



De'Longhi FY 2011 results

Investor Relations



De'Longhi FY 2011 results

Disclaimer

For the purpose of providing greater details, in some cases we may refer to management accounts' figures (instead of reported figures), as expressly indicated in the footnotes of the relevant pages.



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De'Longhi FY 2011 results

Sales and net industrial margin

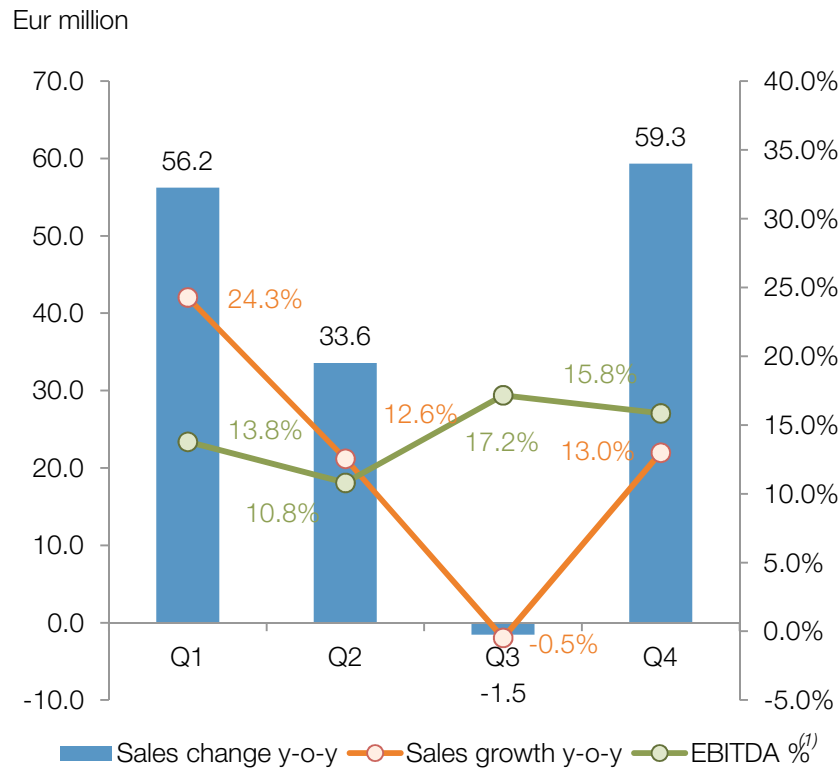
<i>EUR million</i>	2011	2010	<i>Change 2011 - 2010</i>	
Sales	1.429,4	1.281,8	147,6	11,5%
Net Ind. Margin	687,2	609,0	78,2	12,8%
<i>% of sales</i>	48,1%	47,5%		

- Sales were up by 11.5% in 2011; the net industrial margin increased to 48.1% from 47.5% thanks to a better mix (mainly due to a strong performance in high-end coffee makers and kitchen products) which more than offset the increasing cost pressures
- Increasing contribution to growth from emerging markets, which helped to compensate for initial signs of slowdown in some of the mature markets



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Performance by quarter



- On a quarterly basis, a strong contribution from Q1 and Q4 translated into a very positive performance on the full year
- Q3, albeit slightly negative at the top line level, was a very positive quarter in terms of profitability thanks to a positive mix effect, with EBITDA margin above 17% (before non recurring items)

(1) EBITDA margin before non recurring items



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EBITDA and EBIT

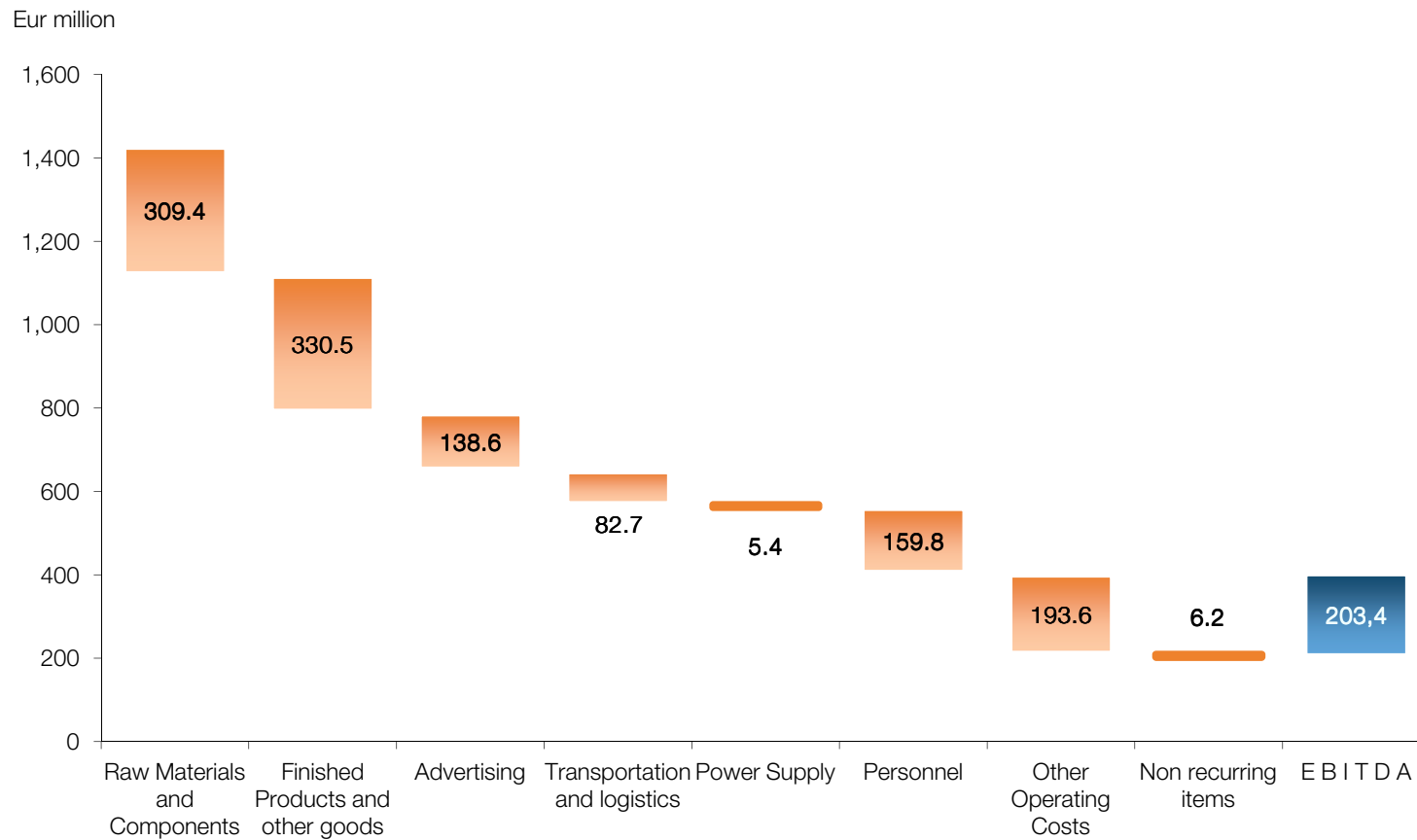
<i>EUR million</i>	2011	2010	<i>Change 2011 - 2010</i>	
EBITDA	209,6	169,6	40,1	23,6%
before non recurring items				
% of sales	14,7%	13,2%	+144bp	
EBITDA	203,4	166,6	36,8	22,1%
% of sales	14,2%	13,0%	+123bp	
EBIT	172,5	135,5	37,0	27,3%
% of sales	12,1%	10,6%	+150bp	

- The Group improved margins notwithstanding the pressure on COGS (due to increased raw material prices and a stronger USD) thanks to:
 - the operating leverage
 - an improved product mix



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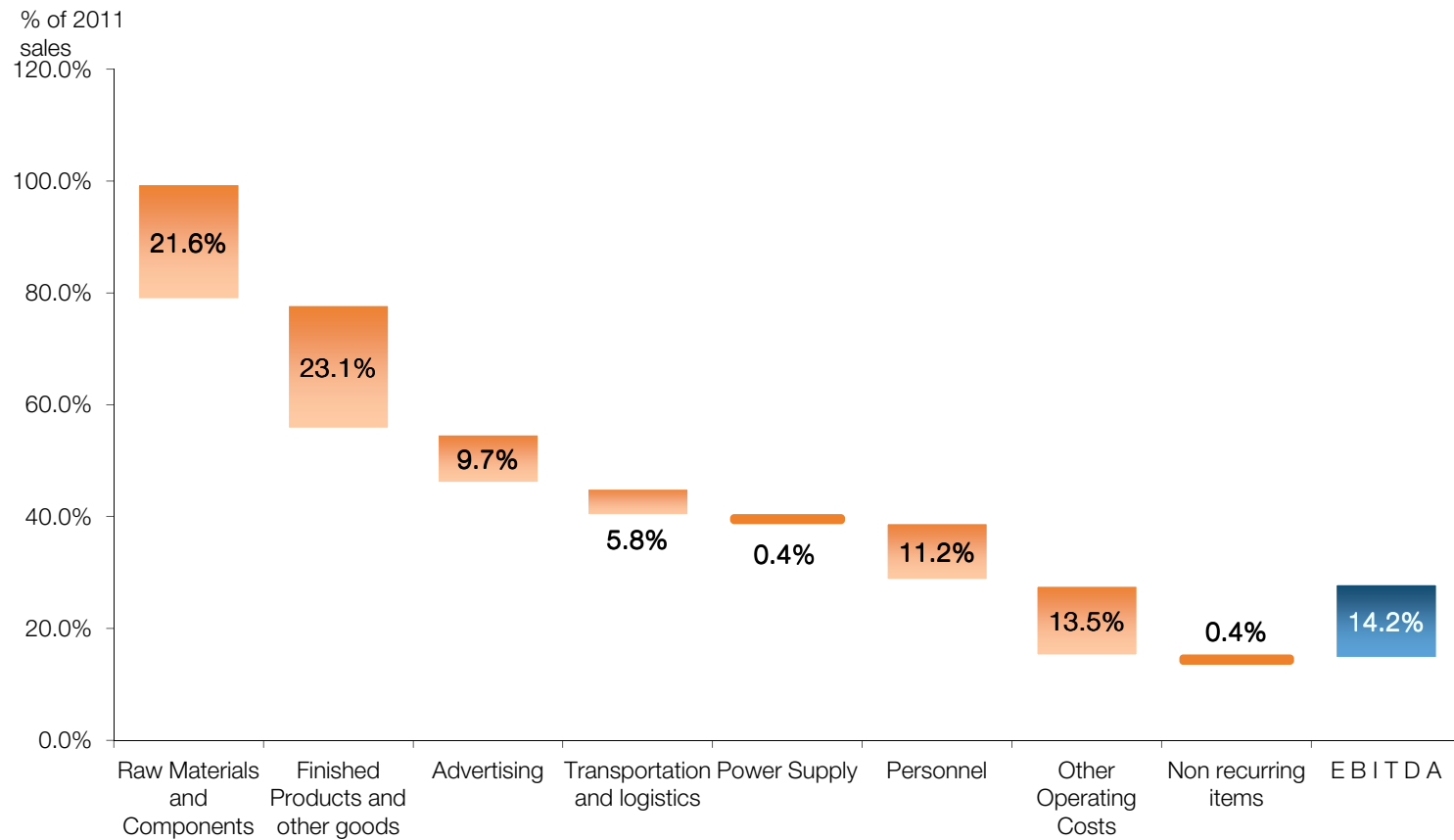
Costs contribution to EBITDA





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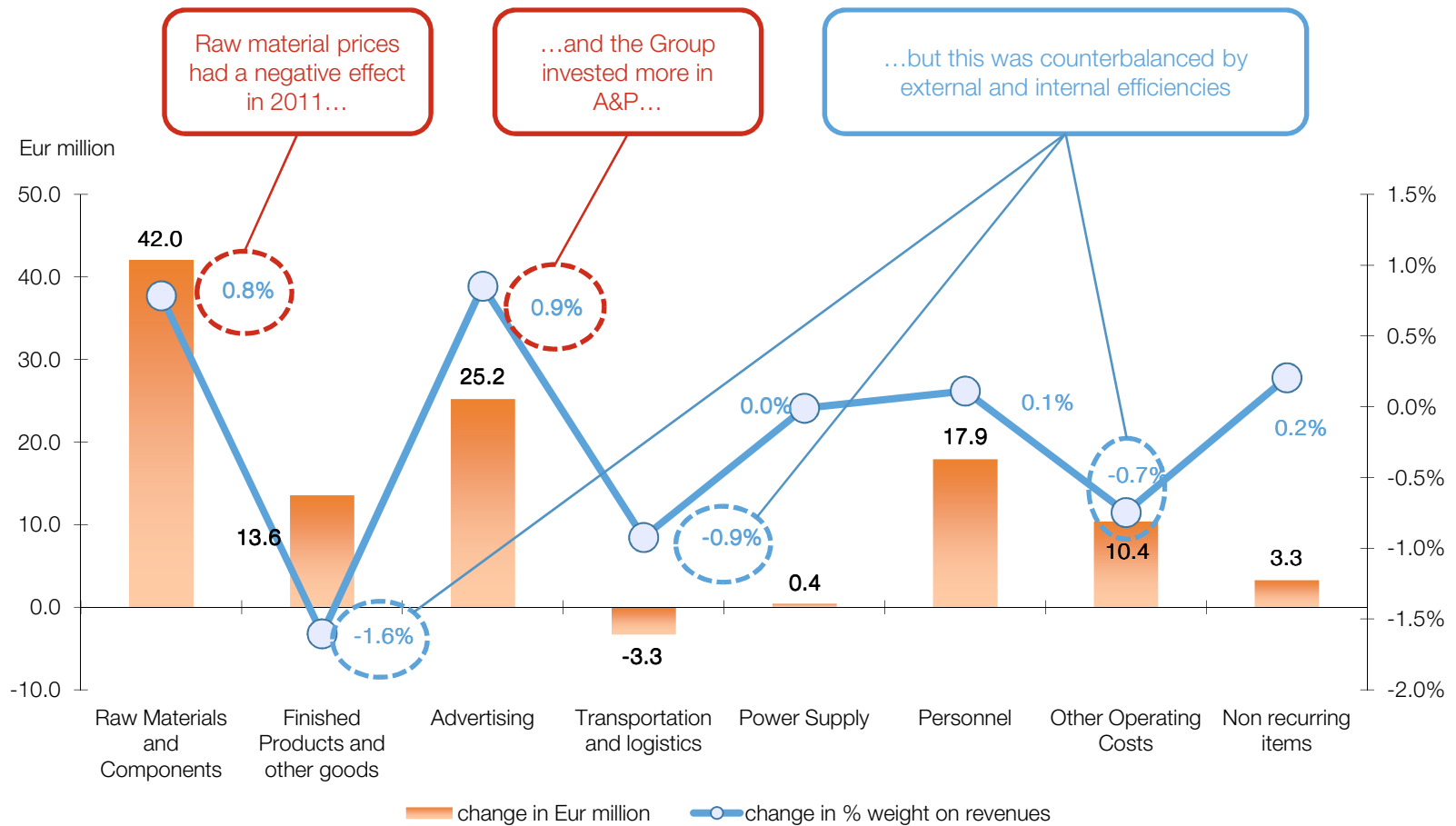
Costs % contribution to EBITDA





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Operating costs change vs 2010





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EPS

<i>EUR million</i>	2011	2010	<i>Change 2011 - 2010</i>	
Net Profit	93,9	80,1	13,8	17,3%
<i>% of sales</i>	6,6%	6,2%		
EPS	0,63	0,54		17,3%
Dividend PS	0,33	0,15		126,0%
Payout ratio	52,5%	27,3%		

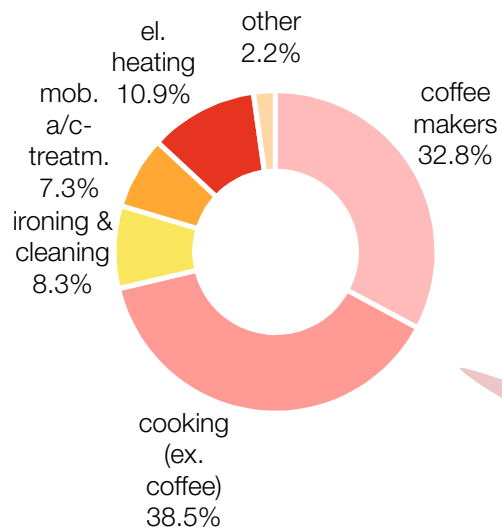
- High double-digit net profit growth, accompanied by net profit margin expansion
- Following the very positive performance, the distributed dividend per share more than doubled to Eur 0.33 (+126% vs 2010)



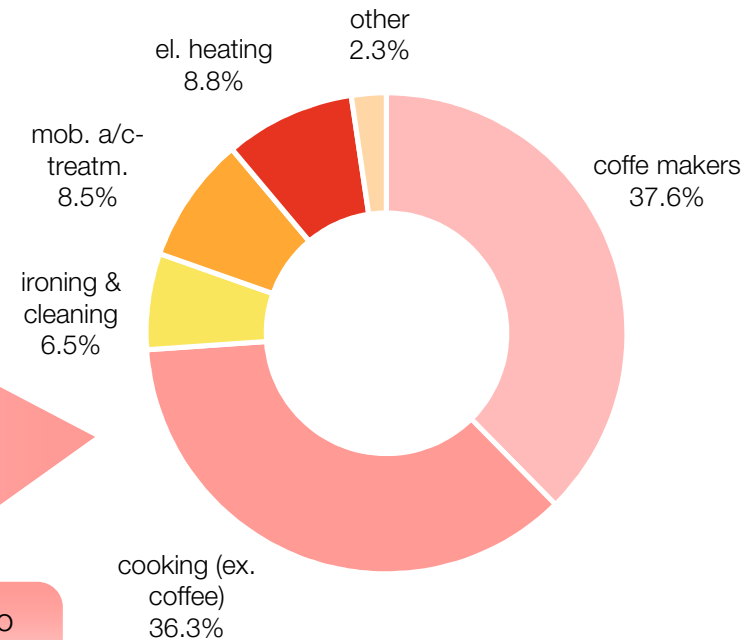
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Sales' breakdown by product⁽¹⁾

2010 sales breakdown by product



2011 sales breakdown by product



○ Increased contribution to sales from **core drivers**, from 71.3% to 73.9%

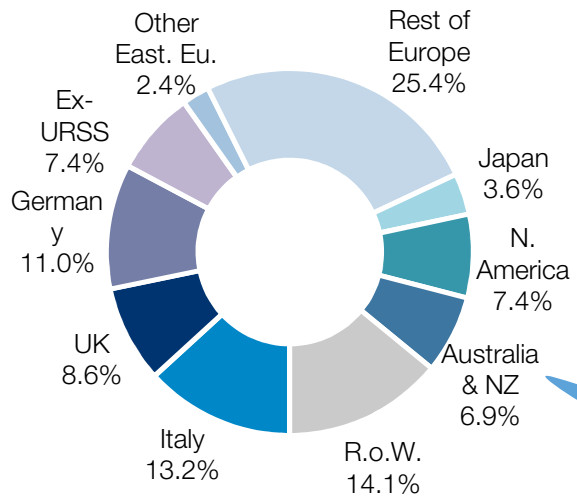
(1) Figures based on management accounts



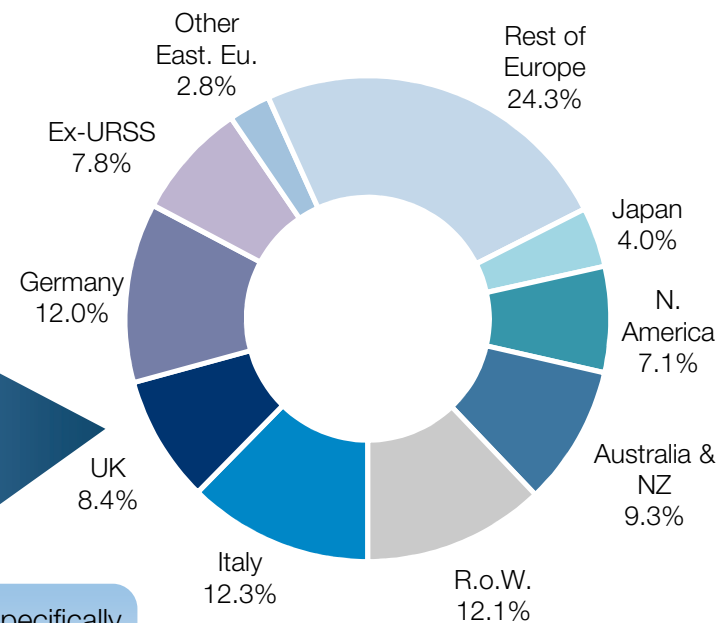
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Sales' breakdown by market⁽¹⁾

2010 sales breakdown by market



2011 sales breakdown by market



- Increasing foreign countries, specifically emerging markets (from 31% to 32%)
- **Australia & NZ became 3rd market**

(1) Figures based on management accounts



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The debt position

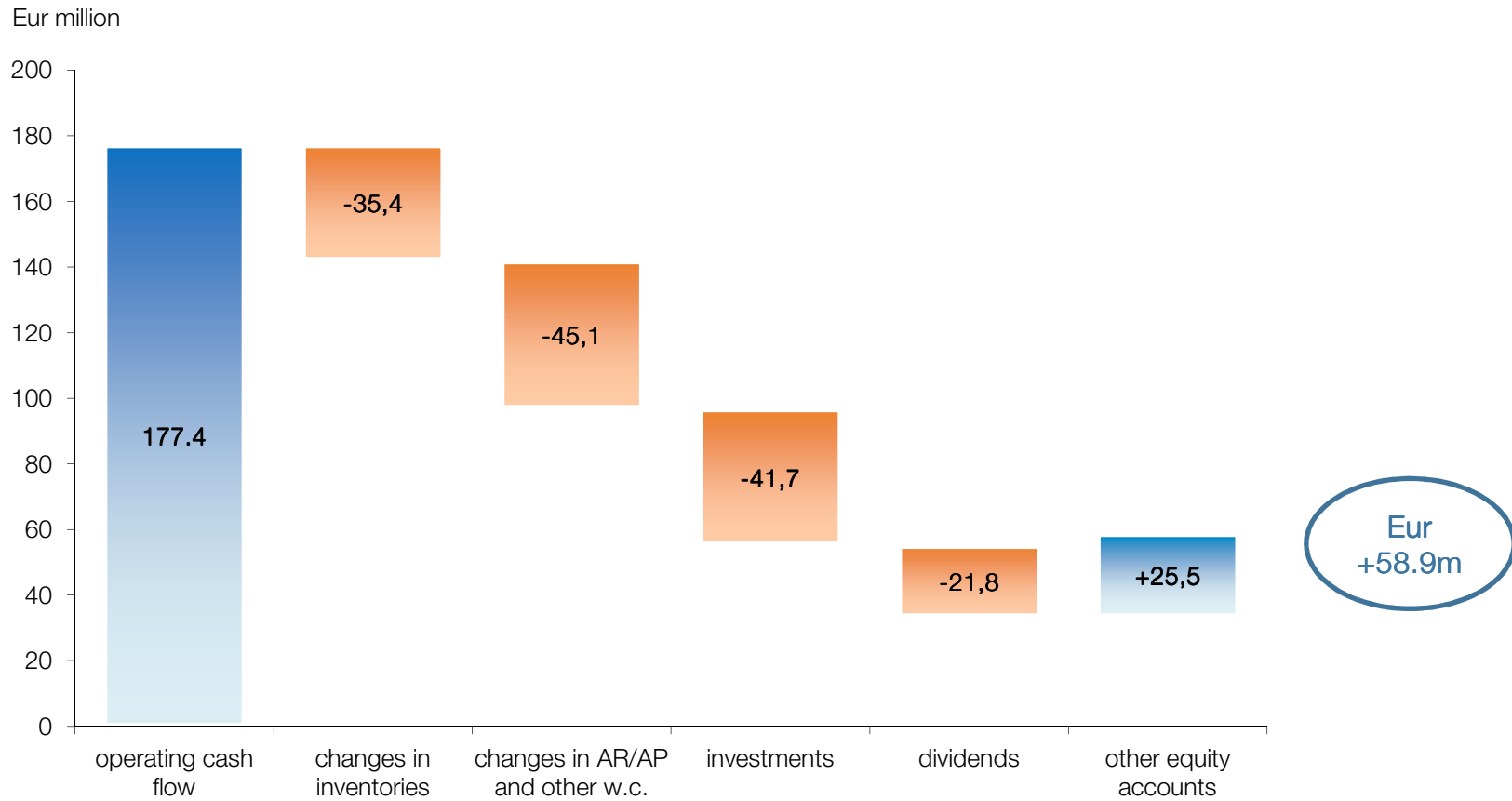
<i>EUR million</i>	2011	2010	<i>Change 2011 - 2010</i>
Net Working Capital	235,2	185,8	49,5
Net Equity	586,6	638,9	-52,3
Reported Net Cash (before capital contribution to Professional division)		208,5	
Pro-forma Net Cash	117,4	58,5	58,9
Net Debt / Equity (x) [<i>Gearing</i>]	-0,20	-0,09	
Net Debt / Ebitda 12 m.(x) [<i>Leverage</i>]	-0,58	-0,35	
N.W.C. / Revenues 12 m.	16,5%	14,5%	

- Eur 58,9m positive cash flow (excluding the Eur 150m capital contribution to the Professional division)
- 200bps increase in working capital to sales ratio is due to specific, temporary situations (US, Australia)
- A very strong balance sheet overall, with an improved net cash position at year end



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The cash flow performance





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- The FY 2011 results

Appendix 1:

- The Household pro-forma P&L 2010-2011



Appendix 1

The Household pro-forma P&L 2010-2011⁽¹⁾

	2010					2011				
	Q1-10	Q2-10	Q3-10	Q4-10	FULL YEAR	Q1-11	Q2-11	Q3-11	Q4-11	FULL YEAR
Revenues	231,6	267,6	325,9	456,7	1.281,8	287,8	301,1	324,4	516,1	1.429,4
% change y-o-y						24,3%	12,6%	-0,5%	13,0%	11,5%
net industrial margin	113,2	127,1	150,4	218,3	609,0	137,0	140,3	163,6	246,3	687,1
%	48,9%	47,5%	46,1%	47,8%	47,5%	47,6%	46,6%	50,4%	47,7%	48,1%
Ebitda (before not rec.)	29,0	25,5	47,4	67,8	169,6	39,7	32,5	55,7	81,8	209,6
%	12,5%	9,5%	14,5%	14,8%	13,2%	13,8%	10,8%	17,2%	15,8%	14,7%
EBITDA	28,6	22,8	47,4	67,9	166,6	38,9	31,8	53,3	79,5	203,4
%	12,3%	8,5%	14,5%	14,9%	13,0%	13,5%	10,6%	16,4%	15,4%	14,2%
EBIT	21,7	16,2	40,3	57,4	135,5	31,7	24,8	46,0	70,0	172,5
%	9,4%	6,0%	12,4%	12,6%	10,6%	11,0%	8,2%	14,2%	13,6%	12,1%
Profit before Taxes	16,2	7,4	34,2	53,6	111,5	28,4	18,9	31,9	59,5	138,8
Taxes	(5,1)	(2,9)	(9,3)	(13,9)	(31,3)	(8,8)	(7,9)	(5,8)	(21,8)	(44,4)
Profit / (Loss) for the period	11,1	4,5	24,9	39,7	80,3	19,7	11,0	26,1	37,7	94,4
Profit / (Loss) pertaining to minority interests	(0,1)	0,1	0,1	0,1	0,2	0,2	0,1	0,1	0,1	0,5
Profit / (Loss) after minority interests	11,2	4,4	24,9	39,6	80,1	19,5	10,9	26,0	37,6	93,9

(1) Pro-forma unaudited figures for the Household division



thank you

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