



**THE BOARD OF DIRECTORS OF BIALETTI INDUSTRIE S.p.A.
APPROVES THE 1H 2007 CONSOLIDATED RESULTS.**

EXCELLENT GROWTH RESULTS: TURNOVER +10,8% - EBITDA +39,9% - EBIT +129,6%

- Consolidated revenue equal to €102.9 million, up by 10.8% compared to 1H 2006 (€92.8 million)
- EBITDA equal to €11.4 million, up by 39.9% compared to 1H 2006 (€8.1 million)
- EBIT equal to €6.8 million, up by 129.6% compared to 1H 2006 (€2.9 million)
- Consolidated net profit in 1H 2007 rises sharply to €2 million (loss of €2.3 million in 1H 2006)
- Pro forma net financial indebtedness (including proceeds arising from the public offer for sale and subscription of Bialetti Industrie shares concluded in July 2007) equal to €9.1 million
- Net financial indebtedness as at 30 June 2007 equal to €5.4 million (€2.5 million as at 31 December 2006 - €5.7 million as at 31 March 2007)

Coccaglio, 11 September 2007 – The Board of Directors of Bialetti Industrie S.p.A. (Milan, MTA: BIA), which met today under the chairmanship of Francesco Ranzoni, has approved the 1H 2007 results.

Financial and economic figures

Excellent revenue result: in 1H 2007 consolidated revenue was equal to €102.9 million, up by 10.8% compared to 1H 2006 (€92.8 million). Specifically, the houseware segment, which represents 87.4% of total sales and includes both cookware and (non electrical) coffee makers, posted a performance of +3.9% compared to 1H 2006; the small domestic appliances segment delivered an excellent performance rising from the €6.3 million recorded in 1H 2006 to €12.9 million as 30 June 2007, the increase being chiefly attributable to the market launch of the new product *Mokona*. Revenue generated abroad was equal to 43.7% of the total, with the Euro area providing the main market.

All performance's indicators are excellent:

- **Consolidated Gross Operating Profit (EBITDA) was equal to €11.4 million, up by 39.9% compared to 1H 2006 (€8.1 million).**
- **Consolidated Operating Profit (EBIT) was equal to €6.8 million, up by 129.6% compared to 1H 2006 (€2.9 million).** Improved profitability was linked to the Cem Bialetti and Girmi subsidiaries achieving full operating activity.



- **Consolidated Net Profit** was equal to €2 million, posting a considerable improvement on 1H 2006 (loss of €2.3 million).

Group net financial indebtedness as at 30 June 2007 was equal to €95.4 million, compared to the €92.5 million recorded as at 31 December 2006 and the €85.7 million recorded as at 31 March 2007.

Taking into account the proceeds, collected on 27 July 2007, from the public offer for sale and subscription of Bialetti Industrie shares (€36.4 million) – which allowed listing of the shares on the MTA (Electronic Stock Market) managed by Borsa Italiana S.p.A. (Italian Stock Exchange) – **the pro forma net financial indebtedness totals €59 million.**

In 1H 2007 the Group's **capital expenditure totalled €7 million** compared to the €2.8 million of 1H 2006, and was mainly invested in new moulds, in the Gioielli collection and in new products, equipment and industrial installations for the Bialetti Industrie plants in Omegna and Coccaglio (3 million), equipment and industrial installations for the plants in Turkey and Romania (0.8 million), in addition to costs for the opening of specialised single brand stores, shop-in-shops and corners (1 million).

Expected business outlook and significant events after period end

The half year results confirm the positive trends in sales and margins. On the basis of ongoing initiatives, it is reasonable to expect the 2007 year-end results to confirm the Group's positive performance.

“The excellent results achieved, fruit of a consolidated strategy, confirm - as Mr. Alberto Piantoni, Bialetti Industrie CEO, said - the positive trend of the first half 2007. This allows us to be trustful on the economic results of the whole 2007 fiscal year, considering that historically the second half of the year is the one that produces the more significant results, as effect of business tendency; furthermore there will be the launch on the market of the new product “Cuor di Moka”, whose first results are superior to our expectations.

We are also trustful on our growth strategy, that is based not only on a steady propension towards research and innovation, but also on the new retail project and on our internal company philosophy of attention to social issues”.

* * *

The 1H 2007 results will be presented to investors and analysts this afternoon during the conference call to be held at 3 p.m. (Italian time).

The presentation will be available on the www.bialettiindustrie.it website, Investor Relations section.



Bialetti Industrie S.p.A. is a leading company on the industrial scene in Italy and one of the main operators on international markets, with a brand recognised as synonymous with Italian quality products. The company controls widely known brands with a long-standing tradition such as Bialetti, Rondine, Girmi, Aeternum and CEM. Bialetti Industrie manufactures and sells products for the home and, in particular, the market of cookware, coffee-makers and small electrical appliances through its two strategic divisions, Houseware (cookware, non-electric coffee-makers and kitchen accessories) and SEA (small electrical appliances, including electric coffee-makers), both for the mass retail market and the retail channel. The Group, which has distinguished itself over the years both for the high degree of innovation and quality of its products and the use of new materials and technologies, has production plants in Italy, in the provinces of Brescia (Coccaglio) and Verbania (Omegna), in Turkey and in Romania. The excellence achieved by Bialetti Industrie comes from its ability to associate values such as tradition, quality, duration in time, design and safety with its products in a strategy of social and environmental responsibility which is expressed in its philosophy: more value to daily life.

For information:

Investor Relations:

Bialetti Industrie S.p.A.
Valentina Ambrosini
Investor Relations & Corporate Affairs
Tel. 0039_030_7720011
vambrosini@bialettiindustrie.it

IR TOP, Investor Relations specialists
Anna Lambiase
Lorena Grippa
Tel. 0039_02_45473884
info@irtop.com

Media Relations:

Bialetti Industrie SpA
Alessandra Costa
Head of External Relations
and Institutional Communication
Tel. 0039_030_7720011
acosta@bialettiindustrie.it

Media & Communication Consultant
Aida Partners
Marco Delle Donne – CEO
Monica Cipparrone – Media Relation Manager
Tel. 0039_02_89504650
mediarelation@aidapartners.com

The consolidated Profit & Loss Account, the consolidated Balance Sheet and the consolidated Cash Flow Statement as at 30 June 2007, currently undergoing certification by the independent auditors, are attached hereto.

This statement provides a number of alternative performance indicators to facilitate assessment of the Bialetti Industrie Group's economic-financial management performance. These indicators must not be considered as a substitute for the standard indicators provided by the IFRS.

Specifically, the alternative indicator presented is the EBITDA (gross operating margin) calculated by adding amortisation and depreciation and gains and losses on derivatives instruments to EBIT (operating profit).



Consolidated Profit & Loss Account as at 30 June 2007

(€/000)	Notes	Half years as at 30 June,	
		2007	2006
Revenue	27	102.899	92.832
Other income	28	537	705
Change in inventories of finished goods and work in progress		8.807	7.834
Capitalised internal development costs		-	-
Costs for raw materials, consumables and goods for resale	29	(50.868)	(49.901)
Costs for services	30	(34.417)	(29.960)
Costs for personnel	31	(12.840)	(11.333)
Amortisation/depreciation	32	(4.382)	(5.101)
Other operating costs	33	(2.760)	(2.060)
Gains and losses on derivative instruments	34	(208)	(69)
Operating profit		6.768	2.947
Profits/losses from associates	35	-	(30)
Financial income	36	84	109
Financial charges	36	(2.924)	(4.572)
Net profit before taxes		3.928	(1.546)
Taxes	37	(1.901)	(724)
Net profit		2.027	(2.270)
Attributable to:			
Group		2.027	(2.270)
Minority interests		-	-



Consolidated Balance Sheet as at 30 June 2007

(€/000)	Notes	As at 30 June 2007	As at 31 December 2006
ASSETS			
Non current assets			
Tangible fixed assets	8	28.856	27.153
Intangible fixed assets	9	26.357	25.919
Equity investments in associates	10	-	-
Receivables for deferred tax assets	11	5.673	5.838
Receivables and other non current assets	13	216	2.706
Total non current assets		61.102	61.616
Current assets			
Inventories	14	56.298	43.281
Trade receivables	15	64.043	73.319
Financial assets available for sale	12	3.506	4.531
Tax receivables	16	3.443	1.733
Receivables and other current assets	17	4.405	4.357
Cash and cash equivalents	18	5.824	4.865
Total current assets		137.519	132.086
TOTAL ASSETS		198.621	193.702
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	19	15.000	15.000
Reserves		679	581
Retained earnings		2.204	177
Group shareholders' equity		17.883	15.758
Minority interests		-	-
Total shareholders' equity		17.883	15.758
Non current liabilities			
Payables and other financial liabilities	20	20.228	19.849
Employee benefits	21	6.476	7.340
Provisions for risks	22	380	362
Payables for deferred tax liabilities	11	3.209	3.060
Other liabilities	23	3.790	7.142
Total non current liabilities		34.083	37.753
Current liabilities			
Payables and other financial liabilities	20	84.529	82.078
Trade payables	24	49.826	44.589
Tax payables	25	3.256	4.032
Provisions for risks	22	163	163
Other liabilities	26	8.881	9.329
Total current liabilities		146.655	140.191
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		198.621	193.702



Cash Flow Statement as at 30 June 2007

(€/000)	Half years as at 30 June	
	2007	2006
Net profit before taxes	3.928	(1.546)
Amortisation/depreciation	4.382	4.987
Allocation to bad debt provision	7	1.114
Allocation to provisions for risks	-	-
(Capital gains)/capital losses on disposals of tangible fixed assets	(116)	(62)
Gains on derivative instruments	(971)	(542)
Interest income and dividends on financial assets available for sale	(84)	(109)
Net financial charges	3.779	4.679
Allocation to staff severance indemnity	816	132
Change in inventories	(13.017)	(6.103)
Change in trade receivables	9.271	16.637
Change in receivables and other current assets	(48)	606
Change in other assets and tax assets	945	4.318
Change in trade payables	5.237	911
Change in deferred tax payables	(1.719)	(282)
Change in other liabilities	(3.800)	1.843
Change in tied cash	1.225	(390)
Interest paid	(3.779)	(4.679)
Income taxes paid	(713)	(584)
Payments/advances and other changes in staff severance indemnity	(1.680)	(528)
Change for payments of provisions for risks	18	(49)
Net cash flow generated by operating activity	3.681	20.354
Investments in tangible fixed assets	(4.104)	(2.098)
Divestiture of tangible fixed assets	623	113
Investments in subsidiaries, net of acquired cash	-	(5.845)
Investments in intangible fixed assets	(2.926)	(715)
Purchases of financial assets available for sale	1.109	278
Realised gains on derivative instruments	971	542
Net cash flow absorbed by investment activity	(4.327)	(7.726)
Raising of new loans	79.147	81.232
Repayments of loans	(76.317)	(91.787)
Payment of dividends	-	(2.000)
Net cash flow absorbed by financial activity	2.830	(12.555)
Total cash flow generated/(absorbed) in the period	2.184	73
Opening untied cash	2.430	2.120
Closing untied cash	4.614	2.193