

PRESS RELEASE

DE' LONGHI: preliminary results for 2002 show a sales growth above 6% (around 8.5% at constant exchange rates).

Sales growth was negatively affected by unfavourable exchange rate effects for more than 2%.

De' Longhi Group released a note on preliminary sales growth in 2002 during the Fair of Small Domestic Appliances in Chicago. With regard to the sales growth based on preliminary projections, CEO Stefano Beraldo, says: "Our target was higher but we were penalised by weak Christmas sales mainly abroad, a delayed start of the heating season and even more by the strong revaluation of Euro vs the main currencies, a trend which increased further in the last quarter of the year."

"In the light of the global macroeconomic scenario we are pleased with the result" – continues Stefano Beraldo. "When we went public, we targeted a yearly sales growth around 10% and the compound sales growth in the last two years is in line with those expectations."

Giuseppe De' Longhi, Chairman of the Group, is confident on the outlook for the current fiscal year: "There are many opportunities for us, arising both from the success of our products and the growth in the main geographical markets. Considering the way customers welcomed our products launched at the end of 2002, *Alicia*, *Caldopanny De' Longhi* and *Saladino Ariete* among the others" – continues the Chairman – "we aim to achieve an higher sales growth in 2003 than in 2002".

"As far as expected profitability for 2002 is concerned" – concludes the CEO – "we do not have any final figures yet, nevertheless, since most of the lost sales derives from a mere currency effect, the hedging transactions should allow us to come close to our targets".

Contact: Barabino & Partners
Federico Steiner
Niccolò Moschini
Tel. 02/72.02.35.35

Treviso, 14 January 2003