



**THE BOARD OF DIRECTORS OF BIALETTI INDUSTRIE S.p.A.  
APPROVED THE CONSOLIDATED RESULTS AS OF 31 DECEMBER 2007.**

**GROWTH RESULTS: TOTAL SALES +5.9%; EBITDA +10.9%; EBIT +12.9%; PROFIT +65.3%**

- Consolidated results 220.72 million euro, up 5.9% from fiscal year 2006 (208.41 million euro)
- EBITDA 26.79 million euro, up 10.9% from fiscal year 2006 (24.16 million euro)
- EBIT 16.13 million euro, up 12.9% from fiscal year 2006 (14.29 million euro)
- Consolidated net profit as of 31 December 2007 showed a remarkable improvement to 4.1 million euro from fiscal year 2006 (2.48 million euro)

**UGO FORNER APPOINTED AS NEW MANAGING DIRECTOR**

**Coccaglio, 18 March 2008** - The Board of Directors of Bialetti Industrie S.p.A. (Milan, MTA: BIA) held today chaired by the Chairman, Francesco Ranzoni, for the approving of the results as of 31 December 2007.

Ugo Forner has been appointed as new Managing Director taking the place of Alberto Piantoni.

Francesco Ranzoni, Chairman of the Board of Directors, stated, *“The results of 2007 show a 5.9% increase in total sales and double-digit increases in operating profitability, though the economic scenario is not exactly favorable.*

*I am sure the new Managing Director will be capable, with his experience and competence, to give an important boost to the growth trend of the Group. I would like to thank Alberto Piantoni for the excellent work he has done in all of these years and I wish him much success in the new challenges that await him”.*

Then Alberto Piantoni said, *“After 20 years in this group and participating in major projects that culminated in the quotation of Bialetti Industrie on the stock market, I have decided to undertake a new challenge. In any case I will continue to be connected to this company, which has given me so much, by maintaining the office of Director. I am leaving a consolidated Group with different brands capable of producing great results in the future”.*

**Consolidated Financial-Economic Figures**

**Consolidated net revenues** as of 31 December 2007 amounted to 220.72 million euro, up 5.9% from the same period of 2006 (208.41 million euro) divided among the sectors of Houseware, Coffeemakers and Cooking Utensils (85.8%) and Small Household Appliances (14.2%).

Regarding the total sales of that period, the unfavorable exchange rate between the dollar and the euro took its toll: at a constant exchange rate the revenues of 2007 would have been 2.5 million euro more.



Household appliances achieved a remarkable result, rising from 18.5 million euro in 2006 to 31.3 million euro in fiscal year 2007 thanks to the launch of new products and the penetration into new markets. Houseware, which includes cooking utensils and coffee makers (non electric), dropped slightly (0.3%) from the same period of 2006.

Overall the revenues made abroad reached 40.4% of the total, of which 22.7% were made in Europe (excluding Italy), 12.9% in North America and 4.8% in the rest of the world.

**The profitability indicators show the following figures:**

- **Consolidated gross operating result (EBITDA)** 26.79 million euro, with a strong increase of 10.9% from fiscal year 2006 (24.16 million euro);
- **Consolidated operating result (EBIT)** 16.13 million euro, with a, expressive increase of 12.9% from the same period of 2006 (14.29 million euro).
- **Consolidated net profit** 4.1 million euro, up 65.3% from the same period of 2006 (2.48 million euro).

The **Group's net financial indebtedness** as of 31 December 2007 was 85.11 million euro, compared with the 92.53 million euro as of 31 December 2006 and the 77.14 million euro as of 30 September 2007.

Throughout 2007 the group made **investments for 15.19 million euro** compared to the 12.2 million euro of fiscal year 2006.

For the Bialetti Industrie Group the year 2007 was characterized by the launch of major projects included in the three-year development plan of 2007-2009. This plan sets out to achieve the following goals:

- Reinforcement of its positioning on the high-end of the market with top-quality products and the opening of single-brand points of sale;
- Improvement in capabilities, specializations and productive efficiency by investing in research and development;
- Internationalization aimed at developing local foreign markets and achieving competitive capability by exporting the Company's production model.

Now, as we analyze each of the actions undertaken by the Company, we would like to point out the launch of the new Bialetti Collection, the "cuor di moka" coffeemaker, the "moka sound" coffeemaker, the relaunch and development of Girmi brand products and the launch of the new "calore&colore" line of Aeternum.

In the second half of the year we signed a joint venture in India for the production and sale of cooking utensils and accessories made of aluminum and steel and we set up a sales company in Hong Kong.

The listing of Bialetti Industrie shares on the MTA of the Italian Stock exchange, the launch of the Retail Project and the acquisition of Rff Store S.r.l. completed a year packed with development projects.



### Result of the parent company

The Board of Directors also approved the results of the Financial Statements of 2007 for the parent company Bialetti Industrie S.p.A., which registered:

- Revenues at 159.82 million euro (against 161.77 million euro in fiscal year 2006);
- Net profit at 3.76 million euro (against 0.1 million euro in fiscal year 2006);
- Shareholder's equity at 54.78 million euro (against 16.6 million euro in fiscal year 2006);
- Net financial position at 59.61 million euro (against 76.12 million euro in fiscal year 2006).

### Foreseeable trend of operation

Group initiatives are laying the foundations so that 2008 will reflect growth.

Though the Group is operating in a difficult economic setting characterized by a slowdown in consumption rates, the figures for the first quarter of 2008 see competitive position of the group being maintained.

### Appointment of the new Managing Director and other deliberations

Alberto Piantoni released his powers as Managing Director of Bialetti Industrie S.p.A., effective as of 1 April 2008. He shall maintain his office as a director on the board. He also resigned from all other duties and offices held at companies of the Bialetti Group, effective as of 1 April 2008.

Director Piantoni, who has no shares in Bialetti Industrie S.p.A., told the meeting that he wants to take on new work opportunities. The Board of Directors and the board of auditors thanked Mr. Piantoni for his 20 years of activity with the company and gave him their best wishes for the new professional challenge he is undertaking.

The Board of Directors also acknowledged the resignation of board member Enrico Colombo, and co-opted Ugo Forner as the new managing director (effective as of Aprile 16, 2008), and conferred upon him the office of Managing Director starting on that date.

Born in Bressanone in 1957, Ugo Forner held the office of Senior Vice President of the Truck & Agro Business Unit in the Pirelli Group. In 1996 he became Director of the Northeastern Region and then Sales Manager for Italy of the Coca Cola Group.

In 1989 he took office as the Director of Operations and Business Planning in the Italian subsidiary DOLMA of the American Group Mars where he was also Director of Sales and Trade Marketing. In 1984 he joined the Arena Group.

The *curriculum vitae* will be available in the website. Ugo Forner currently has no shares in Bialetti Industrie.

The Board of Directors also evaluated the independence of its members and acknowledged that Mr. Vito Varvaro had notified them that he had lost the requisites of independence and therefore fell from office according to article 147 ter, paragraph 4 of D. Lgs. 58/98.

The Board of Directors, after acknowledging that Directors Angelo Menegatti and Livio Barnabò confirmed the requisites of independence, co-opted Director Varvaro to the office of director where he shall remain until the next meeting.

The Board examined and approved the annual report on the corporate governance system and compliance with Code of conduct of the companies quoted for fiscal year 2007.



### Authorization to purchase and sell its own shares and plan for free allocation of shares in Bialetti Industrie

The Board of Directors deliberated to submit to the meeting the proposal for the purchase and subsequent sale on the market (following a maximum period of 18 months after the meeting's deliberation) of a maximum of 7,500,000 of its ordinary shares (equal to 10% of share capital). Some of these securities will be allocated for the purpose of a stock option plan in favor of the new Managing Director, the terms of which shall be reported in the informational document written and made public according to the provisions of art. 84-bis Issuers Regulations issued by the CONSOB with deliberation no. 11971/99 and later amendments (the "**Issuers Regulations**").

The purchase of its own shares pursues the following goals in the interest of the Company and in compliance with applicable laws and equal treatment of shareholders:

- to intervene directly or by intermediaries to curb anomalous movements of quotations and to regulate the trend of negotiations and prices, when there is distortion associated with excessive volatility or exchanges without sufficient liquidity;
- to use its own shares to serve stock incentive plans, if any, reserved to directors and/or employees and/or collaborators of the company or companies belonging to the Bialetti Group.

The purchases and transfers of its own shares shall be made in compliance with the operational procedures contemplated by Art. 144-bis, paragraph 1, letters a), b), c) and d) of the Issuers Regulations at a price no greater than 15% and no less than 15% of the reference price registered by the security at the stock market session previous to each single operation. Said parameters are considered adequate for determining the range of values in which the purchase and transfer is advantageous to the Company.

At the current stock market prices, the maximum potential cash outlay is approximately 11 million euro.

Currently Bialetti Industrie S.p.A. owns none of its own shares, not even through its controlled companies.

### Call for the shareholder meeting and proposals for allocation of profits

The Board of Directors called the ordinary meeting of shareholders for 21 April 2008 and, if necessary, 22 April 2008 on second call. It shall propose to the shareholders to allocate the operating profit of Bialetti Industrie S.p.A. amounting to 3.76 million euro to the legal reserve in the amount of 0.18 million euro and to the extraordinary reserve in the amount of 3.58 million euro.

\* \* \*

The operating results of fiscal year 2007 will be explained to the investors and analysts tomorrow, Wednesday 19 March, during the conference call which will be held at 3:30 p.m. (Italian time).

The presentation will also be available at [www.bialettiindustrie.it](http://www.bialettiindustrie.it) in the Investor Relations section.

**Bialetti Industrie S.p.A.** is a leading Italian industry and one on the major operators on international markets with a brand that is recognized as synonymous with "high-quality Made in Italy". The Company is an umbrella to well-known trademarks having a long tradition, such as Bialetti, Rondine, Girmi, Aeternum and CEM. Bialetti Industrie manufactures and sells products for the home and in particular cooking utensils, coffee makers and small household appliances through its two strategic divisions "*Houseware*" (cooking utensils, nonelectric coffee makers and kitchen accessories) and small household appliances, including electrical coffee makers, both dedicated to large-scale organized chain distribution and the retail channel. The group has become distinguished throughout the years



due to its high level of innovation and the quality of its products as well as its use of new materials and technologies. It produces at its own factories in Italy – in the provinces of Brescia (Coccaglio) and Verbania (Omegna) – and in Turkey and Romania. The affirmation of excellence of Bialetti Industrie derives from its capacity to imbue its products with values such as tradition, quality, durability, design and safety, in a strategic process of social and environmental responsibility as a corporation, expressed nicely in its philosophy: “Add value to daily life”.

**For information:**

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This press release provides some alternative performance indicators to allow you to make a better evaluation of the economic-financial trend of the operation of the Bialetti Industrie Group. These indicators must not be considered as substitutes for the conventional ones required by the IFRS. In particular the alternative indicator presented is the EBITDA (gross operating margin) calculated by adding the EBIT (operating profit) to depreciation, proceeds and losses on derivative instruments.

Regarding the financial statement schedules contained in the press release, we would like to point out that the audit of these figures has not yet been completed.

The manager responsible for preparing the company’s financial reports” Anna Luisa Spadari declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

The Report of the Board of Directors, the Statutory Financial Statements, the Consolidated Financial Statements as of 31 December 2007, and the Report on Corporate Governance shall be made available to the public at the company’s main office and through the NIS circuit of the Italian Stock Exchange as well as at the Company’s web site [www.bialettiindustrie.it](http://www.bialettiindustrie.it) on Friday 21 March 2008.



## Consolidated Profit and Loss Account as of 31 December 2007

(€/000)	2007	%	2006	%
Revenue	220.724	100,0%	208.408	100,0%
Other income	1.530	0,7%	925	0,4%
Change in inventories of finished goods and work in progress	8.096	3,7%	125	0,1%
Costs for raw materials, consumables and goods for resale	(100.769)	-45,7%	(97.427)	-46,7%
Costs for services	(71.218)	-32,3%	(59.440)	-28,5%
Costs for personnel	(26.603)	-12,1%	(22.842)	-11,0%
Amortisation/depreciation	(9.569)	-4,3%	(9.913)	-4,8%
Other operating costs	(4.967)	-2,3%	(5.590)	-2,7%
Gains and losses on derivative instruments	(1.095)	-0,5%	40	0,0%
<b>Operating profit</b>	<b>16.129</b>	<b>7,3%</b>	<b>14.286</b>	<b>6,9%</b>
Profits/losses from associates	-	0,0%	(664)	-0,3%
Financial income	523	0,2%	540	0,3%
Financial charges	(8.825)	-4,0%	(8.728)	-4,2%
<b>Net profit before taxes</b>	<b>7.827</b>	<b>3,5%</b>	<b>5.434</b>	<b>2,6%</b>
Taxes	(3.725)	-1,7%	(2.953)	-1,4%
<b>Net profit</b>	<b>4.102</b>	<b>1,9%</b>	<b>2.481</b>	<b>1,2%</b>
<b>Attributable to:</b>				
Group	4.102		2.481	
Minority interests	-		-	



## Consolidated Statement of Assets and Liabilities as of 31 December 2007

(€/000)	As at 31 December 2007	As at 31 December 2006
<b>ASSETS</b>		
<b>Non current assets</b>		
Tangible fixed assets	28.214	27.153
Intangible fixed assets	30.376	25.919
Receivables for deferred tax assets	6.763	5.838
Receivables and other non current assets	259	2.706
<b>Total non current assets</b>	<b>65.612</b>	<b>61.616</b>
<b>Current assets</b>		
Inventories	56.227	43.281
Trade receivables	81.984	73.319
Financial assets available for sale	3.505	4.531
Tax receivables	2.286	1.733
Receivables and other current assets	10.221	4.357
Cash and cash equivalents	6.810	4.865
<b>Total current assets</b>	<b>161.033</b>	<b>132.086</b>
<b>TOTAL ASSETS</b>	<b>226.645</b>	<b>193.702</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	18.750	15.000
Reserves	28.939	581
Retained earnings	6.753	177
<b>Group shareholders' equity</b>	<b>54.442</b>	<b>15.758</b>
Minority interests	233	-
<b>Total shareholders' equity</b>	<b>54.675</b>	<b>15.758</b>
<b>Non current liabilities</b>		
Payables and other financial liabilities	20.854	19.849
Employee benefits	4.927	7.340
Provisions for risks	407	362
Payables for deferred tax liabilities	3.286	3.060
Other liabilities	2.888	7.142
<b>Total non current liabilities</b>	<b>32.362</b>	<b>37.753</b>
<b>Current liabilities</b>		
Payables and other financial liabilities	74.577	82.078
Trade payables	55.204	44.589
Tax payables	2.003	4.032
Provisions for risks	163	163
Other liabilities	7.661	9.329
<b>Total current liabilities</b>	<b>139.608</b>	<b>140.191</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>226.645</b>	<b>193.702</b>



## Financial Statement of the Group as of 31 December 2007

(€/000)	Period as at 31 December	
	2007	2006
<b>Net profit before taxes</b>	<b>7.827</b>	<b>5.434</b>
Amortisation/depreciation	9.569	9.913
Allocation to bad debt provision	223	3.042
Allocation to provisions for risks	45	97
(Capital gains)/capital losses on disposals of tangible fixed assets	24	12
Gains / (Losses) on derivative instruments	(1.266)	(621)
Interest income and dividends on financial assets available for sale	(521)	(540)
Net financial charges	7.393	8.728
Allocation to staff severance indemnity	(683)	935
Change in inventories	(12.946)	4.541
Change in trade receivables	(8.886)	(2.603)
Change in receivables and other current assets	(5.864)	(984)
Change in other assets and tax assets	969	4.258
Change in trade payables	10.615	(643)
Change in deferred tax payables	1.762	2.380
Change in other liabilities	(5.922)	465
Change in tied cash	1.094	(418)
Interest paid	(7.393)	(8.728)
Income taxes paid	(7.290)	(2.479)
Payments/advances and other changes in staff severance indemnity	(1.730)	(1.107)
<b>Net cash flow generated by operating activity</b>	<b>(12.980)</b>	<b>21.682</b>
Investments in tangible fixed assets	(7.473)	(4.293)
Divestiture of tangible fixed assets	76	1.176
Investments in subsidiaries, net of acquired cash	-	(5.845)
Investments in intangible fixed assets	(7.714)	(2.695)
Purchases of financial assets available for sale	1.547	405
Realised gains on derivative instruments	1.266	621
<b>Net cash flow absorbed by investment activity</b>	<b>(12.298)</b>	<b>(10.631)</b>
Raising of new loans	77.284	61.069
Repayments of loans	(83.780)	(69.810)
Payment of dividends	-	(2.000)
Change in equity for IPO	34.322	-
Minority interests	233	-
Other changes in equity	258	-
<b>Net cash flow absorbed by financial activity</b>	<b>28.317</b>	<b>(10.741)</b>
<b>Total cash flow generated/(absorbed) in the period</b>	<b>3.039</b>	<b>310</b>
<b>Opening untied cash</b>	<b>2.430</b>	<b>2.120</b>
<b>Closing untied cash</b>	<b>5.469</b>	<b>2.430</b>



## Profit and Loss Account of Bialetti Industrie S.p.A. as of 31 December 2007

€	2007	%	2006	%
Revenue	159.817.324	100,0%	161.772.357	100,0%
Other income	2.774.918	1,7%	1.236.239	0,8%
Change in inventories of finished goods and work in progress	5.674.393	3,6%	(1.058.708)	-0,7%
Costs for raw materials, consumables and goods for resale	(69.249.013)	-43,3%	(68.937.384)	-42,6%
Costs for services	(55.561.441)	-34,8%	(52.198.477)	-32,3%
Costs for personnel	(21.153.867)	-13,2%	(16.728.884)	-10,3%
Amortisation/depreciation	(7.338.010)	-4,6%	(7.894.923)	-4,9%
Other operating costs	(3.090.422)	-1,9%	(3.905.543)	-2,4%
Gains and losses on derivative instruments	(1.075.194)	-0,7%	40.100	0,0%
<b>Operating profit</b>	<b>10.798.688</b>	<b>6,8%</b>	<b>12.324.777</b>	<b>7,6%</b>
Profits/losses from associates	-	0,0%	(704.047)	-0,4%
Profits/losses from subsidiaries	1.605.167		(486.135)	
Financial income	821.228	0,5%	481.282	0,3%
Financial charges	(5.601.091)	-3,5%	(6.021.182)	-3,7%
<b>Net profit before taxes</b>	<b>7.623.992</b>	<b>4,8%</b>	<b>5.594.695</b>	<b>3,5%</b>
Taxes	(3.859.086)	-2,4%	(5.489.225)	-3,4%
<b>Net profit</b>	<b>3.764.906</b>	<b>2,4%</b>	<b>105.470</b>	<b>0,1%</b>



## Statement of Assets and Liabilities of Bialetti Industrie S.p.A. as of 31 December 2007

€	As at 31 December 2007	As at 31 December 2006
<b>ASSETS</b>		
<b>Non current assets</b>		
Tangible fixed assets	22.500.489	23.043.740
Intangible fixed assets	16.405.749	11.514.441
Equity investments in subsidiaries and associates	22.094.238	17.823.971
Receivables for deferred tax assets	2.980.575	2.124.190
Receivables and other non current assets	625.558	3.153.766
<b>Total non current assets</b>	<b>64.606.609</b>	<b>57.660.108</b>
<b>Current assets</b>		
Inventories	39.648.619	32.648.969
Trade receivables	66.378.972	67.105.930
Financial assets available for sale	3.502.323	4.472.356
Tax receivables	386.420	0
Receivables and other current assets	7.945.474	3.075.200
Cash and cash equivalents	4.865.846	3.763.495
<b>Total current assets</b>	<b>122.727.654</b>	<b>111.065.950</b>
<b>TOTAL ASSETS</b>	<b>187.334.263</b>	<b>168.726.058</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	18.750.000	15.000.000
Reserves	31.123.738	575.214
Retained earnings	4.908.917	1.026.665
<b>Total shareholders' equity</b>	<b>54.782.655</b>	<b>16.601.879</b>
<b>Non current liabilities</b>		
Payables and other financial liabilities	18.930.391	16.983.221
Employee benefits	4.139.270	5.289.453
Provisions for risks	346.920	320.754
Payables for deferred tax liabilities	2.615.635	2.016.578
Other liabilities	3.269.137	7.142.000
<b>Total non current liabilities</b>	<b>29.301.353</b>	<b>31.752.006</b>
<b>Current liabilities</b>		
Payables and other financial liabilities	49.048.998	67.375.258
Trade payables	46.025.406	40.969.886
Tax payables	1.547.725	3.548.366
Provisions for risks	-	-
Other liabilities	6.628.126	8.478.663
<b>Total current liabilities</b>	<b>103.250.255</b>	<b>120.372.173</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>187.334.263</b>	<b>168.726.058</b>



## Financial Statement of Bialetti Industrie S.p.A. as of 31 December 2007

€	Period as at 31 December	
	2007	2006
<b>Net profit before taxes</b>	<b>7.623.992</b>	<b>5.594.695</b>
Amortisation/depreciation	7.338.010	7.894.923
Allocation to bad debt provision	-	2.479.196
Allocation to provisions for risks	-	-
(Capital gains)/capital losses on disposals of tangible fixed assets	1.119	4.053.516
Gains / (Losses) on derivative instruments	(1.266.287)	(621.621)
Interest income and dividends on financial assets available for sale	(821.228)	(481.282)
Net financial charges	4.262.728	5.695.656
Allocation to staff severance indemnity	(598.407)	702.663
Change in inventories	(6.999.650)	6.624.966
Change in trade receivables	726.960	(1.845.964)
Change in receivables and other current assets	(4.870.274)	(1.208.472)
Change in other assets and tax assets	(2.984.864)	5.356.608
Change in trade payables	5.055.520	(2.009.786)
Change in deferred tax payables	1.613.104	(112.259)
Change in other liabilities	(5.723.400)	570.253
Change in tied cash	1.094.983	(418.865)
Interest paid	(4.262.728)	(5.695.656)
Income taxes paid	(6.873.774)	(2.147.553)
Payments/advances and other changes in staff severance indemnity	(551.776)	(773.662)
<b>Net cash flow generated by operating activity</b>	<b>(7.209.806)</b>	<b>23.729.566</b>
Investments in tangible fixed assets	(4.851.186)	(7.013.000)
Divestiture of tangible fixed assets	25.000	289.000
Investments in subsidiaries, net of acquired cash	-	(5.845.000)
Investments in intangible fixed assets	(6.861.000)	(4.295.000)
Purchases of financial assets available for sale	1.791.261	405.254
Realised gains on derivative instruments	1.266.287	621.621
<b>Net cash flow absorbed by investment activity</b>	<b>(8.629.638)</b>	<b>(15.837.125)</b>
Raising of new loans	52.639.910	63.265.970
Repayments of loans	(69.019.000)	(68.913.330)
Payment of dividends	-	(2.000.000)
Change in equity for IPO	34.321.524	-
Other changes in equity	94.344	(41.001)
<b>Net cash flow absorbed by financial activity</b>	<b>18.036.778</b>	<b>(7.688.361)</b>
<b>Total cash flow generated/(absorbed) in the period</b>	<b>2.197.334</b>	<b>204.080</b>
<b>Opening untied cash</b>	<b>1.327.522</b>	<b>1.123.442</b>
<b>Closing untied cash</b>	<b>3.524.856</b>	<b>1.327.522</b>