PRESS RELEASE

BOARD OF DIRECTORS OF ELICA S.p.A.
APPROVES Q4 2016 RESULTS

CONSOLIDATED NET REVENUE UP 4.2%
DRIVEN BY 14.5% GROWTH IN
OWN BRAND PRODUCT SALES

Q4 2016 Consolidated results (October - December 2016)

- **Revenue: Euro 118.3 million** (Euro 113.3 million in 2015);
- **Adjusted EBITDA[1]: Euro 7.4 million** (Euro 11.8 million in 2015);
- **Adjusted EBIT: Euro 2.5 million** (Euro 7.4 million in 2015);
- **Net Result: loss of Euro 6.9 million** (profit of Euro 3.7 million in 2015);
- **Net Financial Debt: Euro 60.8 million**, compared to Euro 53.0 million at December 31, 2015;
- **Impairment test: Euro 3 million write-down of Asian CGU[2] Goodwill.**

2016 Preliminary Consolidated Results (January-December 2016)

- **Revenue: Euro 439.3 million (Euro 421.6 million in 2015), up 4.2%;**
- **Adjusted EBITDA[3]: Euro 32.4 million** (Euro 35.3 million in 2015);
- **Adjusted EBIT: Euro 13.7 million** (Euro 17.9 million in 2015);
- **Adjusted Net Result: profit of Euro 3.2 million** (profit of Euro 9.4 million in 2015);
- **Net Result: loss of Euro 3.4 million** (profit of Euro 7.4 million in 2015);

Milan, February 13, 2017 – The Board of Directors of **Elica S.p.A.**, the parent of a Group that is the leading manufacturer of kitchen range hoods, has approved today in Milan the **2016 Fourth Quarter results**, prepared in accordance with IFRS.
Consolidated revenue - Q4 2016

In the fourth quarter of 2016, Elica Group consolidated revenue amounted to Euro 118.3 million, up 4.4% on the same period of the previous year. **The Group therefore outperformed the general market.**

Analysing revenues by the principal markets[4], **Europe saw growth of 4.2%, with Asia[5] (excluding China) up 22.2%. Sales however fell on the Chinese market (-15.9%) and in the Americas[6] with an overall contraction of 3.5%.**

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[1] See Definitions and Reconciliations paragraph
[2] Cash Generating Unit
[3] See Definitions and Reconciliations paragraph
[4] 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.

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	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15
Segment revenue:										
Third parties	85,616	81,618	17,156	18,662	15,797	13,064	(287)	(56)	118,283	113,288
Inter-segment	3,971	3,769	10	(0)	1,834	1,600	(5,815)	(5,369)	-	-
Total revenue	**89,587**	**85,387**	**17,167**	**18,662**	**17,630**	**14,664**	**(6,101)**	**(5,425)**	**118,283**	**113,288**

Profitability - Q4 2016

Adjusted EBITDA[7] of Euro 7.4 million decreased 37.7% on Euro 11.8 million in Q4 2015. **The increase in sales volumes and efficiencies generated from programmes to further optimise product cost, together with favourable exchange rate movements, positively** influenced the margin. **Increased overheads related to the major own brand focus and poor performances by the Chinese and German subsidiaries however negatively impacted.**

Q4 2016 EBITDA of Euro 4.9 million (Euro 11.3 million for Q4 2015) **was significantly impacted by non-ordinary charges of Euro 2.5 million,** concerning the **disposal of obsolete stock** (Euro 1.6 million) and **restructuring charges** under the plan implemented at the German subsidiary Exklusiv Hauben Gutmann GmbH (Euro 0.9 million).
For the **impairment test** at December 31, 2016, the Board of Directors approved the plan and the test model and, on the basis of the findings, **wrote-down goodwill of the Asian CGU for Euro 3 million**, principally due to the performance of the Chinese subsidiary Zhejiang Elica Putian Electric CO. LTD.

Adjusted EBIT[8] totalled Euro 2.5 million, compared to Euro 7.4 million for the same period of 2015 - **in line with the general dynamics impacting the margin. An EBIT loss of Euro 3.0 million** was reported, compared to a profit of Euro 6.9 million in 2015, **as a result of the non-ordinary charges described above, in addition to the write-down of Asian CGU[9] goodwill** (Euro 3.0 million) following the impairment test.

The Adjusted Net Result[10] was a loss of Euro 2.1 million, compared to a profit of Euro 4.3 million for the same period of 2015. The Net Result was a loss of Euro 6.9 million, compared to a profit of Euro 3.7 million for Q4 2015.

In Euro thousands	Q4 2016	% revenue	Q4 2015	% revenue	16 Vs 15 %
Revenue	118,283		113,288		4.4%
Adjusted EBITDA*	**7,359**	**6.2%**	**11,813**	**10.4%**	**(37.7%)**
EBITDA	4,886	4.1%	11,298	10.0%	(56.8%)
Adjusted EBIT*	**2,477**	**2.1%**	**7,418**	**6.5%**	**(66.6%)**

[5] Concerning revenue in "Other Countries" - principally the Asian markets.
[6] Includes North, Central and South America
[7] See Definitions and Reconciliations paragraph
[8] See Definitions and Reconciliations paragraph
[9] Cash Generating Unit
[10] See Definitions and Reconciliations paragraph

EBIT	(2,996)	(2.5%)	6,903	6.1%	(143.4%)
Net financial charges	(1,326)	(1.1%)	(1,081)	(1.0%)	22.7%
Income taxes	(2,605)	(2.2%)	(2,120)	(1.9%)	22.9%
Adjusted Result for the period*	**(2,095)**	**(1.8%)**	**4,271**	**3.8%**	**(149.1%)**
Profit/(loss) for the period	(6,927)	(5.9%)	3,702	3.3%	(287.1%)
Profit/(loss) attributable to the owners of the Parent - Adjusted	**(1,838)**	**(1.6%)**	**3,373**	**3.0%**	**(154.5%)**
Profit/(loss) attributable to the owners of the Parent	(6,540)	(5.5%)	2,846	2.5%	(329.8%)
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	(10.54)		4.59		(329.8%)
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	(10.54)		4.59		(329.8%)

For the adjustment of the figures in the table, see the Definitions and Reconciliations paragraph

2016 Preliminary 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[11], **sales in Asia[12] (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[13] 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[14] 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 was 28.1 million, reducing 16.1% on Euro 33.5 million in 2015.

Adjusted EBIT[15] 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.**

[11] 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.
[12] Concerning revenue in "Other Countries" - principally the Asian markets.
[13] Includes North, Central and South America
[14] Global range hood market volumes.
[15] See Definitions and Reconciliations paragraph.

Consolidated EBIT of Euro 6.5 million (Euro 16.2 million in 2015) **was heavily impacted by Euro 7.2 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 agreement reached with the departing Chief Executive Officer, charges of Euro 1.6 million concerning the disposal of obsolete stock and finally Euro 0.9 million of restructuring costs for the plan implemented at the German subsidiary Exklusiv Hauben Gutmann GmbH.

The Adjusted Net Result[16] was a profit of Euro 3.2 million, compared to Euro 9.4 million in the previous year.

The 2016 Net Result was a loss of Euro 3.4 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	28,129	6.4%	33,526	8.0%	(16.1%)
Adjusted EBIT*	**13,694**	**3.1%**	**17,927**	**4.3%**	**(23.6%)**
EBIT	6,453	1.5%	16,176	3.8%	(60.1%)
Net financial charges	(3,655)	(0.8%)	(2,936)	(0.7%)	24.5%
Income taxes	(6,214)	(1.4%)	(5,795)	(1.4%)	7.2%
Adjusted Result*	**3,183**	**0.7%**	**9,357**	**2.2%**	**(66.0%)**
Profit/(loss) for the year	(3,416)	(0.8%)	7,445	1.8%	(145.9%)
Profit/(loss) 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	(3,479)	(0.8%)	6,190	1.5%	(156.2%)
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	(5.61)		9.98		(156.2%)
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	(5.61)		9.98		(156.2%)

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	(6)	(9)
Bank loans and borrowings	(33.718)	(44.048)
Non-current loans and borrowings	**(33.724)**	**(44.057)**
Finance leases and other lenders	(21)	(6)

[16] See Definitions and Reconciliations paragraph.

Bank loans and borrowings	(59.004)	(43.405)
Current loans and borrowings	**(59.025)**	**(43.411)**
Net Financial Debt	**(60.751)**	**(53.005)**

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%*

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.

Significant events during the fourth quarter of 2016 and events after December 31, 2016

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.

The Board of Directors of Elica S.p.A. on **November 14, 2016** 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[17] 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'

[17] See Definitions and Reconciliations paragraph

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.

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The Financial Presentation concerning the 2016 preliminary results will today also be available on the website http://corporation.elica.com in the Investor Relations/Presentations section.

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This press release was drawn up in accordance with the enacting regulation of Legislative Decree No. 58 of February 24, 1998, adopted by Consob with motion No. 11971 of May 14, 1999 and subsequent amendments and supplements. It is available to the public on the website http://corporation.elica.com, Investor Relations/Financial Press Release section and also on the authorised storage mechanism "1Info" (www.1info.it).

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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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.

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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 result is the period result, as published in the Consolidated Income Statement, net of the relative adjustment items.

The adjusted result attributable to the owners of the Parent is the period result 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 Net Result, 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).

The account Change in the Net Financial Debt includes the change in the Net Financial Debt. The Cash Flows from Operating Activities and Cash Flows from Investing Activities lines include the same entries as the Consolidated Statement of Cash Flows. The Cash Flows from Financing Activities line includes the same accounts as the Consolidated Statement of Cash Flows, in addition to the change in Loans and borrowings. The Effect of exchange rate changes on the NFD includes, in addition to the effect of exchange rate movements on cash and cash equivalents in the statement of cash flows, the effect of such movements on loans and borrowings.

Reconciliations

	Q4 2016	Q4 2015	FY 16	FY 15
Operating profit - EBIT	**(2,996)**	**6,903**	**6,453**	**16,176**
(Impairment of Goodwill)	3,000	-	3,000	-
(Amortisation & Depreciation)	4,882	4,395	18,676	17,350
EBITDA	**4,886**	**11,298**	**28,129**	**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	-	1,644	-
(Restructuring charges)	829	515	933	1,751
Adjusted EBITDA	**7,359**	**11,813**	**32,370**	**35,277**

In Euro thousands	**Q4 2016**	**Q4 2015**	**FY 16**	**FY 15**
Operating profit - EBIT	**(2,996)**	**6,903**	**6,453**	**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	-	1,644	-
(Restructuring charges)	829	515	933	1,751
(Impairment of Goodwill)	3,000	-	3,000	-
Adjusted EBIT	**2,477**	**7,418**	**13,694**	**17,927**

In Euro thousands	**Q4 2016**	**Q4 2015**	**FY 16**	**FY 15**
Profit/(loss) for the period	**(6,927)**	**3,702**	**(3,416)**	**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	-	1,644	-
(Restructuring charges)	829	515	933	1,751
(Impairment of Goodwill)	3,000	-	3,000	-
(Non-recurring income taxes)	0	250	28	580
(Income taxes concerning restructuring charges)	(232)	(196)	(261)	(419)
(Taxes on the disposal of obsolete stock not part of ordinary business operations)	(410)	-	(409)	-
Adjusted Profit/(loss) for the period	**(2,096)**	**4,271**	**3,183**	**9,357**
Profit/(loss) attributable to non-controlling interests	**(387)**	**856**	**63**	**1,255**
(Non-controlling interest result adjustment items)	130	42	130	42
Profit/(loss) attributable to the owners of the Parent - Adjusted	**(1,839)**	**3,373**	**2,990**	**8,060**

	Q4 2016	**Q4 2015**	**FY 16**	**FY 15**
Profit/(loss) attributable to the owners of the Parent *(In Euro thousands)*	(6,540)	2,846	(3,479)	6,190
Shares in circulation at period-end	62,047,302	62,047,302	62,047,302	62,047,302
Earnings per share (Euro/cents)	**(10.54)**	**4.59**	**(5.61)**	**9.98**

In Euro thousands	Dec 31, 16	FY 15
Other receivables	6,608	7,370
Tax assets	7,982	7,825
(Provision for risks and charges)	(4,361)	(7,398)
(Other payables)	(15,389)	(14,133)
(Tax liabilities)	(6,596)	(7,726)
Other net receivables/payables	**(11,756)**	**(14,062)**

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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.

For further information:

Laura Giovanetti
Investor Relations Manager
Tel: +39 (0)732 610727
E-mail: l.giovanetti@elica.com

Gabriele Patassi
Press Office Manager
Mob: +39 340 1759399
E-mail: g.patassi@elica.com

Havas PR Milan
Marco Fusco
Tel: +39 02 85457029 Mob: + 39 345 6538145
E-mail: marco.fusco@havaspr.com