Issuers' Regulation") and subsequent amendments and supplements. The text of the notice and the essential disclosure required by Article 130 of the Issuers' Regulation are published on the company's website at http://corporation.elica.com/it, in the Corporate Governance - Other Documents section and is available on the website of the "1INFO" authorised storage mechanism at www.1info.it.

On December 20, 2016, Elica S.p.A. announced that in the fourth quarter of 2016 it would be necessary to dispose of obsolete stock which overall would result in non-ordinary charges of Euro 1.6 million, previously not foreseen by the company. However, the company confirmed the 2016 Performance objectives announced on November 14, 2016.

On January 30, 2017, 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 2017 Financial Calendar.

On February 13, 2017, the Board of Directors approved the 2016 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

[8] See Definitions and Reconciliations

On March 13, 2017, the Board of Directors of Elica S.p.A. considered the impacts on the 2016 Consolidated and Statutory Financial Statements of the non-executive first level judgements in the case between Esperança Real S/A, Madson Eletrometalurgica Ltda. and Elica S.p.A., issued by the Belo Horizonte (Brazil) Court on March 1, 2017. The case concerns the signing of preliminary agreements in September 1999 for the establishment of a joint venture by Elica S.p.A. and Esperança Real S/A, which were thereafter not executed. With the support of legal consultants and sector experts, the Board of Directors assessed the ruling, the technical opinions upon the possible development of the case and its probable final outcome and decided to prudently allocate to the legal risks provision an additional amount of Euro 2.9 million, entirely not on the basis of the counterparty's legal grounds, but solely to be fully compliant with international accounting standards. The company therefore confirms its intention to pursue at all levels the enforcement of its rights.

On **March 21, 2017,** Elica participated in the 2017 STAR Conference organised in Milan by Borsa Italiana.

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The Annual Report, comprising the 2016 Separate Financial Statements of Elica S.p.A., the 2016 Consolidated Financial Statements, the declaration pursuant to Article 154-*bis* of the CFA and the Directors' Report, the Report of the Board of Statutory Auditors' and the Independent Auditors' Report, will be made available to the public, at the Company's registered office and on the authorised storage mechanism 1Info at www.1info.it and the website http://corporation.elica.com, (Investor Relations - Financial Statements & Reports), according to the legally required timelines and means.

Motions upon allocation of the loss for the year

In view of the 2016 results, the Board of Directors proposed to not distribute a dividend for 2016, in order to maintain all available Company resources for investment in future development. In addition, the Board of Directors approved the proposal to the Shareholders' Meeting of the coverage of the loss through use of "retained earnings".

Appointment of the Supervisory Board

The Board of Directors today confirmed the appointment of the members of the Supervisory Board, currently comprising the Chairman Mr. Paolo Massinissa Magini, Mr. Marco Cruciani and Mr. Cristiano Babbo, extending their mandate until the date for the approval of the 2017 Annual Accounts by the Shareholders' Meeting.

Corporate Governance and Ownership Structure Report and Remuneration Report approved

The Board of Directors of Elica S.p.A. today approved the 2016 Corporate Governance and Ownership Structure Report and the Remuneration 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://corporation.elica.com, according to the legally required timelines and means.
The Board of Directors also assessed the independence of the Directors Elio Catania, Davide Croff, Katia Da Ros and Enrico Vita, 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. In addition, the Board of Statutory Auditors of the Company positively assessed the independence of its members.

Directors' Report concerning the purchase and utilisation of treasury shares proposal approved

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.
The Shareholders' Meeting was requested to authorise the purchase and utilisation of treasury shares in order to provide the Company with an important operational and strategic instrument, establishing the possibility to: a) 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; and/or e) utilise treasury shares for operations such as sales, conferment, allocation, exchange or other disposal within agreements with strategic partners, or to serve any extraordinary financial operations (e.g. convertible loans); and/or f) utilise treasury shares as guarantees on loans.
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 resolution.
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 2016/1052e 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 28, 2016, 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 offices and on the authorised storage mechanism 1Info at www.1info.it and the website http://corporation.elica.com (Investor Relations - Shareholders' Meeting section) according to the legally required timelines and means.

Approval of the Illustrative Report of the Directors to the Shareholders' AGM on the proposal to amend the plan called the 2016-2022 Phantom Stock & Voluntary Co-investment Plan, in favour of certain directors and employees of Elica S.p.A. and/or its subsidiaries and the relative amended Disclosure Document

The Board of Directors approved the proposal to the Shareholders' AGM to amend the long-term incentive plan (the "2016-2022 Phantom Stock & Voluntary Co-investment Plan)", approved by the Shareholders' AGM of April 28, 2016. The Board of Directors proposed the amendment of the performance indicators on which the 2017-2019 and 2018-2020 Cycle Bonuses are based, replacing Three-year Cumulative EBIT, as defined in the disclosure document published on March 22, 2016, with Three-year Cumulative LTI EBIT, defined as the sum of the LTI EBIT for the three years of each Cycle. LTI EBIT is defined as EBIT net of the following adjustments: i) corporate funding operations (e.g. acquisitions, disposals, mergers, incorporations); ii) exchange rate effects, net of any hedges.

For a complete and exhaustive description of the long-term incentive plan, reference should be made to the Disclosure Document prepared according to the means established at Attachment 3A, Section 7 of the Issuers' Regulation, which includes all information available at the approval date of this report and covering the Allocations under the 2016-2018 Cycle Plan, including the amendment of the performance threshold from 80% to 90%.

The Illustrative Report of the Directors to the Shareholders' AGM on the proposal to amend the long-term incentive plan called the 2016-2022 Phantom Stock & Voluntary Co-investment Plan and the Disclosure Document shall be made available to the public amended, at the registered office, in addition to the 1Info authorised storage mechanism at www.1info.it and on the website http://corporation.elica.com (Investor Relations - Shareholders' Meeting Section) according to the legally-established times and means.

Approval of the Illustrative Reports of the Directors to the Shareholders' Meeting upon the appointment of two directors and the establishment of the remuneration for members of the Board of Directors, as per Article 2386 of the Civil Code.

The Board of Directors approved the proposal to the Shareholders' Meeting of the appointment of Mr. Antonio Recinella, appointed by the Board of Directors of Elica S.p.A. on October 28, 2016, with effect from November 1, 2016, in replacement of the Chief Executive Officer Giuseppe Perucchetti, as a Director of Elica S.p.A., in addition to confirming the appointment of Ms. Cristina Scocchia, appointed by the Board of Directors of Elica S.p.A. today, in replacement of Gianna Pieralisi.
The Board of Directors, with regards to the remuneration of the Board, proposes to Shareholders to maintain the insurance coverage as per Shareholders' Meeting motion of April 29, 2015 and refers the setting of Director remuneration to the Shareholders' Meeting.
The above mentioned illustrative reports 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://corporation.elica.com (Investor Relations - Shareholders' Meeting Section) according to the legally-established times and means.

Shareholders' AGM Call

The Board of Directors of Elica S.p.A. called the Shareholders' AGM at the registered office in Fabriano, via Ermanno Casoli No. 2, for April 28, 2017 at 9AM in single call. The Shareholders' AGM 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://corporation.elica.com (Investor Relations - Shareholders' Meeting Section) according to the legally-established times and means.

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

The Corporate Financial Reporting Manager, Mr. Giampaolo Caselli, declares, pursuant to Article 154-bis, second paragraph of Legs. Decree No. 58/98, 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 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 3,600 employees and an annual output of over 19 million units, the Elica Group has eight plants, including in Italy, Poland, Mexico, Germany, India and 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.

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Definitions

EBITDA is the operating profit (EBIT) plus amortisation and depreciation and any impairment losses on goodwill.

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/(loss) is the result for the period as published in the Consolidated Income Statement, net of the relative adjustment items.

The adjusted profit/(loss) attributable to the owners of the Parent is the result for the period 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 2016 and 2015 was calculated by dividing the Group profit/(loss) 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, 2015 (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 Debt (NFD) is the sum of Cash and Cash equivalents 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).

Consolidated Financial Statements Reconciliations

In Euro thousands	**FY 16**	**FY 15**
Operating profit – EBIT	**3,553**	**16,176**
(Impairment of Goodwill)	3,000	-
(Amortisation & Depreciation)	18,676	17,350
EBITDA	**25,229**	**33,526**
(Non-recurring service expense)	164	-
(Non-recurring personnel expense)	1,500	-
(Disposal of obsolete stock not part of ordinary business operations)	1,644	-
(Additional Accrual to the risks provision for the case with Esperança Real S/A)	2,900	-
(Restructuring charges)	933	1,751
Adjusted EBITDA	**32,370**	**35,277**

In Euro thousands	FY 16	FY 15
Operating profit – EBIT	**3,553**	**16,176**
(Non-recurring service expense)	164	-
(Non-recurring personnel expense)	1,500	-
(Disposal of obsolete stock not part of ordinary business operations)	1,644	-
(Additional Accrual to the risks provision for the case with Esperança Real S/A)	2,900	-
(Restructuring charges)	933	1,751
(Impairment of Goodwill)	3,000	-
Adjusted EBIT	**13,694**	**17,927**

In Euro thousands	FY 16	FY 15
Profit/(loss) for the year	**(5,500)**	**7,445**
(Non-recurring service expense)	164	-
(Non-recurring personnel expense)	1,500	-
(Disposal of obsolete stock not part of ordinary business operations)	1,644	-
(Additional Accrual to the risks provision for the case with Esperança Real S/A)	2,900	-
(Restructuring charges)	933	1,751
(Impairment of Goodwill)	3,000	-
(Non-ordinary income taxes)	28	580
(Income taxes concerning restructuring charges)	(261)	(419)
(Taxes on the disposal of obsolete stock not part of ordinary business operations)	(409)	-
(Income taxes concerning the additional accrual to the risks provision for the case with Esperança Real S/A)	(816)	-
Adjusted Profit	**3,183**	**9,357**
Profit attributable to non-controlling interests	**63**	**1,255**
(Non-controlling interest profit adjustment items)	130	42
Profit attributable to the owners of the Parent – Adjusted	**2,990**	**8,060**

	FY 16	FY 15
Profit/(loss) attributable to the owners of the Parent *(In Euro thousands)*	(5,563)	6,190
Shares in circulation at period-end	62,047,302	62,047,302
Earnings (loss) per share (Euro/cents)	**(8.97)**	**9.98**

In Euro thousands	Dec 31, 16	Dec 31, 15
Other receivables	6,608	7,370
Tax assets	7,982	7,825
(Provision for risks and charges)	(4,361)	(7,398)
(Other payables)	(15,388)	(14,133)
(Tax liabilities)	(6,596)	(7,726)
Other net receivables/payables	**(11,756)**	**(14,062)**

Separate Financial Statement Reconciliations

In Euro thousands	FY 16	FY 15
Operating Result – EBIT	(4,599)	2,455
(Amortisation & Depreciation)	(10,038)	(9,267)
EBITDA	5,438	11,722
(Non-recurring service expense)	(164)	-
(Non-recurring personnel expense)	(1,500)	-
(Disposal of obsolete stock not part of ordinary business operations)	(587)	-
(Additional Accrual to the risks provision for the case with Esperança Real S/A)	(2,900)	-
(Restructuring charges)	(93)	(597)
Adjusted EBITDA	**10,683**	**12,319**

In Euro thousands	FY 16	FY 15
Financial income	1,294	917
Financial charges	(2,754)	(3,009)
Net interest expense	**(1,460)**	**(2,092)**

In Euro thousands	Dec 31, 16	Dec 31, 15
Other receivables	4,738	5,489
Tax assets	6,894	6,171
(Provision for risks and charges)	(669)	(6,071)
(Other payables)	(5,811)	(5,272)
(Tax liabilities)	(2,755)	(2,668)
Other net receivables/payables	**2,397**	**(2,353)**