

PRESS RELEASE

ELICA S.p.A.

BOARD OF DIRECTORS APPROVES INTERIM REPORT AT SEPTEMBER 30, 2013

Q3 consolidated results (July-September 2013)

- **Revenues: Euro 95.5 million (Euro 93.3 million in 2012), up 2.3%;**
- **EBITDA before restructuring charges: Euro 7.5 million (Euro 6.4 million in 2012), growth of 17.1%;**
- **EBIT before restructuring charges: Euro 3.5 million (Euro 2.7 million in 2012), up 31.1%;**
- **Group Net Profit before restructuring charges: Euro 1.5 million (Euro 0.8 million in 2012), growth of 90.2%;**
- **Net Debt: Euro 62.3 million, in line with Euro 62.3 million at December 31, 2012, while reducing on Euro 65.3 million at September 30, 2012.**

Board of Directors approves the creation of a Long Term Incentive Plan

Fabriano, November 14, 2013 – 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 approved the **Interim Report at September 30, 2013**, prepared in accordance with IFRS.

Consolidated revenues – Q3 2013

In the third quarter of 2013, Elica Group consolidated revenues totalled **Euro 95.5 million, growth of 2.3% on Q3 2012**. The **Cooking Segment reported revenue growth of 2.1%**, driven by the increase of 5.4% of own brand product sales, against substantially stable third party brand sales compared to the same period of 2012. Global range hood demand in the quarter improved 3.7%¹, consolidating on the previous quarter, thanks to the recoveries on the Chinese and North American markets. The **Electric Motors Segment in Q3 2013 again reported increased revenues (+3.8% compared to the same period of 2012)** due in particular to improved heating and ventilation segment sales.

Analysing revenues from sales in the principal markets², the **Americas** contributed significantly to revenue growth **(+16.7% compared to Q3 2012)**, while **revenues in Asia reduced slightly** - not due to a contraction in sales but rather as a result of **currency movements** - principally concerning the average exchange rate of the Japanese Yen and the Indian Rupee compared to the same quarter of 2012. **European sales increased slightly (+0.6%)**, marking a turnaround from four consecutive quarterly contractions.

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

¹ Volume data estimated by the Company.

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.

<i>In Euro thousands</i>	Europe		America		Asia and the Rest of the World		Unallocated and eliminations		Consolidated	
	Q3 13	Q3 12 restated	Q3 13	Q3 12 restated	Q3 13	Q3 12 restated	Q3 13	Q3 12 restated	Q3 13	Q3 12 restated
Segment revenue:										
Third parties	70,624	70,270	13,388	11,479	11,469	11,478	-	71	95,482	93,297
Inter-segment	3,354	2,272	0	-	53	3	(3,407)	(2,275)	-	-
Total revenues	73,978	72,542	13,389	11,479	11,522	11,481	(3,407)	(2,204)	95,481	93,297

Profitability in the Third Quarter 2013

EBITDA in the third quarter of 2013 of Euro 6.1 million (6.3% revenue margin) contracted by 4.7% on Q3 2012, net of restructuring charges related to the Workforce Restructuring Plan (Euro 1.4 million). **EBITDA** in the quarter before restructuring charges totalled Euro 7.5 million, increasing 17.1% on Q3 2012, highlighting the improved operating margin following an improved mix of sales and the industrial efficiency and overhead cost reduction programmes.

EBIT of Euro 2.1 million, net of restructuring charges, decreased 21.0% compared to third quarter of 2013; **EBIT** before restructuring charges however totalled Euro 3.5 million, increasing 31.1% compared to the same period of 2012.

Income taxes in the period amounted to Euro 0.9 million compared to Euro 1.0 million in the same period of 2012. The increase in the **tax rate for the quarter** was significantly impacted by restructuring charges which are entirely non-deductible. **The rate before restructuring charges (35.4%) is in line with the first half of 2013.**

In the third quarter of 2013 the **Group Net Profit of Euro 0.1 million** reduced 92.2% compared to Euro 0.8 million in the third quarter of 2012, although the **Group Net Profit before restructuring charges totalled Euro 1.5 million, increasing over 90%** on the same period of 2012.

<i>In Euro thousands</i>	Q3 13	% revenues	Q3 12 Restated	% revenues	13 Vs 12 %
Revenues	95,482		93,297		2.3%
EBITDA before restructuring charges	7,477	7.8%	6,385	6.8%	17.1%
EBITDA	6,083	6.4%	6,385	6.8%	(4.7%)
EBIT before restructuring charges	3,508	3.7%	2,675	2.9%	31.1%
EBIT	2,114	2.2%	2,675	2.9%	(21.0%)
Financial income/(charges)	(1,055)	-1.1%	(872)	-0.9%	21.0%
Income taxes	(869)	-0.9%	(1,026)	-1.1%	(15.3%)
Net profit from continuing operations before restructuring charges	1,584	1.7%	777	0.8%	103.8%
Net profit from continuing operations	190	0.2%	777	0.8%	(75.6%)
Net profit from continuing operations and discontinuing operations	1,584	1.7%	777	0.8%	103.8%
Net profit from continuing operations and discontinuing operations	190	0.2%	777	0.8%	(75.6%)
Group Net Profit before restructuring charges	1,454	1.5%	765	0.8%	90.2%
Group Net Profit	60	0.1%	765	0.8%	(92.2%)
Basic earnings per share on continuing operations and discontinuing operations before restructuring charges (Euro/cents)	2.37		1.27		86.0%
Basic earnings per share on continuing operations and discontinuing operations (Euro/cents)	0.08		1.27		(94.1%)

Diluted earnings per share on continuing operations and discontinuing operations before restructuring charges (Euro/cents)	2.37	1.32	79.2%
Diluted earnings per share on continuing operations and discontinuing operations (Euro/cents)	0.08	1.32	(93.9%)

*The earnings per share for Q3 2013 and 2012 were calculated by dividing the Group net result from continuing and discontinued operations by the number of outstanding shares at the respective reporting dates.

Balance sheet

The **Net Debt of Euro 62.3 million is in line** with Euro 62.3 million at December 31, 2012, while reducing on Euro 65.3 million at September 30, 2012.

	Sep 30, 13	June 30, 13	Dec 31, 12 restated	Sep 30, 12 restated
<i>In Euro thousands</i>				
Cash and cash equivalents	25,585	23,709	29,551	28,657
Finance leases and other lenders	(15)	(15)	(333)	(479)
Bank loans and mortgages	(41,497)	(38,353)	(46,343)	(44,145)
Long-term debt	(41,512)	(38,368)	(46,676)	(44,624)
Finance leases and other lenders	(13)	(14)	(40)	(37)
Bank loans and mortgages	(46,370)	(49,756)	(45,165)	(49,284)
Short-term debt	(46,383)	(49,770)	(45,205)	(49,321)
Net Debt	(62,310)	(64,429)	(62,330)	(65,288)

The **Managerial Working Capital** on net annualised revenues at September 30, 2013 of **10.7%** was **in line with the third quarter of 2012** but slightly above the 10.0% level of December 31, 2012, due to the normal seasonality of the Group business model.

	Sep 30, 13	June 30, 13	Dec 31, 12 restated	Sep 30, 12 restated
<i>In Euro thousands</i>				
Trade receivables	77,616	82,628	77,465	79,130
Inventories	54,518	54,027	49,597	52,042
Trade payables	(90,450)	(96,248)	(88,716)	(90,523)
Managerial Working Capital	41,684	40,407	38,346	40,649
as a % of annualised revenues	10,8%	10,4%	10,0%	10,7%
Other net receivables/payables	(6,416)	(5,417)	(761)	(178)
Net Working Capital	35,268	34,990	37,585	40,471

Significant events in the third quarter of 2013 and subsequent to September 30, 2013

On **July 15, 2013**, Elica S.p.A., following the authorisation on June 19, 2013 of the Board of Directors to utilise treasury shares, announced the sale of 1,700,000 shares, comprising 2.68% of the Share Capital, to INVESCO PERPETUAL, an investment fund with a division dedicated to shareholdings in small-mid cap European companies, at a price of Euro 1.134 per share. Following this operation, Elica S.p.A. holds 1,275,498 treasury shares.

On **August 27, 2013** the Alternate Auditor Franco Borioni purchased 5,000 Elica S.p.A. shares.

On **August 28, 2013**, the Board of Directors of Elica S.p.A. approved the 2013 Half-Year Report, prepared in accordance with IFRS accounting standards. The Board of Directors of Elica S.p.A. on the same date also approved the updated Organisational, Management and Control Model as per Legislative Decree 231/01 of Elica S.p.A., approved on March 27, 2008, following the new offenses included in the decree and judgments concerning the responsibility of entities.

Board of Directors approves the creation of a Long Term Incentive Plan

Following its drafting since the beginning of the year and in line with Borsa Italiana notice No. 8342 of May 6, 2013 and Article 6.P.2 of the Self-Governance Code, the Board of Directors of Elica S.p.A. today approved the setting up of the Long Term Incentive Plan, delegating the Chief Executive Officer with the preparation of the Regulation, based on the parameters approved by the Board.

The Long Term Incentive Plan will be based on performances over 3 years: 01/01/2013 – 31/12/2015. Bonuses will depend on performances and continuity of service at the approval date of the 2015 Annual Accounts by the Shareholders' Meeting of Elica S.p.A..

The annual payout is made based on company cluster according to the employee's position within the organisation.

As one of the objectives of the plan is to focus Managements efforts on the medium-long-term Group results, acting also to bind the various departments/countries/roles, the Board have decided to adopt the 2013-2015 CAGR of the consolidated EBITDA as the performance indicator - considering the strategic importance of the Group margin.

The Board of Directors of Elica S.p.A. today also approved the new version of the Regulation for the handling of corporate information and the Insider Register.

The Interim Report at September 30, 2013 was filed today and made available to whomever making such request at the registered offices of the Company and on the Group internet site www.elicagroup.com, Investor Relations/Financial Data/Accounts and Reports section and at the following link <http://www.elicagroup.com/info.php?page=1143&lng=en> . The Financial Presentation concerning the third quarter of 2013 will be available on the Group internet site at the following link <http://www.elicagroup.com/info.php?page=1144&lng=en> .

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

The Chief Executive Officer, Mr. Giuseppe Perucchetti and the Executive responsible for the preparation of corporate accounting documents, Mr. Alberto Romagnoli, declare, 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.

The **Elica Group** has been present in the cooker hood market since the 1970s, is chaired by Francesco Casoli and led by Giuseppe Perucchetti 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 approximately 3,000 employees

and an annual output of over 17 million units, the Elica Group has nine 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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ATTACHMENT A

Consolidated Income Statement – Q3 and 9M 2013

	Q3 13	Q3 12 restated	9M 13	9M 12 restated
<i>In Euro thousands</i>				
Revenues	95,482	93,297	290,575	284,847
Other operating revenues	605	509	1,980	2,353
Changes in inventories of finished and semi-finished goods	693	2,100	3,006	5,271
Increase in internal work capitalised	663	671	2,373	2,263
Raw materials and consumables	(53,456)	(54,050)	(162,280)	(163,379)
Services	(16,283)	(16,650)	(51,036)	(52,110)
Labour costs	(18,215)	(16,044)	(59,002)	(54,115)
Amortisation & Depreciation	(3,969)	(3,710)	(11,980)	(11,096)
Other operating expenses and provisions	(2,012)	(3,448)	(5,865)	(7,215)
Restructuring charges	(1,394)	-	(1,394)	-
EBIT	2,114	2,675	6,377	6,819
Share of associates	(4)	3	(18)	(16)
Financial income	52	(78)	157	(27)
Financial charges	(1,041)	(876)	(3,054)	(3,095)
Exchange gains/(losses)	(62)	79	(528)	379
Profit before taxes	1,059	1,803	2,934	4,060
Income taxes	(869)	(1,026)	(1,546)	(2,158)
Net profit from continuing operations	190	777	1,388	1,902
Net profit from discontinued operations	-	-	-	-
Net profit for the period	190	777	1,388	1,902
of which:				
Minority interests share	130	12	(24)	169
Group Net Profit	60	765	1,412	1,733
Basic earnings per Share (Euro/cents)	0.08	1.27	2.33	2.88
Diluted earnings per Share (Euro/cents)	0.08	1.32	2.32	2.87

ATTACHMENT B
Comprehensive Consolidated Income Statement – Q3 and 9M 2013

<i>In Euro thousands</i>	Q3 13	Q3 12 restated	9M 13	9M restated
Net Profit	190	777	1,388	1,902
Other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period:				
Actuarial gains/(losses) of employee defined plans	42	(759)	551	(1,734)
Tax effect concerning the Other profits/(losses) which may not be subsequently reclassified to the net profit/(loss) for the period	(21)	209	(206)	426
Total other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period, net of the tax effect	21	(550)	345	(1,308)
Other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period:				
Exchange differences on the conversion of foreign financial statements	(1,378)	(0)	(3,143)	3,064
Net change in cash flow hedges	165	0	111	(145)
Tax effect concerning the Other profits/(losses) which may be subsequently be reclassified to the net profit/(loss) for the period	(40)	1	(31)	31
Total other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period, net of the tax effect	(1,252)	1	(3,062)	2,950
Total other comprehensive income statement items, net of the tax effect:	(1,231)	(549)	(2,717)	1,642
Total comprehensive profit/(loss)	(1,041)	228	(1,329)	3,544
of which:				
Minority interests share	(95)	(16)	(593)	129
Group comprehensive profit/(loss)	(946)	244	(736)	3,416

ATTACHMENT C

Consolidated Balance Sheet at September 30, 2013

<i>In Euro thousands</i>	Sep 30, 13	Dec 31,12 restated	Jan 1, 12 restated
Property, plant, equipment	86,119	86,861	85,165
Goodwill	41,663	41,705	41,765
Other intangible assets	24,712	25,426	24,424
Investments in associated companies	1,376	1,394	1,377
Other receivables	202	245	276
Tax receivables	6	6	6
Deferred tax assets	11,002	10,387	10,032
AFS financial assets	156	156	672
Derivative financial instruments	9	-	29
Total non-current assets	165,245	166,180	163,746
Trade and financial receivables	77,616	77,465	82,207
Inventories	54,518	49,597	50,598
Other receivables	7,016	5,816	6,036
Tax receivables	10,080	9,035	5,943
Derivative financial instruments	632	638	813
Cash and cash equivalents	25,585	29,551	20,026
Current assets	175,447	172,102	165,623
Assets of discontinued operations	-	-	1,065
Total Assets	340,692	338,282	330,434
Liabilities for post-employment benefits	11,574	12,178	9,981
Provisions for risks and charges	2,746	2,710	2,505
Deferred tax liabilities	5,402	5,376	6,425
Finance leases and other lenders	15	333	56
Bank loans and mortgages	41,497	46,343	45,105
Other payables	1,037	1,174	1,859
Tax payables	706	807	888
Derivative financial instruments	149	373	60
Non-current liabilities	63,126	69,293	66,879
Provisions for risks and charges	4,634	2,086	1,882
Finance leases and other lenders	13	40	25
Bank loans and mortgages	46,370	45,165	43,640
Trade payables	90,450	88,716	89,806
Other payables	12,257	8,366	10,211
Tax payables	6,621	5,160	2,814
Derivative financial instruments	327	907	1,004
Current liabilities	160,672	150,440	149,382
Share capital	12,665	12,665	12,665
Capital reserves	71,123	71,123	71,123
Hedging, translation and stock option reserve	(8,254)	(5,356)	(5,668)
Reserve for actuarial profit/losses	(2,184)	(2,544)	(705)
Treasury shares	(3,551)	(8,815)	(8,815)
Retained earnings	40,316	39,926	34,684
Group Profit	1,412	5,008	4,162
Group shareholders' equity	111,527	112,007	107,446
Capital and reserves of minority interests	5,391	6,492	6,773
Minority interest profit/(loss)	(24)	50	(46)
Minority interest equity	5,367	6,542	6,727
Consolidated shareholders' equity	116,894	118,549	114,173
Total liabilities and equity	340,692	338,282	330,434

ATTACHMENT D
Consolidated cash flow statement at September 30, 2013

	Sep 30, 13	Sep 30, 12 restated
<i>In Euro thousands</i>		
Opening cash and cash equivalents	29,551	20,026
EBIT- Operating profit	6,377	6,819
Amortisation, depreciation and write-downs	11,980	11,096
EBITDA	18,357	17,915
Trade working capital	(3,954)	3,528
Other working capital accounts	3,088	(2,879)
Income taxes paid	(3,588)	(2,780)
Change in provisions	2,364	569
Other changes	(1,367)	(3,233)
Cash flow from operating activity	14,899	13,120
Net increases	(11,991)	(8,786)
Intangible assets	(3,266)	(2,620)
Property, plant & equipment	(8,725)	(6,867)
Equity investments and other financial assets	0	701
Acquisition/Sale of investments	0	1,998
Cash flow from investments	(11,991)	(6,788)
(Acquisition)/Sale of treasury shares	1,928	0
Other movements in share capital	0	0
Dividends	(700)	0
Increase (decrease) financial payables	(3,500)	5,049
Net changes in other financial assets/liabilities	(919)	(382)
Interest paid	(2,645)	(2,891)
Cash flow from financing activity	(5,835)	1,776
Change in cash and cash equivalents	(2,927)	8,108
Effect of exchange rate change on liquidity	(1,039)	523
Closing cash and cash equivalents	25,585	28,657