Elica S.p.A.

Interim Report

at September 30, 2015

Contents

Corporate boards

Members of the Board of Directors

Francesco Casoli
Executive Chairman, born in Senigallia (AN) on 5/6/1961, appointed by resolution of 29/04/2015.

Giuseppe Perucchetti
Chief Executive Officer, born in Varese (VA) on 30/10/1958, appointed by resolution of 29/04/2015.

Gianna Pieralisi
Executive Director, born in Monsano (AN) on 12/12/1934, appointed by resolution of 29/04/2015.

Gennaro Pieralisi
Director, born in Monsano (AN) on 14/02/1938, appointed by resolution of 29/04/2015.

Enrico Vita
Independent Director, born in Fabriano (AN) on 16/02/1969, appointed by resolution of 29/04/2015.

Elio Cosimo Catania
Independent Director, born in Catania on 05/06/1946, appointed by resolution of 29/04/2015.

Katia Da Ros
Independent Director and Lead Independent Director, born in Conegliano (TV) on 30/03/1967, appointed by resolution of 29/04/2015.

Davide Croff
Independent Director, born in Venice on 01/10/1947, appointed by resolution of 29/04/2015.

Members of the Board of Statutory Auditors

Gilberto Casali
Chairman, born in Jesi (AN) on 14/01/1954, appointed by resolution of 29/04/2015.

Franco Borioni
Statutory Auditor, born in Jesi (AN) on 23/06/1945, appointed by resolution of 29/04/2015.

Simona Romagnoli
Statutory Auditor, born in Jesi (AN) on 02/04/1971, appointed by resolution of 29/04/2015.

Leandro Tiranti
Alternate Auditor, born in Sassoferrato (AN) on 04/05/1966, appointed by resolution of 29/04/2015.

Serenella Spaccapaniccia
Alternate Auditor, born in Montesangiorgio (AP) on 04/04/1965, appointed by resolution of 29/04/2015.

Internal Control & Risk Management Cmte.

Davide Croff (Chairman)
Elio Cosimo Catania
Enrico Vita

Appointments and Remuneration Committee

Elio Cosimo Catania (Chairman)
Davide Croff
Enrico Vita

Independent Audit Firm
KPMG S.p.A.

Registered office and Company Data
Elica S.p.A.
Registered office: Via Casoli, 2 – 60044 Fabriano (AN)
Share capital: Euro 12,664,560.00
Tax Code and Companies' Register Number: 00096570429
Ancona REA No. 63006 – VAT Number 00096570429

Investor Relations Manager
Laura Giovanetti
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Directors' Report – YTD at September 30, 2015

Key Financial Highlights

In Euro thousands	9M 15	% revenue	9M 14	% revenue	15 Vs 14 %
Revenue	308,339		293,079		5.2%
EBITDA before restructuring charges	23,464	7.6%	21,004	7.2%	11.7%
EBITDA	22,228	7.2%	19,128	6.5%	16.2%
EBIT	9,273	3.0%	6,599	2.3%	40.5%
Net financial charges	(1,855)	(0.6%)	(3,040)	(1.0%)	(39.0%)
Income taxes	(3,675)	(1.2%)	(1,608)	(0.5%)	128.5%
Profit from continuing operations	3,743	1.2%	1,951	0.7%	91.9%
Profit from continuing operations and discontinued operations	**3,743**	**1.2%**	**1,951**	**0.7%**	**91.9%**
Profit attributable to the owners of the Parent	3,344	1.1%	1,225	0.4%	173.0%
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	5.39		1.97		173.0%
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	5.39		1.97		173.0%

The earnings per share for 9M 2015 and 9M 2014 were calculated by dividing the profit attributable to the owners of the parent from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

In Euro thousands	Q3 2015	% revenue	Q3 2014	% revenue	15 Vs 14 %
Revenue	105,127		97,336		8.0%
EBITDA before restructuring charges	9,110	8.7%	7,986	8.2%	14.1%
EBITDA	8,816	8.4%	6,802	7.0%	29.6%
EBIT	4,400	4.2%	2,545	2.6%	72.9%
Net financial charges	(803)	(0.8%)	(988)	(1.0%)	(18.7%)
Income taxes	(1,469)	(1.4%)	(923)	(0.9%)	59.2%
Profit from continuing operations	2,128	2.0%	634	0.7%	235.6%
Profit from continuing operations and discontinued operations	**2,128**	**2.0%**	**634**	**0.7%**	**235.6%**
Profit attributable to the owners of the Parent	1,973	1.9%	484	0.5%	307.6%
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	3.18		0.78		307.6%
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	3.18		0.78		307.6%

The earnings per share for Q3 2015 and 2014 were calculated by dividing the profit attributable to the owners of the parent from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

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.

In Euro thousands	Sep 30, 15	Dec 31, 14	Sep 30, 14
Trade receivables	71,087	63,456	68,233
Inventories	66,166	57,609	60,931
Trade payables	(102,086)	(88,238)	(90,434)
Managerial Working Capital	**35,167**	**32,827**	**38,730**
as a % of annualised revenue	*8.6%*	*8.4%*	*9.9%*
Other net receivables/payables	(11,453)	(11,854)	(15,158)
Net Working Capital	**23,714**	**20,973**	**23,572**

In Euro thousands	Sep 30, 15	Dec 31, 14	Sep 30, 14
Cash and cash equivalents	**32,496**	**35,241**	**30,154**
Finance leases and other lenders	(10)	(12)	(12)
Bank loans and borrowings	(37,144)	(29,277)	(29,097)
Non-current loans and borrowings	**(37,154)**	**(29,289)**	**(29,109)**
Finance leases and other lenders	(9)	(12)	(2)
Bank loans and borrowings	(57,547)	(57,364)	(58,773)
Current loans and borrowings	**(57,556)**	**(57,376)**	**(58,775)**
Net Financial Debt	**(62,214)**	**(51,424)**	**(57,730)**

Net Financial Debt is the sum of cash and cash equivalents less amounts due under finance leases and to other lenders (current and non-current), plus bank loans and borrowings (current and non-current), as reported in the statements of financial position.

Q3 2015 Operating review

In the third quarter of 2015, Elica Group consolidated revenue amounted to Euro 105.1 million, up 8.0% on the same period of 2014, on the basis principally of organic growth (4.6%), in addition to favourable currency movements. Global range hood demand contracted again in the third quarter of 2015 - although to a more contained degree of 1.7% - although Eastern Europe (-11.8%) saw an even greater drop, strongly impacted by the Russian market, with Latin America losing 3.4% and the Asian market contraction easing (-1.3%). North American growth picked up (+5.0%), with Western Europe consolidating its recovery (+2.1%).
The Cooking segment saw 8.7% revenue growth on Q3 2014, following both increased third party brand (+8.6%) and own brand sales (+8.9%) on the same period of the previous year. In particular, the Elica brand boosted growth significantly (+20.3%) on the back of the company's brand-focused commercial strategies.
The Motors segment also saw growth in Q3 2015 (+4.2%), principally thanks to the ventilation segment.

Analysing revenue by the principal markets[1], the Americas grew 25.0%, principally due to favourable currency movements. European revenue also grew (+6.1%), while remaining substantially stable in Asia[2] (-0.6%).

EBITDA before restructuring charges in Q3 2015 of Euro 9.1 million (8.7% Net Revenue margin) increased 14.1% on Q3 2014, due to production efficiencies generated by restructuring, procurement operations, together with favourable currency movements. EBITDA after restructuring charges totalled Euro 8.8 million - up 29.6% on the third quarter of the previous year. The restructuring charges in the quarter of Euro 0.3 million relate principally to the Italian companies.

EBIT of Euro 4.4 million improved 72.9% on Euro 2.5 million in Q3 2014.

In Q3 2015, the Euro average exchange rate weakened against all currencies to which the Group is exposed, with the exception of the Ruble.

[1] Data concerns sales revenue by geographic area and therefore does not refer to the breakdown by operating segment according to the various Group company locations.
[2] Concerning revenue in "Other Countries" - principally the Asian markets.

	average 9M 2015	average 9M 2014	%	Sep 30, 15	Dec 31, 14	%
USD	1.11	1.35	-18.1%	1.12	1.21	-7.4%
JPY	134.78	139.49	-3.4%	134.69	145.23	-7.3%
PLN	4.16	4.18	-0.4%	4.24	4.27	-0.7%
MXN	17.37	17.77	-2.3%	18.98	17.87	6.2%
INR	70.85	82.26	-13.9%	73.48	76.72	-4.2%
CNY	6.96	8.35	-16.7%	7.12	7.54	-5.6%
RUB	66.60	48.02	38.7%	73.24	72.34	1.2%
GBP	0.73	0.81	-10.1%	0.74	0.78	-5.1%

Net financial charges as a percentage of revenue in Q3 2015 reduced from 1.0% in Q3 2014 to 0.8%, mainly due to the lower average cost of debt.

The Profit for the period of Euro 2.1 million was up 235.6% on Euro 0.6 million in the third quarter of 2014.

The Managerial Working Capital on annualised revenue of 8.6% is significantly lower than 9.9% at September 30, 2014 and in line with 8.4% at December 31, 2014. This excellent result is due to optimised resource allocation policies, in particular with regard to trade receivables and payables management.

The Net Financial Debt at September 30, 2015 of Euro 62.2 million increased on Euro 51.4 million at December 31, 2014 and Euro 57.7 million at September 30, 2014, particularly due to the payment of Euro 7.6 million for non-recurring charges incurred in the first nine months of 2015, mainly relating to the restructuring plan already concluded and expensed in 2013 and 2014.

Significant events in Q3 2015

On July 9, 2015, Elica took part in the Mid&Small Cap Event, organised in Frankfurt by Equita SIM, holding meetings with the financial community.

On August 27, 2015, the Board of Directors of Elica S.p.A. approved the Half-Year Report at June 30, 2015 and filed the Auditors' Report on the Condensed Consolidated Financial Statements.

On September 16, 2015, Elica S.p.A. was involved in the VIII edition of the Italian Stock Market Opportunities Conference, organised in Milan by Banca IMI, through presentations and meetings with institutional investors.

Elica Group structure and consolidation scope

The Elica Group is currently the world's largest manufacturer of kitchen range hoods for domestic use and is leader in Europe in the sector of motors for boilers used in home heating systems.

Parent
o Elica S.p.A. - Fabriano (Ancona, Italy) is the parent company of the Group (in short Elica).

Subsidiaries
o Elica Group Polska Sp.zo.o – Wroclaw – (Poland) (in short Elica Group Polska). This wholly-owned company has been operational since September 2005 in the production and sale of electric motors and from December 2006 in the production and sale of exhaust range hoods for domestic use;
o Elicamex S.A. de C.V. – Queretaro (Mexico) (in short Elicamex). The company was incorporated at the beginning of 2006 (The Parent owns 98% directly and 2% through Elica Group Polska). Through this company, the Group intends to concentrate the production of products for the American markets in Mexico and reap the benefits deriving from optimisation of operational and logistical activities;
o Leonardo Services S.A. de C.V. – Queretaro (Mexico) (in short Leonardo). This wholly-owned subsidiary was incorporated in January 2006 (the Parent owns 98% directly and 2% indirectly through Elica Group Polska Sp.zo.o.). Leonardo Services S.A. de C.V. manages all Mexican staff, providing services to ELICAMEX S.A. de C.V;

o Ariafina CO., LTD – Sagamihara-Shi (Japan) (in short Ariafina). Incorporated in September 2002 as an equal Joint Venture with Fuji Industrial of Tokyo, the Japanese range hood market leader, Elica S.p.A. acquired control in May 2006 (51% holding) to provide further impetus to the development of the important Japanese market, where high-quality products are sold;
o Airforce S.p.A. – Fabriano (Ancona, Italy) (in short Airforce). This company operates in a special segment of the production and sale of hoods sector. The holding of Elica S.p.A. is 60%;
o Airforce Germany Hochleigstungs-Dunstabzugssysteme GmbH – Stuttgart (Germany) (in short Airforce Germany). Airforce S.p.A. owns 95% of Airforce Germany G.m.b.h., a company that sells hoods in Germany through so-called "kitchen studios";
o Elica Inc – Chicago, Illinois (United States), offices in Bellevue, Washington (United States). The company aims to develop the Group's brands in the US market by carrying out marketing and trade marketing with resident staff. The company is a wholly owned subsidiary of ELICAMEX S.A. de C.V.;
o Exklusiv Hauben Gutmann GmbH – Mulacker (Germany) (in short Gutmann) - a German company entirely held by Elica S.p.A. and the German leader in the high-end kitchen range hood market, specialised in tailor made and high performance hoods.
o Elica PB India Private Ltd. - Pune (India) (in short Elica India); in 2010, Elica S.p.A. signed a joint venture agreement, subscribing 51% of the share capital of the newly-incorporated Indian company and therefore attaining control.
Elica PB India Private Ltd. is involved in the production and sale of Group products.
o Zhejiang Elica Putian Electric CO.,LTD. – Shengzhou (China) (in short Putian), a Chinese company held 66.76% and operating under the Puti brand, a leader in the Chinese home appliances sector, producing and marketing range hoods, gas hobs and kitchenware sterilisers. Putian is one of the main players in the Chinese range hood market and the principal company developing western style range hoods. The production site is located in Shengzhou, a major Chinese industrial district for the production of kitchen home appliances.
o Elica Trading LLC – St. Petersberg (Russian Federation) (in short Elica Trading), a Russian company held 100%, incorporated on June 28, 2011.
o Elica France S.A.S. - Paris (France) (in short Elica France), a wholly-owned French company incorporated in 2014.

Associates
o I.S.M. S.r.l. – Cerreto d'Esi (AN-Italy). The company, of which Elica S.p.A. holds 49.385% of the Quota Capital, operates within the real estate sector.

Changes in the consolidation scope
There were no changes in the consolidation scope compared to December 31, 2014.

Related-party transactions

Transactions were entered into with subsidiaries, associates and other related parties during the period. All transactions were conducted on an arm's length basis in the ordinary course of business.

Subsequent events and outlook

On October 6, 2015, Elica S.p.A. participated at the Star Conference, organised in London by Borsa Italiana, through presentations and meetings with insitutional investors.

On October 8, 2015, Elica S.p.A. updated the 2015 Guidance objectives for Net Revenue, with a growth estimate of between 3 and 5% on 2014, considering also currency movements.

Compliance pursuant to Section VI of the regulation implementing legislative decree No. 58 of February 24, 1998 concerning market regulations ("Market Regulations")

Elica S.p.A. confirms compliance with the conditions for listing pursuant to Articles 36 and 37 of Consob's Market Regulations. In particular, having control, directly or indirectly, over some companies registered in countries outside of the European Union, the financial statements of the above-mentioned companies, prepared for the purposes of the Elica Group Consolidated Financial Statements, were made available in accordance with the provisions required by the current regulations enacted on March 30, 2009.

Obligations in accordance with Article 70, paragraph 8 and Article 71, paragraph 1-bis of the "Issuers' Regulation"

In accordance with Article 70, paragraph 8 and Article 71, paragraph 1-*bis* of the Consob Issuers' Regulation, on January 16, 2013, Elica announced that it would employ the exemption from publication of the required disclosure documents concerning significant merger, spin-off, and share capital increase operations through conferment of assets in kind, acquisitions and sales.

Consolidated Interim Financial Statements at September 30, 2015

Consolidated financial statements at September 30, 2015

Income Statement – YTD at September 30, 2015

In Euro thousands	***Note***	**Q3 2015**	**Q3 2014**	**9M 2015**	**9M 2014**
Revenue	**1.**	105,127	97,336	308,339	293,079
Other operating income	**2.**	919	449	2,305	4,571
Changes in inventories of finished and semi-finished goods	**3.**	1,381	376	5,056	4,226
Increase in internal works capitalised		917	1,124	3,998	3,695
Raw materials and consumables	**3.**	(57,864)	(53,464)	(170,854)	(164,248)
Services	**4.**	(18,417)	(16,124)	(55,538)	(48,966)
Labour costs	**5.**	(19,178)	(19,779)	(61,117)	(62,133)
Amortisation & Depreciation		(4,416)	(4,257)	(12,955)	(12,529)
Other operating expenses and provisions	**6.**	(3,775)	(1,932)	(8,725)	(9,220)
Restructuring charges	**14.**	(294)	(1,184)	(1,236)	(1,876)
Operating profit		**4,400**	**2,545**	**9,273**	**6,599**
Share of profit/(loss) from associates		(2)	(4)	(7)	(13)
Impairment of AFS financial assets		(100)	-	(100)	-
Financial income	**7.**	46	(1)	118	209
Financial charges	**7.**	(953)	(1,109)	(2,802)	(3,235)
Exchange rate gains/(losses)	**7.**	206	126	936	(1)
Profit before taxes		**3,597**	**1,557**	**7,418**	**3,559**
Income taxes		(1,469)	(923)	(3,675)	(1,608)
Profit from continuing operations		**2,128**	**634**	**3,743**	**1,951**
Profit from discontinued operations		-	-	-	-
Profit for the period		**2,128**	**634**	**3,743**	**1,951**
of which:					
Attributable to non-controlling interests		155	150	399	726
Attributable to the owners of the parent		1,973	484	3,344	1,225
Basic earnings per Share (Euro/cents)		**3.18**	**0.78**	**5.39**	**1.97**
Diluted earnings per Share (Euro/cents)		**3.18**	**0.78**	**5.39**	**1.97**

Statement of Comprehensive Income - YTD at September 30, 2015

In Euro thousands	Q3 2015	Q3 2014	9M 2015	9M 2014
Profit for the period	**2,128**	**634**	**3,743**	**1,951**
Other comprehensive income/(expense) which may not be subsequently reclassified to profit/(loss) for the period:				
Actuarial gains/(losses) of employee defined plans	(126)	(577)	63	(1,221)
Tax effect concerning the Other income/(expense) which may not be subsequently reclassified to the profit/(loss) for the period	33	135	(12)	345
Total other comprehensive income/(expense) which may not be subsequently reclassified to profit/(loss) for the period, net of the tax effect	**(93)**	**(442)**	**51**	**(876)**
Other comprehensive income/(expense) which may be subsequently reclassified to profit/(loss) for the period:				
Exchange differences on the conversion of foreign financial statements	(3,839)	2,786	(70)	2,937
Net change in cash flow hedges	(995)	(538)	(1,123)	(568)
Tax effect concerning the Other income/(expense) which may be subsequently be reclassified to the profit/(loss) for the period	277	151	309	156
Total other comprehensive income/(expense) which may be subsequently reclassified to profit/(loss) for the period, net of the tax effect	**(4,557)**	**2,399**	**(884)**	**2,525**
Total other comprehensive income/(expense), net of the tax effect:	**(4,651)**	**1,957**	**(833)**	**1,649**
Total comprehensive income/(expense) for the period	**(2,523)**	**2,591**	**2,910**	**3,600**
of which:				
Attributable to non-controlling interests	77	476	832	1,163
Attributable to the owners of the parent	(2,600)	2,112	2,078	2,437

Statement of Financial Position at September 30, 2015

In Euro thousands	***Note***	**Sep 30, 15**	**Dec 31, 14**
Property, plant & equipment	**8.**	88,939	88,014
Goodwill	**9.**	45,647	44,911
Other intangible assets	**10.**	27,090	26,660
Investments in associates		1,430	1,437
Other receivables		313	182
Tax assets		5	5
Deferred tax assets		15,186	15,265
AFS financial assets		56	156
Derivative financial instruments		1	1
Total non-current assets		**178,667**	**176,631**
Trade receivables and loan assets	**11.**	71,087	63,456
Inventories	**12.**	66,166	57,609
Other receivables		8,130	6,935
Tax assets		10,928	7,330
Derivative financial instruments		136	146
Cash and cash equivalents		32,496	35,241
Current assets		**188,943**	**170,717**
Total assets		**367,610**	**347,348**
Liabilities for post-employment benefits		10,832	12,752
Provisions for risks and charges	**13.**	2,131	5,441
Deferred tax liabilities		4,779	4,910
Finance leases and other lenders		10	12
Bank loans and borrowings		37,144	29,277
Other payables		3,335	4,786
Tax liabilities		473	568
Derivative financial instruments		109	146
Non-current liabilities		**58,813**	**57,892**
Provisions for risks and charges	**13.**	5,123	3,006
Finance leases and other lenders		9	12
Bank loans and borrowings		57,547	57,364
Trade payables	**11.**	102,086	88,238
Other payables		17,612	16,394
Tax liabilities		7,776	6,719
Derivative financial instruments		2,899	2,113
Current liabilities		**193,052**	**173,846**
Share capital		12,665	12,665
Capital reserves		71,123	71,123
Hedging, translation and stock option reserve		(10,969)	(9,585)
Reserve for actuarial gains/losses		(3,139)	(3,188)
Treasury shares		(3,551)	(3,551)
Retained earnings		40,774	39,894
Profit attributable to the owners of the parent		3,344	2,592
Equity attributable to the owners of the parent		**110,247**	**109,950**
Capital and reserves attributable to non-controlling interests		5,099	4,766
Profit attributable to non-controlling interests		399	894
Equity attributable to non-controlling interests		**5,498**	**5,660**
Total equity		**115,745**	**115,610**
Total liabilities and equity		**367,610**	**347,348**

9M Statement of Cash Flows

In Euro thousands	***Note***	**9M 2015**	**9M 2014**
Opening cash and cash equivalents		**35,241**	**27,664**
Operating profit - EBIT		9,273	6,599
Amortisation, depreciation and impairment losses		12,955	12,529
EBITDA		22,228	19,128
Trade working capital		(2,604)	2,979
Other working capital accounts		(2,852)	(6,400)
Income taxes paid		(3,594)	(3,147)
Change in provisions		(3,223)	2,487
Other changes		(1)	(968)
Cash flow from operating activities		**9,955**	**14,080**
Net increases		(14,142)	(12,023)
Intangible assets		(5,173)	(4,403)
Property, plant & equipment		(8,969)	(7,562)
Equity investments and other financial assets		-	(58)
Acquisition/Sale of investments		-	44
Cash flow used in investing activities		**(14,142)**	**(11,979)**
Dividends		(2,551)	(2,413)
Increase (decrease) in loans and borrowings		7,613	3,221
Net changes in other financial assets/liabilities		(1,128)	1,345
Interest paid		(2,529)	(2,749)
Cash flow used in financing activities		**1,405**	**(596)**
Change in cash and cash equivalents		**(2,782)**	**1,505**
Effect of exchange rate change on liquidity		**37**	**986**
Closing cash and cash equivalents		**32,496**	**30,155**

Notes to the Interim Report at September 30, 2015

Group structure and brief description of its activities

The operating segments are as follows:

- "Europe": production and sale of range hoods, accessories and electric motors developed by the Group companies based in Europe, i.e. the Italian companies Elica S.p.A. and Airforce S.p.A., the German companies Exklusiv Hauben Gutmann GmbH and Airforce Germany GmbH, the Polish company Elica Group Polska Sp.zo.o, the Russian company Elica Trading LLC and the French company Elica France S.A.S.;

- "America": production and sale of range hoods and accessories, developed by the Group companies based in America, i.e. the Mexican companies Elicamex S.A. de C.V. and Leonardo S.A. de C.V. and the US company Elica Inc;

- "Asia and the Rest of the World": production and sale of range hoods, accessories and other products, developed by the Group companies located in Asia, i.e. the Chinese company Zhejiang Elica Putian Electric Co. Ltd., the Indian company Elica PB India Private Ltd. and the Japanese company Ariafina CO., LTD.

The activities are based in the same geographic areas and therefore in Europe, specifically in Italy, Poland, Germany, Russia and France, in America, i.e. in Mexico and in the United States, and in Asia, respectively in China, India and Japan.

Segment revenue is determined based on the geographic area to which the respective companies belong. Segment results are determined by taking into account all the costs that can be allocated directly to sales in a specific segment. Costs not allocated to the segments include all costs not directly attributable to the area, including manufacturing, sales, general, administrative costs, as well as financial income and charges and taxes.
Inter-segment revenue includes revenue between Group segments that are consolidated on a line-by-line basis in relation to sales made to other segments.
Assets, liabilities and investments are allocated directly on the basis of their classification in a specific geographic area.

The Euro is the functional and reporting currency for Elica and all consolidated companies, except for such foreign subsidiaries as Elica Group Polska Sp.zo.o, Elicamex S.A. de C.V., Leonardo Services S.A. de. C.V., Ariafina CO., LTD, Elica Inc., Elica PB India Private Ltd., Zhejiang Elica Putian Electric Co. Ltd. and Elica Trading LLC, which prepare their financial statements in the Polish Zloty (Elica Group Polska Sp.zo.o), the Mexican Peso (Elicamex S.A. de C.V. and Leonardo Services S.A. de C.V.), Japanese Yen, US Dollar, Indian Rupee, Chinese Renminbi and Russian Ruble respectively.

The exchange rates used for the translation to Euro of the financial statements of companies consolidated in a currency other than the consolidation currency, compared with those used in the previous periods, are shown in the table below:

	average 9M 2015	average 9M 2014	%	Sep 30, 15	Dec 31, 14	%
USD	1.11	1.35	-18.1%	1.12	1.21	-7.4%
JPY	134.78	139.49	-3.4%	134.69	145.23	-7.3%
PLN	4.16	4.18	-0.4%	4.24	4.27	-0.7%
MXN	17.37	17.77	-2.3%	18.98	17.87	6.2%
INR	70.85	82.26	-13.9%	73.48	76.72	-4.2%
CNY	6.96	8.35	-16.7%	7.12	7.54	-5.6%
RUB	66.60	48.02	38.7%	73.24	72.34	1.2%

Criteria for the preparation of the Interim Report

The Interim Report at September 30, 2015 was prepared in accordance with Article 154-ter, paragraph 5 of the Consolidated Finance Act ("CFA") introduced by Legislative Decree 195/2007 enacting EU Directive 109/2004 ("Transparency Directive").
The report was approved by the Board of Directors of Elica S.p.A. on November 12, 2015 and the board authorised its publication on the same date.

Accounting principles, consolidation criteria and estimate changes

The accounting principles utilised for the preparation of the financial statements as at September 30, 2015 are the IAS/IFRS issued by the IASB and endorsed by the European Union at the date of the Report. IAS/IFRS refers to the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and all the interpretive documents issued by the IFRIC (formally the Standing Interpretations Committee). In their preparation, the same accounting principles were adopted as in the preparation of the Consolidated Financial Statements as at December 31, 2014.
The interim report was prepared on the basis of the historical cost principle, except for some financial instruments which are recognised at fair value. The financial statement accounts have been measured in accordance with the general criteria of prudence and accruals and on a going concern basis, and also take into consideration the economic function of the assets and liabilities.
The preparation of interim financial statements requires the use of estimates and assumptions based on the best evaluations of management. If in the future these estimates and assumptions should be different from the actual circumstances, they will obviously be modified appropriately in the period in which the circumstances change.
In particular, with reference to the determination of any loss in value of non-current assets, tests are generally made on a complete basis on the preparation of the annual accounts, when all the necessary information is available, except where there are specific indications of impairment which require an immediate valuation of any loss in value or when facts arise requiring an impairment test.
This interim report is presented in Euros and all the amounts are rounded to the nearest thousand, unless otherwise specified.

Changes in accounting principles

The financial statements utilised are the same as those used for the preparation of the consolidated financial statements at December 31, 2014. No new accounting principles with impact on the consolidated financial statements were adopted in the period. We report below the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union adopted from January 1, 2015:

- Improvements to IFRS (2010-2012 cycle):
    - IFRS 2 Share-based payments. Amendments were made to the definitions of "vesting conditions" and "market conditions" and further definitions were added for "performance conditions" and "service conditions" (previously included in general "vesting conditions");
    - IFRS 3 Business combinations. The amendments clarify that a contingent consideration classified as an asset or as a liability must be measured at fair value at each reporting date, whether the contingent consideration is a financial instrument in application of IAS 39 or a non-financial asset or liability. The changes in the fair value must be recognised to the profit/(loss) for the period.
    - IFRS 8 Operating Segments. The amendments require an entity to provide disclosure on the judgements made by Management in the application of the operating segment aggregation, including a description of the aggregated operating segments and of the economic indicators considered in determining whether these operating segments have "similar economic characteristics". The amendments also clarify that the reconciliation between the total assets of the operating segments and the total assets of the entity must be presented only if the total assets of the operating segments are regularly reviewed by the chief operating decision maker.
    - IAS 24 Related party disclosures. A company which provides key management personnel is considered a related party.

- Improvements to IFRS (2011-2013 cycle):
    - IFRS 3 Business combinations. It is established that the standard is not applicable to all joint control agreements and not only joint ventures.
    - IFRS 13 Fair value concerns financial instruments. Clarification is provided on the scope of application of the exception for the measurement at fair value on a net basis of a portfolio of assets and liabilities. IFRS 13.52 (portfolio exception), in the current version, limits to only financial assets and liabilities included within the application of IAS 39 the possibility to undertake fair value measurement on the basis of their net value. The amendment clarifies that the possibility of fair value measurement on the basis of their net value also refers to contracts within the application of IAS 39 but which do not satisfy the definition of financial assets and liabilities within IAS 32, such as contracts for the purchase and sale of commodities which may be settled in cash for their net value.
    - IAS 40 Investment property: The amendment clarifies that IFRS 3 and IAS 40 are not mutually exclusive and in determining whether the acquisition of a real estate asset enters within the application of IFRS 3, reference should be made to the specific indications provided by IFRS 3; on the other hand, when determining whether the acquisition is within the application of IAS 40, reference should be made to the specific indications of IAS 40.
    - IFRS 1 First-time adoption of International Financial Reporting Standards: The amendment clarifies that an entity which adopts IFRS for the first time, as an alternative to the application of a standard currently in force at the date of the first IFRS financial statements, may opt for the early application of a new standard which will replace the standard in force. The option is permitted when the new standard allows for early application. In addition, the same version of the standard must be applied for all periods presented in the first IFRS financial statements.
- Defined benefit plans: employee contributions (amendments to IAS 19). It is clarified that the contribution by employees or third parties may be deducted, at certain conditions, from employee costs.
- IFRIC 21 Levies. It is clarified that a levy is not recognised until the obligating event according to the applicable regulation occurs, even in the case in which there is not a realistic opportunity to avoid the obligation.

Use of estimates

In the preparation of the Interim Report, the Group's management made judgements, estimates and assumptions which have an effect on the values of the assets and liabilities and disclosures. The actual results may differ from these estimates. The estimates and assumptions are revised periodically and the effects of any change are promptly reflected in the financial statements.

In this context it is reported that the situation caused by the current economic and financial crisis resulted in the need to make assumptions on a future outlook characterised by significant uncertainty, for which it cannot be excluded that results in the coming years will be different from such estimates and which therefore could require adjustment, currently not possible to estimate or forecast, which may even be significant, to the carrying amount of the relative items.

The account items principally concerned by uncertainty are: goodwill, the allowance for impairment and inventory obsolescence provision, non-current assets (property, plant and equipment and intangible assets), pension funds and other post-employment benefits, provisions for risks and charges and deferred tax assets and liabilities.

Reference is made to the previous year annual accounts and the notes to these financial statements for the details relating to the estimates stated above.

Composition and main changes in the Income Statement and Statement of Financial Position

1. Revenue

In Euro thousands	**9M 2015**	**9M 2014**	**Changes**
Revenue	308,339	293,079	15,260
Total revenue	**308,339**	**293,079**	**15,260**

For the comments relating to the changes in revenue, reference should be made to the paragraph "Operating review Q3 2015".
The following tables contain segment information as defined in the "Group structure and brief description of its activities" paragraph.

INCOME STATEMENT	**Europe**		**America**		**Asia and the Rest of World**		**Unallocated items and eliminations**		**Consolidated**	
	9M 15	**9M 14**	**9M 15**	**9M 14**	**9M 15**	**9M 14**	**9M 15**	**9M 14**	**9M 15**	**9M 14**
Segment revenue:										
Third parties	226,264	217,280	48,515	41,897	33,560	33,902			308,339	293,079
Inter-segment	10,695	10,296	14	4	1,780	1,140	(12,489)	(11,440)	-	-
Total revenue	**236,959**	**227,576**	**48,529**	**41,901**	**35,340**	**35,042**	**(12,489)**	**(11,440)**	**308,339**	**293,079**
Segment result:	**19,518**	**14,214**	**5,524**	**7,191**	**1,340**	**1,285**			**26,381**	**22,691**
Unallocated overheads									**(17,108)**	**(16,092)**
Operating profit									**9,273**	**6,599**
Share of profit/(loss) from associates									(7)	(13)
Financial income									118	209
Financial charges									(2,802)	(3,235)
Write-downs AFS financial assets									(100)	-
Exchange rate gains/(losses)									936	(1)
Profit before taxes									**7,418**	**3,559**
Income taxes									(3,675)	(1,608)
Profit from continuing operations									**3,743**	**1,951**
Profit from discontinued operations									-	-
Profit for the period									**3,743**	**1,951**

STATEMENT OF FINANCIAL POSITION	**Europe**		**America**		**Asia and the Rest of World**		**Unallocated items and eliminations**		**Consolidated**	
	Sep 15	**Dec 14**	**Sep 15**	**Dec 14**	**Sep 15**	**Dec 14**	**Sep 15**	**Dec 14**	**Sep 15**	**Dec 14**
Assets:										
Segment assets	242,065	228,115	36,220	34,168	50,791	44,079	(11,298)	(11,184)	317,777	295,178
Investments							1,430	1,437	1,430	1,437
Unallocated assets							48,403	50,733	48,403	50,733
Total operational assets	**242,065**	**228,115**	**36,220**	**34,168**	**50,791**	**44,079**	**38,535**	**40,987**	**367,610**	**347,348**
Total assets of discount. operations			-	-			-	-	-	-
Total assets	**242,065**	**228,115**	**36,220**	**34,168**	**50,791**	**44,079**	**38,535**	**40,987**	**367,610**	**347,348**
Liabilities										
Segment liabilities	(127,630)	(123,872)	(19,616)	(12,875)	(20,880)	(19,466)	10,971	11,140	(157,155)	(145,073)
Unallocated liabilities							(94,710)	(86,665)	(94,710)	(86,665)
Equity							(115,745)	(115,610)	(115,745)	(115,610)
Total operational liabilities	**(127,630)**	**(123,872)**	**(19,616)**	**(12,875)**	**(20,880)**	**(19,466)**	**(199,484)**	**(191,135)**	**(367,610)**	**(347,348)**
Total liabilities of discontinued operations			-	-	-	-				
Total liabilities	**(127,630)**	**(123,872)**	**(19,616)**	**(12,875)**	**(20,880)**	**(19,466)**	**(199,484)**	**(191,135)**	**(367,610)**	**(347,348)**

2. Other operating income

In Euro thousands	9M 2015	9M 2014	Changes
Rental income	2	2	-
Grants related to income	622	612	10
Ordinary gains on disposal	263	3,309	(3,046)
Claims and insurance payouts	591	215	376
Other revenue and income	827	433	394
Total	**2,305**	**4,571**	**(2,266)**

The account decreased by Euro 2,266 thousand. The decrease concerned the Ordinary Gains account, which in 2014 included the gain from the sale to third parties of the warehouse of Serra San Quirico (Ancona - Italy).

3. Raw materials and consumables and changes in inventories of finished and semi-finished goods

In Euro thousands	9M 2015	9M 2014	Changes
Purchase of raw materials	(149,828)	(143,534)	(6,294)
Shipping expenses on purchases	(4,343)	(3,520)	(823)
Purchases of consumable materials	(3,021)	(2,134)	(887)
Packaging	(1,143)	(1,956)	813
Purchases of supplies	(473)	(518)	45
Purchases of semi-finished materials	(10,886)	(11,654)	768
Purchase of finished products	(4,241)	(4,573)	332
Other purchases	(812)	(553)	(259)
Change in inventory of raw materials, consumables and goods for re-sale	3,893	4,194	(301)
Raw materials and consumables	**(170,854)**	**(164,248)**	**(6,606)**
Changes in inventories of finished and semi-finished goods	**5,056**	**4,226**	**830**
Total	**(165,798)**	**(160,022)**	**(5,776)**

The account increased in absolute terms by approx. Euro 5.8 million, although it decreased as a percentage of revenue from 54.6% to 53.8%.

4. Services

In Euro thousands	9M 2015	9M 2014	Changes
Outsourcing expenses	(18,968)	(15,224)	(3,744)
Transport	(6,857)	(6,485)	(372)
Finished goods inventories management	(3,445)	(3,986)	541
Consulting	(3,752)	(3,323)	(429)
Other professional services	(7,281)	(6,703)	(578)
Maintenance	(1,971)	(890)	(1,081)
Utilities	(3,505)	(3,510)	5
Commissions	(1,413)	(1,574)	161
Travel expenses	(2,296)	(2,036)	(260)
Advertising	(1,892)	(1,781)	(111)
Insurance	(868)	(836)	(32)
Directors & Statutory Auditor fees	(1,185)	(1,214)	29
Trade fairs and promotional events	(1,413)	(710)	(703)
Industrial services	(346)	(355)	9
Banking commissions and charges	(346)	(339)	(7)
Total Services	**(55,538)**	**(48,966)**	**(6,572)**

The account increased in absolute terms by approx. Euro 6.6 million. This increase is principally due for Euro 3.7 million to Outsourcing expenses, for Euro 1 million to Maintenance, for Euro 0.4 million to Consulting, for Euro 0.6 million to Other professional services and for Euro 0.7 million to Trade Fairs and promotional events. As a percentage of revenue it increased from 16.7% to 18.0%.

5. Labour costs

Labour costs incurred by the Group were as follows:

In Euro thousands	**9M 2015**	**9M 2014**	**Changes**
Wages and salaries	(45,039)	(45,278)	239
Social security charges	(11,984)	(12,197)	213
Post-employment benefits	(1,789)	(2,160)	371
Other costs	(2,305)	(2,498)	193
Total labour costs	**(61,117)**	**(62,133)**	**1,016**

The account reduced by approx. Euro 1 million. As a percentage of revenue these costs decreased from 21.2% in 2014 to 19.8% in 2015.

6. Other operating expenses and provisions

In Euro thousands	**9M 2015**	**9M 2014**	**Changes**
Leasing and rental	(1,770)	(1,511)	(259)
Rental of vehicles and industrial equipment	(1,819)	(1,811)	(8)
Hardware, software and patents licences	(597)	(575)	(22)
Other taxes	(815)	(814)	(1)
Magazine and newspaper subscriptions	(17)	(18)	1
Various equipment	(263)	(234)	(28)
Catalogues and brochures	(277)	(226)	(51)
Losses and allowance for impairments	(1,182)	(1,497)	315
Provisions for risks and charges and other prior year charges and losses	(1,985)	(2,534)	549
Total other operating expenses and provisions	**(8,725)**	**(9,220)**	**495**

The account reduced by approx. Euro 0.5 million. As a percentage of revenue these costs decreased from 3.1% in 2014 to 2.8% in 2015.

7. Net financial charges

In Euro thousands	**9M 2015**	**9M 2014**	**Changes**
Financial income	118	209	(91)
Financial charges	(2,802)	(3,235)	433
Exchange rate gains/(losses)	936	(1)	937
Total net financial charges	**(1,748)**	**(3,027)**	**1,279**

Financial activities benefitted from exchange rate movements concerning the currencies utilised by the Group.

8. Property, plant & equipment

The breakdown of property, plant and equipment at September 30, 2015 and December 31, 2014 is detailed below.

In Euro thousands	**Sep 30, 15**	**Dec 31, 14**	**Changes**
Land, land usage rights and buildings	46,777	47,576	(799)
Plant and machinery	21,079	21,455	(376)
Industrial and commercial equipment	15,742	15,273	469
Other assets	3,608	3,387	221
Assets in progress and advances	1,733	323	1,410
Total property, plant and equipment	**88,939**	**88,014**	**925**

Property, plant and equipment increased from Euro 88,014 thousand at December 31, 2014 to Euro 88,939 thousand at September 30, 2015, an increase of Euro 925 thousand as a result of the sales, purchases and a depreciation charge of Euro 8,317 thousand.

9. Goodwill

In Euro thousands	**Sep 30, 15**	**Dec 31, 14**	**Changes**
Goodwill recorded by subsidiaries	45,647	44,911	736
Total goodwill	**45,647**	**44,911**	**736**

The account increased almost exclusively due to exchange rate movements. No operations in the period produced additional goodwill compared to December 2014.

10. Other intangible assets

The breakdown of the Other intangible assets at September 30, 2015 and December 31, 2014 is shown below.

In Euro thousands	Sep 30, 15	Dec 31, 14	Changes
Development Costs	6,905	8,184	(1,279)
Industrial patents and intellectual property rights	8,697	10,206	(1,509)
Concessions, licenses, trademarks & similar rights	1,554	1,557	(3)
Assets in progress and payments on account	6,714	2,851	3,863
Other intangible assets	3,220	3,862	(642)
Total other intangible assets	**27,090**	**26,660**	**430**

Other intangible assets increased from Euro 26,660 thousand at December 31, 2014 to Euro 27,090 thousand at September 30, 2015, with an increase of Euro 430 thousand as a result of the purchases, sales and an amortisation charge of Euro 4,638 thousand.
Assets in progress and advances refer in part to advances and the development of projects for the implementation of new IT platforms and the design, development and creation of new software applications, and also the development of new products.
The account Other intangible assets relates principally to both the technology developed and the client portfolio of the German subsidiary Exklusiv Hauben Gutmann GmbH.

11. Trade receivables and payables

Trade receivables and trade payables were as follows:

In Euro thousands	Sep 30, 15	Dec 31, 14	Changes
Trade receivables	71,087	63,456	7,631
Trade payables	(102,086)	(88,238)	(13,848)
Total Trade receivables and payables	**(30,999)**	**(24,782)**	**(6,217)**

Trade receivables are recorded net of the allowance for impairment, made following an analysis of the credit risk on receivables and on the basis of historical data on impairment losses, considering that a substantial portion of the receivables is insured by prime international insurance companies.
Management considers that the value approximates the fair value of the receivables.

12. Inventories

In Euro thousands	Sep 30, 15	Dec 31, 14	Changes
Raw materials, ancillary and consumables	26,483	23,685	2,798
Work-in-progress and semi-finished goods	14,426	12,994	1,432
Finished products and goods	25,240	20,925	4,315
Advances	17	5	12
Total Inventories	**66,166**	**57,609**	**8,557**

The account increased from Euro 57,609 thousand at December 31, 2014 to Euro 66,166 thousand at September 30, 2015.
Inventories are stated net of the obsolescence provisions in order to take into consideration the effect of waste, obsolete and slow moving items and the risk estimates of the non-existent value in use of some categories of raw materials and semi-finished goods based on assumptions made by management.

13. Provisions for risks and charges

The details are shown below.

In Euro thousands	**Sep 30, 15**	**Dec 31, 14**	**Changes**
Agents' termination benefits	518	514	4
Product warranty provisions	1,485	1,550	(65)
Legal, tax and other risks provision	1,486	1,973	(487)
Personnel provisions	602	1,489	(886)
LTIP provision	3,036	2,875	161
Other Provisions	127	47	80
Total	**7,254**	**8,447**	**(1,193)**
of which			
Non-current	2,131	5,441	(3,310)
Current	5,123	3,006	2,117
Total Provisions for risks and charges	**7,254**	**8,447**	**(1,193)**

Agents' termination benefits are intended to cover possible charges upon termination of relations with agents and sales representatives.

Product warranty provisions represent an estimate of the costs likely to be incurred to repair or replace items sold to customers. These provisions reflect the average warranty costs historically incurred by the Group as a percentage of sales still covered by warranty.

The legal, tax and other risks provision relates to likely costs and charges to be incurred as a result of ongoing legal and tax disputes. The provisions have been determined based on the best possible estimates, considering the available information. They include allocations required to comply with the waste disposal regulation.

Personnel provisions include the higher cost estimated by the Group for contractual indemnity and for employee bonuses.

The Long Term Incentive Plan provision refers to the accrued liability as at September 30, 2015, approved by the Board of Directors on November 14, 2013.

14. Significant non-recurring events and operations

A summary of the non-recurring operations, considered significant, during the period and with their relative impact on the Equity and Profit for the period are shown below.

	Equity		**Profit for the period**	
In Euro thousands	**Amount**	**%**	**Amount**	**%**
Reported amount	115,745		3,743	
Restructuring charges	(1,236)	-1%	(1,236)	-33%
Taxes concerning restructuring charges	224	0%	224	6%
Taxes concerning tax assessments	(330)	0%	(330)	-9%
Gross notional amount	**117,087**		**5,085**	

Restructuring charges and the relative tax impact relate principally to the reorganisation plan in place.
The income taxes concerning the tax assessment were recognised by the Parent in settlement of the amount due.

21. Transactions and balances with related parties

The income statement and statement of financial position amounts deriving from the transactions carried out as per IAS 24 with related parties are in line with the past and reference should therefore be made to the Annual Report.

In accordance with IAS 24, compensation paid to Directors, Statutory Auditors and Key Management Personnel are included in transactions with related parties, and their amounts are in line with previous periods; reference should be made to the Annual Report in this regard.

Fabriano, November 12, 2015

The Chairman
Francesco Casoli

Statement of the corporate financial reporting manager in accordance with Article 154 *bis*, paragraph 2 of Legislative Decree 58/1998

The undersigned Giuseppe Perucchetti as Chief Executive Officer and Alberto Romagnoli, Corporate Financial Reporting Manager of Elica S.p.A., affirm, in accordance with Article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting and corporate information in the present Interim Report at September 30, 2015 corresponds to the underlying accounting documents, records and accounting entries.

Fabriano, November 12, 2015

Chief Executive Officer

Giuseppe Perucchetti

Corporate Financial Reporting Manager

Alberto Romagnoli