

SABAF: shareholders approve 2005 accounts

- Approval of distribution of dividend of € 0.60 per share
- New members of Board of Directors appointed: Salvatore Bragantini, Alberto Federico Giua, and Ettore Saleri
- 2005 Comprehensive Annual Report presented to stakeholders

Today the Annual General Meeting of Sabaf SpA shareholders, summoned to approve statutory year-end accounts as at December 31st 2005 and appoint corporate bodies for the 3-year period 2006-2008, took place. Following the shareholders' meeting, there was a meeting of the Board of Directors, which defined the allocation of positions and powers within the Board and assessed directors' independence.

FY2005 accounts and dividend

Shareholders approved statutory year-end accounts for FY2005, which ended with a profit of € 12.5 million (mn) (€ 12.3 mn in FY2004). Consolidated profit totalled € 14 mn (€ 13 mn in FY2004).

Shareholders then passed a resolution approving distribution of a gross dividend of € 0.60 per share (25% higher than the dividend of € 0.48 paid out in 2005).

Coupon detachment is scheduled for May 22nd 2006 and the payment date is May 25th 2006.

Appointment of Board of Directors and creation of committees

Shareholders appointed the Board of Directors for the 3-year period 2006-2008.

The Board was enlarged to 11 members, of which the majority (6) are independent directors.

New members of the Board of Directors are the independent directors Salvatore Bragantini (economist, ex-commissioner of CONSOB, the Italian securities & exchange commission) and Alberto Federico Giua (consultant and a lecturer in product innovation at the "Carlo Cattaneo" University of Castellanza). Shareholders confirmed appointment of the independent directors Leonardo Cossu (independent management professional), Franco Carlo Papa (independent professional and past president of the AIAF - the Italian association of financial analysts), Raffaele Ghedini (economist and university professor), and Flavio Pasotti (entrepreneur and president of Apindustria Brescia)

Among the executive directors Giuseppe Saleri, Gianbattista Saleri, Angelo Bettinzoli, and Alberto Bartoli were confirmed and were joined by the new director Ettore Saleri. Giuseppe Saleri was confirmed as Chairman of the Board, whilst his sons Gianbattista and Ettore were assigned the position of Deputy Chairman. Angelo Bettinzoli continues to hold the role of Chief Executive Officer.

"The confirmation of a majority of high-profile independent directors demonstrates our attention to the interests of all shareholders and, more generally, of all stakeholders, in the firm belief that effective and convinced application of the best rules of corporate governance is indispensable to assure Sabaf's sustainable development in the long term" - stated the Chairman, Giuseppe Saleri.

During the subsequent Board meeting, the Board of Directors assessed and confirmed that independent directors qualified for definition as such. The new position of Lead Independent Director, introduced by the Italian Self-Regulation Code for Listed Companies, will be held by Franco Carlo Papa.



Within the Board, directors then created the Internal Audit & Control Committee (whose members are messrs. Bragantini, Cossu, and Papa) and the Compensation Committee (whose members are messrs. Cossu, Ghedini, Giua, and Pasotti).

Appointment of the Board of Statutory Auditors

The Shareholders' Meeting also appointed the Board of Statutory Auditors for the 3-year period 2006-2008. The standing statutory auditors are Italo Lucchini (President), Eugenio Ballerio, and Giovannimaria Seccamani Mazzoli.

Award of assignment to independent auditor

The independent auditing firm AGN Serca has awarded the assignment to audit accounts for the 3-year period 2006-2008.

Presentation of Comprehensive Annual Report

At the end of the Shareholders' Meeting, Sabaf management presented to stakeholders the 2005 Comprehensive Annual Report - a document that, for the first time, reports on a combined basis on Sabaf's sustainability performance, i.e. business, social, and environmental performance. This is an innovation intended to highlight the fact that social responsibility is an integral part of company policies. It is only via the virtuous circle uniting business development with environmental and social sustainability that it is possible to assure the Sabaf Group's enduring growth over time.

"We give the public a single document that commits Sabaf's directors both on the financial front and on that of the common good, without which an entrepreneur's action becomes an arid exercise of technical efficiency. This document is one the acts with which we answer and report to the public on our day-to-day work" - stated the CEO, Angelo Bettinzoli.

Update of corporate events dates

The Board of Directors is expected to meet during the current year on the following dates:

- May 12th at 11.00 CET in order to approve the Quarterly Report as of March 31st
- August 2nd at 11.00 CET in order to approve the Quarterly Report as of June 30th
- September 21st at 11.00 CET in order to approve the Half Year Report as of June 30th
- November 13th at 10.00 CET in order to approve the Quarterly Report as of September 30th

For further information:

Investor Relations Gianluca Beschi Tel. +39 030 6843236 gianluca.beschi@sabaf.it www.sabaf.it	Press Office Power Emprise tel. +39 02 39400100 Cosimo Pastore +39 335 213305 cosimopastore@poweremprise.com Ivana Germani +39 335 6094680 ivanagermani@poweremprise.com
--	---

Founded in the early 1950s, SABAF has grown constantly to become today the main producer in Italy - and one of the leading world producers - of components for kitchens and domestic gas cooking appliances.

Its product offering features four main lines: valves, thermostats, and burners for gas cooking appliances and hinges for ovens, washing machines, and dishwashers.

Sabaf's strong technological know-how, manufacturing flexibility, and its ability to offer a vast range of components - also tailor-made to meet the requirements of individual manufacturers of cookers and of built-in hobs and ovens - that are also aligned with the specific characteristics of its core markets - are Sabaf's key strengths in a sector featuring major specialisation, constantly evolving demand and an ever-increasing orientation towards products assuring total reliability and safety.

The Sabaf Group has some 500 employees. It operates via the parent company SABAF SpA and the subsidiaries Faringosi-Hinges - leader in the production of oven and dishwasher hinges - and Sabaf do Brasil - active in production of burners for the Latin American market. Sabaf is also present in the People's Republic of China via a contact office located in Shanghai.

Sabaf has been listed on the Borsa Italiana market since March 24th 1998 and entered the high-quality/small-medium cap segment (STAR - Segmento Titoli con Alti Requisiti) in April 2001.

