



PRESS RELEASE

DE' LONGHI S.p.A.: FY 2004 sales were virtually in line with 2003 at current exchange rates.

Sales for the De' Longhi Group in the FY 2004 were basically flat compared with € 1,278 million of 2003; the Group estimates that the exchange rate movements penalised net sales by about 1%.

2004 was marked by a particularly difficult external environment, due to the strong appreciation of the euro against the dollar and the consequent pressures on selling prices, the weak consumption trend and a delayed start of the heating season.

Preliminary sales figures show a flat trend for the cooking and food preparation segment, with a particular positive performance of coffee makers, cookers and food processors.

The air conditioning and treatment business segment reported a satisfactory growth rate whereas the heating and cleaning and ironing business segments both recorded a revenue decline.

Main European markets posted a satisfactory sales performance in 2004, chiefly Germany, France and Spain; outside Europe growth in Australia was particularly remarkable.

Japan and North America recorded a reduction of revenues; in North America in particular the level of exchange rates penalised the commercial competitiveness of the Group.

On the industrial side, the relocation plan to China continued in line with the expectations in 2004; during 2005 the transfer of portable air conditioners, dehumidifiers and electric ovens to China will be completed.

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