



PRESS RELEASE

DE'LONGHI: the Financial Statements for the FY 2003 have been approved by the Annual Shareholders' Meeting:

- Consolidated net sales were € 1,278,0 millions (+4.7% at constant exchange rates, +0.3% at current exchange rates)
- Dividend of € 0.06, in line with 2002 (pay-out ratio of 40.2%, compared to 22.4% last year; share will trade ex dividend as of 3 May 2004, dividend will be payable as of 6 May 2004)

The Shareholders' Meeting has renewed the authorisation to buy back shares to the Board of Directors.

The First Call of Shareholders' Meeting of De 'Longhi has today approved the Financial Statements for the FY 2003.

Consolidated net sales were € 1.278.0 millions, up 4.7% at constant exchange rates (+0.3% current exchange rates).

The distribution of a dividend of € 0.06 has been approved; this dividend is in line with the dividend of 2002, but it implies a higher pay-out ratio (40.2% from 22.4% last year).

The share will trade ex dividend as of 3 May, whereas the dividend will be paid on 6 May 2004.

The new Board of Directors has taken over today, under the direction of the Chairman Giuseppe De'Longhi and the CEO Stefano Beraldo.

In order to pay more and more attention to the *Code of Corporate Governance* the number of independent directors has been increased: the independent director Carlo Garavaglia has been joined by three new independent directors (Alberto Clò, Renato Corrada e Giovanni Tamburi); the Board of Directors which has taken over today is therefore composed of four independent directors out of nine.

The Shareholders' Meeting has renewed the authorisation for the share buy back program, in accordance with *art. 2357 cod. civ.* up to a maximum of 10% of the share capital, to the Board of Directors.

“Over the last year” – said the CEO Stefano Beraldo – “our strategy based on the cost reduction proved correct; this strategy allowed us to mitigate the impact of negative external factors such as



the dynamics of the exchange rates (which affected sales for over 4%), price pressures and weak consumptions.”

“The Group demonstrates it has a solid market positioning and a high focus on innovation ” – continued the Chairman Giuseppe De’ Longhi – “the Board of Directors which has been renewed today is well aware of the targets for the next three years.

The plurality of the categories within our product range and the number of geographic markets covered by our distribution network, coupled with our ability to create new segments and the actions in place on the cost side, lead us to believe that the reduction of profitability in the FY 2003 was an occasional event and that our Group is well equipped with the tools to continue to increase its sale volumes and improve its profitability.”

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