



# STAR Conference

Milano, March 27, 2018



## Elica Corporation

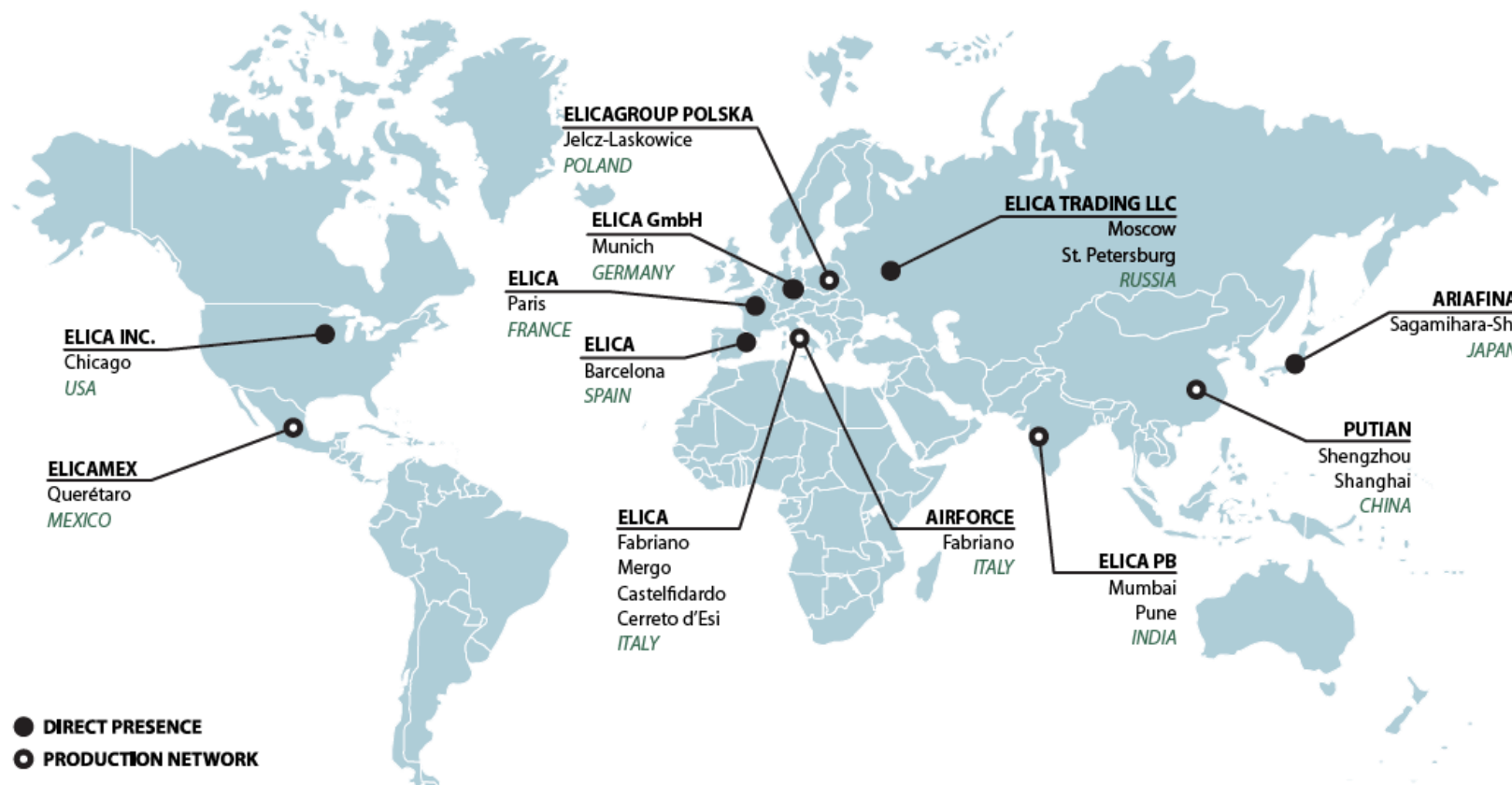


**N#1 PLAYER WORLDWIDE IN  
HOODS 14% MARKET SHARE**

**2017 TUNOVER 479.3 € M**

**3,800 EMPLOYEES**

## World Wide Player





**21 Mln Yearly  
Cooking products  
+ Motors**



**Cooking Net Sales:  
Own Brand 46%  
Client Brand 54%**



**2' & 3' Player produce  
respectively 35% & 60%  
less than Elica\***

# History of Product Innovation

Milan, March 27, 2018



**Menhir, 1999**  
Design David Lewis  
*International Designer Collaboration*



**Om, 2004**  
Elica Design Center  
*Launch 1° Vertical Hood*



**Star, 2006**  
Elica Design Center  
*Launch Evolution System*



**Space, 2008**  
Elica Design Center  
*Launch of Most Silent Hood*



**Feel, 2010**  
Design Fabrizio Crisà  
*Touch Control Activation*



**NikolaTesla, 2016**  
Design Fabrizio Crisà  
*1° Elica Aspiration Hob*



# 2017-2019 Strategic Plan Highlight

# Key Drivers to Create Long Term Sustainable Value

## LEVERAGE ON OWN BRAND



## BUSINESS MODEL ENANCHING



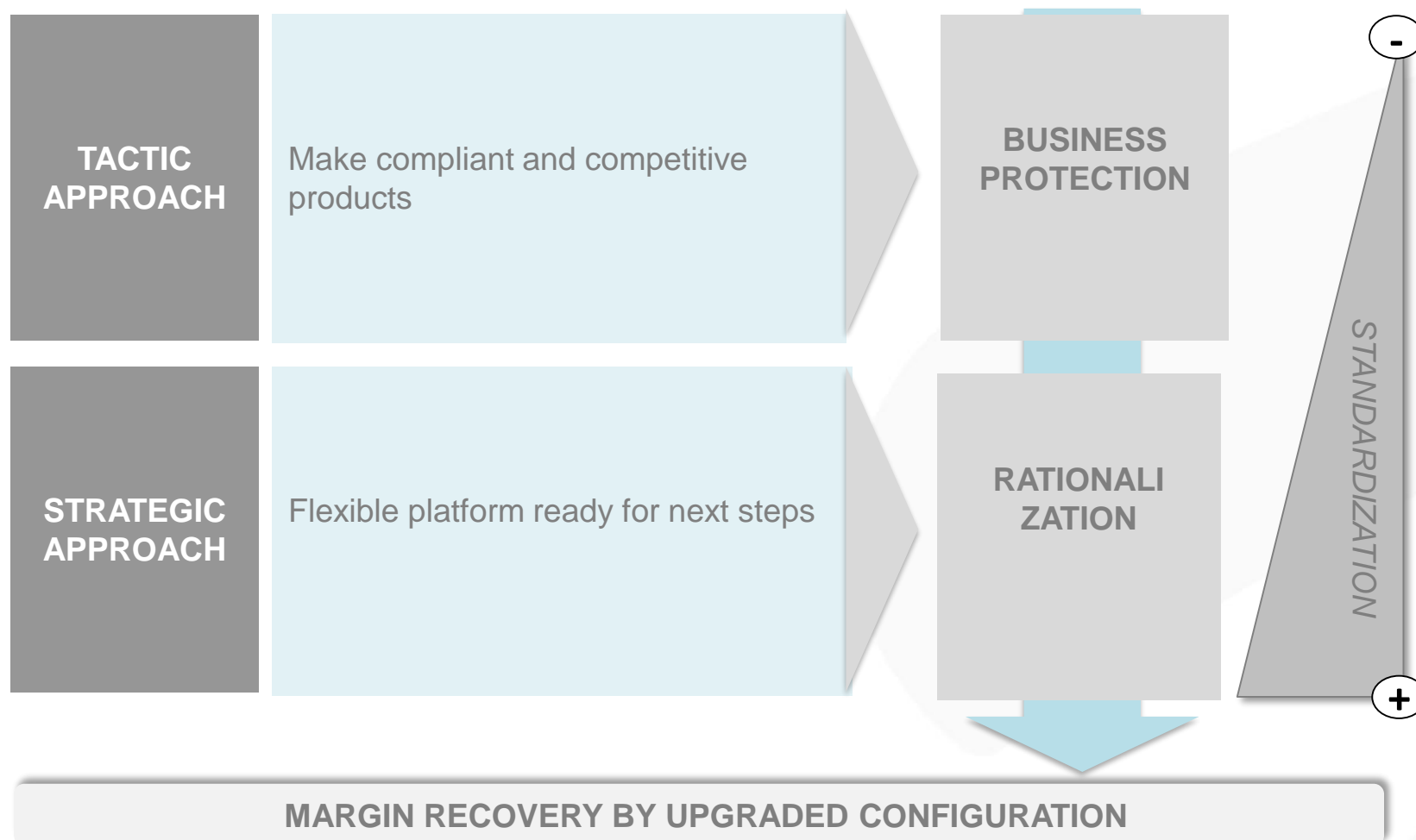


## High Growing Categories

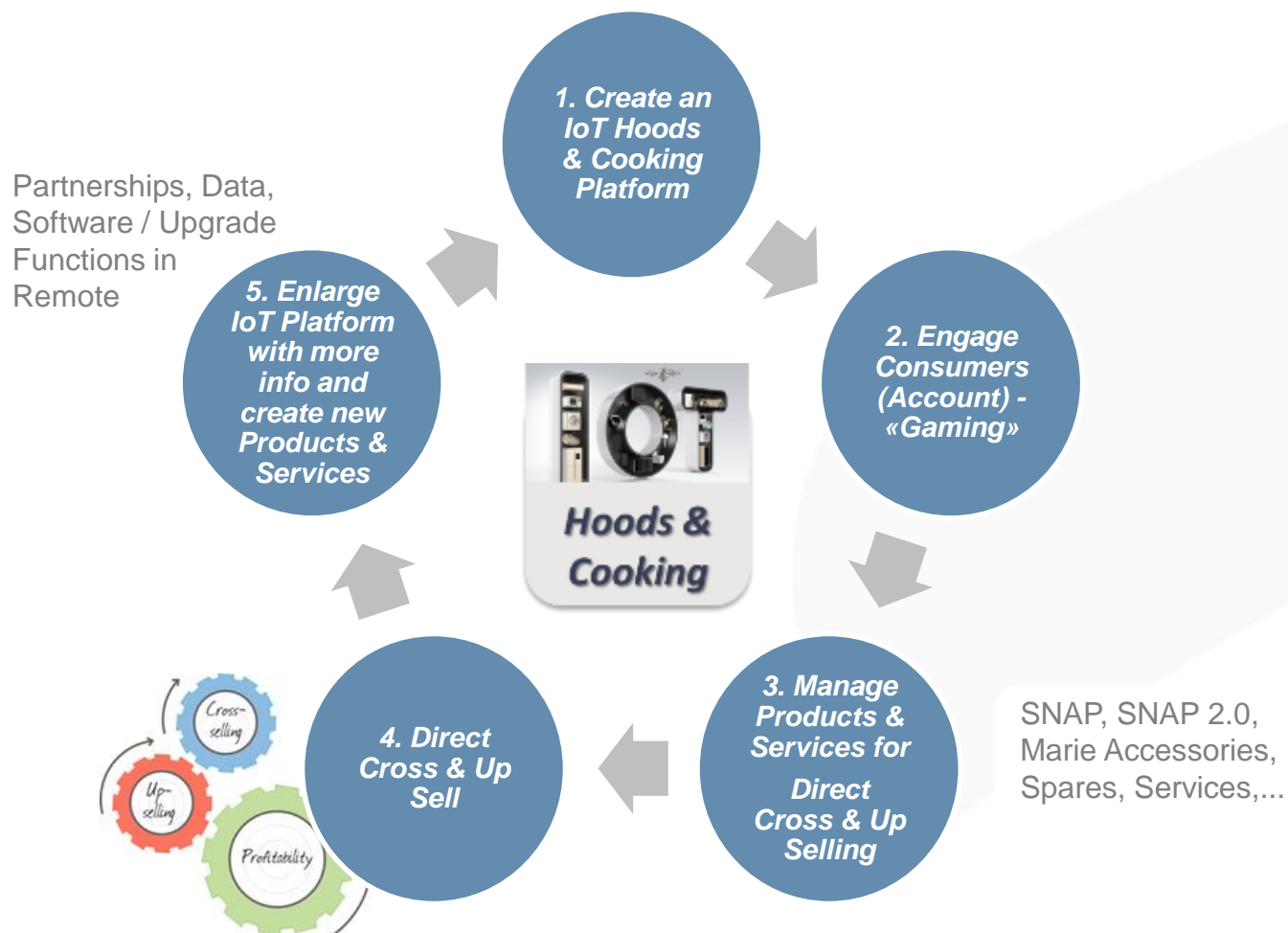




## Addressing Market Regulation Changes



## Engage Cross Selling of Air Treatment & IoT



## Strategic Plan Key Financial Statements

Strong organic growth while increasing profit margins

	2016A	2017P	CAGR 17-19E
<b>Net Sales</b> YoY %	439.3	479.3 9.1%	5.6%
<b>EBITDA Adj</b> % on NS	36.8 7.4%	34.9 7.7%	12.3%
<b>EBIT Adj</b> % on NS	13.7 3.1%	16.3 3.4%	13.7%
<b>NFP</b>	60.8	69.3	73.0
<b>RONA*</b> Return on Net Asset	2.1%	8.1%	10.0%

\* Calculate as EBIT on Net Capital Employed

## 2018: The Beauty Is Yet to Come

 Reveal @  **Salone del Mobile.Milano**

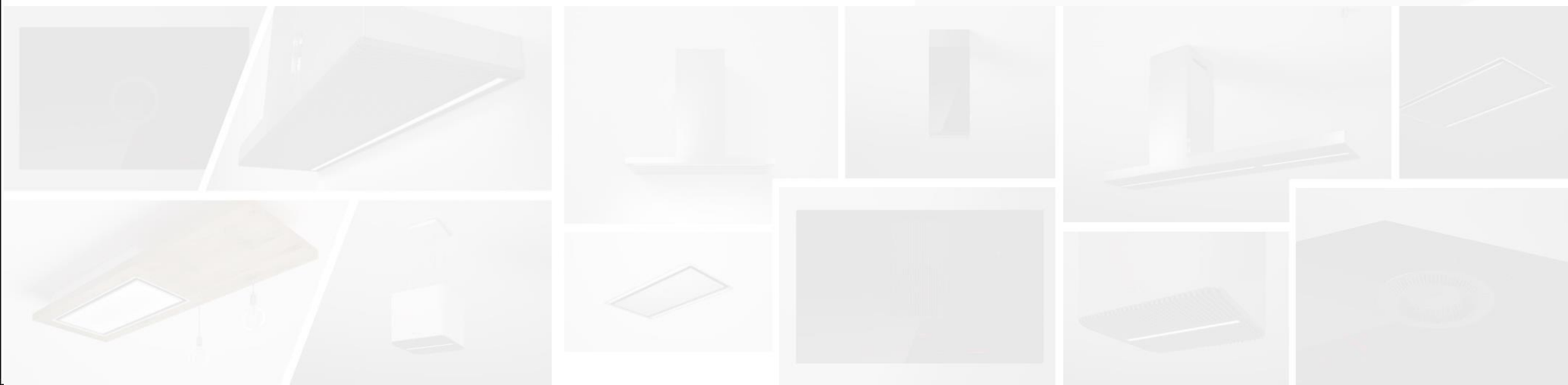
 **New brand campaign launch:** media investment tripled and net investment doubled vs 2017\*;

 **NikolaTesla range extension:** from 2 to 8 models;

 **Unparalleled design;**

 **Unbeatable performances.**

*\* Data in Value*



## Major Industry Event: 2018 FTK \_ Salone del Mobile di Milano

### PRESENCE

- ≈ 350 k visitors expected globally
- ≈ Twice surface vs last edition
- ≈ Twice investment vs last edition

### ENGAGEMENT

- ≈ Launch of the new brand campaign
- ≈ 50+ revolutionary new products showcased
- ≈ 36 Showcooking events showcasing product capabilities

### CONVERSION

- ≈ Trade Partner dedicated lounge
- ≈ Press events within FTK and Fuorisalone
- ≈ 300 people a day hospitality service



M&A



## Acquisition of 30% Putian Shareholding

- Elica to acquire 30% of the share capital of the Chinese subsidiary Zhejiang Putian Electric Co., Ltd. (Putian) from minority shareholder Du Renyao
- 15 CNYM ( about 1.9 €M) consideration paid
- The aim of the operation is to extend governance over the Chinese subsidiary in order to drive forward company results
- 2017-2019 Objectives: no significant impacts are expected.

## Gutmann Sale Highlights

- Elica has sold 100% of Exklusiv-Hauben Gutmann GmbH (Gutmann) to Manuel Fernandez\*
- 2.5 €M consideration payable in five tranches within 2023
- Elica ceded to Manuel Fernandez\*\* also a Gutmann's financial receivable of 11.2 €M for consideration of Euro 1
- The aim of the operation is to avoid a complex turn-around of German subsidiary, focusing Group's resources and CapEx on gainful business streams
- 2017-2019 Objectives impacts: an improvement on the margin growth and on Return on Net Capital Employed is expected.

• Manuel Fernandez recognises to Elica S.p.A. a call option on 100% of the share capital of Gutmann

\*\* Elica S.p.A. is recognized a call option on the financial receivable ceded, exercisable at a price of Euro 1



# 2017 Preliminary Results

## Q4 '17 Highlights

- Market demand constant growth (+3.1%)
- Net Sales increase 2.8%, and 6.1% at same Group consolidation scope\*, driven by Own brand business performance +13.2%\*
- EBITDA adjusted\*\* increase 31%, driven by increasing volume trend, negatively impacted by supply chain increasing costs
- Net Financial Position at 69.3 €M, better the expectations
- 2017FY Guidance exceeded

\* Data do not includes sold German subsidiary.

\*\* Data adjusted by non recurring items, restructuring costs and non-ordinary charges

## Q4 '17 - Cooker Hoods Industry Unit Shipments\*

Volume Data\_ Change % vs. Y-1

	Q4 '17	12M '17
EMEA	3.7%	3.1%
Americas	2.8%	2.7%
Asia	2.7%	2.1%
<b>World</b>	<b>3.1%</b>	<b>2.5%</b>

\* Elica Group Estimates

# 12M 2017 Sales Breakdown by Geography

Change % vs Y-1

	12M '17*
EMEA	10.7%
Americas	5.5%
Asia	13.9%
<b>Total</b>	<b>10.2%</b>

\* Data includes German subsidiary performances until the date of disposal.



# 12M '17 Consolidated Income Statement

€M

	12M '17	12M '16	Δ%16-17
Net Sales	479.3	439.3	9.1%
EBITDA Adj	36.8	32.4	13.8%
%	7.7%	7.4%	30 b.p.
EBIT Adj	16.3	13.7	19.2%
%	3.4%	3.1%	30 b.p.
EBIT	14.0	3.6	294.2%
%	2.9%	0.8%	210 b.p.
Net Result	1.4	(5.5)	125.3%
%	0.3%	(1.3)%	160 b.p.
EPS* – Euro cents	0.27	(8.97)	103.0%

\* EPS as at December 31 is calculated by dividing the Net Result pertaining to the Group by the number of ordinary shares outstanding, excluding treasury shares at the same data.

## Q4 '17 Consolidated Income Statement

€M

	Q4 '17	Q4 '16	Δ% 16-17
Net Sales	121.6	118.3	2.8%
EBITDA Adj	9.6	7.4	31.0%
%	7.9%	6.2%	170 b.p.
EBIT Adj	4.7	2.5	91.3%
%	3.9%	2.1%	180 b.p.
EBIT	4.0	(5.9)	167.1%
%	3.3%	(5.0)%	830 b.p.
Net Result	3.9	(9.0)	143.3%
%	3.2%	(7.6)%	1080 b.p.
EPS* – Euro cents	4.96	(13.90)	135.7%

\* EPS as at December 31 is calculated by dividing the Net Result pertaining to the Group by the number of ordinary shares outstanding, excluding treasury shares at the same data.

# 12M '17 Marginality Key Drivers

Change vs. Y-1

	12M '17
Volume/Price/Mix	+++
Operations efficiency	--
Currency	+
Cost efficiency	-
<b>EBITDA Adj</b>	<b>4.5</b>

## Net Working Capital as of December, 31

€M

	Q4 '17	Q4 '16	Δ
Trade receivables <i>% on annualized sales</i>	75.9 15.8%	70.6 16.1%	5.4 (30) b.p.
Inventories <i>% on annualized sales</i>	73.3 15.3%	67.7 15.4%	5.6 (10) b.p.
Trade payables <i>% on annualized sales</i>	(120.5) (25.1)%	(114.8) (26.1)%	(5.7) 100 b.p.
<b>Managerial Working Capital</b> <i>% on annualized sales</i>	<b>28.7</b> <b>6.0%</b>	<b>23.5</b> <b>5.3%</b>	<b>5.2</b> <b>70 b.p.</b>
Short term assets & liabilities <i>% on annualized sales</i>	(14.7) (3.1)%	(11.8) (2.7)%	(2.9) (40) b.p.
<b>Net Working Capital</b> <i>% on annualized sales</i>	<b>14.0</b> <b>2.9%</b>	<b>11.7</b> <b>2.7%</b>	<b>2.3</b> <b>20 b.p.</b>

# Consolidated Cash Flow as of December, 31

€M

	Q4 '17	Q4 '16	12M '17	12M '16
Operating Cash Flow	17.0	13.0	29.0	28.8
CapEx	(9.3)	(9.1)	(31.4)	(28.3)
<i>of which M&amp;A Operations</i>	<i>0.0</i>	<i>0.0</i>	<i>(3.5)</i>	<i>0.0</i>
Cash Flow from Financing Activities	(0.5)	(1.5)	(5.9)	(7.2)
FX impact on NFP	(0.4)	(0.6)	(0.2)	(1.0)
<b>Δ Net Financial Position</b>	<b>6.8</b>	<b>1.8</b>	<b>(8.6)</b>	<b>(7.7)</b>




# Consolidated Statement of Financial Position as of December, 31

€M

	2017	2016		2017	2016
Net Operating Fixed Assets	158.1	156.5	Net Financial Position	69.3	60.8
Net Working Capital	14.0	11.7	Group Equity	99.5	103.9
			Minorities	5.0	5.3
Net Financial Assets	1.6	1.8	<b>Total Shareholders' Equity</b>	<b>104.5</b>	<b>109.3</b>
<b>Net Capital Employed</b>	<b>173.8</b>	<b>170.0</b>	<b>Total Sources</b>	<b>173.8</b>	<b>170.0</b>



## B2C 2017 Highlights

-  Elica own brands: **+ 17.2%** vs 2016;
-  Geographic expansion: **massive growth of Elica brand** in India, France and Italy;
-  NikolaTesla key contributor to revenue growth and product range diversification



## 2017FY Guidance exceeded

OBJECTIVES	Guidance	2017FY Preliminary
Group Net Sales growth	+9%	+9.1%
EBITDA Adj* growth	+13%	+13.8%
EBIT Adj* growth	+10%	+19.2%
Net Financial Position	74.8 €M	69.3 €M
RONA**	7.0%	8.1%

\* Data adjusted by non recurring items, restructuring costs and non-ordinary charges \*\* Calculated as EBIT on Net Capital Employed

# Disclaimer

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