

Treviso, April 24, 2012

PRESS RELEASE

De' Longhi SpA: The Shareholders' meeting has approved the 2011 results.

- The Shareholders' meeting, held today in first call, has approved the consolidated results of year 2011.
- A dividend of € 0.33 per share has been resolved.
- The authorization to purchase and disposal of the Company's shares was renewed.
- The shareholders gave their positive advice in relation to the remuneration policy for the year 2012 contained in the “Relazione Annuale sulla Remunerazione “ as of art. 123-ter of “TUF”

Summary

the full year	<ul style="list-style-type: none">▪ revenues increased by 11.2% to € 1,807.8 million;▪ Ebitda before non recurring items amounted to € 243.7 million (13.5% of revenues), increasing by 21.5%;▪ Ebit amounted to € 182.8 million (10.1% of revenues), increasing by 23.8%;▪ The net profit pertaining to the Group reached € 90.2 million (from € 74.9 million);▪ The net financial position was positive at € 69.6 million.
A dividend of € 0,33 per share was approved	<p>The distribution of a dividend of € 0.33 per share (gross of any applicable tax) was approved, representing a <i>pay out ratio</i> of 54.7%. The date of record of dividend (coupon no. 12) is April 30, 2012 and the payment of dividends starts on May 4, 2012.</p>
Authorization to purchase and dispose of Company's shares	<p>The Shareholders resolved to renew the authorization to the purchase and disposal of the Company's shares up to a maximum amount of 28 million ordinary shares and not exceeding one fifth of the share capital, including shares owned by controlled companies as well.</p>
Remuneration policy 2012	<p>The shareholders gave their positive advice in relation to the remuneration policy for the year 2012 contained in the “Relazione Annuale sulla Remunerazione “ as of art. 123-ter of “TUF”.</p>

The 2011 results : the Group

Financial year 2011 was the last one for the De' Longhi Group in its perimeter before the demerger of the Professional Division, which was moved under the control of DeLclima S.p.A. since January 1st 2012; on the same date then, DelClima was listed on the Milan's Stock Exchange.

In light of the mentioned spin off transaction, involving the Professional Division, we herein provide, in addition to the Group consolidated results, the figures of the two divisions, Household (including the Corporate division as well) and Professional, with such economic and financial detail as to allow to draw a picture consistent with the new consolidation perimeters after spin off.

Therefore, at a divisional level, all references to year 2010 are reported on a "proforma" basis, so as to be comparable to the new perimeters; this choice led the Household's data not to be aligned with the historical data provided in the previous quarterly reports.

The Group's 2011 **turnover** reached € 1,807.8 million, growing by 11.2% , due to a positive trend of both divisions, which witnessed a picture partially improved in respect of the management's expectations and official guidance, that anticipated a slower path for the Professional division.

All main markets performed positively, with a few exceptions (Spain and Middle-East & Africa above all).

The strength of the main drivers of Household (coffee makers and food processors) and Professional division (industrial air conditioning) and the related improved **net industrial margin** (44.7% of revenues, from 44.1%) allowed **Ebitda** increase by 21.5% to € 243.7 million (or 13.5% of revenues) from € 200.6 million (or 12.3% of revenues), before non recurring charges amounting to € 7.9 million. These charges were including, for almost half the total, the costs related to the Professional division's demerger and listing process.

Ebit amounted to € 182.8 million, growing by 23.8% vs. the previous year, thus leading to a record net profit of € 90.2 million (comparing to € 74.9 million in 2010), after **net financial charges** of € 39.8 million.

DE' LONGHI GROUP 12 MONTHS	2011		2010	
	M €	%of revenues	M €	%of revenues
Net industrial margin	808,2	44,7 %	716,6	44,1 %
EBITDA before non recurring items	243,7	13,5 %	200,6	12,3 %
EBITDA	235,8	13,0 %	194,6	12,0 %
EBIT	182,8	10,1 %	147,6	9,1 %
Net profit pertaining to the Group	90,2	5,0 %	74,9	4,6 %

Having substantially respected the target of stabilizing the net working capital to revenues ratio (which slightly increased to 14.4% from 14%), the Group was able to generate a cash flow of € 74.4 million, thus bringing the **net financial position** to a positive amount of € 69.6 million. This figure includes the fair value of derivatives, options and other commitments for a total of € 15.8 million.

Dividend

The Board of Directors has resolved to propose to the Shareholders' meeting a dividend of € 0.33 per share, corresponding to a pay-out ratio of 54.7%. The date of record of dividend (coupon n. 12) is April 30, 2012 and the payment of dividends starts on May 4, 2012.

The Household division

In the Household division (herein aggregated with the corporate division so as to make it comparable to the current De' Longhi S.p.A. after spin off) the growth of net **revenues** (+11.5% to € 1,429.4 million) together with the improvement of the **net industrial margin** (from 47.5% to 48.1%) led to an improvement of **Ebitda** from 13.2% to 14.7% of revenues (from € 169.6 million to € 209.6 million), before non recurring charges amounting to € 6.2 million, due for more than half of it to the costs of the professional division demerger and listing process.

The major contribution to these results, like in previous quarters, came from both coffee makers and food processors segments, growing by double digit, whose weight on total sales reached 71,8%.

To be noticed that the share of emerging markets on total sales increased to 32%, thanks to an average growth of these markets of about 14%

Ebit amounted to € 172.5 million (from € 135.5 million in 2010) or 12.1% of revenues.

HOUSEHOLD DIV. (proforma) 12 MONTHS	2011		2010	
	M €	% of revenues	M €	% of revenues
Net industrial margin	687,2	48,1 %	609,0	47,5 %
EBITDA before non recurring items	209,6	14,7 %	169,6	13,2 %
EBITDA	203,4	14,2 %	166,6	13,0 %
EBIT	172,5	12,1 %	135,5	10,6 %

The division's **net financial position** as at Dec. 31, 2011 became positive to € 117.4 million (of which € 27 million were representing the fair value of derivatives and options on minority participations).

It's worth mentioning the decision of the Group to keep all term loans in place, despite a considerable amount of available liquidity, in order to reduce the dependence from debt capital markets, highly impacted by the global financial crisis.

The Professional division

The Professional division (currently part of the DeLclima Group, listed since January 1st 2012) grew more than expected in 2011: **revenues** increased by 10.4% to € 389.2 million (€ 352.6 million in 2010), thanks to the favourable trend of the core business of industrial air conditioning.

As regards margins, despite the **net industrial margin** had improved from € 111.8 million (or 31.7% of revenues) to € 125.7 million (32.3% of revenues) and **Ebitda** (before non recurring items) had increased to € 33.8 million (or 8.7% of revenues), the negative impact of radiators' business and of some non recurring items, including also the impairment related to the radiators' business, brought **Ebit** down to € 10 million (from € 12.1 million).

PROFESSIONAL DIVISION 12 MONTHS	2011		2010	
	M €	% of revenues	M €	% of revenues
Net industrial margin	125,7	32,3 %	111,8	31,7 %
EBITDA before non recurring items	33,8	8,7 %	31,0	8,8 %
EBITDA	32,1	8,3 %	27,9	7,9 %
EBIT	10,0	2,6 %	12,1	3,4 %

The division's **net financial position** as at December 31, 2011, amounted to € -47.8 million (including only € 36.7 million of bank debt, being the remaining € 11.1 million the accounting of options and other commitments).

The change vs. the NFP of end 2010 (€ -211.7 million) is due to the € 150



million capital increase, done before the division's spin off, and to the operating cash flow.

Events following the end of the year

In January 2012, the Household division reached an agreement with Nokia Group for the acquisition of a factory in Cluj, Romania, that was disclosed in a press release dated Jan. 25, 2012.

In April 2012, De' Longhi and Procter & Gamble have reached an agreement for the perpetual licensing of the Braun brand for use in household small appliances, which was disclosed in a press release dated April 16, 2012.

Foreseeable business development

Although the global market looks still difficult and uncertain, both De' Longhi S.p.A. and DeLclima S.p.A. (formerly the Household and Professional divisions) have fairly positive perspectives for the current year, in view of the strength provided by the industrial know how, the competitive positioning and the efficient distribution network, by a good exposure to emerging markets and the presence in high growth business niches.

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.

Other resolutions taken by the Shareholders

Authorization to purchase and dispose of Company's shares

The Shareholders have approved the authorization to the purchase and disposal of the Company's shares up to a maximum of 28 million ordinary shares and not exceeding one fifth of the share capital, including all shares owned by controlled companies as well. Said authorization will be valid for 18 months from the date of today and includes the faculty of disposing of the Company's shares already owned, even before completing all purchases, without time limits.

All purchases shall be done according to art. 132 of the D.Lgs. n. 58/98 and following procedures provided for in art. 144-*bis*, co. 1° of Reg.Consob n. 11971/99. The purchase price of each share, including accessory costs, will have to be not less than 20% (twenty per cent) and not more than 5% (five per cent) of the official price of all transactions recorded on the Mercato Telematico Azionario on the day before the purchase.

The reasons that brought the Board of Directors to submit again to the Shareholders' meeting the request of authorization to the purchase and, to certain extent, the disposal of the Company's shares, always subject to the equal treatment of Shareholders and to the regulations in place, are detailed in the "Relazione degli Amministratori" drafted according to art. 125-ter TUF.

Any further detail can be found in the Relazione degli Amministratori, according to art. 125-ter of D. Lgs. n. 58/98, available on the internet corporate site, section *Corporate/Investor Relations/Governance*.

As at today, neither the Company nor any of its subsidiaries are owning Company's shares.

Remuneration Policy 2012

As requested by exiting laws and regulations, the "Politica sulla Remunerazione 2012" (policy for remuneration 2012) was submitted to the Shareholders for their advice. This policy is contained in the Section 1 of the "Relazione Annuale sulla Remunerazione di De' Longhi S.p.A.", deposited with Borsa Italiana and disclosed on the website of the company www.delonghi.com, in the Investor Relations section, - "Governance" - "Assemblee" - "2012" (Italian version only).

Shareholders expressed their positive advice on said policy and on the related implementation procedures.

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ANNEX

Consolidated results of De' Longhi Group as at December 31, 2011

Consolidated Income Statement

Euro million	2011	% of revenues	2010	% of revenues
Net revenues	1.807,8	100,0%	1.626,3	100,0%
<i>change</i>	181,5	11,2%		
Materials consumed and other production costs (services and production payroll costs)	(999,6)	(55,3%)	(909,6)	(55,9%)
Gross Profit	808,2	44,7%	716,6	44,1%
Costs of services and other expenses	(395,1)	(21,9%)	(355,7)	(21,9%)
Added value	413,2	22,9%	360,9	22,2%
Labour cost (non industrial)	(142,6)	(7,9%)	(130,0)	(8,0%)
Provisions	(26,9)	(1,5%)	(30,3)	(1,9%)
EBITDA before non recurring items	243,7	13,5%	200,6	12,3%
<i>change</i>	43,1	21,5%		
Non recurring items	(7,9)	(0,4%)	(6,0)	(0,4%)
EBITDA	235,8	13,0%	194,6	12,0%
Amortization	(41,5)	(2,3%)	(41,4)	(2,5%)
Non recurring depreciations	(11,5)	(0,6%)	(5,6)	(0,3%)
Ebit	182,8	10,1%	147,6	9,1%
<i>change</i>	35,2	23,8%		
Net financial charges	(39,8)	(2,2%)	(36,1)	(2,2%)
Profit before taxes	143,0	7,9%	111,6	6,9%
Taxes	(52,5)	(2,9%)	(36,5)	(2,2%)
Profit / (Loss) of the period	90,5	5,0%	75,1	4,6%
Profit (loss) pertaining to minority interests	0,3	0,0%	0,2	0,0%
Profit (loss) pertaining to the Group	90,2	5,0%	74,9	4,6%



Consolidated balance sheet

Euro million	31.12.2011	31.12.2010	change	change %
- intangible assets	405,7	408,6	(2,9)	(0,7%)
- tangible assets	207,6	186,4	21,2	11,4%
- financial assets	3,7	2,1	1,6	77,6%
- deferred tax assets	35,0	33,5	1,5	4,5%
Fixed assets	652,0	630,6	21,4	3,4%
- inventories	327,1	288,0	39,1	13,6%
- trade receivables	434,9	387,9	47,0	12,1%
- trade payables	(420,8)	(374,2)	(46,6)	12,5%
- other net current assets / (liabilities)	(80,8)	(74,9)	(5,9)	7,9%
Net working capital	260,5	226,9	33,6	14,8%
Non current liabilities	(118,8)	(92,2)	(26,6)	28,8%
Net invested capital	793,7	765,3	28,4	3,7%
Net financial position	(69,6)	(4,7)	(74,3)	
Total shareholders' equity	863,3	760,6	102,7	13,5%
Total net financial position and shareholders' equity	793,7	765,3	28,4	3,7%

Consolidated Cash Flow Statement

Euro million	2011			2010		
	Household + Corporate (Continuing operations)	Professional (Discontinued operations)	Group	Household + Corporate (Continuing operations)	Professional (Discontinued operations)	Group
Cash flow from operations	177,4	28,0	205,6	151,0	23,0	168,0
Cash flow from changes in the working capital	(80,5)	3,5	(75,6)	4,2	6,8	9,5
Cash flow from ordinary investments	(41,7)	(13,9)	(55,6)	(34,6)	(10,8)	(45,4)
Operating Cash Flow	55,2	17,6	74,4	120,6	19,0	132,1
Cash flow from non recurring items	-	(11,5)	(11,5)	(1,6)	1,6	-
Capital contributions	(150,0)	150,0	-	-	-	-
Cash from from changes in the net equity	3,7	7,7	11,4	(20,3)	(5,4)	(19,7)
Net cash flow	(91,1)	163,8	74,3	98,7	15,2	112,4
Opening net financial position	208,5	(211,7)	(4,7)	109,8	(226,9)	(117,1)
Closing net financial position	117,4	(47,8)	69,6	208,5	(211,7)	(4,7)

Business segments

Euro million	2011			2010		
	Household + Corporate (Continuing operations)	Professional (Discontinued operations)	Group (before spin off)	Household + Corporate (Continuing operations)	Professional (Discontinued operations)	Group (before spin off)
Net Revenues	1.429,4	389,2	1.807,8	1.281,8	352,6	1.626,3
<i>change</i>	147,6	36,6	181,5			
<i>change %</i>	11,5%	10,4%	11,2%			
<i>Change 2011/2010 at constant exch. rates</i>	11,5%	10,4%	11,1%			
EBITDA before non recurring items	209,6	33,8	243,7	169,6	31,0	200,6
<i>change</i>	40,1	2,8	43,1			
<i>margin % of revenues</i>	14,7%	8,7%	13,5%	13,2%	8,8%	12,3%
EBITDA	203,4	32,1	235,8	166,6	27,9	194,6
<i>change</i>	36,8	4,2	41,2			
<i>margin % of revenues</i>	14,2%	8,3%	13,0%	13,0%	7,9%	12,0%
EBIT before non recurring items	178,7	23,2	202,2	138,4	20,7	159,2
<i>change</i>	40,3	2,4	43,0			
<i>margin % of revenues</i>	12,5%	6,0%	11,2%	10,8%	5,9%	9,8%

Euro million	Household + Corporate (Continuing operations)			Professional (Discontinued operations)		
	2011	2010	change	2011	2010	change
- intangible assets	175,8	179,6	(3,8)	229,9	229,0	0,9
- tangible assets	109,1	91,8	17,2	98,6	94,6	4,0
- financial assets	3,0	1,9	1,1	0,7	0,2	0,5
- deferred tax assets	32,8	32,1	0,7	2,1	1,3	0,8
Fixed assets	320,7	305,4	15,3	331,3	325,2	6,1
- inventories	278,0	238,7	39,3	49,2	49,3	(0,2)
- trade receivables	349,5	288,5	60,9	91,6	103,9	(12,3)
- trade payables	(330,8)	(283,3)	(47,5)	(96,6)	(98,1)	1,4
- other net current assets / (liabilities)	(61,5)	(58,2)	(3,3)	(18,8)	(15,4)	(3,4)
Net working capital	235,2	185,8	49,5	25,3	39,7	(14,5)
Non current liabilities	(86,7)	(60,8)	(25,9)	(32,0)	(31,4)	(0,7)
Net invested capital	469,2	430,3	38,8	324,5	333,5	(9,0)
Net financial position	(117,4)	(208,5)	91,1	47,8	211,7	(163,8)
Total shareholders' equity	586,6	638,9	(52,3)	276,7	121,9	154,8
Total net financial position and shareholders' equity	469,2	430,3	38,8	324,5	333,5	(9,0)

Revenues by geographical breakdown

Euro million	2011	2010	change	Change %
<i>Mature markets</i>				
Italy	269,1	268,8	0,3	0,1%
United Kingdom	154,0	141,1	12,9	9,1%
North America	94,8	89,2	5,7	6,4%
Japan	57,4	47,4	10,0	21,1%
other western Europe	689,0	616,3	72,7	11,8%
Total mature markets	1.264,3	1.162,8	101,5	8,7%
<i>Emerging markets</i>				
Eastern Europe	174,5	146,3	28,1	19,2%
Middle East/India/Africa - ex. South Africa	97,0	116,4	(19,4)	(16,6%)
Asia/Pacific/Latin America and South Africa	272,0	200,7	71,3	35,5%
Total emerging markets	543,5	463,4	80,1	17,3%
Total revenues	1.807,8	1.626,3	181,5	11,2%