Treviso, March 12th, 2020

DēLonghi Group

PRESS RELEASE

De' Longhi S.p.A.: year 2019 results

Today, the Board of Directors of De' Longhi S.p.A. has approved the consolidated results as of December 31st, 2019[1].

In 2019 the Group has achieved the following results, in "normalized"[1] terms:

- **Revenues stood at € 2,106.1 million up by 1.3% (-0.1% in organic terms[2] and 1.1% reported);**
- **Adjusted[3] Ebitda was up to € 280.4 million (€ 295.3 million reported), or 13.3% of revenues, with a margin dilution of around 170 bps versus the previous year;**
- **net profit amounted to € 161.7 million (€ 161 million reported) down by € 22.2 million versus 2018;**
- **net financial position was positive by € 351.8 million (€ 277.8 million reported), growing by € 123.7, after investments at € 62.1 million and dividends paid amounting to € 55.3 million, showing the Group's strong cash-generating capacity;**

Furthermore, the Board of Directors:

- in relation to the net profit for the year 2019, has proposed the distribution of a dividend of € 0.54 per share, for a total of € 80.7 million and equal to a pay out ratio of 43.7%;
- has approved the proposal submitted by the Remuneration and Appointments Committee for the adoption of the "2020-2027 Stock Option Plan" and the related Regulations and Information Document to be submitted for approval to the next Shareholders' Meeting which will be held on April 22, 2020 in ordinary session, then called to resolve, on the same date, in extraordinary session, the capital increase to service the Plan.

The C.E.O. Fabio de 'Longhi comments: "*We closed the year 2019 with results that, in light of the difficult market conditions of the year, we consider satisfactory, in particular from the point of view of the cash generation. We are now facing a very challenging time, for the industry and for the world economy in general; I am proud of the resilience and dedication shown by our teams so far.*
Today, I can confirm full operations for our Italian and European production and distribution platform, with inventories constantly increasing and sufficient to guarantee business continuity even in the event of further restrictions decided by the Government. All the other Italian service and back-office functions are operational with a view to maximize the use of flexible working practices suggested by the Government. The Chinese platform has reached a production capacity of over 80% and is expected to reach 100% by end of March.
Finally, the first months of this 2020 show a buoyant turnover trend, in line with our initial expectations; this trend is still certainly supported by the effects of the advertising investments incurred last year. There is no doubt that in this constantly changing context, visibility for the coming months is limited. Uncertainties about how consumption and market development will be affected by the ongoing epidemic will have an impact on economic growth in the coming months. Therefore, more precise indications on 2020 will be communicated as soon as the general picture has normalized"

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1 The financial statements ("reported") 2019 include the effects of the application of the accounting standard IFRS 16. Furthermore, starting from the fourth quarter, some financial discounts, previously classified under financial charges, have been included among the commercial premiums and therefore netting revenues. For comparative purposes, the values are presented "normalized", comparable with those of the previous year, thus excluding the aforementioned effects deriving from the application of IFRS 16 and the reclassification of financial discounts.

2 "Organic" stands for at constant exchange rates and excluding the impact of derivatives.

3 "Adjusted" means gross of non-recurring charges / income, the figurative cost of the stock option plan.

Treviso, March 12th, 2020

Results summary and business review

	12 months 2019 *	4th quarter 2019 *	12 months 2019 "normalized"	12 months 2018	4th quarter 2019 "normalized"	4th quarter 2018
(Eur million unless specified)						
Revenues	2,101.1	797.4	2,106.1	2078.4	802.4	778.1
change %	*1.1%*	*2.5%*	*1.3%*		*3.1%*	
organic ch. %	*-0.3%*	*1.0%*	*-0.1%*		*1.6%*	
net ind. margin	990.2	374.3	995.2	990.7	379.3	373.1
% of revenues	*47.1%*	*46.9%*	*47.3%*	*47.7%*	*47.3%*	*48.0%*
adjusted Ebitda	295.3	137.4	280.4	312.8	137.3	150.7
% of revenues	*14.1%*	*17.2%*	*13.3%*	*15.1%*	*17.1%*	*19.4%*
Ebitda	289.2	135.8	274.3	304.5	135.7	147.4
% of revenues	*13.8%*	*17.0%*	*13.0%*	*14.7%*	*16.9%*	*18.9%*
Ebit	210.9	114.8	215.0	242.9	119.7	130.0
% of revenues	*10.0%*	*14.4%*	*10.2%*	*11.7%*	*14.9%*	*16.7%*
Net Income	161.0	89.2	161.7	183.9	89.4	101.9
% of revenues	*7.7%*	*11.2%*	*7.7%*	*8.8%*	*11.1%*	*13.1%*

* including the effect of the application of the IFRS 16 accounting standard and of the reclassification of soime financial discounts.

general outlook

2019 was a year made challenging by some negative factors both of endogenous and exogenous nature, which conditioned the growth path and consequently the final results. More precisely, we quantified the impacts deriving from endogenous factors in a total value of approximately 36 million Euros, net of which the growth in revenues would have been 2.8%.

As already highlighted in the previous quarterly press releases, some discontinuities affected the Group's performance, especially in the first half of the year: the decision to reorganize our presence in Latin America and Turkey; the anticipation to 2018 of some import flows from China to the United States of the comfort category products in light of the increase in US customs tariffs; discontinuities in the distribution of capsule coffee machines in some important markets; the exit from the distribution of large appliances in the Australian market.

However, despite these discontinuities and a general competitive context that has become increasingly challenging, the management has nevertheless decided to push on the lever of advertising spending with the aim of supporting and strengthening its leadership in the main markets and product categories.
The general effect on margins, as we will see later, was therefore of compression, even if temporary, to the benefit of the sustainability of the commercial strategy and of the profitability in the medium-long term.

In terms of results, the official reported figures have included the application of the new accounting standard IFRS 16 (relating to the accounting treatment of leases) as well as, starting from the fourth quarter, of the new Group commercial policy which led to the reclassification of financial discounts as commercial premiums, hence netting revenues. **For the purposes of this press release, for a more linear comparison with the 2018 data, the "normalized" data are commented, i.e. excluding the effects of the above mentioned accounting treatments.**

revenues

Year 2019 ended with revenues of € 2,106.1 million, an increase of 1.3% (+ 1.1% in reported values).

This growth is attributable to the positive contribution of exchange rates and hedging, equal to € 29.3 million: in organic terms, therefore, revenues showed a trend substantially in line with 2018 (-0.1%).

On a trend level, the fourth quarter was growing by 1.6% organic, in line with the previous two quarters (+ 2.1% in Q2 and 1.6% in Q3 in organic terms), but without the expected acceleration, especially due to the effect of an underperforming APA region.

markets

In fact, looking at revenues by geographies, in normalized and organic terms, 2019 showed a European area in moderate growth and overall more dynamic than the non-European markets, held back by the discontinuities already mentioned.

EUR million	2019 *	*chg. %*	*organic chg. %*	4th Quarter 2019 *	*chg. %*	*organic chg. %*
North East Europe	601.5	*8.9%*	*7.3%*	241.5	*7.3%*	*4.9%*
South West Europe	823.4	*1.2%*	*1.0%*	312.8	*4.2%*	*4.0%*
EUROPE	1,424.9	*4.3%*	*3.6%*	554.4	*5.5%*	*4.4%*
APA (Asia/Pacific/Americas)	541.6	*-4.3%*	*-6.7%*	202.1	*-2.9%*	*-4.9%*
MEIA (MiddleEast/India/Africa)	139.6	*-4.9%*	*-8.8%*	46.0	*2.6%*	*-0.6%*
TOTAL REVENUES	2,106.1	***1.3%***	***-0.1%***	802.4	***3.1%***	***1.6%***

** in MORMALIZED TERMS, i.e. excluding the effects of the application of IFRS 16 and the reclassification of some financial discounts*

In details:

- **Southwest Europe** grew by 1% and 4% respectively in the 12 months and the fourth quarter, led by France and Germany, while Italy and the Iberian region showed persistent weakness;

- in **north-eastern Europe**, growth remained at sustained levels in the 12 months (+ 7.3%) and in the fourth quarter (+ 4.9%), thanks in particular to the double digit growth of Poland, Russia , Ukraine and Cis and, in the quarter, the Benelux. On the contrary, the UK market, which closed the year in negative territory, once again was showing a particularly weak business trend;

- **MEIA region** (Middle East-India-Africa) was down by -8.8% in the year, but partially improving compared to the nine months, thanks substantially to an important recovery of Saudi Arabia in the last quarter;

- finally, the **APA region** (Asia-Pacific-America) showed a drop of 6.7% in the year and 4.9% in the quarter, due mainly to the discontinuities, as already mentioned. We particularly emphasize the sustained growth of the greater China market in the fourth quarter, driven by a brilliant expansion in the category of coffee machines.

products

Similarly to the evidence for the geographical areas, 2019 was a difficult year to read, due to the non-recurring elements that affected its final result in the various product categories.

Growth in the **coffee** makers segment (50% of revenues), despite the discontinuities in the single serve machines slowed down the trend's speed, was sustained in the year, with a double digit acceleration in the fourth quarter, driven by full-automatic and manual machines, both growing double-digit.

There was no positive surprise from the **food preparation** segment, which ended the year with a mid-single digit drop, although the fourth quarter was partially improving but still in negative territory. In the latest months, some product categories, such as blenders and handmixers, have achieved significant recoveries, but not enough to stabilize the category as a whole, which has continued to show little dynamics, also due to underlying markets that are not particularly favourable.

The **cleaning and ironing** sector ended 2019 in positive territory with normalized mid-single digit growth in both product families, despite a marked deterioration in the end of the year.

Finally, the **portable air conditioning and heating** sector showed a marked drop due to the important discontinuities that affected sales during the year, especially in the first quarter: in addition to the increase in import duties from China to the United States, which have altered the timing of sales, the latest months have shown an unfavourable seasonality from a climatic point of view, which has slowed sales and deliveries in the quarter.

operating margins

The performance of operating margins was partially conditioned by the rise in industrial costs, in line with expectations, and by the effects of the worsening competitive scenario, whose tensions required a policy of interventions to protect market shares. Indeed, greater investments in communication, promotional activities and support of distribution and sales networks have been necessary, especially in some markets, with the primary goal of ensuring adequate visibility for our products and seizing the opportunities offered by the growing component online distribution: during the year, a total of € 245.4 million (+ € 18.2 million compared to 2018) was invested in communication and promotional activities, with an increase in the weight of revenues from 10.9% to 11.7% (and from 12.4% to 13.5% in the fourth quarter).

On the other hand, the sustained growth of the coffee categories has allowed the company to benefit from a favorable product mix, in continuity with previous years.

Net industrial margin stabilized at € 995.2 million equal to 47.3% of revenues (compared to € 990.7 million or 47.7% of revenues in 2018).

Adjusted Ebitda decreased in absolute value from € 312.8 million to € 280.4 million, reducing margins by 1.7 percentage points to 13.3% of revenues (in official values the adjusted Ebitda stood at € 295.3 million with a margin of 14.1% in the twelve months).

The **operating result (EBIT)** was € 215 million, reaching 10.2% of revenues in the twelve months (11.7% in 2018).

In the fourth quarter, the comparison with 2018, in normalized terms, returned a picture of general compression of margins, for a more accentuated cost trend in terms of non-industrial costs: the adjusted Ebitda of 137.3 million, was it stands at 17.1% of revenues, from 19.4% of the previous year. A partial recovery of this drop in margin, as a percentage of revenues, showed an operating result level of € 119.7 million, which fell from 16.7% to 14.9% of revenues.

financial charges

Net financial charges for the year amounted to € 18.3 million, a decrease of € 0.7 million compared to the previous year, mainly as a result of higher liquidity management income and lower financial discounts. opposing higher charges on exchange rates and hedges.

net profit

Group **net profit** was € 161.7 million, down 12.1% on 2018, after taxes of € 35 million (-5 million € compared to 2018, but in substantial constancy of tax rate).

Balance sheet

At the balance sheet level, the normalized net financial position at 31 December 2019 stood at € 351.8 million, an improvement of € 123.7 million compared to the value at the end of 2018 (€ 228.1 million). The net financial position relating to banks and other lenders improved by € 128.3 million to € 357.4 million.

	31.12.2019 *	31.12.2019 normalized	31.12.2018
	EUR million	*EUR million*	*EUR million*
Net financial position	277.8	351.8	228.1
change in the 12 months	*49.7*	*123.7*	
Bank net financial position	357.4	357.4	229.0
change in the 12 months	*128.3*	*128.3*	

* as reported, including the effects of the application of the IFRS 16 accounting standard

The cash generation of the year discounted investments for a total of € 62.1 million (€ 59.9 million in 2018) and the distribution of dividends for € 55.3 million; net of these items, cash flow was € 241.1 million (free cash flow), a value higher than that recorded in 2018 (€ 204 million).

In terms of net working capital, 2019 closed with a value substantially in line with the 2018 financial year (a reduction of € 4.4 million), thanks also to a sharp drop in inventories (€ 61.3 million). In relation to revenues, normalized net working capital improved from 15.5% to 15.1%.

dividend

For the current year, the Board of Directors resolved to propose to the Shareholders' Meeting (to be held on April 22, 2020) a dividend of € **0.54** per share, for a total amount of € 80.7 million, payable to starting from May 20th 2020, with coupon detachment on May 18th 2020 and with the so-called record date pursuant to art. 83-terdecies of Legislative Decree no. 58/98 as of May 19th 2020, equal to a pay-out ratio of 43.7% of the Group's 2018 consolidated net profit.

Events occurred after the end of the year

- On January 20, the Board of Directors unanimously approved the proposal presented by the President Giuseppe de 'Longhi and the Chief Executive Officer Fabio de' Longhi aimed at the insertion of dr. Massimo Garavaglia as member of the Board of Directors of the company and the attribution of the powers of Chief Executive Officer and appointment of General Manager of De 'Longhi S.p.A. For the relative details, please refer to our press release of 22 January (https://www.delonghigroup.com/it/investitori/comunicati-stampa-e-presentazioni).

- on 3 February, the acquisition of a production plant of a total of 25,000 square meters was announced. in Romania, in Madaras, in the county of Bihor. For details, refer to our press release of 3 February (https://www.delonghigroup.com/it/investitori/comunicati-stampa-e-presentazioni).

- The months following the end of the year saw the expansion of the Covid-19 coronavirus epidemic to the European area and Italy in particular, which placed the world economy in a state of strong alert, for the implications it has on the flow of supplies from the Asian component and finished product markets for most industrial sectors. In recent weeks the Group has released some press releases to update on the functionality of its production structures and related sales flows.

  To date, also in light of the new provisions issued by the Government, full operation has been confirmed for its Italian and European production and distribution platform, which is accompanied by constantly increasing stocks of finished products and components and which have not placed excessive constraints on sales flows for the current quarter, ensuring continuity even in the event of any further restrictions. All the other Italian service and back-office functions are operational by maximizing the agile working methods suggested by the Government.

  The Chinese platform has reached a production capacity of over 80% and is expected to reach 100% by March.

  The impact on the performance of the current year will therefore depend on the duration and intensity of spread of the virus, especially for the possible impacts on the final demand for consumer goods. We also refer to the press releases issued in recent weeks and available at the following link: https://www.delonghigroup.com/it/investitori/comunicati-stampa-e-presentazioni.

Foreseeable business development and guidance

The Chief Executive Officer Fabio de 'Longhi comments:" *We closed the year 2019 with results that, considering the difficult market conditions of the year, we consider satisfactory in particular from the point of view of cash generation. We are now facing a very challenging time, for the industry and for the world economy in general; I am proud of the resilience and dedication shown by our teams so far. The first months of this year show a very satisfactory sales trend, in line with our initial expectations; this trend is certainly supported by the contribution of advertising investments incurred last year. There is no doubt that in this constantly changing context, visibility for the coming months is limited. Uncertainties about how consumption and market development will be affected by the ongoing epidemic will have an impact on economic growth in the coming months. Therefore, more precise indications on 2020 will be communicated as soon as the general picture has normalized* ".

Other resolutions of the Board of Directors

CALL OF THE SHAREHOLDERS 'MEETING

In today's meeting, the Board of Directors also resolved to call the Shareholders' Meeting, in ordinary and extraordinary session at the Company's registered office, in Treviso, via L. Seitz n. 47, in a single call, for April 22, 2020, to resolve: in ordinary session on (i) the approval of the financial statements as of December 31, 2019 and the allocation of the related profit for the year, (ii) the approval of the Remuneration Policy for 2020, contained in Section I of the Remuneration Report prepared pursuant to art. 123-ter of Legislative

Decree 58/98 ("TUF"), as well as on the remuneration paid in 2019 indicated in Section II of the report itself, (iii) the approval of an equity incentive plan concerning ordinary shares of De 'Longhi SpA called "2020-2027 Stock Option Plan", (iv) to the extension of the Board of Directors and consequent appointment of a new director, (v) to authorize the purchase and disposal of treasury shares and, in an extraordinary session in on (vi) the capital increase to service the "2020-2027 Stock Option Plan".
The notice of convocation of the Shareholders' Meeting and the related documentation required by current legislation, including the explanatory Report on the items on the agenda, prepared by the Board of Directors pursuant to art. 125-ter of the TUF, will be made available to the public, in accordance with the law, at the registered office and on the Company's website (www.delonghigroup.com, section "Governance" - "Corporate Bodies" - "2020 Shareholders' Meeting"), as well as on the authorized storage mechanism 1INFO which can be consulted at www.1info.it, together with the additional documentation requested; in compliance with current legislation, the notice of convocation of the Shareholders' Meeting will also be published in extract in a newspaper.

PROPOSAL FOR AUTHORIZATION TO PURCHASE AND DISPOSAL OF TREASURY SHARES
With particular reference to the proposal to renew the Shareholders' Meeting authorization to purchase and dispose of treasury shares, subject to revocation of the resolution adopted by the Shareholders' Meeting on April 30, 2019, it is specified that the reasons behind the authorization will be specified in detail in the aforementioned Illustrative Report pursuant to art. 125-ter of the TUF, to which reference is made, which will be made available to the public, together with the notice of call of the Shareholders 'Meeting, at least 30 days before the date of the Shareholders' Meeting, in the manner indicated above.
The proposal provides that: (i) the maximum number of shares that can be purchased, even on several occasions, is equal to a maximum of n. 14,500,000 ordinary shares with a nominal value of 1.50 euro each, and therefore not to an extent exceeding the fifth part of the share capital; (ii) the purchase authorization is valid for a period of 18 months, while the duration of the authorization for the disposal of treasury shares is without time limits; (iii) the unit purchase price must be at least 15% (fifteen percent) and at least 15% (fifteen percent) at least the average of the official prices of the transactions recorded on the Mercato Telematico Azionario in three sessions prior to the purchase or announcement of the transaction, depending on the technical methods identified by the Board of Directors, without prejudice to the further limits from time to time deriving from applicable legislation and accepted market practices; (iv) the purchase operations may also be carried out in accordance with the provisions of art. 5 of Reg. (EU) n.596 / 2014, and will be carried out in compliance with the deal 132 of the TUF, deal with art. 144-bis of the Issuers Regulation, as well as, if necessary, the accepted market practices, and in any case in order to ensure equal treatment between Shareholders and compliance with any applicable legislation, including European standards (including, in particular where applicable) , the regulatory technical standards adopted in implementation of Reg. (EU) No. 596/2014).

APPROVAL OF OTHER DOCUMENTS
In today's meeting, the Board of Directors also approved (i) the Report on corporate governance and ownership structures for the 2019 financial year, prepared pursuant to art. 123-bis of the TUF and (ii) the Report on the remuneration policy and the remuneration paid prepared pursuant to art. 123-ter of the TUF including, in Section I, of the "2020 Remuneration Policy" which will be subject to the binding vote of the Shareholders' Meeting and, in Section II, of the "Remuneration paid during the year" in relation to which the shareholders will be called to cast an advisory vote.
Both of the aforementioned reports will be made available to the public - together with the Annual Financial Report at 31 December 2019 containing, among other things, the financial statements and the consolidated financial statements at 31 December 2019, the Directors' Report on Operations, the Reports of Auditors and the Independent Auditors, as well as the consolidated non-financial declaration pursuant to Legislative Decree no. 254/16 - on April 8, 2020, at the registered office, on the Company's website (www.delonghigroup.com, section "Governance" - "Corporate Bodies" - "Shareholders' Meeting of 2020") and on the authorized storage mechanism 1INFO at www.1info.it.

APPROVAL OF THE PROPOSAL OF A STOCK OPTIONS PLAN
The Board of Directors held today also approved the proposal made by the Remuneration and Appointments Committee for the adoption of the "2020-2027 Stock Option Plan" (the "Plan") and the related

Regulations and Information Document to be submitted for approval by the The Shareholders' Meeting of the Company which will be convened for the next 22.04.2020 in ordinary session, then called to resolve on the same date, in an extraordinary session, the capital increase to service the Plan.
In particular, pursuant to art. 84-bis, paragraph 3 of the regulation adopted by Consob with resolution no. 11971/1999 as subsequently amended (the "Issuers Regulation"), the following is specified.

Beneficiaries
The Plan is intended for the Chief Executive Officer and a limited number of Top Managers of the De 'Longhi Group as defined in the Plan Regulations, which will be identified by name by the Company's Board of Directors on the proposal of the Chief Executive Officer, among those who occupy the positions that are more directly responsible for the corporate results or that are of strategic interest (the "Beneficiaries"), following the approval of the Plan by the Shareholders' Meeting.

Purpose and general characteristics
The Plan is characterized by the following objectives:
• link the remuneration of the Beneficiaries to the implementation of the corporate strategy aimed at creating value in the medium-long term for the Company's shareholders;
• foster the loyalty of the Beneficiaries, encouraging their permanence in the Group, thus supporting the continuity and sustainability of success in the medium - long term;
• encourage the maintenance of a competitive situation on the Beneficiaries' remuneration market.
The Plan is implemented through the free allocation to the Beneficiaries of up to a maximum number of 3,000,000 Options for the purchase or subscription of an equal number of Shares (therefore based on one Share for each Option exercised), in the terms and under the conditions described in the Plan Regulations, deriving from: (i) the purchases of treasury shares made by the Company on the market, in service of the Plan, on the basis of the authorizations of the shareholders' meeting or, if on the date on which the Beneficiary will exercise the Options treasury shares were not sufficient, (ii) from the paid and divisible share capital increase, with the exclusion of the option right pursuant to art. 2441, paragraphs 4, second sentence and 8th of the Civil Code, and art. 5-bis, paragraph 3 of the Civil Code, reserved for the Beneficiaries of the Plan, for a maximum total amount of nominal € 4,500,000 to be implemented by issuing, also on several occasions, of maximum no. 3,000,000 ordinary shares with a par value of Euro 1.50 each, regular enjoyment, reserved for the Beneficiaries.

Duration
The overall duration of the Plan is approximately 8 years and in any case the deadline is set on 31 December 2027.

Assignment and exercise
The identification of the individual Beneficiaries is delegated to the Board of Directors on the proposal of the Remuneration and Appointments Committee or the Company's Chief Executive Officer, after consulting the Board of Statutory Auditors on the basis of their respective responsibilities. The assignment of the options is free of charge: in view of the assignment of the options, the Beneficiaries will therefore not be required to pay any consideration to the Company. On the contrary, the exercise of the options and the consequent subscription of the shares will be subject to the payment of the exercise price.
Each option will give the right to subscribe for one share, under the conditions established by the Regulations. The exercise price will be equal to the arithmetic average of the official prices recorded by the Company's shares on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. in the 180 free calendar days preceding the date of approval of the Plan and the related regulation by the Shareholders' Meeting. The criterion proposed by the Board of Directors just outlined reflects a choice of opportunities with respect to the historical moment, as it allows to take as reference a period of time which, although not close to the moment of determination of the issue price of the Shares, is sufficiently long for mitigate the stock market data from the volatility phenomena that are affecting the financial markets in recent weeks as a consequence of the effects of "Coronavirus", reflecting at best the value that the market attributes to the Company's share.

In application of this criterion, the Board of Directors will determine the exercise price of the Share Options to be issued with the Capital Increase on the occasion of the first assignment of the Options to the Beneficiaries.
The exercise of the options may be carried out by the Beneficiaries - in one or more tranches - only and exclusively during the exercise period, included among:
• on May 15, 2023 and December 31, 2027, for a maximum number equal to 50% of the total Options assigned to each Beneficiary, without prejudice to the suspension periods described in article 12 of these Regulations;
• on May 15, 2024 and December 31, 2027, for the remaining 50% of the total Options assigned to each Beneficiary, without prejudice to the suspension periods described in article 12 of these Regulations.
The options not exercised by the end of the exercise period will in any case be considered lapsed without the beneficiary having the right to any compensation or compensation whatsoever.
The shares will have regular entitlement and therefore equal to that of the other shares in circulation on the date of their issue and will be freely available and therefore freely transferable by the beneficiary.
Without prejudice to the powers of the Board of Directors and the Remuneration and Appointments Committee with reference to the Chief Executive Officer, the management of the Plan is entrusted to the latter with the support of the competent corporate structures.
The documentation relating to the Plan required by the applicable legislation will be made public within the terms and in the manner provided for by the law and current regulation.

Regulatory statements

The manager responsible for the preparation of the company's accounts, Stefano Biella, hereby declares, as per article 154 bis, paragraph 2, of the "Testo Unico della Finanza", that all information related to the company's accounts contained in this press release are fairly representing the accounts and the books of the company.

Contacts

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ANNEXES

Consolidated results of De' Longhi S.p.A.
as of December 31, 2019

1. Consolidated Income Statement

Euro million	2019	% of revenues	2019 *normalized*	% of revenues	2018	% of revenues
Net Revenues	**2,101.1**	**100.0%**	**2,106.1**	**100.0%**	**2,078.4**	**100.0%**
Change	*22.7*	*1.1%*	*27.7*	*1.3%*		
Materials consumed and other production costs (services and production payroll costs)	(1,110.9)	(52.9%)	(1,110.9)	(52.7%)	(1,087.8)	(52.3%)
Net industrial margin	**990.2**	**47.1%**	**995.2**	**47.3%**	**990.7**	**47.7%**
Costs for services and other operating costs	(513.0)	(24.4%)	(532.9)	(25.3%)	(503.7)	(24.2%)
Labour cost (non industrial)	(181.9)	(8.7%)	(181.9)	(8.6%)	(174.1)	(8.4%)
Ebitda before non recurring items and stock option plan (adjusted Ebitda)	**295.3**	**14.1%**	**280.4**	**13.3%**	**312.8**	**15.1%**
Change	*(17.5)*	*(5.6%)*	*(32.4)*	*(10.4%)*		
Other non recurring items / stock option plan	(6.1)	(0.3%)	(6.1)	(0.3%)	(8.3)	(0.4%)
EBITDA	**289.2**	**13.8%**	**274.3**	**13.0%**	**304.5**	**14.7%**
Amortization	(78.3)	(3.7%)	(59.2)	(2.8%)	(61.6)	(3.0%)
EBIT	**210.9**	**10.0%**	**215.0**	**10.2%**	**242.9**	**11.7%**
Change	*(32.0)*	*(13.2%)*	*(27.9)*	*(11.5%)*		
Net financial charges	(15.1)	(0.7%)	(18.3)	(0.9%)	(19.0)	(0.9%)
Profit before taxes	**195.8**	**9.3%**	**196.7**	**9.3%**	**223.9**	**10.8%**
Taxes	(34.8)	(1.7%)	(35.0)	(1.7%)	(40.0)	(1.9%)
Net profit pertaining to the Group of the *continuing operations*	**161.0**	**7.7%**	**161.7**	**7.7%**	**183.9**	**8.8%**

2. Revenues breakdown by geography

Euro million	2019	% of revenues	2019 *Normalized*	% of revenues	2018	% of revenues	Change *normalized*	Change %
EUROPE	1,419.9	67.6%	1,424.9	67.7%	1,365.7	65.7%	59.2	4.3%
APA (Asia / Pacific / Americhe)	541.6	25.8%	541.6	25.7%	566.0	27.2%	(24.3)	(4.3%)
MEIA (Middle East / India / Africa)	139.6	6.6%	139.6	6.6%	146.7	7.1%	(7.2)	(4.9%)
Total Revenues	**2,101.1**	**100.0%**	**2,106.1**	**100.0%**	**2,078.4**	**100%**	**27.7**	**1.3%**

3. Consolidated Balance Sheet

Euro million	31.12.2019	31.12.2019 *normalized*	31.12.2018	Change *normalized*
- intangible assets	314.8	314.8	316.9	(2.0)
- tangible assets	315.1	242.7	237.2	5.5
- financial assets	30.2	30.2	29.6	0.6
- deferred tax assets	47.3	47.0	36.1	10.9
Fixed assets	**707.4**	**634.8**	**619.8**	**15.0**
- inventories	343.5	343.5	404.8	(61.3)
- trade receivables	437.4	437.4	429.3	8.1
- trade payables	(365.8)	(366.3)	(419.8)	53.5
- other net current assets / (liabilities)	(96.3)	(96.5)	(91.8)	(4.6)
Net working capital	**318.8**	**318.1**	**322.5**	**(4.4)**
Non current liabilities	**(113.5)**	**(113.5)**	**(104.4)**	**(9.1)**
Net capital employed	**912.6**	**839.3**	**837.8**	**1.5**
Net debt / (cash)	**(277.8)**	**(351.8)**	**(228.1)**	**(123.7)**
Total shareholders' Equity	**1,190.5**	**1,191.2**	**1,065.9**	**125.2**
Total net debt /(cash) and shareholders' equity	**912.6**	**839.3**	**837.8**	**1.5**

4. Detailed Net Financial Position

Euro million	31.12.2019	31.12.2019 *normalized*	31.12.2018	Change *normalized*
Cash and cash equivalents	731.5	731.5	569.3	162.2
Other financial receivables	102.4	102.2	54.2	47.9
Current financial debt	(138.2)	(119.7)	(156.1)	36.3
Current net financial assets / (debt)	**695.7**	**713.9**	**467.5**	**246.4**
Non current net financial assets / (debt)	**(417.9)**	**(362.1)**	**(239.4)**	**(122.7)**
Total Net Financial Position	**277.8**	**351.8**	**228.1**	**123.7**
of which:				
- Net financial position versus banks and other lenders	*357.4*	*357.4*	*229.0*	*128.3*
- lease related debt	*(74.0)*	*-*	*-*	*-*
- Net assets /(liabilities) other than bank debt (fair value of derivatives. financial liabilitiesfor business combinations and financial payables connected to pension funds)	*(5.5)*	*(5.5)*	*(0.9)*	*(4.6)*

5. Consolidated Cash Flow Statement

Euro million	2019	2018
Cash flow from operations	259.2	289.5
Cash flow from working capital	(21.6)	(111.3)
Cash flow from operations and delta WC	**237.5**	**178.1**
Cash flow from investments	(62.1)	(66.4)
Cash flow before IFRS 16 *Leasing*	**175.5**	**111.8**
Cash flow from application of IFRS 16 to leasing contracts	**(74.0)**	-
Operating cash flow	**101.5**	**111.8**
Dividends distributed	(55.3)	(149.5)
Cash flow from changes in *Fair value* and *Cash flow hedge* reserves	(1.7)	5.0
Cash flow from other changes in the Net Equity	5.2	10.3
Cash flow from changes in the Net Equity	**(51.8)**	**(134.3)**
Net Cash Flow	**49.7**	**(22.5)**
Opening Net Financial Position	228.1	250.6
Closing Net Finacial Position	**277.8**	**228.1**