The Hi-Life Company

Elica S.p.A.

Interim Report

as at 30 September 2008

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Corporate Officers

Members of the Board of Directors:

Francesco Casoli
Executive Chairman,
born in Senigallia (AN) on 5/6/1961, appointed a director by resolution dated 12/4/2006.

Andrea Sasso
Chief Executive Officer, born in Rome on 24/8/1965, appointed by resolution dated 30/4/2007.

Gianna Pieralisi
Executive Director, born in Monsano (AN) on 12/12/1934, appointed a director by resolution dated 12/4/2006.

Fiorenzo Busso
Director, born in Milan (MI) on 11/9/1942, appointed a director by resolution dated 14/2/2008

Gennaro Pieralisi
Director, born in Monsano (AN) on 14/2/1938, appointed a director by resolution dated 12/4/2006.

Stefano Romiti
Independent Director and Lead Independent Director, born in Rome (RM) on 17/11/1957, appointed a director by resolution dated 12/4/2006.

Marcello Celi
Independent Director, born in Civitella Roveto (AQ) on 15/1/1942, appointed a director by resolution dated 10/8/2007.

Members of the Board of Statutory Auditors

Corrado Mariotti
Chairman, born in Numana (AN) on 29/2/1944, appointed by resolution dated 28/8/2008.

Stefano Marasca
Statutory Auditor, born in Osimo (AN) on 9/8/1960, appointed by resolution dated 12/4/2006.

Gilberto Casali
Statutory Auditor, born in Jesi (AN) on 14/1/1954, appointed by resolution dated 28/8/2008.

Guido Cesarini
Alternate Auditor, born in Bolzano (BZ) on 19/8/1972, appointed by resolution dated 12/4/2006.

Internal control committee
Stefano Romiti
Gennaro Pieralisi
Marcello Celi

Remuneration Committee
Stefano Romiti
Gennaro Pieralisi
Marcello Celi

Independent Auditors
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

Financial and operating review

In Euro thousands	YTD 08	revenue margin	YTD 07 (*)	revenue margin	08 Vs 07 %
Revenues	299,638		317,020		(5.5%)
EBITDA from continuing operations	19,511	6.5%	30,960	9.8%	(37.0%)
EBIT from continuing operations	7,021	2.3%	18,240	5.8%	(61.5%)
Financial income/(costs)	1,390	0.5%	(1,752)	(0.6%)	(179.3%)
Income taxes	(773)	(0.3%)	(8,605)	(2.7%)	(91.0%)
Net profit from continuing operations	**7,638**	**2.5%**	**7,883**	**2.5%**	(3.1%)
Basic earnings per share on continuing operations	12.76		12.18		4.7%
Diluted earnings per share on continuing operations	12.76		12.18		4.7%

(*) with ACEM discontinued

The earnings per share for the first nine months of 2008 and 2007 were calculated by dividing the Group net profit from continuing operations by the number of outstanding shares at the respective reporting dates.

In Euro thousands	Q3 08	revenue margin	Q3 07 (*)	revenue margin	08 Vs 07 %
Revenues	93,172		101,759		(8.4%)
EBITDA from continuing operations	6,288	6.7%	10,577	10.4%	(40.5%)
EBIT from continuing operations	2,327	2.5%	6,019	5.9%	(61.3%)
Financial income/(costs)	363	0.4%	(901)	(0.9%)	(140.3%)
Income taxes	(596)	(0.6%)	(2,355)	(2.3%)	(74.7%)
Net profit from continuing operations	**2,094**	**2.2%**	**2,762**	**2.7%**	**(24.2%)**
Basic earnings per share on continuing operations	3.43		4.27		(19.8%)
Diluted earnings per share on continuing operations	3.43		4.27		(19.8%)

(*) with ACEM discontinued

The earnings per share for Q3 2008 and 2007 were calculated by dividing the Group net profit from continuing operations by the number of outstanding shares at the respective reporting dates.
EBITDA is the operating profit plus amortisation and depreciation. EBIT is the operating profit as reported in the consolidated income statement.
For the periods ended 30 September 2008, June 30, 2008 and 30 September 30 2007, Managerial Working Capital and Net Working Capital as a percentage of annualised revenue were calculated by dividing the figures for each period by the revenue of the period projected to the year end.

In Euro thousands	Sept 30, 08	June 30, 08	Dec 31, 07	Sept 30, 07 (*)
Trade receivables	101,927	111,392	108,457	109,918
Inventories	57,645	65,995	56,408	62,704
Trade payables	(96,632)	(116,783)	(112,503)	(110,453)
Managerial Working Capital	**62,940**	**60,604**	**52,362**	**62,169**
as a % of annualised revenues	15.8%	14.7%	12.3%	14.7%
Other receivables/payables	(4,848)	(5,503)	(5,719)	(11,626)
Net Working Capital	**58,092**	**55,101**	**46,643**	**50,543**
as a % of annualised revenues	14.5%	13.3%	10.9%	12.0%

(*) with ACEM discontinued

In Euro thousands	**Sept 30, 08**	**June 30, 08**	**Dec 31, 07**	**Sept 30, 07 (*)**
Cash and cash equivalents	**14,250**	**18,364**	**21,948**	**23,515**
Finance leases and other lenders	(4,346)	(4,583)	(4,614)	(6,248)
Bank loans and mortgages	(4,934)	(5,292)	(6,705)	(7,283)
Long-term debt	**(9,280)**	**(9,875)**	**(11,319)**	**(13,531)**
Finance leases and other lenders	(556)	(563)	(1,170)	(2,680)
Bank loans and mortgages	(23,046)	(25,986)	(6,206)	(1,005)
Short-term debt	**(23,602)**	**(26,549)**	**(7,376)**	**(3,685)**
(*) with ACEM discontinued				
Net debt	**(18,632)**	**(18,060)**	**3,253**	**6,299**

Net funds/(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.

Operating Review Q3 2008

Group revenues in the third quarter of 2008 amounted to Euro 93.2 million, a decrease of 8.4% on the same period of the previous year. The fall in revenues is due to the sales in the range hood SBU, while the motor SBU reported growth. Within the range hood SBU this decrease is principally attributable to a drop in sales of the principal OEM clients. Geographically (data in Euro at actual exchange rates), revenues declined in Europe. In US Dollars, revenues grew in the Rest of the World and in line with the same quarter of the previous year in The Americas.

Exchange rates, compared to the same period in the previous year, had no significant impact on revenues.

Based on average monthly exchange rates published by the Italian Exchange Office, in the third quarter of 2008, compare to the same period of the previous year, the Euro appreciated against the US Dollar, the UK Sterling and the Mexican Peso, whilst remaining stable against the Japanese Yen and depreciating against the Polish Zloty.

	Q3 2008	**Q3 07**	**%**	**Sept 30, 2008**	**Sept 30, 2007**	**%**
USD	1.50	1.37	9.4%	1.43	1.42	0.9%
GBP	0.80	0.68	16.9%	0.79	0.70	13.4%
JPY	161.76	161.88	-0.1%	150.47	163.55	-8.0%
PLN	3.31	3.79	-12.7%	3.40	3.77	-10.0%
MXN	15.51	15.07	2.9%	15.71	15.49	1.5%

Operating profits were impacted by the decrease in revenues, which did not permit an optimal absorption of overhead costs, and by restructuring costs for the new manufacturing footprint.

There was a significant improvement in financial and tax items; in the first nine months the Group realised exchange gains of Euro 1.2 million.

Earnings per share – EPS decreased from Euro 0.0427 per share in the third quarter of 2007 to Euro 0.0343 in the third quarter of 2008.

Net Working Capital on annualised net revenues increased from 13.3 % at June 30, 2008 to 14.5% at 30 September 2008. The increase in the first nine months of 2008 is due to the higher inventory consequent of the reorganisation of the manufacturing footprint.

Net Debt of Euro 18.6 million at 30 September 2008 compares to Net Funds of Euro 6.3 million at 30 September 2007 principally due to the implementation of the share buy-back plan.

The Elica Group continues the actions set out in the 2008-2010 strategic plan:

- acceleration of the production outsourcing to Poland and Mexico (23% of volumes in the third quarter of 2008);
- acceleration of the purchasing process in the Low Cost Countries;
- industrial costs reduction;
- implementation of the rationalisation of investments in non-core activities;
- the continual improvement of the financial structure.

Significant events in the third quarter of 2008 and events after September 30, 2008

On 28 August 2008, the Chairman of the Board of Statutory Auditors of Elica S.p.A., Mr. Giovanni Frezzotti, due to exceeding the limits regarding the accumulation of offices held pursuant to article 144.3 of the Issuers' Regulations, resigned from office with immediate effect.
Pursuant to article 2401 of the civil code and until the next Shareholders' Meeting, the alternative statutory auditor Mr. Gilberto Casali replaced the resigning member; the standing member Mr. Corrado Mariotti assumed the chair of the Board of Statutory Auditors.

On 11 November, the Elica Group acquired 100% of the German company Gutmann (Exklusiv – Hauben Gutmann GmbH), leader in the German high-end kitchen range hood market specialised in the production of high performing "customised" range hoods.
In 2007, Gutmann recorded net revenues of Euro 22.2 million, an EBIT of Euro 2.0 million and Net Funds of Euro 0.4 million. In the 3 years 2005/2007 sales revenues of the German company grew at a CAGR of approximately 18%.
The acquisition of Gutmann by the Elica Group is an opportunity to strengthen its position at the high-end of the range hood market and increase revenues thanks to the highly complementary nature of the product ranges of the two companies: the Elica Collection range being set apart by its innovative design, with "tailor made" being a central aspect of Gutmann's production - while both companies operate at high performance levels. Thanks to this acquisition, the Elica Group will also consolidate its presence in Germany and in other European markets due to the highly complementary markets in which the two companies are present.
These factors, combined with the strong financial position of Gutmann, will ensure future growth for both Gutmann and the Elica Group, in line with the strategy for growth of its own brands and in the high-end market, undertaken since its stock market listing.
The acquisition price agreed is the higher of Euro 14 million and a value calculated based on the performance of Gutmann in the two year period 2008-2009 (this value will be equal to 7 times the average EBIT of 2008 and 2009, net of the net funds at today's date). In addition, the previous owners will be recognised 75% of the Net Profit 2008.

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

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

Subsidiaries at the publication date of the Interim Report

- FIME S.p.A. – Castelfidardo, Ancona (Italy). This company operates in the electric motors sector, mainly for home appliances (range hoods, ovens and refrigerators), home heating and ventilation (fan coils) systems. It operates mainly in European markets, where it holds significant market shares.

- Elica Group Polska Sp. z o.o. – Wroclaw – (Poland). This company has been operational since September 2005 in the electric motors sectorand from December 2006 in the production of exhaust range hoods for domestic use.

- ElicaMex S.A.d.C.V. – Queretaro (Mexico). The company was incorporated at the beginning of 2006 (Elica S.p.A. owns 98% directly and 2% through Elica Group Polska Sp.zo.o.). 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.

- Leonardo Services S.A.d.C.V. - Queretaro (Mexico). This wholly owned subsidiary was incorporated in January 2006 (the Parent Company owns 98% directly and 2% indirectly through Elica Group Polska Sp.zo.o.). Leonardo Services manages all Mexican staff, providing services to ElicaMex S.A. de C.V.

- Ariafina Co. Ltd – Sagamihara-Shi (Japan). Established in September 2002 as a 50/50 joint venture with Tokyo-based Fuji Industrial and leader in Japan with over 70% of the range hood market. Elica S.p.A. acquired control of this joint venture in May 2006 to provide further impetus to the development of the important Japanese market, where high-quality products are sold.

- Air Force S.p.A. – Fabriano (AN). This company operates in a specialised segment of the range hood market. The holding of Elica S.p.A. is 60%.

- Air Force Germany G.m.b.h. – Stuttgart (Germany). Air Force S.p.A. owns 95% of Air Force Germany G.m.b.h., a company that sells hoods in Germany through so-called "kitchen studios".

- 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.

Associated companies

- I.S.M. S.r.l. – Cerreto d'Esi (AN). The company manufactures semi-finished products for the hood production cycle. Elica S.p.A. has a 49.385% equity interest in this company.

Elica Group Inter-company and other related-party transactions

During the first nine months of 2008, transactions were entered into with subsidiaries, associated companies and other related parties. All transactions were conducted on an arm's length basis in the ordinary course of business.

Subsequent events and business outlook

The Group continued the restructuring plan of its manufacturing base while Management continues its monitoring of demand and commodity prices.

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 25 August 2008.

Financial statements as at 30 September 2008

Consolidated income statement for Q3 and YTD 2008 *(in Euro thousands)*

In Euro thousands	Q3 08	Q3 07	YTD 08	YTD 07
Revenues	93,172	103,539	299,638	322,728
Other operating revenues	879	1,924	4,369	4,542
Changes in inventories of finished and semi-finished goods	(2,401)	(765)	1,068	5,625
Increase in internal work capitalised	360	457	1,103	1,382
Raw materials and consumables	(48,564)	(52,584)	(160,731)	(167,537)
Services	(18,575)	(22,581)	(64,392)	(72,825)
Labour costs	(16,174)	(17,337)	(53,023)	(55,771)
Amortisation & depreciation	(3,961)	(4,667)	(12,490)	(13,069)
Other operating expenses and provisions	(2,259)	(1,937)	(6,307)	(6,716)
Restructuring charges	(150)	-	(2,214)	-
EBIT	**2,327**	**6,049**	**7,021**	**18,359**
Share of profit/(loss) from associates	52	17	(13)	(99)
Impairment of available-for-sale financial assets	-	-	-	-
Financial income	77	372	945	789
Financial charges	(931)	(241)	(2,381)	(1,179)
Foreign exchange gains/(losses)	1,165	(1,049)	2,839	(1,263)
Other non-operating income	-	-	-	-
Pre-tax profit	**2,690**	**5,148**	**8,411**	**16,607**
Income taxes	(596)	(2,374)	(773)	(8,678)
Net profit from continuing operations	**2,094**	**2,774**	**7,638**	**7,929**
Net profit from discontinued operations	-	-	63	-
Net profit	**2,094**	**2,774**	**7,701**	**7,929**
of which:				
Minority interests share	141	76	368	225
Group net profit	1,953	2,698	7,333	7,704
Basic earnings per share				
From continuing and discontinued operations (Euro/cents)	3.41	4.27	12.51	12.17
From continuing operations (Euro/cents)	3.41	4.27	12.40	12.17
Diluted earnings per share				
From continuing and discontinued operations (Euro/cents)	3.41	4.27	12.51	12.17
From continuing operations (Euro/cents)	3.41	4.27	12.40	12.17

Consolidated balance sheet at 30 September 2008 ***(in Euro thousands)***

In Euro thousands	**30 Sep 08**	**31 Dec 07**
Assets		
Property, plant & equipment	74,531	78,091
Goodwill	29,798	29,798
Other intangible assets	6,971	5,515
Investments in associated companies	1,949	2,363
Other financial assets	30	31
Other receivables	213	1,318
Tax receivables	9	9
Deferred tax assets	6,222	6,607
Available-for-sale financial assets	815	26
Total non-current assets	**120,538**	**123,758**
Trade receivables and loans	101,927	108,457
Inventories	57,645	56,408
Other receivables	6,416	6,141
Tax receivables	3,954	5,249
Derivative financial instruments	828	544
Cash and cash equivalents	14,250	21,948
Current assets	**185,020**	**198,747**
Assets of discontinued operations	**-**	**3,258**
Total assets	**305,558**	**325,763**
Liabilities		
Liabilities for post-employment benefits	11,925	12,349
Provisions for risks and charges	4,640	3,322
Deferred tax liabilities	5,152	9,381
Finance leases and other lenders	4,346	4,614
Bank loans and mortgages	4,934	6,705
Other payables	1,150	4,016
Tax payables	1,289	4,004
Derivative financial instruments	-	-
Non-current liabilities	**33,436**	**44,391**
Provisions for risks and charges	621	612
Finance leases and other lenders	556	1,170
Bank loans and mortgages	23,046	6,206
Trade payables	96,632	112,503
Other payables	12,948	13,144
Tax payables	1,649	3,353
Derivative financial instruments	914	422
Current liabilities	**136,366**	**137,410**
Liabilities of discontinued operations	**-**	**1,905**
Share capital	12,665	12,665
Capital reserves	71,123	71,123
Hedging, translation & stock option reserve	(1,123)	(803)
Treasury shares	(17,629)	(6,671)
Retained earnings	61,896	55,341
Group profit for the period	7,333	9,252
Group shareholders' equity	**134,265**	**140,907**
Capital and reserves of minority interests	1,123	823
Minority interest profit for the period	368	327
Minority interest equity	**1,491**	**1,150**
Consolidated shareholders’ equity	**135,756**	**142,057**
Total liabilities and equity	**305,558**	**325,763**

Condensed consolidated cash flow statement at 30 September 2008 *(in Euro thousands)*

In Euro thousands		30 Sep 08	30 Sep 07
Opening Funds/(Debt)		**3,253**	**(2,290)**
EBIT		7,021	18,359
Amortisation, depreciation and write-downs		12,490	13,069
EBITDA		19,511	31,428
Changes in Working Capital		(12,490)	(3,883)
	trade working capital	(10,578)	(2,003)
	other working capital accounts	(1,912)	(1,880)
Income taxes		(4,057)	(5,821)
Change in provisions		398	122
Other changes		(229)	(735)
Gains from earthquake payable write-offs		(4,084)	0
Cash flow from operating activity		**(950)**	**21,111**
Net increases		(10,301)	(8,645)
	Intangible assets	(3,243)	(2,279)
	Property, plant & equipment	(7,142)	(9,999)
	Financial assets	84	3,633
Divestment of business unit		944	0
Cash flow from investments		**(9,357)**	**(8,645)**
Increase in share capital		0	0
Acquisition of treasury shares		(10,958)	(1,542)
Other movements in share capital		0	269
Dividends		(2,817)	(2,533)
Net changes in other financial assets/liabilities		864	(2)
Financial charges and income		1,334	(1,653)
Change in Funds/(Debt)		**(21,885)**	**7,005**
Closing Funds/(Debt)		**(18,632)**	**4,715**

Notes to the Interim Report at 30 September 2008

Group structure and brief description of its activities

Elica S.p.A. is a company incorporated under Italian law based in Fabriano (AN - Italy). The company is the Parent of a group of companies, the Elica Group, which operates in the kitchen range hoods market, as well as in the electric motors market.

The Group's primary segments, as defined by IAS 14, consist of the businesses in which it operates. The breakdown by segment is as follows: own brands (manufacturing and sale of range hoods and accessories under its own brand), third-party brands (manufacturing and sale of range hoods, accessories and other components for home appliances sold under third-party brands), motors (manufacturing and sale of electric motors), and other activities (manufacturing and sale of electric transformers and other products).
The secondary segments are represented by the geographical areas where revenues are generated (the Americas, Europe + CIS and Other countries) and where the above activities are carried out (Italy, Poland, Mexico and Japan).
Segment information in accordance with IAS 14 is reported in detail below.
The Euro is the functional and reporting currency for Elica S.p.A and all consolidated companies, except for such foreign subsidiaries as Elica Group Polska Sp.z.o.o, ElicaMex S.A.d.C.V., Leonardo S.A.d.C.V. and Ariafina Co Ltd., which prepare their accounts in Polish Zloty, Mexican Pesos and Japanese Yen, 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 Jan - Sep 08	**average Jan - Sep 07**	**30 Sep 08**	**30 Sep 07**
USD	1.52	1.34	1.43	1.42
JPY	160.96	160.39	150.47	163.55
PLN	3.43	3.83	3.40	3.77
MXN	16.00	14.73	15.71	15.49

Criteria for the preparation of the Interim Report

The Quarterly report on operations of the Elica Group at 30 September 2008 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 Quarterly report was approved by the Board of Directors of Elica S.p.A. on 14 November 2008, and on the same date the board authorised its publication.

Accounting Principles adopted

The accounting principles utilised for the preparation of the financial statements as at 30 September 2008 are the IAS/IFRS issued by the IASB and approved 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 31 December 2007.
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.

Change of accounting principles, change of estimates and reclassifications

No new or revised accounting standards or interpretations have been issued by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee (IFRIC), having effect from 1 January 2008, which might have had a significant impact on this present report. The current interim report is presented in Euro and all the amounts are rounded to the nearest thousand, unless otherwise specified.

The financial effects deriving from the sale of the "ACEM" division (whose balances at 31 December 2007 were classified in the Balance Sheet under the items "Assets of discontinued operations" and "Liabilities of discontinued operations") are shown separately in the income statement under the item "Net profit from discontinued operations".

Composition and main changes in the Income Statement and Balance Sheet

1. **Revenues**

In Euro thousands	**YTD 08**	**YTD 07**	**Change**
Revenues from product sales	299,561	322,587	(23,026)
Service revenues	77	141	(64)
Total revenues	**299,638**	**322,728**	**(23,090)**

Information by business and geographical segment

The primary form of segment reporting is by business sector in which the Group operates. The breakdown by segment is as follows:

- "Own brands": production and sale of range hoods and accessories under own brands;
- "Third-party brands": production and sale of range hoods, accessories and other components for domestic appliances under third-party brands;
- "Motors": production and sale of electric motors;
- "Other activities": production and sale of electrical transformers and other products.

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.

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

Segment information – Primary segment for the nine months ended 30 September 2008 and 30 September 2007

INCOME STATEMENT	Own brands		Client brands		Electric motors		Other activities		Corporate		Eliminations		Consolidated	
	Sep 08	Sep 07	Sep 08	Sep 07	Sep 08	Sep 07	Sep 08	Sep 07	Sep 08	Sep 07	Sep 08	Sep 07	Sep 08	Sep 07
Segment revenue:														
customers	63,540	67,498	184,043	199,344	52,055	50,178	0	5,708					299,638	322,728
Inter-segment	1	0	484	702	19,280	21,100	0	36			(19,765)	(21,838)	0	0
Total revenues	**63,541**	**67,498**	**184,527**	**200,046**	**71,335**	**71,278**	**0**	**5,744**			**(19,765)**	**(21,838)**	**299,638**	**322,728**
Segment result:	12,798	13,740	23,586	32,341	7,661	8,271	0	626					43,983	54,978
Overheads not allocated													**(36,962)**	**(36,619)**
EBIT													**7,021**	**18,359**
Share of profit/(loss) from associates													(13)	(99)
Impairment of available-for-sale financial assets													0	0
Financial income													945	789
Financial charges													(2,381)	(1,179)
Foreign exchange gains/(losses)													2,839	(1,263)
Other non-operating income													0	0
Pre-tax profit													**8,411**	**16,607**
Income taxes													(773)	(8,678)
Result from normal operations													**7,638**	**7,929**
Result from discontinued operations													63	0
Net profit for the period													**7,701**	**7,929**

BALANCE SHEET	Own brands		Client brands		Electric motors		Other activities		Corporate		Eliminations		Consolidated	
	Sep 08	Sept 07	Sep 08	Sept 07	Sep 08	Sept 07	Sep 08	Sept 07	Sep 08	Sept 07	Sep 08	Sept 07	Sep 08	Sept 07
Assets:														
Segment assets	34,026	35,875	132,756	138,948	71,027	74,030	0	3,117			(3,371)	(5,610)	234,437	246,360
Investments in ass. Companies									1,949	1,999			1,949	1,999
Assets not allocated									69,172	89,720			69,172	89,720
Total operational assets													**305,558**	**338,079**
Total assets of discontinued operations													**0**	**0**
Total assets													**305,558**	**338,079**
Liabilities														
Segment liabilities	(20,476)	(21,555)	(68,405)	(79,475)	(23,047)	(24,941)	0	(2,023)			3,371	5,610	(108,557)	(122,384)
Liabilities not allocated									(61,245)	(70,086)			(61,245)	(70,086)
Shareholders equity									(135,756)	(145,608)			(135,756)	(145,608)
Total operational liabilities													**(305,558)**	**(338,079)**
Total liabilities of discontinued operations													**0**	**0**
Total liabilities													**(305,558)**	**(338,079)**

Segment information – Secondary segment for the nine months ended 30 September 2008 and 30 September 2007

The Group's assets are located in Italy, Mexico, Japan, Poland and Germany.

The table below provides an analysis of sales by geographic area, regardless of the origin of the goods and services.

In Euro thousands	The Americas	Europe + CIS	Other countries	Consolidated
YTD 30 September 2008	31,537	248,186	19,915	299,638
YTD 30 September 2007	30,937	270,783	21,008	322,728

The following table contains details of the Group's assets based on their geographical location.

In Euro thousands	The Americas	Europe + CIS	Other countries	Consolidated
YTD 30 September 2008	37,991	263,835	3,732	305,558
YTD 30 September 2007	26,832	308,843	2,404	338,079

2. EBIT

In Euro thousands	YTD 08	YTD 07	Change
Revenues	299,638	322,728	(23,090)
Other operating revenues	4,369	4,542	(173)
Changes in inventories of finished and semi-finished goods	1,068	5,625	(4,557)
Increase in internal work capitalised	1,103	1,382	(279)
Raw materials and consumables	(160,731)	(167,537)	6,806
Services	(64,392)	(72,825)	8,433
Labour costs	(53,023)	(55,771)	2,748
Amortisation & depreciation	(12,490)	(13,069)	579
Other operating expenses and provisions	(6,307)	(6,716)	409
Restructuring charges	(2,214)	-	(2,214)
EBIT	**7,021**	**18,359**	**(11,338)**

EBIT for the first nine months of 2008 amounted to Euro 7,021 thousand, down Euro 11,338 thousand on the comparable period for 2007.

3. Net Financial charges

In Euro thousands	YTD 08	YTD 07	Change
Financial income	945	789	156
Financial charges	(2,381)	(1,179)	(1,202)
Foreign exchange gains/(losses)	2,839	(1,263)	4,102
Total net financial charges	**1,403**	**(1,653)**	**3,056**

The change on the corresponding period of 2007 of Euro 3,056 thousand is due to the strong improvement on foreign exchange gains/losses.

4. Property, plant & equipment

The breakdown of the property, plant and equipment at 30 September 2008 and 31 December 2007 is shown below.

In Euro thousands	30 Sep 08	31 Dec 07
Land and buildings	36,435	37,465
Plant and machinery	20,207	21,780
Commercial and industrial equipment	10,902	13,730
Other assets	1,474	1,856
Assets in progress and payments on account	5,513	3,260
Total property, plant & equipment	**74,531**	**78,091**

5. Other intangible assets

The breakdown of the "Other intangible assets" at 30 September 2008 and 31 December 2007 is shown below.

In Euro thousands	**30 Sep 08**	**31 Dec 07**
Development Costs	1,495	1,805
Industrial patents and intellectual property rights	2,486	1,734
Concessions, licenses, trade marks & similar rights	184	121
Assets in progress and payments on account	2,089	1,359
Other intangible assets	717	496
Total other intangible fixed assets	**6,971**	**5,515**

6. Inventories

In Euro thousands	**30 Sep 08**	**31 Dec 07**
Raw material, ancillary and consumables	27,604	26,857
Raw materials obsolescence provision	(1,480)	(986)
Total	26,124	25,871
Products in work-in-progress and semi-finished	19,295	18,650
Work-in –progress obsolescence	(967)	(523)
Total	18,328	18,127
Finished products and goods for resale	14,134	13,170
Finished products obsolescence provision	(941)	(760)
Total	13,193	12,410
Total inventories	**57,645**	**56,408**

7. Significant non-recurring events and operations

A summary of the significant non-recurring operations during the period and with their relative impact, net of taxes, on the Net Equity and Net Result are shown below.

	Shareholders' Equity		Net profit for the period	
	Amount	%	Amount	%
Book values	135,756		7,701	
a) Gains from 1997 earthquake suspension payables write-offs	3,193		3,193	
b) Restructuring charges	(1,517)		(1,517)	
Total effect	1,676	1%	1,676	22%
c) Gain from payable of substitute tax	2,590	2%	2,590	34%
Gross notional book value	131,490		3,435	

a) Law Decree 61/2008 approved the restitution, reduced to 40% without any sanctions and interests, through 120 monthly payments, of the taxes and contributions suspended following the provisions issued in favour of the areas hit by the 1997 earthquake (Marche and Umbria).

Following these provisions, the payable to the relevant Pension and Ministry Institutions and tax payables were written off for a total effect on the income statement of Euro 4,084 thousand and the remaining 40% was discounted with a positive effect on the income statement, gross of taxes of Euro 574 thousand. These operations had the following effect:
- in the balance sheet: Euro 2,994 thousand in the account "Tax payables", Euro 2,916 thousand in the account "Other payables" and Euro 1,196 thousand in the account "Other receivables".
- in the income statement: Euro 2,434 thousand in the account "Labour costs", Euro 1,543 thousand in the account "Other revenues", Euro 107 thousand in the account "Service costs" and Euro 574 thousand in the account "Financial Income".

b) In relation to the restructuring charges, reference should be made to the paragraph "Significant events in the third quarter of 2008 and subsequent events after the end of the quarter".

c) The amounts shown in the table illustrates the benefits deriving from the exercise of the option contained in law No. 244 of 2007 (2008 finance act) to recognise, with the payment of the substitute tax, the misalignment between the result for the year and the assessable base for taxes prior to 2007.

The above-mentioned non-recurring events had no effect on the Group financial situation.

Fabriano, 14 November 2008

The Chairman

Francesco Casoli

Declaration of the executive responsible for the preparation of the corporate accounting documents in accordance with article 154 bis, paragraph 2 of Legislative Decree 58/1998

The undersigned Andrea Sasso as Chief Executive Officer and Vincenzo Maragliano as Executive responsible for the preparation of the corporate accounting documents of Elica S.p.A., declares in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting and corporate information corresponds to the underlying accounting documents, records and accounting entries.

14 November 2008

The Chief Executive Officer
Andrea Sasso

Executive responsible for the preparation
of corporate accounting documents
Vincenzo Maragliano