Elica S.p.A.

Half-Year Report

at June 30, 2013

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 27/4/2012.

Giuseppe Perucchetti
Chief Executive Officer, born in Varese (VA) on 30/10/1958, appointed Director on 27/04/2012 and Executive Director on 13/9/2012.

Gianna Pieralisi
Executive Director, born in Monsano (AN) 12/12/1934, appointed by resolution of 27/4/2012.

Gennaro Pieralisi
Director, born in Monsano (AN) on 14/02/1938, appointed by resolution of 27/04/2012.

Stefano Romiti
Independent Director and Lead Independent Director, born in Rome (RM) on 17/11/1957, appointed by resolution of 27/4/2012.

Andrea Sasso
Director, born in Rome on 24/8/1965, appointed by resolution of 27/4/2012.

Elena Magri
Independent Director, born in Brescia (BS) on 19/7/1946, appointed by resolution of 27/4/2012.

Evasio Novarese
Independent Director, born in Omegna (VB) on 25/08/1947, appointed by the Shareholders' Meeting of 24/04/2013 (deed of 7/5/2013).

Members of the Board of Statutory Auditors

Corrado Mariotti
Chairman, born in Numana (AN) on 29/2/1944, appointed by resolution of 27/4/2012.

Stefano Marasca
Statutory Auditor, born in Osimo (AN) on 9/8/1960, appointed by resolution of 27/4/2012.

Gilberto Casali
Statutory Auditor, born in Jesi (AN) on 14/1/1954, appointed by resolution of 27/4/2012.

Franco Borioni
Alternate Auditor, born in Jesi (AN) on 23/6/1945, appointed by resolution of 27/4/2012.

Daniele Capecci
Alternate Auditor, born in Jesi (AN) on 3/4/1972, appointed by resolution of 27/4/2012.

Internal control & risk management Committee.

Stefano Romiti
Gennaro Pieralisi
Elena Magri

Appointments and Remuneration Committee

Stefano Romiti
Gennaro Pieralisi
Elena Magri

Independent Audit Firm
Deloitte & Touche S.p.A.

Registered office and Company Data
Elica S.p.A.
Registered office: Via Dante, 288 – 60044 Fabriano (AN)
Share capital: Euro 12,664,560.00
Tax Code and Companies' Register Number: 00096570429
Ancona REA No. 63006 – VAT Number 00096570429

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Directors' Report on first half 2013

Following the application of the amendments to IAS 19, the 2012 figures have been restated.

Financial and operating review

In Euro thousands	**H1 13**	**% revenues**	**H1 12** ***restated***	**% revenues**	**13 Vs 12 %**
Revenues	195,093		191,550		1.8%
EBITDA	12,274	6.3%	11,530	6.0%	6.5%
EBIT	4,263	2.2%	4,144	2.2%	2.9%
Financial income/(charges)	(2,388)	(1.2%)	(1,887)	(1.0%)	26.6%
Income taxes	(677)	(0.3%)	(1,132)	(0.6%)	(40.2%)
Net profit from continuing operations	1,198	0.6%	1,125	0.6%	6.5%
Net profit from continuing operations and discontinued operations	1,198	0.6%	1,125	0.6%	6.5%
Group Net Profit	**1,352**	**0.7%**	**968**	**0.5%**	**39.7%**
Basic earnings per share on continuing operations and discontinuing operations (Euro/cents)	2.24		1,61		39.1%
Diluted earnings per share on continuing operations and discontinuing operations (Euro/cents)	2.24		1,54		45.5%

The earnings per share for H1 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.

In Euro thousands	**Q2 13 (*)**	**% revenues**	**Q2 12** ***restated*** **(*)**	**% revenues**	**13 Vs 12 %**
Revenues	99,959		96,826		3.2%
EBITDA	6,821	6.8%	6,479	6.7%	5.3%
EBIT	2,746	2.7%	2,806	2.9%	(2.1%)
Financial income/(charges)	(1,125)	(1.1%)	(1,983)	(2.0%)	(43.3%)
Income taxes	(1,000)	(1.0%)	(425)	(0.4%)	135.3%
Net profit from continuing operations	621	0.6%	398	0.4%	56.1%
Net profit from continuing operations and discontinuing operations	621	0.6%	398	0.4%	56.1%
Group Net Profit	**926**	**0.9%**	**278**	**0.3%**	**231.9%**
Basic earnings per share on continuing operations and discontinuing operations (Euro/cents)	1.54		0,46		234.8%
Diluted earnings per share on continuing operations and discontinuing operations (Euro/cents)	1.53		0,45		240.0%

(*) Data not subject to limited audit

The earnings per share for Q2 2013 and Q2 2012 were calculated by dividing the Group result 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 write-downs of goodwill for losses in value. EBIT is the operating profit as reported in the consolidated income statement.

In Euro thousands	**June 30, 13**	**Dec 31, 12** ***restated***	**June 30, 12** ***restated***
Trade receivables	82,628	77,465	87,714
Inventories	54,027	49,597	50,801
Trade payables	(96,248)	(88,716)	(92,944)
Managerial Working Capital	**40,407**	**38,346**	**45,571**
as a % of annualised revenues	*10.4%*	*10.0%*	*11.9%*
Other net receivables/payables	(5,417)	(761)	(2,234)
Net Working Capital	**34,990**	**37,585**	**43,337**

In Euro thousands	**June 30, 13**	**Dec 31, 12** ***restated***	**June 30, 12** ***restated***
Cash and cash equivalents	**23,709**	**29,551**	**22,489**
Finance leases and other lenders	(15)	(333)	(393)
Bank loans and mortgages	(38,353)	(46,343)	(39,727)
Long-term debt	**(38,368)**	**(46,676)**	**(40,120)**
Finance leases and other lenders	(14)	(40)	(36)
Bank loans and mortgages	(49,756)	(45,165)	(49,211)
Short-term debt	**(49,770)**	**(45,205)**	**(49,247)**
Total net financial debt	**(64,429)**	**(62,330)**	**(66,878)**

Net debt is the sum of cash and cash equivalents less amounts due under finance leases and other borrowings (current and non-current), plus bank loans and mortgages (current and non-current), as reported in the balance sheet.

H1 2013 operating review

In the first half of 2013 Elica Group consolidated revenues increased 1.8% on H1 2012, thanks to sales growth in the Cooking and Motors segments. In particular, the Cooking Segment reported a 1.8% rise in revenues on the same period of the previous year, with the increase well-balanced between own brand product sales (+1.9%) and third party product sales (+1.8%). In the first half year, the global range hood market expanded by 3.0%[1], confirming the turnaround seen in the first quarter and the recovery of nearly all markets, with the exception of Western Europe (-3.8%). The Motor Segments also reported revenue growth in the period (+2.1%), driven by the sharp uptake in the heating and ventilation segments in the second quarter.
Analysing revenues from sales on the principal markets[2], the Americas and Asia[3] performed particularly strongly thanks to growth of 17.2% and 9.3% respectively, while European revenues reduced slightly (-1.9% on H1 2012).

EBITDA in H1 2013 of Euro 12.3 million increased 6.5% on H1 2012, due to the combined effect of three major factors: an improved price/mix of sales, together with a reduction in the percentage of raw material costs and the contraction in costs following the application of the value chain integration and efficiency programmes. These effects were in part offset by a negative exchange effect.

[1] Global range hood market volumes
[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 revenues in "Other Countries" - principally the Asian markets.

	Average 2013	Average 2012	%	June 30, 13	Dec 31, 12	%
USD	1.31	1.30	0.8%	1.31	1.32	-0.8%
JPY	125.46	103.31	21.4%	129.39	113.61	13.9%
PLN	4.18	4.25	-1.6%	4.34	4.07	6.6%
MXN	16.50	17.19	-4.0%	17.04	17.18	-0.8%
INR	72.28	67.60	6.9%	77.72	72.56	7.1%
CNY	8.13	8.19	-0.7%	8.03	8.22	-2.3%
RUB	40.75	39.71	2.6%	42.85	40.33	6.2%
GBP	0.85	0.82	3.7%	0.86	0.82	4.9%

In H1 2013 the Euro, at average exchange rates, strengthened against the US Dollar, the Japanese Yen, the Indian Rupee, the Russian Ruble and U.K. Sterling, while weakening against the Polish Zloty, the Mexican Peso and the Chinese Yuan.

Net financial charges as a percentage of revenues in H1 2013 increased slightly (0.2%), although amid a lower level of average debt in the half-year, as including an extremely positive non-recurring exchange rate management contribution in the first half of 2012.

Income taxes amounted to Euro 0.7 million, corresponding to a tax rate of 36.1%, compared to 50.2% in H1 2012. The decrease is due to the performance of the Group companies.

The Group Net Profit of Euro 1.4 million increased by 39.7% on the same period of 2012.

The Managerial Working Capital on annualised revenues of 10.4% improved by 150 basis points on the corresponding period of 2012 and slightly increased on December 31, 2012, in line with normal business seasonality.

The Net Debt at June 30, 2013 totaled Euro 64.4 million, reducing on Euro 66.9 million at June 30, 2012, principally thanks to cash generation from operating activities. It however increased compared to Euro 62.33 million at December 31, 2012, in line with normal business seasonality.

Significant events in H1 2013

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

The Board of Directors of Elica S.p.A. on February 14, 2013 approved the 2012 Fourth Quarter Report, prepared in accordance with IFRS accounting standards.

On March 15, 2013 the Board of Directors of Elica S.p.A approved the Consolidated Financial Statements at December 31, 2012 and the Separate Financial Statements at December 31, 2012 of Elica S.p.A, prepared in accordance with IFRS.

On March 28, 2013, the Board of Directors decided to propose May 20, 2013 as the coupon No. 5 date, record date of May 22, 2013 and dividend payment date of May 23, 2013.

On April 24, 2013, the Shareholders' Meeting of Elica S.p.A., meeting in Ordinary and Extraordinary session, approved the Financial Statements at December 31, 2012 of Elica S.p.A., the distribution of a dividend of Euro 0.0237 per share, resulting in a pay-out ratio of 30.0% of the Consolidated Group Net Profit, excluding the distribution of a dividend for treasury shares held at May 20, 2013, date of the dividend coupon No. 5 and record date of May 22. The dividend payment date is May 23, 2013. On the same date, the Shareholders' Meeting approved the Remuneration Report, authorised the purchase of treasury shares and the utilisation of such shares, approved the amendments to the By-laws and an increase in the number of Board members from 7 to 8, appointing Evasio Novarese as Director, born in Omegna (VB) on 25/08/1947 and resident in Comerio (VA).

The Board of Directors of Elica S.p.A. on May 14, 2013 approved the 2013 First Quarter Report, prepared in accordance with IFRS accounting standards.
The Board of Directors also approved at the meeting the conversion Project of the production area of Serra San Quirico (Ancona) into a logistical hub and the gradual transfer of the workforce to the nearby Mergo (Ancona) production site. The Project stems from the need to ensure the competitivity of the Italian production structure and includes, parallel to investments in the region, a proportionate and gradual resizing of the workforce over a period of approximately 24 months from the fourth quarter of 2013.

On May 14, 2013, the Board of Directors noted that on April 24, 2013 the Vesting Period of the 2010 Stock Grant Plan concluded and verified the achievement of the Retention and Performance Objectives established by the plan, allocating overall 203,976 Elica S.p.A. shares to the Beneficiaries.

On May 14, 2013, Elica S.p.A. undertook a convertible loan of Euro 5 million, issued by the Indian subsidiary Elica PB India Private Ltd, investing in the development of the business on the Indian market.
The bond loan, issued by Elica PB India Private Ltd. and fully subscribed by Elica S.p.A., has a duration of 9 years and will mature interest annually at a fixed rate of 3.5%; on maturity of this 9 year period or, based on the economic-financial results of the Indian company also before this maturity, the bond loan will be fully converted into shares in Elica PB India Private Ltd., for a nominal value equal to the capital amount of the bond loan.
Subsequent to this conversion, the minority shareholders of Elica India Private Ltd. will have the option to purchase from Elica S.p.A., at the nominal value, a part of the shares deriving from the conversion of the bond loan, in order to enable the above-stated shareholders to maintain unaltered their holding in the Indian company (currently 49%). In the case in which the minority shareholders do not exercise this right, Elica S.p.A. will have the right and obligation to purchase the shares of the above-stated minority shareholders of Elica PB India Private Ltd. for consideration equal to the fair market value of these shares which will be established by independent experts.

On May 21, 2013 it was communicated that the Minutes of the Extraordinary and Ordinary Shareholders' Meeting held on April 24, 2013, with the relative attachments, and the By-laws amended by such, with and without highlighting of the amendments, were made available to the public at the registered office, CONSOB and on the website of Borsa Italiana S.p.A., in addition to the Company website.

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 Company

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

Subsidiary companies at June 30, 2013

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 Company 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 subsidiary was incorporated in January 2006 (the Parent Company 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 (AN) (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). 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 June 2010 Elica S.p.A. signed a joint venture agreement subscribing 51% of the share capital of the newly-incorporated Indian company. Elica PB India Private Ltd. is involved in the production and sale of Group products.
o Zhejiang 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.

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

Changes in the consolidation scope

There were no changes in the consolidation scope compared to December 31, 2012.

Elica Group Inter-company and other related-party transactions

Transactions were entered into with subsidiaries, associated companies 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 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.

Following the BOD decision of May 14, 2013 concerning the conversion of the productive hub of Serra San Quirico into a logistical hub, the Parent Company for the execution of this project is considering all steps necessary for the reorganising and resizing of the workforce.

The Group carries out an ongoing and extensive monitoring of demand dynamics, which in the first six months of 2013 appeared strong across all regions compared to the first half of 2012, with the exception of Western Europe.

In a global marketplace which expects growth in the Americas and Asia and a contraction in Europe, thanks to the actions taken by the Group, Elica management confirms the 2013 Guidance, which forecasts an increase in consolidated revenues of between 1% and 3% and an improvement in consolidated EBITDA of between 2% and 7% on 2012, and targets a Net Debt of not greater than Euro 57 million at the end of 2013.

Considering market forecasts, the Elica Group confirms the principal strategic guidelines which will focus on strengthening its leadership through the following strategies: the creation of new "best in class" production platforms supported by an integrated value chain system, the international expansion of the Cooking segment, the continued implementation of the production process and overhead cost streamlining processes and the extension throughout the organisation of a strong internationalised culture.

Compliance pursuant to Section VI of the regulation implementing legislative decree No. 58 of 24 February 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.

Elica S.p.A.

Condensed Consolidated Half-Year Financial Statements

at June 30, 2013

H1 2013 Consolidated Financial Statements

H1 2013 Consolidated Income Statement

In Euro thousands	***Notes***	**Q2 13 (*)**	**Q2 12 *restated* (*)**	**H1 13**	**H1 12 *restated***
Revenues	**1**	99,959	96,826	195,093	191,550
Other operating revenues	**2**	957	1,373	1,375	1,844
Changes in inventories of finished and semi-finished goods		(709)	640	2,313	3,171
Increase in internal work capitalised		967	914	1,710	1,592
Raw materials and consumables	**3**	(53,774)	(54,797)	(108,824)	(109,329)
Services	**4**	(17,852)	(17,637)	(34,753)	(35,460)
Labour costs	**5**	(20,178)	(18,536)	(40,787)	(38,071)
Amortisation & Depreciation		(4,075)	(3,673)	(8,011)	(7,386)
Other operating expenses and provisions		(2,549)	(2,304)	(3,853)	(3,767)
EBIT		**2,746**	**2,806**	**4,263**	**4,144**
Share of associates		(10)	(20)	(14)	(19)
Financial income	**6**	66	35	105	51
Financial charges	**6**	(1,013)	(1,133)	(2,013)	(2,219)
Exchange gains/(losses)	**6**	(168)	(865)	(466)	300
Profit before taxes		**1,621**	**823**	**1,875**	**2,257**
Income taxes		(1,000)	(425)	(677)	(1,132)
Net profit from continuing operations		**621**	**398**	**1,198**	**1,125**
Net profit from discontinued operations		-	-	-	-
Net profit for the period		**621**	**398**	**1,198**	**1,125**
of which:					
Minority interests share		(305)	120	(154)	157
Group Net Profit		926	278	1,352	968
Basic earnings per Share (Euro/cents)		1.54	0.46	2.25	1.61
Diluted earnings per Share (Euro/cents)		1.53	0.45	2.24	1.54

(*) Data not subject to limited audit.

H1 2013 Comprehensive Consolidated Income Statement

In Euro thousands	Q2 13 (*)	Q2 12 *restated* (*)	H1 13	H1 12 *restated*
Net Profit	**621**	**398**	**1,198**	**1,125**
Other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period:				
Actuarial gains/(losses) of employee defined plans	408	(488)	509	(975)
Tax effect concerning the Other profits/(losses) which may not be subsequently reclassified to the net profit/(loss) for the period	(162)	85	(185)	217
Total other comprehensive profits/(losses) which may not be subsequently reclassified to net profit/(loss) for the period, net of the tax effect	**246**	**(403)**	**324**	**(758)**
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	(3,691)	1,085	(1,765)	3,064
Net change in cash flow hedges	(30)	(91)	(54)	(145)
Tax effect concerning the Other profits/(losses) which may be subsequently be reclassified to the net profit/(loss) for the period	8	17	12	31
Total other comprehensive profits/(losses) which may be subsequently reclassified to net profit/(loss) for the period, net of the tax effect	**(3,712)**	**1,011**	**(1,807)**	**2,950**
Total other comprehensive income statement items, net of the tax effect:	**(3,466)**	**608**	**(1,483)**	**2,192**
Total comprehensive profit/(loss)	**(2,845)**	**1,006**	**(285)**	**3,317**
of which:				
Minority interests share	(584)	467	(497)	145
Group comprehensive profit/(loss)	(2,265)	539	211	3,172

(*) Data not subject to limited audit.

Consolidated Balance Sheet at June 30, 2013

In Euro thousands	**Notes**	**June 30, 13**	**Dec 31, 12 *restated***	**Jan 1, 12 *restated***
Property, plant, equipment	**7**	87,311	86,861	85,165
Goodwill	**8**	41,894	41,705	41,765
Other intangible assets	**9**	25,246	25,426	24,424
Investments in associated companies	**10**	1,380	1,394	1,377
Other receivables	**15**	218	245	276
Tax receivables		6	6	6
Deferred tax assets	**11**	11,376	10,387	10,032
AFS financial assets		156	156	672
Derivative financial instruments		20	-	29
Total non-current assets		**167,607**	**166,180**	**163,746**
Trade and financial receivables	**12**	82,628	77,465	82,207
Inventories	**13**	54,027	49,597	50,598
Other receivables	**15**	7,105	5,816	6,036
Tax receivables		10,792	9,035	5,943
Derivative financial instruments		733	638	813
Cash and cash equivalents	**17**	23,709	29,551	20,026
Current assets		**178,994**	**172,102**	**165,623**
Assets of discontinued operations		**-**	**-**	**1,065**
Total Assets		**346,601**	**338,282**	**330,434**
Liabilities for post-employment benefits	**19**	11,591	12,178	9,981
Provisions for risks and charges	**14**	2,730	2,710	2,505
Deferred tax liabilities	**11**	5,691	5,376	6,425
Finance leases and other lenders	**17**	15	333	56
Bank loans and mortgages	**17**	38,353	46,343	45,105
Other payables	**12**	1,073	1,174	1,859
Tax payables	**15**	735	807	888
Derivative financial instruments		199	373	60
Non-current liabilities		**60,387**	**69,293**	**66,879**
Provisions for risks and charges	**14**	2,682	2,086	1,882
Finance leases and other lenders	**17**	14	40	25
Bank loans and mortgages	**17**	49,756	45,165	43,640
Trade payables	**12**	96,248	88,716	89,806
Other payables	**15**	14,094	8,366	10,211
Tax payables		6,538	5,160	2,814
Derivative financial instruments		787	907	1,004
Current liabilities		**170,119**	**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		(7,149)	(5,356)	(5,668)
Reserve for actuarial profit/losses		(2,205)	(2,544)	(705)
Treasury shares		(8,284)	(8,815)	(8,815)
Retained earnings		43,127	39,926	34,684
Group Profit		1,352	5,008	4,162
Group shareholders' equity	**16**	**110,629**	**112,007**	**107,446**
Capital and reserves of minority interests		5,620	6,492	6,773
Minority interest profit/(loss)		(154)	50	(46)
Minority interest equity	**16**	**5,466**	**6,542**	**6,727**
Consolidated shareholders' equity		**116,095**	**118,549**	**114,173**
Total liabilities and equity		**346,601**	**338,282**	**330,434**

Consolidated Cash Flow Statement at June 30, 2013

In Euro thousands		**June 30, 13**	**June 30, 12 *restated***
Opening cash and cash equivalents		**29,551**	**20,026**
EBIT- Operating profit		4,263	4,144
Amortisation, depreciation and write-downs		8,011	7,386
EBITDA		12,274	11,530
Trade working capital		(2,651)	(1,805)
Other working capital accounts		3,672	339
Income taxes paid		(2,367)	(2,061)
Change in provisions		410	(450)
Other changes		(1,212)	(372)
Cash flow from operating activity		**10,126**	**7,181**
Net increases		(8,937)	(5,117)
	Intangible assets	(2,455)	(1,849)
	Property, plant & equipment	(6,450)	(3,900)
	Equity investments and other financial assets	(32)	632
Acquisition/Sale of investments		0	1,998
Cash flow from investments		**(8,937)**	**(3,119)**
Dividends		(628)	0
Increase (decrease) financial payables		(3,551)	579
Net changes in other financial assets/liabilities		(491)	(561)
Interest paid		(1,735)	(2,008)
Cash flow from financing activity		**(6,406)**	**(1,990)**
Change in cash and cash equivalents		**(5,216)**	**2,072**
Effect of exchange rate change on liquidity		**(626)**	**391**
Closing cash and cash equivalents		**23,709**	**22,489**

Statement of changes in Consolidated Shareholders' Equity

In Euro thousands	Share capital	Share premium reserve	Purchase/Sale Treasury shares	Retained earnings	Hedge, trans. & stock option/Actuarial Profit ans Loss reserve	Result for the period	Total Group NE	Minority NE	Total
Balance at January 1, 2012- *restated*	**12,665**	**71,123**	**(8,815)**	**34,684**	**(6,374)**	**4,162**	**107,445**	**6,727**	**114,172**
Change in cash flow hedges net of the tax effect	-	-	-	-	(114)	-	**(114)**	-	**(114)**
Actuarial profits/(losses) employee leaving indemnity					(745)		**(745)**	(13)	**(758)**
Recognition of stock options	-	-	-	-	347	-	**347**	-	**347**
Differences arising from translation of foreign subsidiaries' financial statements	-	-	-	-	2,939	-	**2,939**	125	**3,064**
Total gains/(losses) recognised directly to equity	**-**	**-**	**-**	**-**	**2,427**	**-**	**2,427**	**112**	**2,539**
Net profit for the period	-	-	-	-	-	966	**966**	157	**1,123**
Total gains/(losses) recognised in the income statement	-	-	-	-	-	966	**966**	157	**1,123**
Allocation of net profit	-	-	-	3,897	265	(4,162)	**-**	-	**-**
Sale 3.24% of Putian	-	-	-	1,539	-	-	**1,539**	458	**1,998**
Other changes	-	-	-	165	-	-	**165**	(498)	**(333)**
Dividends	-	-	-	-	-	-	**-**	-	**-**
Balance at June 30, 2012 -*restated*	**12,665**	**71,123**	**(8,815)**	**40,285**	**(3,682)**	**966**	**112,542**	**6,956**	**119,499**
Balance at December 31, 2012 -*restated*	**12,665**	**71,123**	**(8,815)**	**39,926**	**(7,900)**	**5,008**	**112,007**	**6,542**	**118,549**
Change in cash flow hedges net of the tax effect	-	-	-	-	(42)	-	**(42)**	-	**(42)**
Actuarial profits/(losses) employee leaving indemnity	-	-	-	-	340	-	**340**	(16)	**324**
Recognition of stock options	-	-	-	-	-	-	**-**	-	**-**
Differences arising from translation of foreign subsidiaries' financial statements	-	-	-	-	(1,438)	-	**(1,438)**	(327)	**(1,765)**
Total gains/(losses) recognised directly to equity	-	-	-	-	(1,141)	-	**(1,141)**	**(343)**	**(1,483)**
Net Profit for the period	-	-	-	-	-	1,352	**1,352**	(154)	**1,198**
Total gains/(losses) recognised in the income statement	-	-	-	-	-	1,352	**1,352**	(154)	**1,198**
Allocation of net profit	-	-	-	4,985	23	(5,008)	**-**	-	**-**
Other changes	-	-	531	(359)	(336)	-	**(164)**	(580)	**(744)**
Dividends	-	-	-	(1,426)	-	-	**(1,426)**	-	**(1,426)**
Balance at June 30, 2013	**12,665**	**71,123**	**(8,284)**	**43,127**	**(9,354)**	**1,352**	**110,629**	**5,466**	**116,095**

Notes to the Condensed Consolidated Half-Year Financial Statements at June 30, 2013
Group structure and brief description of its activities

The operational 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 and the Russian company Elica Trading LLC;

- "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 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 and Russia, in America, i.e. in Mexico and in the United States, and in Asia, respectively in China, India and Japan.

Segment revenues are 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 revenues include revenues 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 presentation currency of Elica and all of the consolidated companies, except for the foreign subsidiaries 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 Putian Electric Co. Ltd and Elica Trading LLC which prepare their financial statements in the Polish Zloty, 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 Rouble 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 2013	Average 2012	%	June 30, 13	Dec 31, 12	%
USD	1.31	1.30	0.8%	1.31	1.32	-0.8%
JPY	125.46	103.31	21.4%	129.39	113.61	13.9%
PLN	4.18	4.25	-1.6%	4.34	4.07	6.6%
MXN	16.50	17.19	-4.0%	17.04	17.18	-0.8%
INR	72.28	67.60	6.9%	77.72	72.56	7.1%
CNY	8.13	8.19	-0.7%	8.03	8.22	-2.3%
RUB	40.75	39.71	2.6%	42.85	40.33	6.2%

Approval of the Half-Year Report at June 30, 2013
The report for the period ended June 30, 2013 was approved by the Board of Directors on August 28, 2013.

Accounting principles and basis of consolidation
The annual consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union through Regulation No. 1606/2002.

The present condensed half-yearly financial statements were prepared, in summary form, in conformity with IAS 34 "Interim Financial Statements" and in conformity with the requirements of Consob Regulation No. 11971 of May 14, 1999 and subsequent amendments and integrations.
The condensed half-year financial statements therefore do not include all the information published in the annual report and must be read together with the consolidated financial statements as at December 31, 2012.

The accounting and consolidation principles adopted for the preparation of the current condensed half-year financial statements are unchanged compared to those adopted for the preparation of the Group annual consolidated financial statements for the year ended December 31, 2012, except for the new issues introduced to IAS 19 which require a restatement, whose impacts are described below.

The Condensed Half-Year Financial Statements consist of the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement and the Statement of Changes in Shareholders' Equity. The condensed half-year financial statements are compared with the corresponding period of the previous year for the income statement accounts and with the consolidated balance sheet accounts and financial position at December 31, 2012.

Following the application from January 1, 2013 (in retrospective manner) of the amendments to IAS 19, the income statement and cash flow statement for the first half of 2012 and the balance sheet at December 31, 2012 reported for comparative purposes were restated as per IAS 1. We present also the opening balance sheet of the comparative period, the date of retrospective application.

The present consolidated financial statements are presented in thousands of Euro and all the amounts are rounded to the nearest thousandth, unless otherwise specified.

Changes in accounting principles
The financial statements utilised are the same as those for the preparation of the consolidated financial statements at December 31, 2012, except for the Introduction of the new "Reserve for actuarial profit/losses", based on the new aspects of IAS 19, described below.

On June 16, 2011, the IASB issued an amendment to IAS 19 – "Employee benefits" which removes the option to defer recognition of gains or losses under the corridor method, requiring presentation in the balance sheet of the deficit or surplus of the relevant provision and the recognition to the income statement of the labour cost components and net financial charges and the recognition of the gains or losses which derive from the recalculation of the assets and liabilities under Other Comprehensive Income. In addition the income from the assets included under net financial charges must be calculated based on the discount rate of the liability and no longer on the expected income. The amendment is applicable in retrospective manner from periods beginning January 1, 2013.
It was therefore necessary to include a restatement column, for the Balance Sheet at December 31 and at January 1, 2012, and at June 30, 2012 for the Income Statement, the Comprehensive Income Statement and the Cash Flow Statement, in which the effects of the application of the new requirements were presented. Essentially, this resulted in an increase in Post-Employment Benefits recognised against the "Reserve for actuarial profit/loss" and a reduction of the Deferred Tax Liability against the same reserve. In addition, this affected also the Minority Interest Equity account. At income statement level, we reversed the impact of actuarial loss recognized, which was calculated according to the corridor method.

On June 16, 2011, the IASB issued an amendment to IAS 1 – "Presentation of Financial Statements" requiring companies to group together items within other comprehensive income that may be reclassified to the profit or loss section of the income statement. The adoption of this amendment did not have any impact on the valuation of any accounts in the financial statements.

On May 12, 2011 the IASB issued IFRS 13 – "Fair value measurement" which clarifies how the fair value is calculated for the purposes of the financial statements and is applied to all IFRS standards which require or permit the calculation of the fair value or the presentation of information based on the fair value. The application did not produce significant changes.

Utilisation of estimates

In the preparation of the condensed half-year financial statements, the Group's management made accounting 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 book value of the relative items.

The account items principally concerned by uncertainty are: goodwill, the doubtful debt and inventory obsolescence provisions, non-current assets (tangible and intangible), 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 the present condensed half-year financial statements for the details relating to the estimates stated above.

Composition and main changes in the Income Statement and Balance Sheet

1. Revenues

In Euro thousands	H1 13	H1 12 *restated*	Changes
Revenues from product sales	194,911	191,494	3,417
Service revenues	182	56	126
Total revenues	**195,093**	**191,550**	**3,543**

For the comments relating to the changes in revenues, reference should be made to the paragraph "H1 2013 operating review". Clients who comprise more than 10% of total revenues constituted 13% of revenues in the first six months of 2013 compared to 10.7% in the first half of 2012.
Sales information by sector is reported in note 18.

2. Other operating revenues

(in Euro thousands)	H1 13	H1 12 *restated*	Changes
Rental income	17	83	(66)
Operating grants	554	434	120
Ordinary gains on disposal	319	863	(544)
Claims and insurance payouts	206	102	104
Expenses recovered	23	(7)	30
Other revenues and income	256	369	(113)
Total	**1,375**	**1,844**	**(469)**

The account decreased by Euro 469 thousand. The reduction concerns the Ordinary gains account, which in 2012 principally related to the completion of the disposal by the Company Elica Group Polska, entirely held by the Group, of a factory to a third party.

3. Raw materials and consumables

In Euro thousands	H1 13	H1 12 *restated*	Changes
Purchase of raw materials	(95,480)	(92,177)	(3,303)
Shipping expenses on purchases	(1,892)	(1,970)	78
Purchases of consumable materials	(1,027)	(910)	(117)
Packaging	(1,979)	(1,789)	(190)
Purchases of supplies	(416)	(477)	61
Purchases of semi-finished materials	(7,418)	(5,946)	(1,472)
Purchase of finished products	(3,227)	(3,158)	(69)
Other purchases	(343)	(301)	(42)
Change in inventory of raw materials, consumables and goods for re-sale	2,959	(2,601)	5,560
Total	**(108,824)**	**(109,329)**	**507**

Raw materials and consumables reported a net decrease of approx. Euro 0.5 million (-0.5%). This decrease principally reflects Changes in inventory of raw materials, consumables and goods for re-sale, offset by the reduction in the Purchase of raw materials and the Purchase of semi-finished materials. These reductions principally concern lesser raw material cost tensions.

4. Services

The account decreased by approx. Euro 700 thousand. Service expenses as a percentage of revenues decreased from 18.5% in 2012 to 17.8% in 2013.
The decrease follows the introduction of the cost reduction plan by the Group.

In Euro thousands	**H1 13**	**H1 12 *restated***	**Changes**
Outsourcing expenses	(12,643)	(13,022)	379
Transport	(4,176)	(4,239)	63
Finished goods inventories	(1,830)	(1,989)	159
Consulting	(2,144)	(1,980)	(164)
Other professional services	(4,308)	(4,105)	(203)
Maintenance	(1,098)	(1,174)	76
Utilities	(2,625)	(2,527)	(98)
Commissions	(1,149)	(1,467)	318
Travel expenses	(1,603)	(1,320)	(283)
Advertising	(1,000)	(1,103)	103
Insurance premiums	(641)	(636)	(5)
Directors & Statutory Auditor fees	(696)	(708)	12
Trade fairs and promotional events	(454)	(832)	378
Industrial services	(212)	(156)	(56)
Banking commissions and charges	(174)	(204)	29
Total Services	**(34,753)**	**(35,460)**	**708**

5. Labour costs

Labour costs incurred by the Group were as follows:

In Euro thousands	**H1 13**	**H1 12 *restated***	**Changes**
Wages and salaries	(29,157)	(26,639)	(2,518)
Social security expenses	(8,123)	(7,611)	(513)
Employee leaving indemnity	(1,424)	(1,249)	(175)
Other costs	(2,083)	(2,572)	489
Total labour costs	**(40,787)**	**(38,071)**	**(2,716)**

The increase in the account is principally related to the effects of the new collective work contract and the expanded workforce at a number of foreign subsidiaries. As highlighted in note 19 below, in the Restatement of the H1 2012 income statement we reversed the provision of the corridor approach in the valuation of the Post-employment benefit provision. The impact amounted to Euro 3 thousand.

6. Net financial income (charges)

In Euro thousands	**H1 13**	**H1 12 *restated***	**Changes**
Financial income	105	51	54
Financial charges	(2,013)	(2,219)	206
Exchange gains/losses	(466)	300	(766)
Total net financial income (charges)	**(2,374)**	**(1,868)**	**(506)**

Net financial charges reflect the exchange rate movements which impact the Group. In fact, excluding this item, net financial charges improved by Euro 260 thousand.

7. Property, plant, equipment

The breakdown of property, plant and equipment at June 30, 2013 and December 31, 2012 is detailed below.

In Euro thousands	**June 30, 13**	**Dec 31, 12** ***restated***	**Changes**
Land, land usage rights and buildings	48,800	49,661	(861)
Plant and machinery	21,033	20,259	774
Commercial and industrial equipment	12,379	12,412	(33)
Other assets	3,298	3,405	(107)
Assets in progress and advances	1,801	1,124	677
Total property, plant and equipment	**87,311**	**86,861**	**450**

Property, plant and equipment increased from Euro 86,861 thousand at December 31, 2012 to Euro 87,311 thousand at June 30, 2013, an increase of Euro 450 thousand as a result of the sales, purchases and of depreciation recorded in the income statement of Euro 5,423 thousand. The increase includes exchange gains of approx. Euro 0.5 million.

8. Goodwill

In Euro thousands	**June 30, 13**	**Dec 31, 12** ***restated***	**Changes**
Goodwill recorded by subsidiaries	41,894	41,705	189
Total goodwill	**41,894**	**41,705**	**189**

The only change in the account compared to December 2012 relates to exchange differences.

Based on the information currently available, no impairment indicators were evident at June 30, 2013. In particular, Group Management confirms the 2013 Guidance indications communicated to the market on May 14, 2013 on the approval of the 2013 First Quarter Report which forecast an increase in consolidated revenues of between 1% and 3% and an improvement in consolidated EBITDA of between 2% and 7% on 2012, and a Net Debt at the end of 2013 which will remain no greater than Euro 57 million. The Net Debt at December 31, 2012 amounted to Euro 62.3 million.

The Management of the Group will continue to constantly monitor the circumstances and the events which form the basis of the future development of the business and will carry out at December 31, 2013 a more extensive analysis in relation to an impairment test.

9. Other intangible assets

The breakdown of the "Other intangible assets" at June 30, 2013 and December 31, 2012 is shown below.

In Euro thousands	**June 30, 13**	**Dec 31, 12** ***restated***	**Changes**
Development Costs	6,327	6,270	57
Industrial patents and intellectual property rights	8,031	8,986	(955)
Concessions, licenses, trademarks & similar rights	1,678	1,744	(66)
Other intangible assets	4,897	5,315	(418)
Assets in progress and advances	4,313	3,111	1,202
Total other intangible fixed assets	**25,246**	**25,426**	**(180)**

The other intangible assets decreased from Euro 25,426 thousand at December 31, 2012 to Euro 25,246 thousand at June 30, 2013, a reduction of Euro 180 thousand as a result of the purchases, sales and amortisation recorded to the income statement of Euro 2,588 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 the recording both of technologies developed and the client portfolio of the German subsidiary Exklusiv Hauben Gutmann GmbH.

10. Investments in associated companies

The change in the account, which decreased from Euro 1,394 thousand at December 31, 2012 to Euro 1,380 thousand at June 30, 2013, relates to the performance of the company I.S.M. s.r.l..

11. Deferred tax assets – Deferred tax liabilities

(in Euro thousands)	**June 30, 13**	**Dec 31, 12 *restated***	**Changes**
Deferred tax assets	11,376	10,387	989
Deferred tax liabilities	(5,691)	(5,376)	(315)
Total	**5,685**	**5,011**	**674**

The account Deferred tax assets increased by approx. Euro 1 million. The parent company increase amounted to Euro 0.6 million.
The deferred tax asset was recorded as it is considered recoverable in relation to the assessable results for the periods in which deferred taxes will reverse in the financial statements and as Group management considers that such commitments will be respected.

12. Trade receivables and payables

Trade receivables and trade payables were as follows:

(in Euro thousands)	**June 30, 13**	**Dec 31, 12 *restated***	**Changes**
Trade and financial receivables	82,628	77,465	5,163
Trade payables	(96,248)	(88,716)	(7,532)
Total	**(13,620)**	**(11,251)**	**(2,369)**

The increase in the two accounts relates principally to seasonal factors.
Trade receivables are recorded net of the bad debt provision of Euro 4,098 thousand (Euro 4,726 thousand at December 31, 2012) made following an analysis of the credit risk on receivables and on the basis of historical data on credit losses, considering that a substantial portion of the receivables are insured by prime international insurance companies.
Management considers that the value approximates the fair value of the receivables.

13. Inventories

In Euro thousands	**June 30, 13**	**Dec 31, 12 *restated***	**Changes**
Raw material, ancillary and consumables	24,483	22,111	2,372
Raw materials obsolescence provision	(1,302)	(1,292)	(10)
Total	23,181	20,819	2,362
Products in work-in-progress and semi-finished	12,255	11,769	486
Semi-finished product obsolescence provision	(860)	(767)	(93)
Total	11,395	11,002	393
Finished products and goods for resale	20,693	19,078	1,615
Finished products obsolescence provision	(1,321)	(1,357)	36
Total	19,372	17,721	1,651
Payments on account	79	55	24
Total inventories	**54,027**	**49,597**	**4,430**

The account increased from Euro 49,597 thousand at December 31, 2012 to Euro 54,027 thousand at June 30, 2013.
Inventories are stated net of the obsolescence provisions of Euro 3,483 thousand (Euro 3,416 thousand at December 31, 2012), in order to take into consideration the effect of waste, obsolete and slow moving items and the risk estimates of the use of some categories of raw and semi-finished materials based on assumptions made by management.
Inventories also include materials and products that were not physically held by the Group at the balance sheet date. These items were held by third parties on display, for processing or for examination.

14. Provisions for risks and charges

The details are shown below.

(in Euro thousands)	**June 30, 13**	**Dec 31, 12** ***restated***	**Changes**
Supplementary agent termination benefits	524	465	59
Product warranty provisions	1,424	1,531	(107)
Provisions for risks	2,202	2,244	(42)
Personnel Fund	1,163	487	676
Other Provisions	99	69	30
Total	**5,412**	**4,796**	**616**
of which			
Non-current	2,730	2,710	20
Current	2,682	2,086	596
Total	**5,412**	**4,796**	**616**

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 provisions for risks relates to likely costs and charges to be incurred as a result of ongoing legal disputes. The provisions have been determined based on the best possible estimates, considering the available information.
The Personnel Fund includes the higher cost estimated by the company for contractual indemnity and for employee bonuses. This provision decreased following the payment of the higher costs related to the previous year and increased following the provision made for this cost for the current period.

15. Other receivables and other payables

(in Euro thousands)	**June 30, 13**	**Dec 31, 12** ***restated***	**Changes**
Other receivables (non-current)	218	245	(27)
Other receivables (current)	7,105	5,816	1,289
Total	**7,323**	**6,061**	**1,262**

The increase in Other receivables concerns the current portion and is principally due to the increase in prepayments and accrued income caused by the seasonality of contracts.

(in Euro thousands)	**June 30, 13**	**Dec 31, 12** ***restated***	**Changes**
Other payables (non-current)	1,073	1,174	(101)
Other payables (current)	14,094	8,366	5,728
Total	**15,167**	**9,540**	**5,627**

The increase in Other payables principally concerns the current portion which increased principally due to employee payables. At December 31, 2012, the payable for vacation days matured was much lower than

at June, due to the seasonality of the item. This account includes in addition Euro 797 thousand relating to payables of the company to the majority shareholder, who decided to postpone receipt of the dividend.
Management believes that the book value of other receivables and other payables reflects their fair value.

16. Shareholders' equity

The account Group Shareholders' Equity at June 30, 2013 amounted to Euro 110,629 thousand (Euro 112,007 thousand at December 31, 2012). Movements in the account in the period principally related to:

- an increase of Euro 1,352 thousand concerning the profit for the period;
- a decrease of Euro 1,426 thousand due to the distribution of dividends;
- a decrease of Euro 1,438 thousand concerning the reduction in the translation reserve.

The account Minority Interest Net Equity at June 30, 2013 amounted to Euro 5,466 thousand (Euro 6,542 thousand at December 31, 2012). The movements in the account in the period principally related to: a decrease of Euro 154 thousand following the recording of the result for the period, a decrease of Euro 327 thousand relating to changes in the translation reserve and a decrease of Euro 464 thousand concerning the distribution of dividends.

17. Net Debt

The Net Debt at June 30, 2013 and at December 31, 2012 is detailed below:

In Euro thousands	**June 30, 13**	**Dec 31, 12** ***restated***
Cash and cash equivalents	**23,709**	**29,551**
Finance leases and other lenders	(15)	(333)
Bank loans and mortgages	(38,353)	(46,343)
Long-term debt	**(38,368)**	**(46,676)**
Finance leases and other lenders	(14)	(40)
Bank loans and mortgages	(49,756)	(45,165)
Short-term debt	**(49,770)**	**(45,205)**
Total net financial debt	**(64,429)**	**(62,330)**

The Net Debt at June 30, 2013 amounted to Euro 64.4 million compared to Euro 62.3 million at December 31, 2012.
Covenants exist on the medium-long term credit lines existing at June 30 based on the Consolidated Annual and Half Year Financial Statements. At June 30, 2012 and until the preparation of the present report, the covenants had all been fulfilled.
Management believes that at the present moment, the funds available, in addition to those that will be generated from operating and financial activities, will permit the Group to satisfy its requirements deriving from investment activities, working capital management and repayment of debt in accordance with their maturities.
The following table shows the expected cash flows in relation to the contractual expiries of financial liabilities:

(in Euro thousands)	**June 30, 13**	**Dec 31, 12 *restated***	**Changes**
Bank loans and mortgages	88,109	91,508	(3,399)
Total	**88,109**	**91,508**	**(3,399)**
Bank loans and mortgages have the following repayment schedules			
On demand or within one year	49,756	45,165	4,591
Within two years	15,082	16,617	(1,535)
Within three years	11,401	13,252	(1,851)
Within four years	7,620	9,361	(1,741)
Within five years	4,250	5,911	(1,661)
Beyond 5 years	0	1,202	(1,202)
Total	**88,109**	**91,508**	**(3,399)**
Less amounts to be repaid within one year	49,756	45,165	4,591
Due beyond one year	**38,353**	**46,343**	**(7,990)**

18. Segment information

The operational segments are as follows:

- "Europe": production and sale of range hoods, accessories and electric motors developed by the 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 and the Russian company Elica Trading LLC;

- "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 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 and Russia, in America, i.e. in Mexico and in the United States, and in Asia, respectively in China, India and Japan.

The following tables contain segment information by business segment as defined above:

Income statement data by segment *(in thousands of Euro)*

INCOME STATEMENT	Europe		America		Asia and the Rest of the World		Unallocated and eliminations		Consolidated	
	H1 13	H1 12 *restated*	H1 13	H1 12 *restated*	H1 13	H1 12 *restated*	H1 13	H1 12 *restated*	H1 13	H1 12 *restated*
Segment revenue:										
Third parties	148,352	151,247	25,978	21,620	20,763	18,737	-	(55)	195,093	191,550
Inter-segment	7,532	5,591	3	5	89	6	(7,624)	(5,602)	-	-
Total revenues	**155,884**	**156,838**	**25,981**	**21,625**	**20,852**	**18,743**	**(7,624)**	**(5,657)**	**195,093**	**191,550**
Segment result:	**13,435**	**13,436**	**3,352**	**2,242**	**(546)**	**(23)**			**16,241**	**15,655**
Unallocated overheads									**(11,978)**	**(11,512)**
Operating profit									**4,263**	**4,144**
Share of associates							(14)	(19)	(14)	(19)
Financial income							105	51	105	51
Financial charges							(2,013)	(2,219)	(2,013)	(2,219)
Exchange gains/losses							(466)	300	(466)	300
Profit before taxes							**1,875**	**2,257**	**1,875**	**2,257**
Income taxes							(677)	(1,132)	(677)	(1,132)
Net profit from normal operations							**1,198**	**1,125**	**1,198**	**1,125**
Net profit from discontinued operations									-	-
Net profit									**1,198**	**1,125**

Balance sheet data by segment *(in thousands of Euro)*

BALANCE SHEET	Europe		America		Asia and the Rest of the World		Unallocated and eliminations		Consolidated	
	June 13	Dec 12 *restated*	June 13	Dec 12 *restated*	June 13	Dec 12 *restated*	June 13	Dec 12 *restated*	June 13	Dec 12 *restated*
Assets:										
Segment assets	247,153	233,382	35,460	34,135	34,308	32,411	(11,507)	(8,781)	305,415	291,147
Investments							1,380	1,394	1,380	1,394
Unallocated assets							39,807	45,741	39,807	45,741
Total operational assets	**247,153**	**233,382**	**35,460**	**34,135**	**34,308**	**32,411**	**29,680**	**38,354**	**346,601**	**338,282**
Total assets of discount. operations										
Total Assets	**247,153**	**233,382**	**35,460**	**34,135**	**34,308**	**32,411**	**29,680**	**38,354**	**346,601**	**338,282**
Liabilities										
Segment liabilities	(122,589)	(109,163)	(12,616)	(12,708)	(14,235)	(13,241)	7,066	7,261	(142,375)	(127,851)
Unallocated Liabilities							(88,131)	(91,882)	(88,131)	(91,882)
Net Equity							(116,089)	(118,549)	(116,095)	(118,549)
Total operational liabilities	**(122,589)**	**(109,163)**	**(12,616)**	**(12,708)**	**(14,235)**	**(13,241)**	**(197,154)**	**(203,170)**	**(346,601)**	**(338,282)**
Total liabilities of discount. operations			-		-					
Total Liabilities	**(122,589)**	**(109,163)**	**(12,616)**	**(12,708)**	**(14,235)**	**(13,241)**	**(197,154)**	**(203,170)**	**(346,601)**	**(338,282)**

19. *Restatement*

The Elica Group applied the new aspects of IAS 19. Following the introduction of these provisions, as it is no longer possible to apply the corridor method, the actuarial profits and losses, which reflect the effects from the changes in the actuarial parameters, are recorded directly to net equity. We summarise below the effects:

At January 1, 2012

(in Euro thousands)	**Amounts previously reported**	**Effects deriving from the application of IAS 19 amended**	**Restated amounts**
Liabilities for post-employment benefits	(8,907)	(1,074)	(9,981)
Deferred tax liabilities – share relating to post-employment benefits	(884)	347	(537)
Reserve for actuarial profit/losses	0	705	705
Minority Interest Capital and Reserves – share relating to the Reserve for actuarial profit/losses	0	22	22

At December 31, 2012

(in Euro thousands)	**Amounts previously reported**	**Effects deriving from the application of IAS 19 amended**	**Restated amounts**
Liabilities for post-employment benefits	(8,611)	(3,567)	(12,178)
Deferred tax liabilities – share relating to post-employment benefits	(882)	956	74
Reserve for actuarial profit/losses	0	2,544	2,544
Minority Interest Capital and Reserves – share relating to the Reserve for actuarial profit/losses	0	67	67

(in Euro thousands)	**Amounts restated at December 31, 2012**	**Actuarial profit/losses matured in the period**	**Impact on the Income Statement**	**At June 30, 2013**
Liabilities for post-employment benefits	(12,178)	509	78	(11,591)
Deferred tax liabilities – share relating to post-employment benefits	74	(185)	0	(111)
Reserve for actuarial profit/losses	2,544	(340)	0	2,205
Minority Interest Capital and Reserves – share relating to the Reserve for actuarial profit/losses	67	16	0	82

We also restated the H1 2012 income statement, with a reductive impact of Euro 3 thousand on Personnel Costs, due to the reversal of the actuarial losses recognised, in addition to the relative tax impact.

The Elica Group reports obligations of Euro 11,591 thousand, reflecting the present value of its retirement benefit obligations accruing at the period end in favour of employees of the Group's companies and representing termination benefits at the end of the employment period.

The most recent actuarial calculation of the present value of the provision was performed at June 30, 2013 by Mercer Human Resource Consulting S.r.l..

Assumptions adopted for the calculation

	June 30, 13	Dec 31, 12
Discount rate to determine the obligation	3.02%	2.72%
Expected salary growth rate	2.67%	2.67%
Rate of inflation	2.00%	2.00%
Discount rate to determine pension cost	2.72%	4.55%

The discount rates utilised by the Group were selected based on the yield curve of high-quality fixed income securities, as in previous years.

20. Transactions and balances with related parties

The transactions between the company and its consolidated subsidiaries were eliminated in the half-year report and are therefore not shown in these notes.
Operations with related parties were carried out in accordance with law and based on reciprocal business needs.
The income statement and balance sheet amounts deriving from the transactions carried out as per IAS 24 with related parties are summarised below.

Elica Group vs Related parties

Related parties *In Euro thousands*	Payables	Receivables	Costs	Revenues and income
Fintrack S.p.a.	-	-	-	-
Fastnet S.p.A .	17	-	2	-
Roal Electronics S.r.l.	606	6	930	14
	623	**6**	**932**	**14**

Elica Group vs Associated Company

In Euro thousands	Payables	Receivables	Costs	Revenues
I.S.M. S.r.l .	-	100	-	1

In accordance with IAS 24, remuneration paid to Directors, Statutory Auditors and Senior Managers with strategic responsibility are included in transactions with related parties, and whose amounts are in line with previous periods.

21. Contingent liabilities

The Parent Company and its subsidiaries are not involved in administrative, judicial or arbitration proceedings that are underway or have been settled by means of a ruling or arbitration award issued in the last 12 months and which might have or might have had an effect on the financial situation or profitability of the Group.

Group companies have valued the contingent liabilities that could arise from pending judicial proceedings and have made appropriate provisions in their financial statements on a prudent basis.

The provision included in the Group consolidated financial statements at June 30, 2013 for contingent risks and charges relating to legal disputes amounts to Euro 1,264 thousand.

Management considers that the provision for risks in order to cover possible liabilities from pending or potential disputes is, on the whole, adequate.

As indicated in the paragraph Events Subsequent to the half-year, the Group is evaluating all steps necessary for the conversion of the productive hub at Serra San Quirico into a logistical hub. At the current state of advancement of the project, is not possible to reliably estimate the amount of resources necessary for its completion.

22. Positions or transactions arising from exceptional and/or unusual transactions
In the first half of 2013, no operations classifiable in this category were recorded.

23. Subsequent events after the period end
For information on events after June 30, 2013, reference should be made to the Directors' Report.

Fabriano, August 28, 2013

The Chairman
Francesco Casoli

Declaration of the executive responsible for the preparation of the corporate accounting documents in accordance with Article 154 *bis*, paragraph 5 of Legislative Decree 58/1998

The undersigned Giuseppe Perucchetti, as Chief Executive Officer, and Alberto Romagnoli, Executive responsible for the preparation of the corporate accounting documents of Elica S.p.A., affirm, and also in consideration of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the accuracy of the information on company operations and
- the effective application of the administrative and accounting procedures for the compilation of the condensed half-year financial statements for the first half-year of 2013.

In addition, we certify that the condensed half-year financial statements:

a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;

b) correspond to the underlying accounting documents and records;

c) provide a true and correct representation of the economic, balance sheet and financial situation of the issuer and of the companies included in the consolidation.

The Interim Directors' Report on operations includes an analysis of the significant events in the first six months of the year and their impact on the condensed half-year financial statements, with a description of the principal risks and uncertainties for the remaining six months. This intermediate report also contains a reliable analysis of the significant operations with related parties.

Fabriano, August 28, 2013

The Chief Executive Officer
Giuseppe Perucchetti

Executive responsible for the preparation
of the the corporate accounting documents
Alberto Romagnoli