



Q4 & PRELIMINARY FY 2019

GROUP CONSOLIDATED RESULTS

THURSDAY FEBRUARY 13th, 2020

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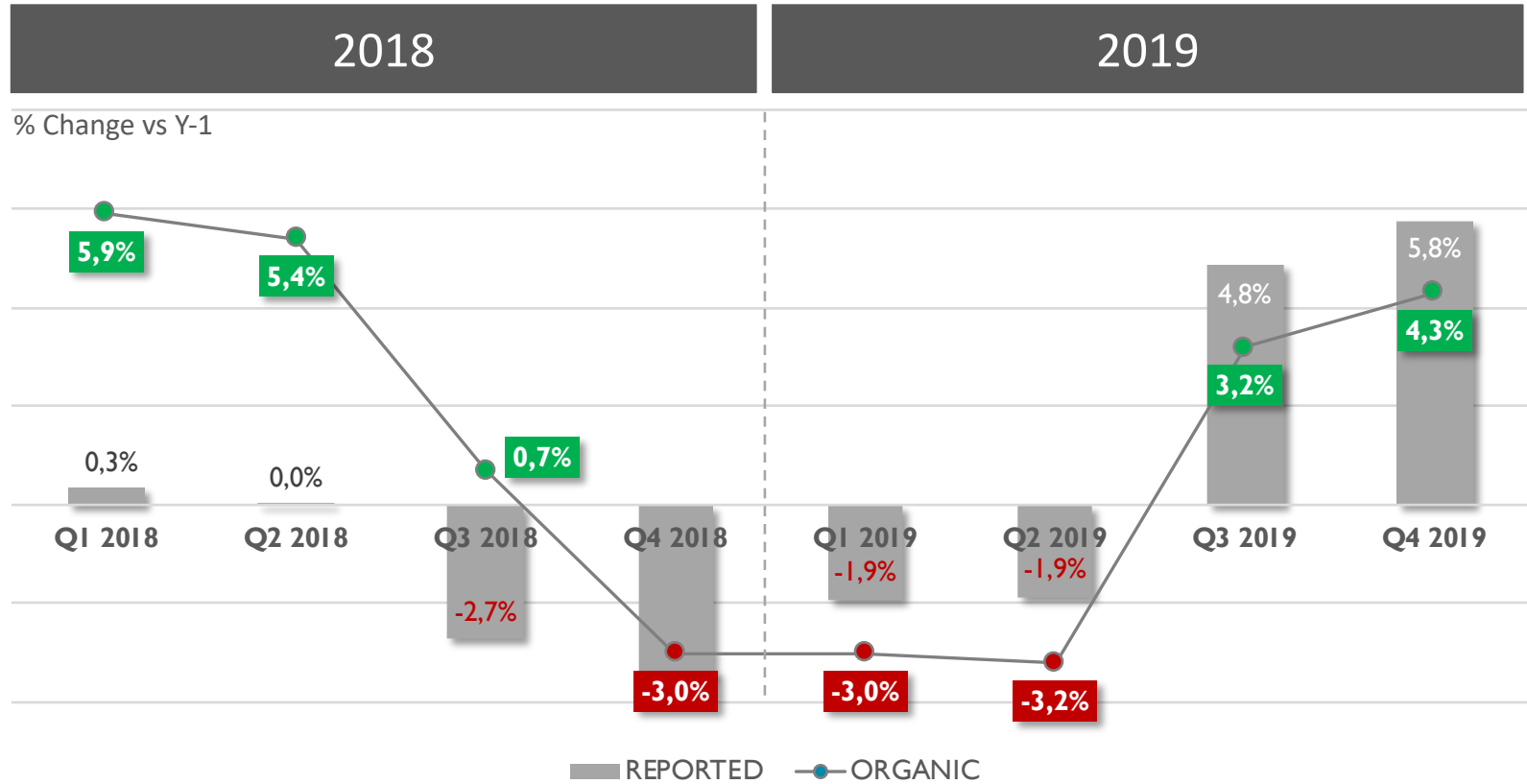
Q4 & PRELIMINARY FY 2019 HIGHLIGHTS

- **WW Industry Flat in Q4 2019**, slightly negative FY (-0,8%)^(*)
- **Q4 Net Sales +5,8% vs LY (+4,3% organic)**, driving **FY trend** to +1,6% vs LY (+0,3% organic):
 - **Cooking**: +4,2% vs LY driven by Own Brands in “Greater Europe”
 - **Motor Division**: +17,5% vs LY in Q4 (from -15,2% vs. 2018 in H1)
- **“OWN Brand” @ 55%** of cooking business sales in Q4 (52% FY), growing ≈11% vs 2018
- **Q4 Solid Operating Performance:**
 - **ADJ EBITDA**: 12,5 €M @ 10.0% on Net Sales (**9,1% @ 2018 IFRS, +7,4% vs. Q4 2018**)
 - **ADJ EBIT**: 5,7 €M @ 4.6% on Net Sales (**-10 bps vs. Q4 2018**)
 - **NET PROFIT**: 1,5 €M vs. -1,8 €M Q4 2018 (**+183%**)
- **NFP (47,2)^(**) €M vs (56,3) €M Q4 2018**

(*) Source: Elica Group Estimates

(**) Excluding IFRS 16 effect

NS TREND by QTR 2018-2019



FY 2019: 1 YEAR @ 2 SPEEDS

	H1 2019			H2 2019			FY 2019		
	RESULT		YoY	RESULT		YoY	RESULT		YoY
NET SALES	238,7	▼	-1,9%	241,3	▲	+5,3%	480,0	▲	+1,6%
ADJ. EBITDA MARGIN (*)	8,3%	—	+10 bps	9,1%	▲	+40 bps	8,7%	—	+20 bps
ADJ. EBIT MARGIN	3,7%	▼	-50 bps	4,5%	▲	+30 bps	4,1%	—	-10 bps
NFP (*)	(62,7)	▼	+7,2 M€	(47,2)	▼	+9,1 M€	(47,2)	▼	+9,1 M€

(*) Excluding IFRS 16 effect



MARKET SCENARIO

COOKER HOODS INDUSTRY SHIPMENTS (UNITS)

- Improving Western EU: positive industry in GB, Spain and France balance a weak Germany
- Turkish Market trend (-5%) worsening Eastern EU overall trend
- Persisting negative market in NA and Asia with a negative China (-0,5%) and a growing India (+5,5%)

Volume % Change vs . Y-1	Q4 '19	FY '19
Western Europe	2.9%	0.8%
Eastern Europe (incl. CIS)	(1.1%)	(1.8%)
Europe	1.2%	(0.3%)
EMEA	0.9%	(0.2%)
North America	(2.0%)	(2.1%)
Latin America	1.0%	0.6%
AMERICAS	(0.9%)	(1.0%)
ASIA	(0.3%)	(1.2%)
WORLD	0.0%	(0.8%)

Key evidence

EMEA

EU is staging a recovery. France and UK (due to pre-Brexit consumption effect) demand increase offsets German set back.
Turkey continues to drag down the EE, followed by Russia that shows industry softness.

AMERICAS

Worsening global trade and escalating trade tensions are rendering NA economy vulnerable. LA is staging a slight recovery due to the Brazilian stimulated growth.

ASIA

China's economic slowdown is continuing, among strongest factors there are rising tensions around a trade war with the US. Solid growth in India prompted by highly increased public spending and growing consumption. Stability in South-East Asia.



NET SALES DYNAMICS

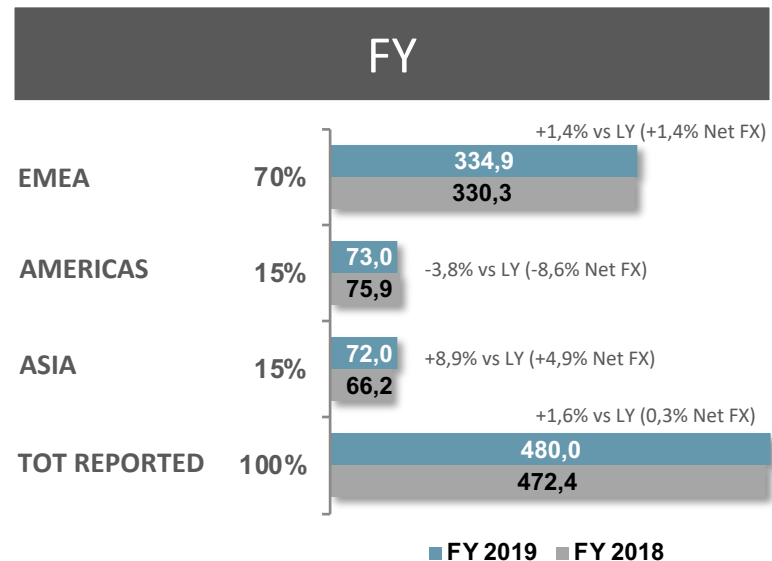
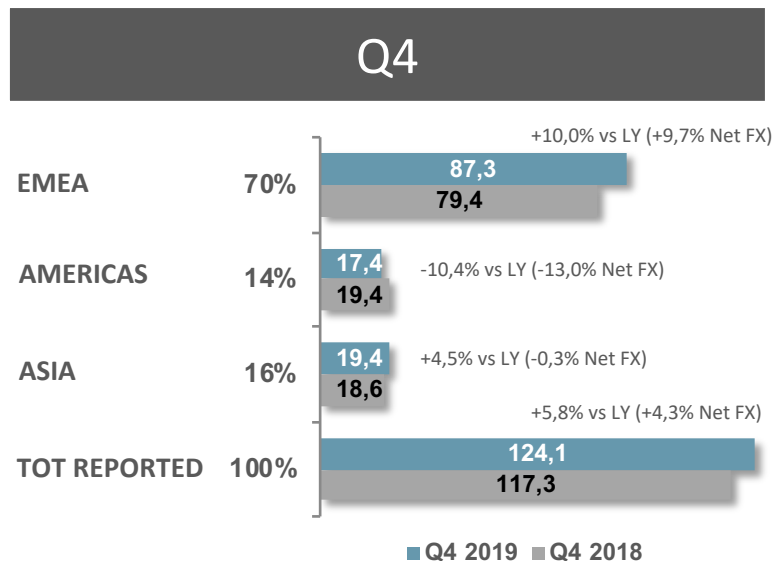
- **Q4 Net Sales** +4,4% organic growth vs LY, driving FY trend to POSITIVE (H1 @ -3,1% vs 2018):
 - **Cooking:** +4,2% vs LY driven by Own Brands in “Greater Europe”, Japan & India (FY: +2,5%)
 - **Motor Division:** strong recovery coming from Product Mix-Up and New Deals: +17,5% vs LY (FY -4,4% vs. 2018)

Q4		
Change vs Y-1	€M	%
Vol/Price/Mix	5,1	4.4%
Currency	1,7	1.4%
Reported NS	124,1	5.8%

FY		
Change vs Y-1	€M	%
Vol/Price/Mix	1,2	0.3%
Currency	6,4	1.3%
Reported NS	480,0	1.6%

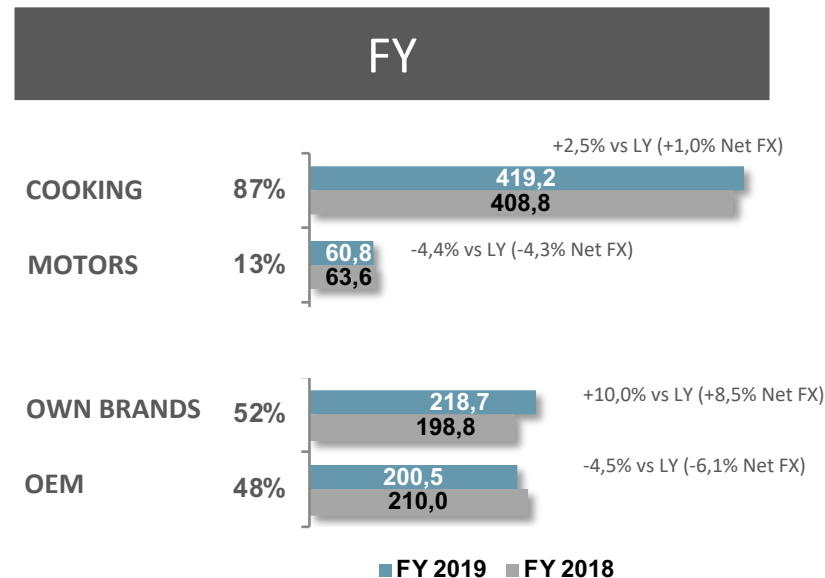
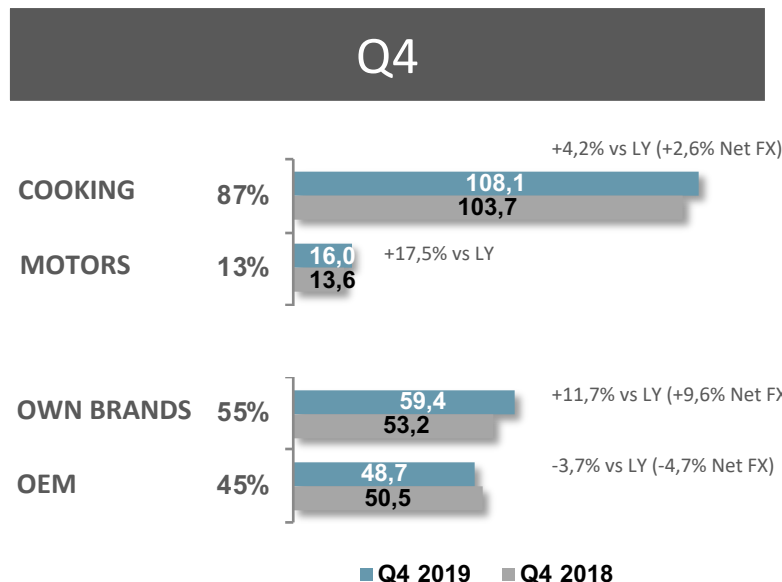
REGIONAL SALES DISTRIBUTION

- **EMEA** positive performance driven by Own Brand Growth in all Markets
- **Asian** cluster Q4 trend driven by China and Asia-Pacific demand while India remains strong.
- **North America** market demand and main OEM customers performance affecting Americas dynamics.



SALES by BUSINESS - BRAND

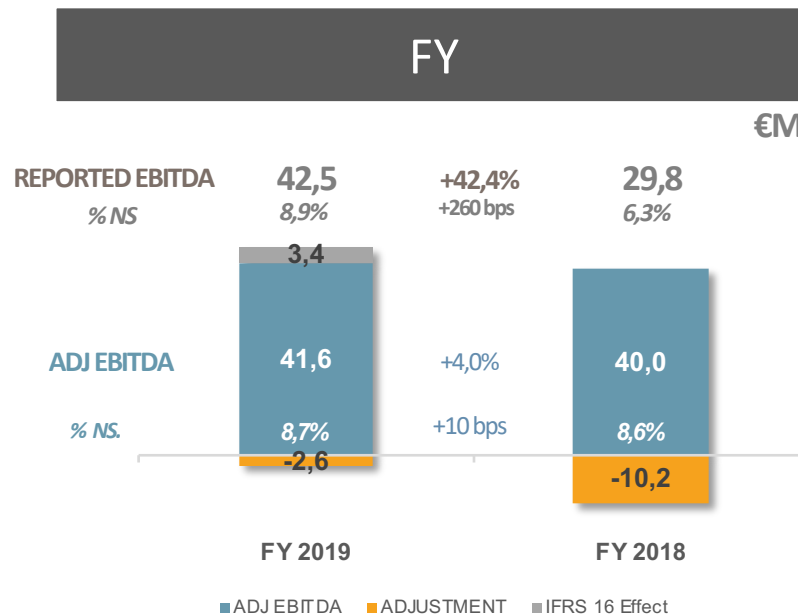
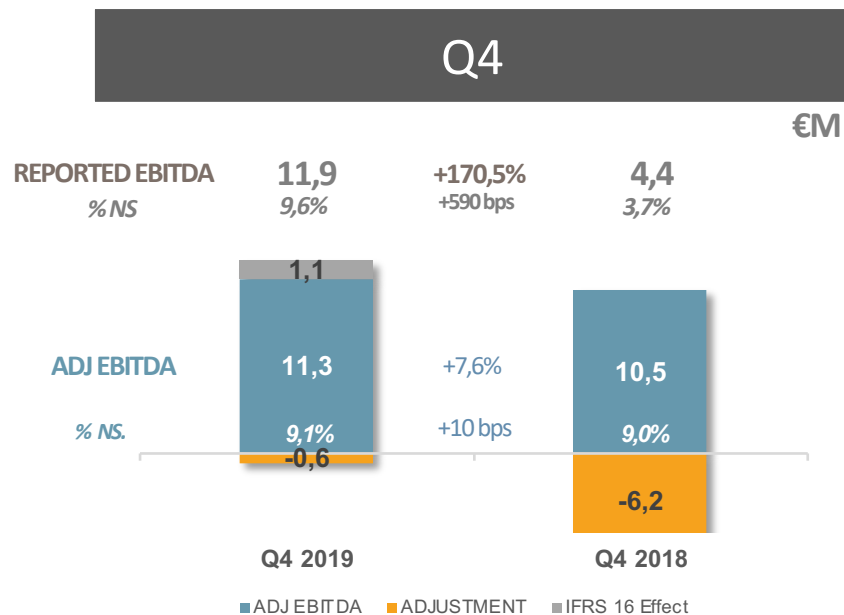
- **Cooking Business** Sales +4,2% vs LY and Motor Division trend inversion driving the overall positive performance in Q4. Negative **OEM** dynamics driven by Americas.
- **Own Brands** sales @ 55% of Cooking Business in Q4





ECONOMICS & FINANCIALS

- Q4 ADJUSTMENT (0,6 M€) mainly related to Americas Organization Restructuring costs
- 6,2 M€ in 2018 related to Gutmann GmbH Insolvency closing transaction.
- IFRS 16 introduction effect on full comparability



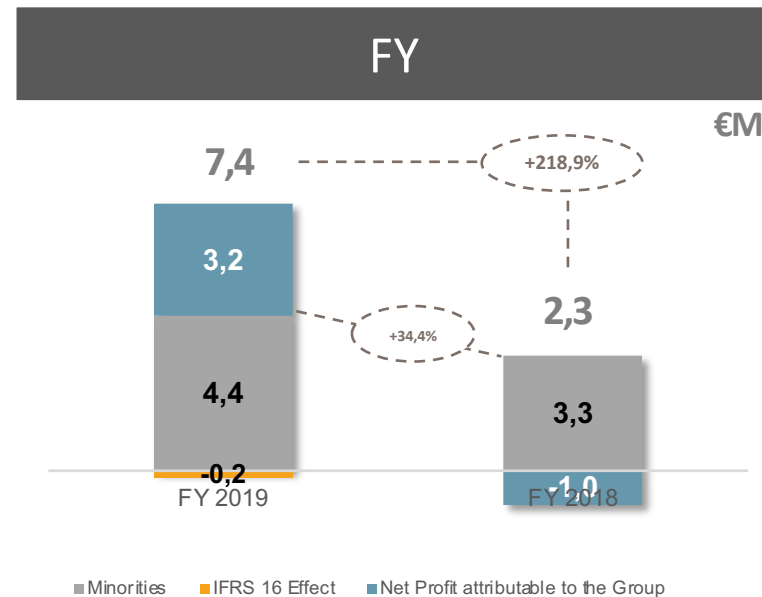
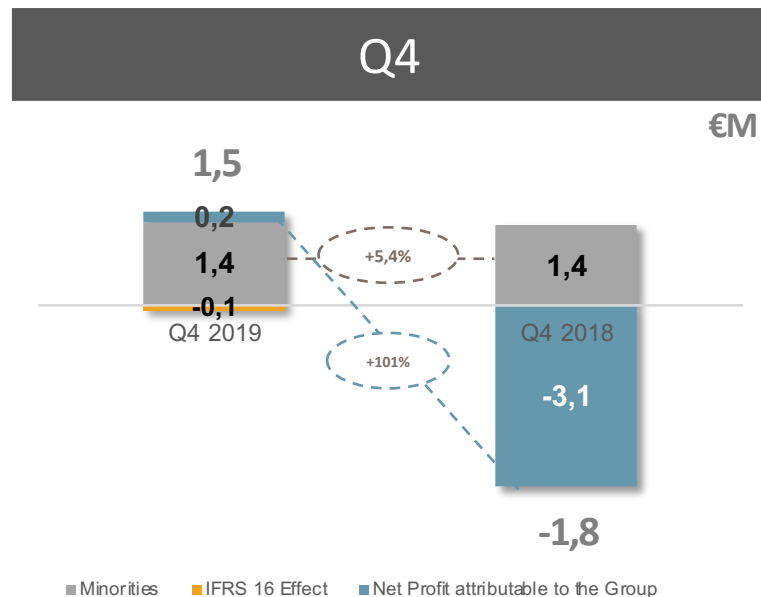
2019 PROFITABILITY KEY DRIVERS

- Balanced Manufacturing Costs thanks to positive volume effect and operational efficiencies (EMEA). Positive FX effect and continuous focus on SG&A containment
- IFRS 16 effect on YoY comparison (≈ 70 bps)

Q4	
Change vs Y-1	
Volume/Price/Mix	++
Operations Efficiency	-
Currency	+
Cost Efficiency	+
IFRS 16	+
ADJ EBITDA (€M)	1,9

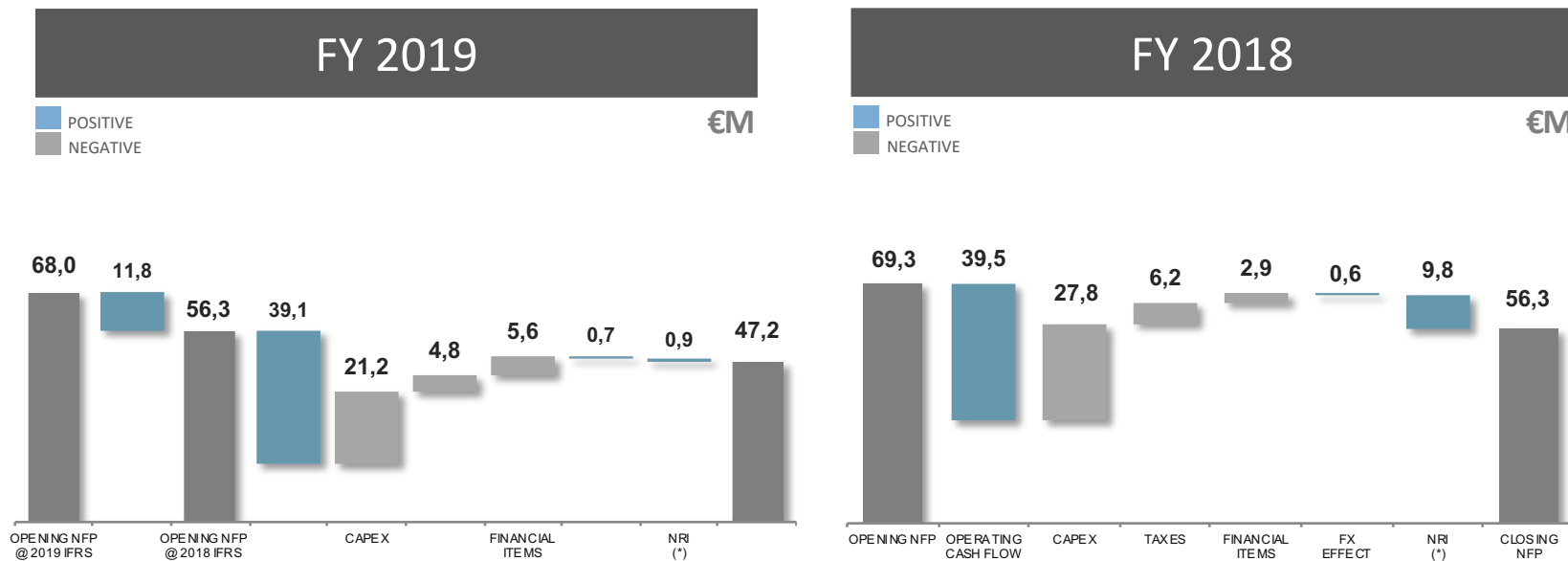
FY	
Change vs Y-1	
Volume/Price/Mix	-
Operations Efficiency	-
Currency	+
Cost Efficiency	++
IFRS 16	+
ADJ EBITDA (€M)	5,1

- Net Profit attributable to the Group improving 409,7% vs. 2018 (+3,9 M€).
- Minorities increase mainly related to India performance (+0,9 M€ vs 2018) and ownership share change in Sept 2018 (from 51% to 25,5%) and Aria fina Japan (+0,2 M€ vs 2018)



NET FINANCIAL POSITION

- Planned CAPEX reduction delivering 6,6 M€ vs. 2018 FCF improvement.
- NWC in line with 2018 despite B2C growth (+10% YoY) and an overall Net Sales increase of 5,8% in Q4 2019.
- Financial items YoY Variance due to Derivatives evaluation @ MKT price (1,0 M€), IFRS 16 (0,4 M€) and positive effect **in 2018** of the discounting of Gutmann GmbH Receivables (0,7 M€).



(*) 2018: Elica PB India 25,5% Shares Sale to Whirlpool (10,2 €M, Q3).

2019: Gutmann GmbH transaction (1,6 €M in, Q1) and 2,04% Treasury Shares Sale to TIP (2,5 €M, Q3).



CONCLUSIONS & TAKEAWAYS

■ Q4-FY 2019

- Negative WW Industry trend; improvement confirmed in West Europe^(*)
- Net Sales +5,8% vs LY in Q4 (+4,3% organic), driving FY trend to +1,6% vs LY
- “OWN Brand” @ 55% of cooking business sales in Q4
- Solid Operating Performance Improvement (9,1% EBITDA @ 2018 IFRS)
- Continuing NFP Improvement to (47,2)^(**) €M vs (56,2) €M 2018 → Leverage Ratio @ 1,1.

■ POSITIVE “ENTRY SPEED” IN 2020

(*) Source: Elica Group Estimates

(**) Excluding IFRS 16 effect



ANNEX PRELIMINARY 2019 FY FINANCIAL HIGHLIGHTS

FY CONSOLIDATED INCOME STATEMENT

€M				2018 GAAAP
	12M '19	12M '18	%	12M '19
Net Sales	480.0	472.4	1.6%	480.0
EBITDA Adj	45.0	40.0	12.7%	41.6
%	9.4%	8.5%	90 bps	8.7%
EBITDA	42.5	29.8	42.4%	39.1
%	8.9%	6.3%	260 bps	8.1%
EBIT	17.1	8.5	99.7%	17.0
%	3.6%	1.8%	180 bps	3.5%
Net Result	7.4	2.3	218.9%	7.6
%	1.5%	0.5%	100 bps	1.4%
EPS* – Euro cents	4.70	(1.55)	403.2%	4.99

(*) EPS 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.

NET WORKING CAPITAL

€M	12M '19	12M '18	Δ
Trade receivables <i>% on annualized sales</i>	55.0 11.5%	51.2 10.8%	3.8 70 bps
Inventories <i>% on annualized sales</i>	72.9 15.2%	76.2 16.1%	(3.3) (90 bps)
Trade payables <i>% on annualized sales</i>	(110.1) (22.9)%	(109.9) (23.3)%	(0.2) (40 bps)
Managerial Working Capital <i>% on annualized sales</i>	17.8 3.7%	17.5 3.7%	0.3 0 bps
Short term assets & liabilities <i>% on annualized sales</i>	(9.7) (2.0)%	(10.8) (2.3)%	1.1 30 bps
Net Working Capital <i>% on annualized sales</i>	8.1 1.7%	6.7 1.4%	1.5 30 bps

CONSOLIDATED CASH FLOW

€M	12M '19	12M '18
Operating Cash Flow (*)	32.7	33.3
Capex	(21.2)	(27.8)
Cash Flow from Financing Activities	(3.0)	6.9
Δ Net Financial Position	8.5	12.4

(*) Includes 4,8M€ Taxes and 1,6 M€ Gutmann GmbH transaction in Q1 2019

	2019	2018		2019	2018
Net Operating Fixed Assets	175.4	163.7	Net Financial Position (*)	58.9	56.3
Net Working Capital	8.1	6.7	Group Equity	111.1	102.9
			Minorities	14.2	11.3
Net Financial Assets	0.7	0.1	Total Shareholders' Equity	125.3	114.2
Net Capital Employed	184.2	170.5	Total Sources	184.2	170.5



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