

Press release

Ospitaletto, 24 April 2007

SABAF: Shareholders' Meeting approves 2006 financial statements

- Approved gross dividend of € 0.70 per share payable as from 24 May
- Financial statements for the year ended 31 December 2006 were presented
- Goals for 2007 confirmed

The Shareholders' Meeting of Sabaf S.p.A., chaired by Chief Executive Officer Angelo Bettinzoli, was held today in Ospitaletto to approve financial statements for the year ended 31 December 2006.

Consolidated group results

The commercial partnership agreements entered into, together with an extremely innovative products portfolio and favourable target market trends, enabled Sabaf to attain very satisfactory financial results in 2006. Revenues for the year were € 138.3 mn, up 14.3% as compared to 2005; EBITDA was up 14.2% to reach € 39.2 mn (28.4% of total sales), while EBIT rose by 20.4% over 2005 to reach € 28.2 mn (20.4% of total sales). Net profits were up 15.2% at € 16.1 mn (€ 14 mn in the previous financial year).

The financial position as at 31 December 2006 included net fixed assets of € 90.4 mn (86.2 mn as at 31 December 2005) and a net working capital of € 25.1 mn (25.5 mn as at 31 December 2005). Assets were funded by a consolidated net equity of € 89.8 mn and by a consolidated net financial debt of € 11.4 mn (€ 90.8 mn and € 8.9 mn respectively as at 31 December 2005).

Group parent company Sabaf S.p.A.'s financial results

Group parent company Sabaf S.p.A.'s sales revenues were € 122.3 mn in 2006 (up 13.6% from the € 107.6 mn reported in 2005), EBITDA was € 32.9 mn, up 12.6% from the € 29.2 mn at the end of 2005, EBIT was € 24.1 mn, improving by 17.9% from the € 20.4 mn reported in the previous financial year and net profits were € 14.2 mn, up 13.8% as compared to the € 12.5 mn reported in 2005.

Dividends

Upon approval of the financial statements for the year ended 31 December 2006, the Shareholders' Meeting resolved to pay a dividend of € 0.70 per share (16.7% higher than dividends of € 0.60 paid in 2006), for an overall € 8.1 million paid in the year and a 50% payout on consolidated net profits. The dividend coupon detachment date is 21 May and dividends will be payable as from 24 May 2007.



Presentation of the Annual Report for the year ended 31 December 2006

During the Annual Meeting, the Company presented its 2006 Annual Report to shareholders, illustrating its financial, social, environmental and intellectual results. *"Our strategy is intended to maximize profits not only in compliance with shared rules and regulations, but also and primarily through our ability to identify development paths which place our company at the forefront in sustainable growth"* Mr. Bettinzoli emphasized.

Goals for 2007

Considering the good performances reported in the very first months of the current financial year, Mr. Bettinzoli confirmed the goals for 2007 of achieving sales revenue growth of roughly 15% and an increase in earnings (EBIT %) in the range of 19%. These expectations are based on the assumption that no unforeseeable macro-economic downturns occur. Should such adverse events come about, actual results could differ from expected results.

First-quarter results

The Board of Directors will meet on 15 May at 11.00am to approve the quarterly financial results as at 31 March 2007. Management will present the first-quarter financial results to financial analysts in a *conference call* to be held at the same date of 15 May at 3.00pm. To take part in the *conference call* please dial +39 02. 809.02.011.

For further information:

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Founded in the early 1950s, SABAF has grown consistently over the years to become the key manufacturer in Italy - and one of the leading in the world - 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.

Unparalleled technological expertise, manufacturing flexibility, and the ability to offer a vast range of components - tailor-made to meet the requirements of individual manufacturers of cookers and built-in hobs and ovens and in line 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 employs some 600 employees and operates via the parent company SABAF S.p.A. and its subsidiaries Faringosi- Hinges - leader in oven and washing-machine hinge production - and Sabaf do Brasil - active in production of burners for the South American market. Sabaf is also present in the People's Republic of China via a contact office located in Shanghai.

