

During the first few months of 2001, 100% of Kenwood Appliances plc was acquired, an English company operating in the product sectors for food preparation, home cleaning products, and ironing, quoted on the London Stock Exchange.

Kenwood was bought via a friendly PO, made in March for the price of 100 pence per share.

The DE'LONGHI GROUP – worldwide leader in the segments heating and mobile air-conditioning, and the Italian leaders in all segments in which it operates – acquired 100% of Kenwood Appliances plc via a friendly Public Offer.

The offer was made during the month of March by De'Longhi Pinguino S.A., a company completely controlled by De'Longhi S.p.A, for the price of 100 pence per share, a premium of 37% with respect to the closing quoted value at 12 December 2000 (the date on which Kenwood communicated the existence of negotiations for a possible acquisition).

Since 17 April – at the request of De'Longhi Pinguino S.A. – the shares for Kenwood Appliances plc have been excluded from trading on the London Stock Exchange.

From the moment it was officially announced, the management of Kenwood viewed the offer favourably, recommending its acceptance by the company's shareholders.

The Kenwood Group is currently leader in the United Kingdom in the market for food preparation and cooking, and has an important position in the market for cleaning and ironing products.

Alongside its leadership in the heating and mobile air-conditioning segments, De'Longhi is one of the main players in the market for food preparation and cooking products, above all in the English and Italian markets.

The management of De'Longhi considers this acquisition a great opportunity for growth and improved profitability for the Group, due to the complementary nature of the respective product ranges, the increased buying capacity and the complementary way in which the organisations for sales and marketing, and production combine.

These final points allow De'Longhi to take advantage of the manufacturing plants in Quing-Xi Town in China, improving the efficiency and making best use of the unsaturated production capacity.

INTERNET SITE KENWOOD APPLIANCES: www.kenwood.co.uk