PRESS RELEASE

Treviso, August 28, 2009

DE' LONGHI SpA: HALF YEAR RESULTS AS AT JUNE 30,2009

The Board of Directors has approved the half year results as at June 30, 2009: consolidated revenues at € 595.3 million (-13.3%) and Ebitda (before non recurring items) at € 48.2 million (-23.6%); net financial indebtedness to € 229.8 million (declining by € 165.9 million vs. June 30 2008).

Six months January 1st – June 30th 2009

- consolidated revenues amounted to € 595.3 million, decreasing by 13.3% vs. the first six months 2008;
- the gross profit improved, as a percentage of revenues, from 40.6% to 42.5%;
- Ebitda, before non recurrent costs, amounted to € 48.2 million or 8.1% of revenues (vs. 9.2% in 2008);
- Ebit reached € 27.2 million or 4.6% of revenues (vs. 6% in 2008);
- Net Profit pertaining to the Group amounted to € 3.9 million;
- Net Financial Indebtedness (€ 229.8 million) has decreased in the twelve months (it was € 395.7 million at June 30, 2008) as well as in the six months of 2009 (it was € 246.5 million at December 30, 2008);

* * * * *

The results of the first half 2009.

The Board of Directors has approvedd the results of the first six months of 2009.

<<The economic environment – comments the C.E.O. Fabio De' Longhi - is still recessive and the limited visibility commands an extremely cautious approach. We are satisfied with the obtained results in such a difficult

scenario and we are confident to rely on our leadership positions and on the sound financial standing of our Group >>.

Within a general environment characterized by economic recession and consumption contraction, that resulted in decreasing revenues, the De' Longhi Group was able to safeguard its competitive position and strenghten its leadership in the main product lines, first of all kitchen products. Furthermore, the improvement of gross profit has been confirmed, thanks to a better product mix and more efficient manifacturing processes.
Finally, the Group successfully targeted the reduction of financial indebtedness, through the control of inventories and working capital, which was of fundamental importance in a context of systemic crisis of financial and credit markets.

The Household segment, covering around three fourth of the Group's total revenues, confirmed to be more resilient to the negative trend of consumption, thanks to its wide range of products with strong appeal for consumers.

Consolidated revenues amounted to € 595.3 million, decreasing by 13.3% vs. 2008 (€ 686.4 million), thus confirming the contraction trend shown in the first quarter of the year. Appreciation of US Dollar and Japanese Yen was counterbalanced by the weakening Pound, Ruble and Australian Dollar, so that the final exchange rates' impact was substantially null.

As for the first quarter, the decrease in revenues was proportionally more marked for the Professional operating segment (-23.5% to € 156.4 million) than for the Household segment (-10.1% to € 444.4 million). Both professional heating and air conditioning businesses were affected by the downturn of the real estate and industrial goods markets. On the contrary, the Household products showed a more resilient (though negative) trend, except for the portable air conditioners whose sales were more negatively affected; cooking products were still the main drivers.

At a geographical breakdown, the decline of markets was widespread (especially in UK and Eastern Europe) with the exception of Northern America which showed a good path os sales together with the appreciation of the US Dollar.

In such difficult picture, the gross profit benefited from the better product mix, the progressive decrease of raw materials' prices and all measures implemented for a more efficient management of manifacturing processes: the percentage margin on revenues increased from 40.6% to 42.5% (from € 279 to € 252.9 million). In this context, the negative impact of the US Dollar's appreciation was limited thanks to the Group's hedging policy.

Ebitda, before non recurrent costs of € 3.8 million, decreased to € 48.2 million (from € 63.1 million in 2008), i.e. 8.1% of revenues (vs. 9.2% in 2008). The negative effect on Ebitda of the sale of the real estate business of last December 2008 amounted to € 2.7 million.

It has to be noted that out of the € 14.9 million reduction of Ebitda – before non recurrent items - € 8.3 million are originated from the Professional division and € 4.2 million from the Household division, whose Ebitda (both before and after non recurrent items) improved by 0.2 percentage points on revenues.

Ebit amounted to € 27.2 million, or 4.6% of revenues (vs. e 41.3 million in 2008, or 6% of revenues).

At constant exchange rates, both Ebitda (before non recurrent items) and Ebit would have been respectively 9.8% and 6.3% of revenues, thus improving the perecentage profitability vs. 2008 by 0.6 and 0.3 percentage points.

Net Financial Charges decreased by € 3.8 million (from € 22.8 million to € 19 million); the reduction of the net debt and of base interest rates (whose total effect amounted to € 7.8 million) was partially balanced by higher costs of exchange rates hedging, in relation mainly to liabilities of the Russian subsidiaries.

Net profit pertaining to the Group, after a fiscal take of e 4.4 million, amounted to € 3.9 million (vs. € 12.9 million of last year).

Net financial indebtedness amounted to € 229.8 million, thus decreasing from the figure of June 30 2008 (€ 395.7 million) as well from the one of December 31, 2008 (€ 246.5 million). This result, in countertrend in respect of the cash absorption dynamics typical of the second quarter of the year, was originated from a careful planning of inventories (down by about € 65 million in the twelve months) and from the strict control of trade receivables (down by € 44.4 million in the twelve months), which allowed the Group to achieve an optmized working capital in a context of decreasing sales. The reduction of trade payables (-80.6 € million in the twelve months) was due to the effect of decreased sales' volumes.

At the same time, the Group is acting so as to strenghten the recourse to medium term financial resources, thanks to the finalization of new medium term loans amounting to € 25 million.

* * * * *

Events following the end of period.

There are no material events following the end of the period.

Foreseeable business development

The economic recessive environment is confirmed and the limited visibility commands an extremely cautious approach. The Group is satisfied with the obtained results in such a difficult scenario and is confident it can rely on its leadership positions in several segments and on a sound financial standing.

* * * * *

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.

* * * * *

Contacts:

for analysts and investors:
Fabrizio Micheli, Investor Relations
T: +39 0422 413235

for the press:
Alessandro Rinaldini:
M: +39 3482642896

on the web:
www.delonghi.it

Consolidated results of De' Longhi Group as at June 30, 2009

Consolidated Income Statement

(Euro million)	First half 2009	% of revenues	First half 2008	% of revenues
Net Revenues	**595,3**	**100,0%**	**686,4**	**100,0%**
change	*(91,2)*	*(13,3%)*		
Materials consumed and other production costs (services and production payroll costs)	(342,4)	(57,5%)	(407,5)	(59,4%)
Gross Profit	**252,9**	**42,5%**	**279,0**	**40,6%**
Costs of services and other expenses	(144,8)	(24,3%)	(157,3)	(22,9%)
Labour cost (non industrial)	(59,8)	(10,0%)	(58,6)	(8,5%)
EBITDA before non recurring items	**48,2**	**8,1%**	**63,1**	**9,2%**
change	*(14,9)*	*(23,6%)*		
Non recurring items	(3,8)	(0,6%)	(2,5)	(0,4%)
EBITDA	**44,4**	**7,5%**	**60,6**	**8,8%**
change	*(16,2)*	*(26,7%)*		
Amortization	(17,2)	(2,9%)	(19,4)	(2,8%)
EBIT	**27,2**	**4,6%**	**41,3**	**6,0%**
change	*(14,1)*	*(34,1%)*		
Net financial charges	(19,0)	(3,2%)	(22,8)	(3,3%)
Profit before taxes	**8,2**	**1,4%**	**18,5**	**2,7%**
Taxes	(4,4)	(0,7%)	(5,3)	(0,8%)
Profit / (Loss) of the period	**3,8**	**0,6%**	**13,2**	**1,9%**
Profit (loss) pertaining to minority interests	-	-	0,3	0,0%
Profit (loss) pertaining to the Group	**3,9**	**0,6%**	**12,9**	**1,9%**

Consolidated Balance Sheet

(Euro million)	30.06.2009	30.06.2008	31.12.2008	change 30.06.09 – 30.06.08	change 30.06.09 – 31.12.08
Fixed assets	**644,6**	**712,8**	**640,1**	**(68,3)**	**4,5**
inventories	344,6	409,2	320,5	(64,6)	24,2
trade receivables	270,0	314,4	367,2	(44,4)	(97,2)
trade payables	(241,3)	(321,8)	(286,2)	80,6	44,9
other net current assets / (liabilities)	(43,2)	(19,2)	(45,1)	(24,0)	1,9
Net working capital	**330,2**	**382,6**	**356,3**	**(52,4)**	**(26,1)**
Non current liabilities	(85,5)	(79,3)	(87,7)	(6,1)	2,2
Net invested capital	**889,3**	**1.016,1**	**908,7**	**(126,8)**	**(19,4)**
Net financial position	**(229,8)**	**(395,7)**	**(246,5)**	**165,9**	**16,7**
Total shareholders' equity	**(659,5)**	**(620,4)**	**(662,3)**	**(39,1)**	**2,8**
Total net financial position and shareholders' equity	**(889,3)**	**(1.016,1)**	**(908,7)**	**126,8**	**19,4**

Consolidated Cash Flow Statement

(Euro million)	First half 2009	First half 2008	31.12.2008 (12 months)
Cash flow from operations and from changes in the working capital	45,3	(4,8)	38,4
Cash flow from investments	(16,7)	(20,2)	(42,5)
Operating cash flow	**28,6**	**(25,0)**	**(4,1)**
Cash flow from non recurring items	0,8	(1,4)	103,2
Dividends paid	(9,0)	(9,0)	(9,0)
Cash flow from changes in the *Fair value* e di *Cash flow hedge* reserves	1,9	(6,5)	9,9
Cash flow from changes in the currency translation reserve	(5,4)	1,9	9,4
Cash flow from changes in the equity pertaining to minorities	(0,3)	0,3	-
Cash from from changes in the net equity	**(12,8)**	**(13,4)**	**10,3**
Net cash flow	**16,7**	**(39,8)**	**109,4**
Opening net financial position	(246,5)	(355,9)	(355,9)
Closing net financial position	**(229,8)**	**(395,7)**	**(246,5)**

Revenues by geographical breakdown

(Euro million)	First half 2009	First half 2008	Change	Change %
Italy	124,2	142,0	(17,8)	(12,5%)
UK	46,2	60,2	(14,0)	(23,2%)
Other European countries	269,4	329,4	(60,0)	(18,2%)
USA, Canada and Mexico	41,2	40,1	1,0	2,5%
Rest of world	114,3	114,7	(0,4)	(0,4%)
Total	**595,3**	**686,4**	**(91,2)**	**(13,3%)**

Business segments

	First half 2009				First half 2008			
(Euro million)	*Household*	*Professional*	*Corporate*	Total Group	*Household*	*Professional*	*Corporate*	Total Group
Net revenues	444,4	156,4	5,7	**595,3**	494,5	204,3	8,3	**686,4**
change 2009/2008	*(50,1)*	*(48,0)*						
change %	*(10,1%)*	*(23,5%)*						
EBITDA before non recurring items	42,0	11,5	(5,2)	**48,2**	46,2	19,8	(2,8)	**63,1**
change 2009/2008	*(4,2)*	*(8,3)*						
change %	*9,5%*	*7,4%*		***8,1%***	*9,3%*	*9,7%*		***9,2%***
EBITDA	40,7	9,4	(5,6)	**44,4**	44,6	19,3	(3,2)	**60,6**
change 2009/2008	*(3,9)*	*(9,8)*						
change %	*9,2%*	*6,0%*		***7,5%***	*9,0%*	*9,4%*		***8,8%***
EBIT	28,0	5,2	(5,9)	**27,2**	30,5	15,4	(4,5)	**41,3**
change 2009/2008	*(2,5)*	*(10,2)*						
change %	*6,3%*	*3,3%*		***4,6%***	*6,2%*	*7,5%*		***6,0%***