Treviso, March 3rd 2015

PRESS RELEASE

De'Longhi SpA:

Today the Board of Directors approved the Group's consolidated results as of December 31st 2014. Revenues grew to € 1,726.7 million, +6.8% (+9.7% at constant exchange rates); Ebitda (before non-recurring items) stood at € 260.1 million up +7.7% (€ 288.1 million at constant exchange rates and excluding hedging) while net income reached € 126.5 million. Net financial position is positive at € 89.0 million, improving by € 98.0 million. The Board proposed a dividend of € 0.41 per share, versus € 0.40 the previous year

Summary

the fourth quarter
October 1st – December 31st 2014

- Q4 revenues reached € 639.8 million, up +8.2% (+10.0% at constant exchange rates);
- net industrial margin equaled € 305.3 million, +6.7%;
- Ebitda before non-recurring items at € 123.5 million (19.3% margin on revenues) increasing by 14.8%;
- Ebit at € 109.5 million (17.1% margin on revenues) up by 18.9%;

the 12 months
January 1st – December 31st 2014

- over the 12 months, revenues increased by 6.8% to € 1,726.7 million (+9.7% at constant exchange rates);
- net industrial margin stood at € 815.7 million, up by +3.5%;
- Ebitda before non-recurring items at € 260.1 million (15.1% margin on revenues), a 7.7% increase;
- Ebit reached € 212.7 million (12.3% margin on revenues), up by +9.5%;
- Net income pertaining to the Group was € 126.5 million (up from € 116.9 million), up by 8.2%;
- the net financial position is positive by € 89.0 million, a € 98.0 million improvement from December 31st 2013

The 2014 results: the Group

During the 2014 fiscal year the Group went ahead with its growth and investment policies, which represent the pillar to the results achieved in terms of margins and cash generation.
The 2014 fiscal year was particularly important for the Group also because the integration of the Braun Household brand was successfully completed; the Braun brand achieved significant commercial success, supported by the progressive renewal of its products' portfolio, whose benefits have still to be fully reaped.

With regards to the markets, global demand in 2014 had an uneven behavior; West Europe, USA, Middle-East, Africa, Asia and Latin America were growing, while Oceania and East Europe had a negative performance, with the latter negatively affected by the geo-political uncertainties and by the related foreign exchange impacts.
In fact, Russian Ruble and Ukraine's Hrivnia were responsible for the bulk of the negative impact both on Group's revenues and margins.

More in general, the Group closed FY 2014 with a confirmation of the robustness of its industrial and commercial strategies, moving towards new expansion and strengthening targets.

the 12 months - revenues

FY 2014 **revenues** reached € 1,726.7 million, up by 6.8% (+9.7% at constant exchange rates).

By geography, **Europe** grew **+8.5%**, thanks to a particularly strong contribution of **North-East Europe (+16.9%)**, driven by UK, Russia (up double digit despite a material Ruble devaluation) as well as by other Eastern European countries.
Positive contribution also from **South-West Europe area (+3.8%)**, thanks to higher sales in France, Iberia, Switzerland, Turkey and, although to a lower extent, Italy and Germany.
The **MEIA** area (Middle East, India, Africa) was up **+9.0%**, thanks to a particularly strong performance of Saudi Arabia.
Revenues of the **APA** area (Asia, Pacific, Americas) increased slightly **(+0.7%)** following a muted performance of the main reference markets: higher revenues in China, South Korea, USA and Mexico were balanced by lower sales in Australia, New Zealand and Canada.

Looking at revenues by product family, the Group recorded a strong growth of **cooking and food preparation appliances**, driven by Kenwood-branded kitchen machines, by fryers (thanks to the successful launch of the new De'Longhi-branded *Multifry*) as well as by blenders, toasters and kettles.

Also **coffee makers** revenues increased significantly, led by internally manufactured appliances, such as fully-automatic coffee makers, traditional espresso machines and by Nespresso "*Lattissima*" and DolceGusto "*Jovia*" capsule machines.

Ironing recorded a positive performance, up double digit particularly thanks to the contribution of Braun-branded products.

Finally, the **comfort** segment recorded a muted performance, with mobile air conditioning growing slightly, partially offsetting a small decrease of the portable heating segment.

Net industrial margin

Thanks to an improved mix and higher volumes, the **net industrial**

margin increased from € 788.2 million in 2013 to € 815.7 million in 2014, despite a negative FX impact worth €-45.5 million.

Ebitda

Ebitda before non-recurring items increased by 7.7% to € 260.1 million (15.1% of revenues) up from € 241.6 million (14.9% of revenues).
At constant exchange rates and excluding hedging, EBITDA before non-recurring items would have been equal to € 288.1 million (16.3% margin). The negative FX and hedging impact was negative by € -35.7 million in 2014.

The non-recurring items were negative by € -0.6 million, compared to € -2.6 million in 2013.

EBITDA after non-recurring items reached € 259.6 million, increasing +8.6% from € 239.0 million in 2013, and improving also as a percentage of revenues to 15.0% (from 14.8% in 2013).

Ebit

Ebit was equal to € 212.7 million (12.3% of revenues), a 9.5% increase versus the previous year, despite higher D&A (increasing by € 2.2 million from 2013) linked to the industrial investments made by the Group.

DE'LONGHI GROUP *12 months*	**2014**		**2013[1]**	
	M €	***% of revenues***	**M €**	***% of revenues***
Net industrial margin	**815.7**	***47.2 %***	**788.2**	***48.7 %***
EBITDA before non-recurring items	**260.1**	***15.1 %***	**241.6**	***14.9 %***
EBITDA	**259.6**	***15.0 %***	**239.0**	***14.8 %***
EBIT	**212.7**	***12.3 %***	**194.3**	***12.0 %***
Net income pertaining to the Group	**126.5**	***7.3 %***	**116.9**	***7.2 %***

(1) 2013 figures were restated due to the deconsolidation of the TCL joint venture

Net income

After **net financial charges** worth € 41.7 million (up from € 37.4 million in 2013 due to higher FX and hedging costs worth € 5.0 million), **net income pertaining to the Group** reached € 126.5 million (€ 116.9 million in 2013).

The fourth quarter

Q4 **revenues** increased by 8.2% (+10.0% at constant exchange rates), reaching € 639.8 million, while **Ebitda** before non-recurring items stood at € 123.5 million (19.3% of revenues from 18.2% of revenues in 2013).
After non-recurring items, **Ebitda** reached € 123.0 million (19.2% of revenues), up from € 105.4 million (17.8% of revenues) in 2013.

DE' LONGHI GROUP Q4	2014		2013 (1)	
	M €	*% of revenues*	M €	*% of revenues*
Net industrial margin	**305.3**	***47.7 %***	**286.1**	***48.4 %***
EBITDA before non-recurring items	**123.5**	***19.3 %***	**107.6**	***18.2 %***
EBITDA	**123.0**	***19.2 %***	**105.4**	***17.8 %***
EBIT	**109.5**	***17.1 %***	**92.2**	***15.6 %***
Net income pertaining to the group	**72.3**	***11.3 %***	**60.0**	***10.1 %***

(1) 2013 figures were restated due to the deconsolidation of the TCL joint venture

Net financial position

Net financial position as of December 31st 2014 is positive by € 89.0 million, compared to € -9.0 million at the end of FY 2013; as a consequence, over the 12-month period the net financial position improved by € 98.0 million, despite the cash outlays related to capital expenditures (€ 60.8 million, of which € 25.7 million are non-recurring, since they are related to the new industrial structures) and to dividends paid (€ 59.8 million).

Net financial position versus banks and third-party lenders (which excludes the accounting entries relating to the potential earn-out linked to the Braun deal, the fair value of derivatives and options and the residual commitments linked to the UK pension plan) as of December 31st 2014 was positive by € 113.2 million, up from € 40.9 million in 2013, improving by € 72.3 million.

Net working capital

Net working capital increased by € 9.5 million, improving, as a percentage of revenues, from 14.0% in 2013 to 13.7% as of December 31st 2014.

Dividend

The Board of Directors will propose to the Shareholders' Annual General Meeting (which will be held on April 14th 2015) a dividend per share of € 0.41, which will be payable from April 22nd 2015, with ex-dividend date on April 20th 2015, and record date ex art. 83-terdecies of D. Lgs. n. 58/98 as of April 21st 2015; the pay-out ratio is about 48%.

Events occurred after the end of the year

During the month of March 2015 the Company will reimburse in full (in advance of the original maturity) medium-long term debt totaling about € 18 million.

Foreseeable business development

Expectations for the global economic environment in 2015 appear to be still uncertain. However, management believes that the Group can go ahead in its growth path thanks to its strong competitive positioning, to its innovation capabilities as well as to the potential of the Braun brand.

CEO Mr Fabio de' Longhi said: "*Global markets remain difficult and very competitive, but the two core segments where the Group operates, espresso coffee makers and food preparation appliances, remain in a positive trend.*
I therefore believe that the Group has the chance to continue along its growth trajectory, both through internal and, potentially, external growth, thanks to its strong balance sheet and its cash flow generation capacity".

Declaration of the manager responsible for the company's accounts

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.

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A N N E X

Consolidated results of De'Longhi SpA as of December 31st 2014

Consolidated income statement

Euro million	2014	% of revenues	2013 (*)	% of revenues
Net revenues	**1,726.7**	**100.0%**	**1,616.9**	**100.0%**
Change 2014/2013	*109.7*	*6.8%*		
Materials consumed and other production costs (services and production payroll costs)	(911.0)	(52.8%)	(828.8)	(51.3%)
Net industrial margin	**815.7**	**47.2%**	**788.2**	**48.7%**
Costs of services and other expenses	(406.5)	(23.5%)	(406.0)	(25.1%)
Labour cost (non industrial)	(149.1)	(8.6%)	(140.6)	(8.7%)
EBITDA before non-recurring items	**260.1**	**15.1%**	**241.6**	**14.9%**
Change 2014/2013	*18.5*	*7.7%*		
Non-recurring items	(0.6)	(0.0%)	(2.6)	(0.2%)
EBITDA	**259.6**	**15.0%**	**239.0**	**14.8%**
Amortization	(46.8)	(2.7%)	(44.6)	(2.8%)
EBIT	**212.7**	**12.3%**	**194.3**	**12.0%**
Change 2014/2013	*18.4*	*9.5%*		
Net financial charges	(41.7)	(2.4%)	(37.4)	(2.3%)
Profit before taxes	**171.0**	**9.9%**	**157.0**	**9.7%**
Taxes	(43.8)	(2.5%)	(39.5)	(2.4%)
Profit / (loss) for the period	**127.2**	**7.4%**	**117.5**	**7.3%**
Profit / (loss) pertaining to minority interests	0.7	0.0%	0.6	0.0%
Profit / (loss) pertaining to the Group	**126.5**	**7.3%**	**116.9**	**7.2%**

(*) Figures as of December 31st 2013 were redetermined following the retrospective adoption of IFRS 11 - *Joint arrangements.*

Consolidated Balance Sheet

Euro million	31.12.2014	31.12.2013 (*)	Variazione
- intangible assets	325.1	327.3	(2.2)
- tangible assets	191.1	171.4	19.7
- financial assets	7.7	7.4	0.3
- deferred tax assets	42.5	38.1	4.4
Fixed assets	**566.5**	**544.2**	**22.3**
- inventory	317.8	281.3	36.5
- trade receivables	366.2	334.6	31.6
- trade payables	(382.5)	(338.6)	(44.0)
- other net current assets / (liabilities)	(65.2)	(50.6)	(14.6)
Net working capital	**236.2**	**226.7**	**9.5**
Non current liabilities	**(105.5)**	**(91.9)**	**(13.6)**
Net invested capital	**697.2**	**679.0**	**18.2**
Net debt / (net cash) (**)	**(89.0)**	**9.0**	**(98.0)**
Total shareholders' equity	**786.1**	**669.9**	**116.2**
Total net debt and shareholders' equity	**697.2**	**679.0**	**18.2**

(*) Figures as of December 31st 2013 were redetermined followng the retrospective adoption of IFRS 11 - *Joint arrangements.*
(**) Net financial position as of December 31st 2014 includes net financial liabilities worth Euro 24.2 million (Euro 49.9 million as of December 31st 2013) related to the *fair value* of derivatives, to the financial debt linked to the externalization of risks associated to the UK pension plan, to the accounting of options related to minority stakes and to the remaining debt versus P&G for the Braun acquisition.

Consolidated Cash Flow Statement

Euro million	2014	2013 (*)
Cash flow from operations	215.3	205.0
Cash flow from changes in the working capital	(46.7)	(32.6)
Cash flow from ordinary investments	(60.8)	(59.7)
Operating Cash Flow	**107.8**	**112.7**
Dividends	(59.8)	(43.4)
Cash flow from changes in the Fair value and Cash flow hedge reserves	19.4	(4.7)
Cash flow from actuarial losses related to the UK pension plan transaction	0.1	(6.2)
Cash flow from other changes in the the net equity	30.5	(1.3)
Cash flow from changes in the net equity	**(9.8)**	**(55.6)**
Net cash flow	**98.0**	**57.0**
Opening net financial position	(9.0)	(66.1)
Closing net financial position	**89.0**	**(9.0)**

(*) Figures as of December 31st 2013 were redetermined following the retrospective adoption of IFRS 11 - *Joint arrangements.*

Revenues breakdown by geography

Euro million	2014	% of revenues	2013 (*)	% of revenues	Change	% Change
North East Europe	466.1	27.0%	398.9	24.7%	67.2	16.9%
South West Europe	731.1	42.3%	704.6	43.6%	26.5	3.8%
EUROPE	**1.197.2**	**69.3%**	**1.103.5**	**68.2%**	**93.7**	**8.5%**
MEIA (Middle East/India/Africa)	**163.4**	**9.5%**	**149.9**	**9.3%**	**13.6**	**9.0%**
Australia & New Zealand	100.9	5.8%	109.7	6.8%	(8.8)	(8.0%)
US & Canada	97.6	5.7%	97.4	6.0%	0.2	0.2%
Japan	58.0	3.4%	59.3	3.7%	(1.2)	(2.1%)
Other APA countries	109.5	6.3%	97.2	6.0%	12.3	12.6%
APA (Asia/Pacific/Americas)	**366.1**	**21.2%**	**363.6**	**22.5%**	**2.5**	**0.7%**
Total revenues	**1,726.7**	**100.0%**	**1,616.9**	**100.0%**	**109.7**	**6.8%**