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Barabino & Partners
Consulenza di direzione
in Comunicazione d'Impresa

PRESS RELEASE

DE' LONGHI S.p.A.: Shareholders' Meeting has today approved financial statements for the FY ending December 31st 2002:

- Net Sales: € 1,273.7 mn (+6.3% compared to 2001, +8.7% at constant exchange rates);
- Net Income: € 40.0 mn (+52.0% compared to 2001);
- Dividend per Share: € 0.06 (+82% compared to 2001, implying a 22.4% pay-out ratio compared to 18.7% in 2001).

The first call of Shareholders' Meeting has today approved consolidated and statutory financial statements for the FY ending December 31st 2002.

De' Longhi Group, leader in heating, air conditioning and air-treatment, cooking and food preparation, cleaning and ironing systems segments, with brands such as De' Longhi, Kenwood, Ariete, Simac reported net sales of € 1,273.7 mn, up 6.3% compared to 2001 (+ 8.7% at constant exchange rates), despite a substantially flat small domestic appliances market.

Profitability at all levels increased more than proportionally compared to sales growth:

- EBITDA: € 180.4 mn (+9.9% compared to 2001 and EBITDA margin up to 14.2% from 13.7% in 2001)
- EBIT: € 109.9 mn (+16.5% compared to 2001 and EBIT margin up to 8.6% from 7.9% in 2001)
- Net Income: € 40.0 mn (+52.0% compared to 2001)

Net debt decreased to € 269.1 mn from € 447.1 mn in 2001 thanks to a free cash flow generation of € 78.9 mn, after distributing 2001 dividends for € 4.9m and to the securitization proceeds for € 99.1 mn.

De'Longhi will distribute its shareholders a dividend of € 0.06 per share (+82% compared to a DPS of € 0.033 in 2001, implying a pay-out ratio of 22.4% compared to 18.7% in 2001).

The share will be trading ex dividend as of April 22nd, 2003; the dividend will be payable as of April 25th, 2003.

"Even in a difficult year as it was 2002 we achieved very positive results" – commented the Group's CEO, Stefano Beraldo – "thanks to the contribution of different elements: the launch of new important products (many of the launches in the last months of 2002 will support 2003 sales), the good performance in some strategic markets for the Group such as Italy, United States, UK and Japan, as well the synergies and better operational efficiency".



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“We are pleased we have been able to approve a distribution of dividends which was higher than last year thanks to the strong free cash flow generation” – continued the Group’s Chairman, Giuseppe De’ Longhi .

“We are confident that our actions in place” – concluded Mr Beraldo – “referring both to the launch of new products and the extension of distribution agreements, mainly in the heating business, will allow us to contrast the signals of weakness coming from all the Group core markets effectively”.

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Treviso, April 14th 2003