

Press release

Ospitaletto, 29 April 2008

SABAF: Shareholders' meeting approves 2007 financial statements

- Dividend of €0.70 per share resolved for payment as from 29 May
- 2007 Annual Report presented
- Treasury share purchase and sale plan approved
- Change in the Board of Statutory Auditors
- Targets for 2008 confirmed

The Ordinary General Meeting of Shareholders in Sabaf S.p.A. was held in Ospitaletto today, chaired by the Managing Director Angelo Bettinzoli. The meeting was called to approve the financial statements at 31 December 2007.

2007 financial statements and dividend

The Meeting approved the financial statements for 2007, which closed with a profit of €15.7 million (€14.2 million in 2006). The consolidated profit amounted to €15.8 million (€16.1 million in 2006).

With the approval of the financial statements, the Meeting resolved to distribute a gross dividend of €0.70 per share (the same as that distributed in 2007), corresponding to overall dividends of some €8.1 million and a payout on the consolidated net profit of 52%. The dividend will be paid on 29 May 2008; as from 26 May the shares will be traded ex-coupon.

Presentation of the 2007 Annual Report

During the Meeting, the Company presented the 2007 Annual Report, illustrating the economic, financial, social and environmental results and those relating to intellectual capital. *"In a world that is increasingly interconnected, it is only possible to pursue one's interests by working with others, not against them. From this point of view, our Annual Report shows the inseparable connection between economic goals and the relational dimension"* pointed out Angelo Bettinzoli.

Treasury share purchase and sale plan

The Meeting resolved to authorise the Board of Directors to purchase and sell treasury shares. In particular, the authorisation allows the Board to purchase up to a maximum of 1,153,345 ordinary shares (within the quantities laid down by law), on the market, for a period of 18 months, for a maximum disbursement equal to the available reserves and distributable profits, at a price not more than 10% higher or lower than the average official prices recorded on the Electronic Stock Market during the five sessions preceding the purchase. The authorisation to purchase treasury shares aims to allow the Board of Directors to take market opportunities to invest in Company shares, if the trend of the shares or the amount of liquidity available renders such a transaction advisable. Moreover, the shares acquired under the power may be used to formulate possible future stock option plans intended for employees and directors of the Company and/or subsidiary companies or may be used within the scope of transactions connected with industrial projects or agreements with strategic partners or within the scope of investment transactions. Treasury shares may be purchased on the organised markets, according to operating procedures that do not allow any direct link between the persons responsible for negotiating the purchase and predetermined persons responsible for negotiating the sale, pursuant to article 144-bis, section 1, letter c of the regulations laid down by Consob decision no. 11971/1999.

The Board of Directors has also been authorised to dispose of treasury shares without any time restrictions according to any procedure, determined by the Board of Directors itself, that proves advisable for achieving the goals pursued. The

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fee for the sale of shares may not be more than 10% higher or lower than the average official prices recorded on the Electronic Stock Market during the five sessions preceding the purchase, or, if the shares are disposed of by any means other than sale on the market, the fee will be determined with different criteria, with the aid of independent experts. To date, neither the Company nor its subsidiaries hold any Company treasury shares.

Change in the Board of Statutory Auditors

The meeting appointed the new statutory auditors Enrico Broli and Renato Camodeca, replacing Eugenio Ballerio and Giovannimaria Seccamani Mazzoli, who had tendered their resignation from the office of full members on the Board of Statutory Auditors as they had exceeded the number of offices they could hold.

At the end of the meeting, Italo Lucchini tendered his resignation from the office of Chairman of the Board of Statutory Auditors, because he decided to reduce the number of offices, considering he would soon exceed the number of offices he can hold pursuant to article 148-bis of Legislative Decree 58/1998 and the current regulations. Mr Lucchini was replaced by Pierluigi Bellini, the alternate statutory auditor from the minority list.

As a result, the Board of Statutory Auditors of Sabaf S.p.A. in office is currently composed of the following persons: Pierluigi Bellini (Chairman), Enrico Broli and Renato Camodeca (Statutory Auditors). The auditors' CVs are available on the Company website in the section Investor Relations/Corporate Governance/Board of Directors.

Targets for 2008

The Managing Director Angelo Bettinzoli confirmed that consolidated sales of between €170 and €175 million and EBIT of 17% are forecast for 2008, on a level with 2007, even taking into account the additional costs incurred in the production of light alloy valves, particularly in the first six months. These assumptions take into account a macroeconomic scenario not affected by unforeseeable events. If the economic situation should change significantly, the overall value may differ from forecasts.

Approval of the results for the first quarter 2008

The Board of Directors will meet on 13 May at 11:00 am to approve the quarterly report at 31 March 2008. The management will present the results of the first quarter to financial analysts during the course of a conference call to be held on 13 May at 3:00 pm. To take part in the conference call, call +39 02 8090 2011.

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 has some 700 employees. It operates via the direct 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.

