



Milan
22-23 March 2011

fuoco



aria



terra



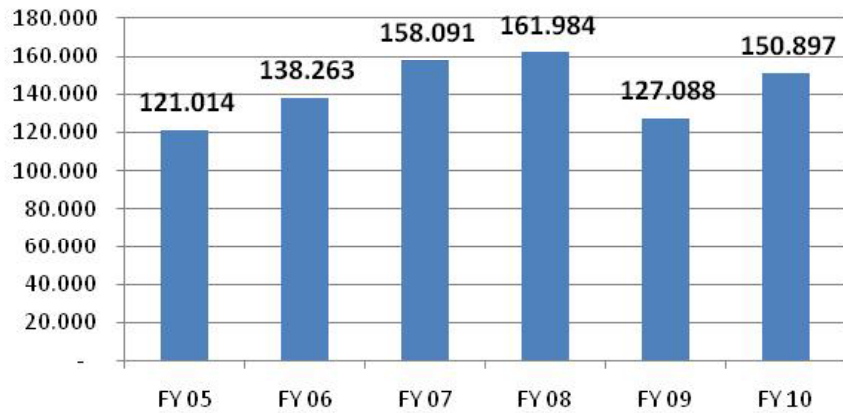
acqua



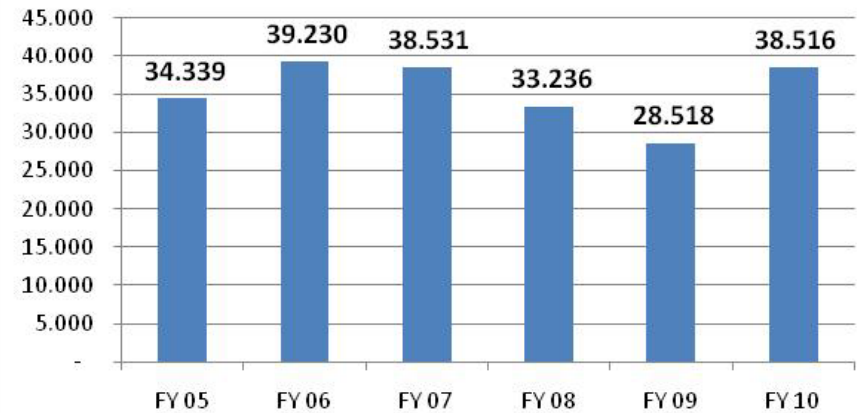
...back to the top



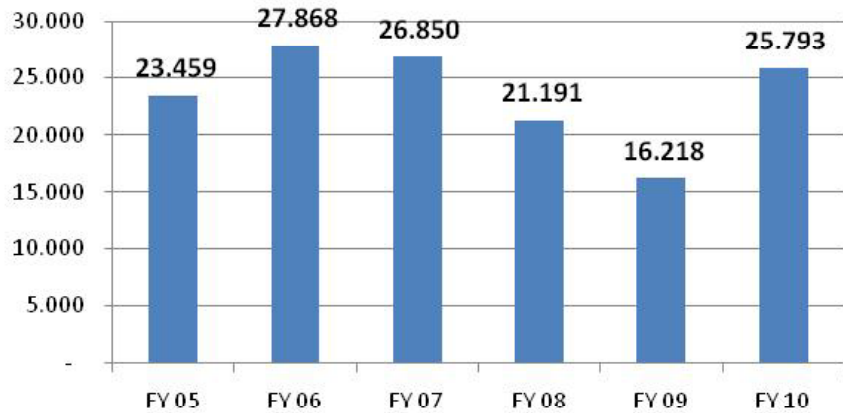
SALES



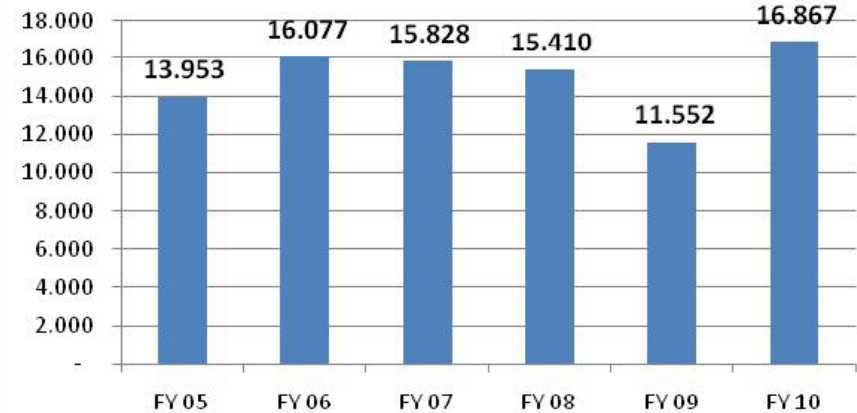
EBITDA



EBIT



NET INCOME



Quarterly income statement

| € x 000 | <u>Q4 10</u> | | <u>Q3 10</u> | | <u>Q2 10</u> | | <u>Q1 10</u> | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| SALES | 38,493 | 100.0% | 34,679 | 100.0% | 42,176 | 100.0% | 35,549 | 100.0% |
| Materials | (12,926) | -33.6% | (13,265) | -38.3% | (16,861) | -40.0% | (14,867) | -41.8% |
| Payroll | (7,564) | -19.7% | (7,038) | -20.3% | (8,200) | -19.4% | (8,118) | -22.8% |
| Change in stock | (1,936) | -5.0% | 611 | 1.8% | 1,901 | 4.5% | 4,080 | 11.5% |
| Other operating costs/income | (7,365) | -19.1% | (6,287) | -18.1% | (7,461) | -17.7% | (7,085) | -19.9% |
| EBITDA | 8,702 | 22.6% | 8,700 | 25.1% | 11,555 | 27.4% | 9,559 | 26.9% |
| Depreciation | (3,188) | -8.3% | (3,208) | -9.3% | (3,084) | -7.3% | (2,958) | -8.3% |
| Gains/losses on fixed assets | (24) | -0.1% | (90) | -0.3% | (191) | -0.5% | 20 | 0.1% |
| EBIT | 5,490 | 14.3% | 5,402 | 15.6% | 8,280 | 19.6% | 6,621 | 18.6% |
| Net financial expense | (377) | -1.0% | (199) | -0.6% | (355) | -0.8% | (176) | -0.5% |
| Foreign exchange gains/losses | 34 | 0.1% | (460) | -1.3% | 233 | 0.6% | 42 | 0.1% |
| Equity investments profits/losses | (155) | -0.4% | (105) | -0.3% | (499) | -1.2% | 0 | 0.0% |
| EBT | 4,992 | 13.0% | 4,638 | 13.4% | 7,659 | 18.2% | 6,487 | 18.2% |
| Income taxes | (1,164) | -3.0% | (1,658) | -4.8% | (2,118) | -5.0% | (1,969) | -5.5% |
| Minorities | 0 | | 0 | | 0 | | 0 | |
| NET INCOME | 3,828 | 9.9% | 2,980 | 8.6% | 5,541 | 13.1% | 4,518 | 12.7% |

Cash flow statement

| € x 1000 | FY 10 | FY 09 | FY 08 |
|--|---------------|----------------|---------------|
| <i>Cash at the beginning of the period</i> | 9,154 | 11,229 | 7,262 |
| Net profit | 16,867 | 11,583 | 15,410 |
| Depreciation | 12,438 | 12,295 | 11,937 |
| Change in net working capital | | | |
| change in inventories | (4,635) | 6,446 | 42 |
| change in receivables | (3,187) | 1,510 | 4,645 |
| change in payables | (659) | (373) | (8,465) |
| | (8,481) | 7,583 | (3,778) |
| Other changes in operating items | 4,174 | (1,959) | (7,666) |
| Operating cash flow | 24,998 | 29,502 | 15,903 |
| Investments, net of disposals | (13,344) | (11,864) | (12,556) |
| Free cash flow | 11,654 | 17,638 | 3,347 |
| Cash flow from financial activity | (6,052) | (12,449) | 10,792 |
| Own shares | 0 | (261) | (67) |
| Dividends | (5,750) | (8,050) | (8,073) |
| Forex | 763 | 1,047 | (2,032) |
| Cash flow | 615 | (2,075) | 3,967 |
| <i>Cash at the end of the period</i> | 9,769 | 9,154 | 11,229 |

Balance sheet

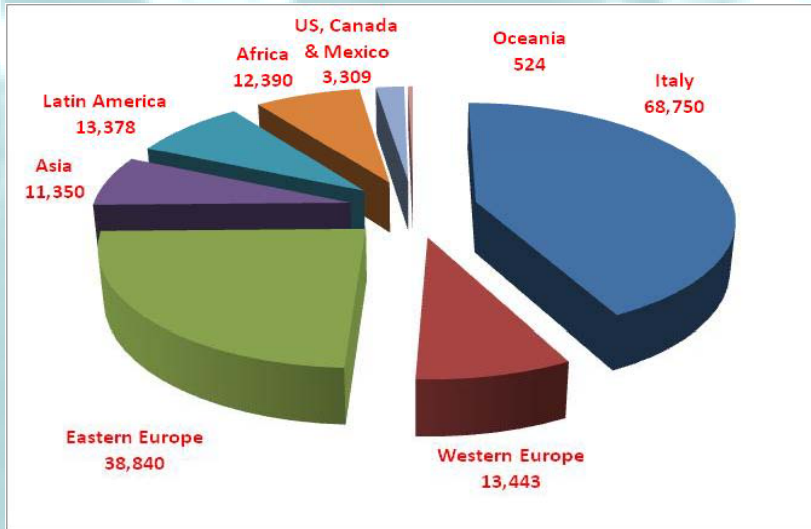
| <i>€ x 1000</i> | 31-Dec-10 | 31-Dec-09 | 31-Dec-08 |
|--|----------------|----------------|----------------|
| Fixed assets | 100,632 | 99,038 | 97,261 |
| Net working capital | 37,476 | 33,191 | 41,843 |
| Non current assets held for sale | - | - | 758 |
| Capital Employed | 138,108 | 132,229 | 139,862 |
| Equity | 121,846 | 109,133 | 103,261 |
| Deferred taxes | 323 | 240 | 2,892 |
| Reserves for risks and severance indemnity | 3,394 | 3,695 | 4,053 |
| Net debt | 12,545 | 19,161 | 29,656 |
| Sources of finance | 138,108 | 132,229 | 139,862 |

Net financial position

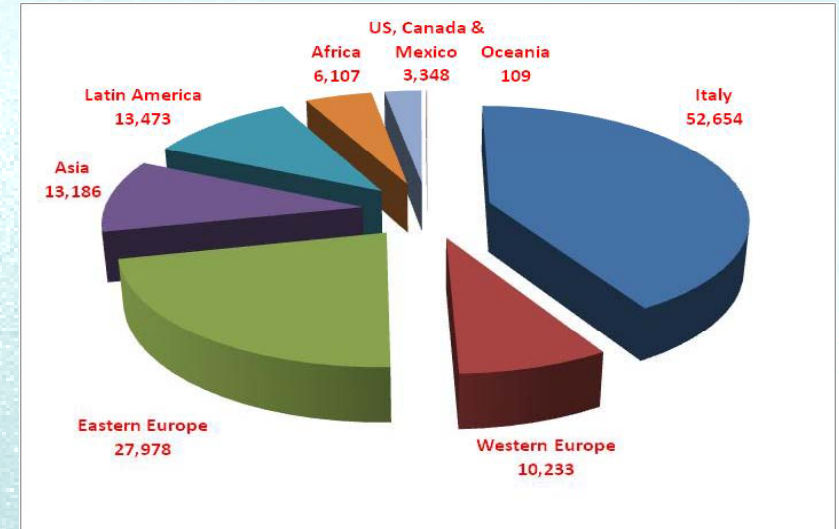


| <i>€ x 1000</i> | | 31-Dec-10 | 31-Dec-09 | 31-Dec-08 |
|-----------------|---|----------------|----------------|---------------|
| A. | Cash | 11 | 14 | 13 |
| B. | Positive balances of unrestricted bank accounts | 9,105 | 7,123 | 10,749 |
| C. | Other liquidities | 653 | 2,017 | 467 |
| D. | Cash and cash equivalents (A+B+C) | 9,769 | 9,154 | 11,229 |
| E. | Current bank overdrafts | - | 177 | 14,128 |
| F. | Current portion of non-current debt | 5,843 | 5,864 | 3,992 |
| G. | Other current financial payables | 55 | 4 | 176 |
| H. | Current financial debt (E+F+G) | 5,898 | 6,045 | 18,296 |
| I. | Current net financial debt (H-D) | (3,871) | (3,109) | 7,067 |
| J. | Non-current bank payables | 12,240 | 16,845 | 16,203 |
| K. | Other non-current financial payables | 4,176 | 5,425 | 6,386 |
| L. | Non-current financial debt (J+K) | 16,416 | 22,270 | 22,589 |
| M. | Net financial debt (L+I) | 12,545 | 19,161 | 29,656 |

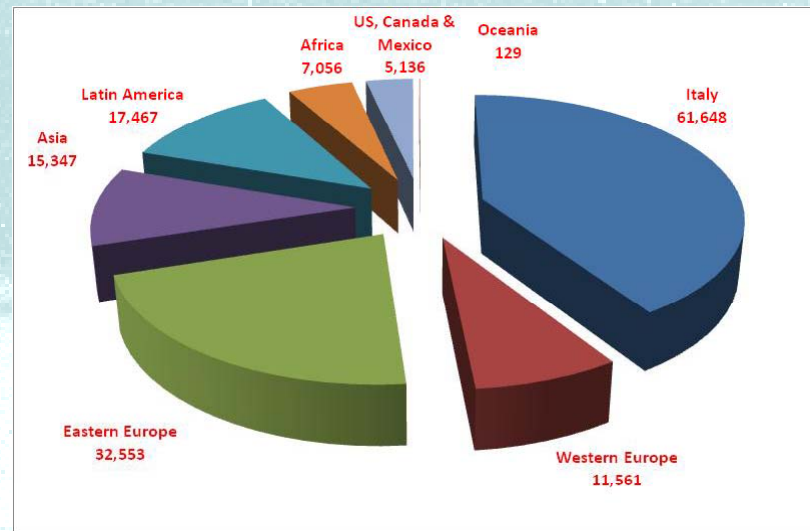
Sales by geographical area



2008

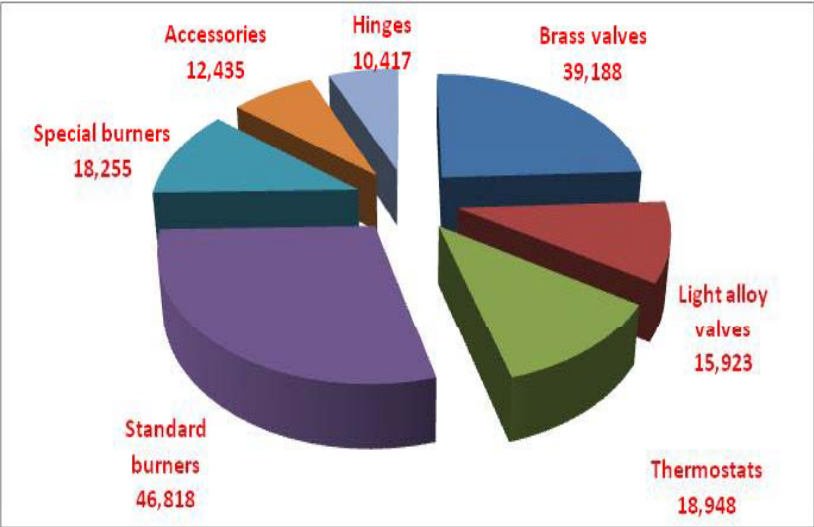


2009

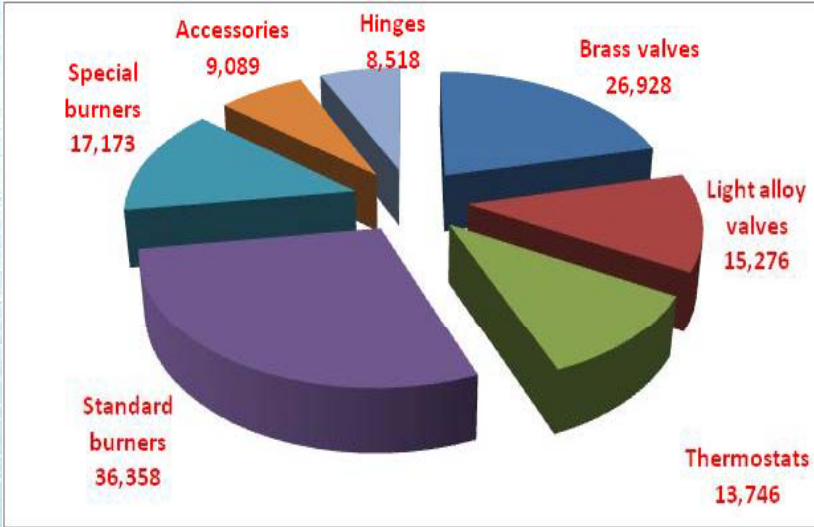


2010

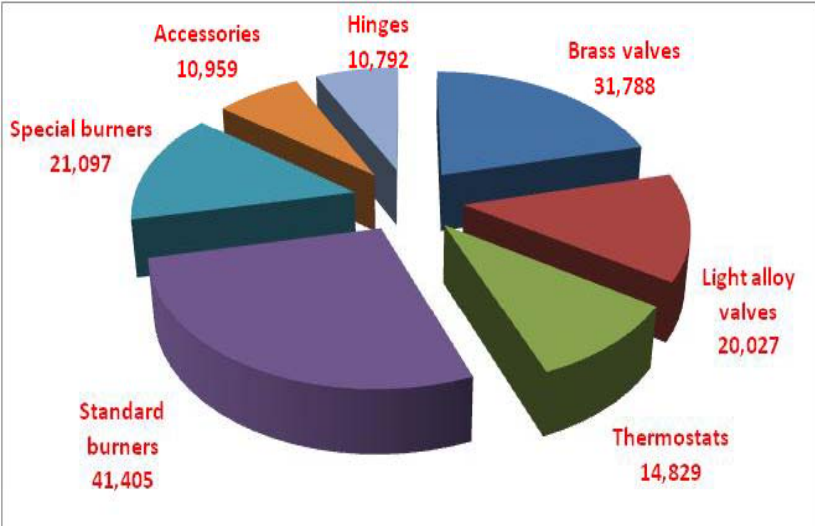
Sales by product line



2008



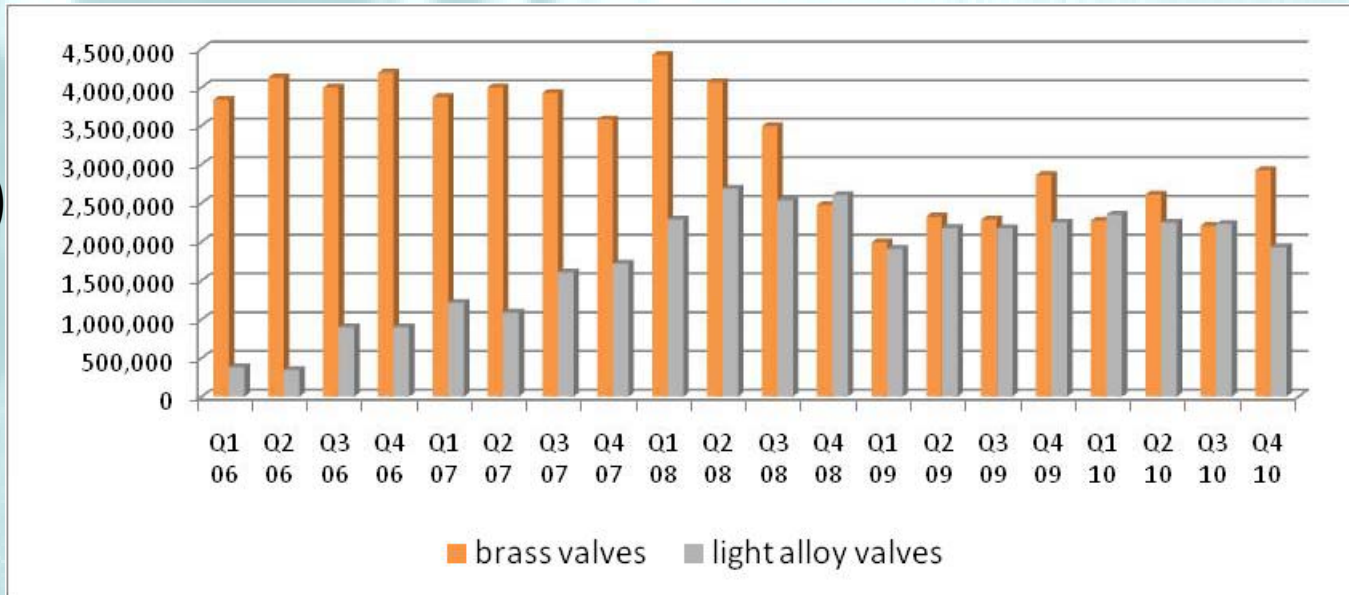
2009



2010

The introduction of light alloy valves

sales
(units)



Raw material incidence on an extruded aluminium gas valve for freestanding range is lower than 5%



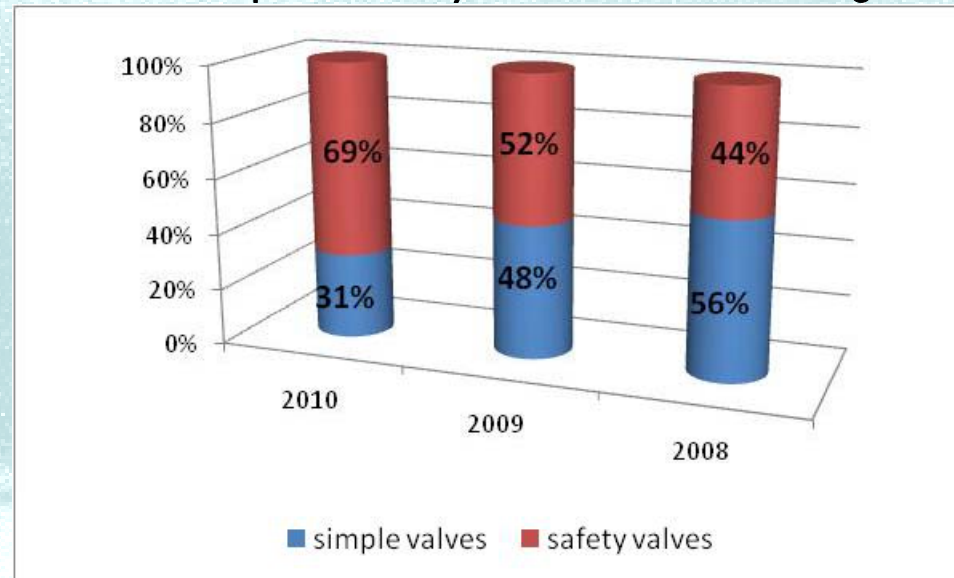
Raw material incidence on a forged brass gas valve for freestanding range is about 30%

Compulsory safety in EU



- A flame supervision device "*a device which, under the influence of the flame on the detector element, holds open a supply of gas to the burner, and which shuts off this supply of gas in the event of extinction of the supervised flame*" is mandatory for all gas cooking appliances sold in Europe starting from 1st April 2010 (standard EN 30-1-1)
- Sabaf's production switch from simple to safety valves is accelerating

% based on units sold



- Positive effect on top line (est. +1.5% in 2010) and profitability

2011 forecasts

- In addition to the now chronic lack of visibility, making forecasts for 2011 is currently even more difficult given the political instability on certain important markets.
- The Group believes, however, that it will be able to register an increase in sales of approximately 10%; revenue generated in the first two months of 2011 is in line with these expectations.
- In February, the Group fixed its purchase prices for its aluminium alloy requirements for the second half of the year, at slightly higher prices than those agreed for the first half.
- In the same period, negotiations with customers were also concluded regarding the definition of sales prices for the current year; the average increases obtained will not allow the Group to fully offset the increase in commodity prices.
- Based on the information currently available, the EBITDA margin is expected to come in at between 23% and 24% in 2011.

New product range

➤ Serie II High Efficiency burners, AE & AEO



➤ DUAL wok High Efficiency burners
AE, AEO and TORCH



➤ Sabaf oven burner



➤ New aluminium valve



Series II AE (High Efficiency)



Series II AE burners are interchangeable with the world wide successful Serie II standard burners. Flame spreader with inclined ports and rounded cap shape have been developed to obtain an important increase in term of efficiency

Series II AEO (High Efficiency brass version)

Series II AEO burners are perfectly interchangeable with Series II AE burners and satisfy the latest Chinese Standard GB16410/2008



Series II AEO burner range also includes an ultra rapid single ring burner

Serie II AE & Serie II AEO – Power & Efficiency



| | Auxiliary | Semi Rapid | Rapid | Ultra Rapid |
|---------------------|-----------|------------|---------|-------------|
| Maximum Output (kW) | 1.00 kW | 1.75 kW | 3.00 kW | 3.60 kW |
| Minimum Output (kW) | 0.22 kW | 0.33 kW | 0.60 kW | 1.50 kW |
| Efficiency | 68% | 69% | 64% | 60% |

| | EN-30 Standards Burners | Sabaf Series II Burners | Sabaf Series II AE, AEO |
|--|-------------------------|-------------------------|-------------------------|
| Efficiency | 52 % | 60% | 69% |
| Time needed (seconds) | 345 | 299 | 260 |
| Total GAS CONSUMED (dm ³ - ltr) | 15.98 | 13.85 | 12.04 |
| Saving | - | 13% | 25% |

Comparison among
3 semi rapid burners
Boiling 1 litre of tap water at
initial temperature of 25°C,
natural gas

Double Ring Dual High Efficiency burners



Sabaf new double ring dual are designed to be the most flexible, high efficiency and eco-friendly multiple flame ring burners in the market place.

They are available in three different versions:

AE (High Efficiency) – aluminium alloy flame spreader

AEO (High Efficiency brass version) – brass ring flame spreader

TORCH –brass flame spreader

Flexible – Platform concept

Using the same injector holder (applicable both on standard steel tops and ceramic glass ones) it is possible to fit **eight different flame spreaders**.

This platform concept allows the OEMs to reduce investments with a huge opportunity to diversify the aesthetics of the top of the appliances using different and interchangeable flame spreader versions.

Moreover the injector holder can have one or two inlets:

Single inlet – all rings of flame work simultaneously

Double inlets – inner and outer rings of flame work separately

Efficiency

Standard level of efficiency for triple or double ring of flame is about 52 – 53%

New Double Ring Dual burners have an **efficiency of 60%**

Eco-friendly

Increasing efficiency automatically reduces gas consumption resulting in lower pollution and carbon monoxide emissions.



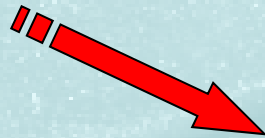
Oven and grill burner

SABAF expands its range of products introducing a new and revolutionary oven and grill burner. Thanks to its technological design it allows outstanding performance and savings in assembly time.



The new oven and grill burner is set to revolutionize user habits with ignition and safety system activation time of only 1,5 seconds compared with the current 8 - 10 seconds

New extruded aluminium cooktop valve



New Sabaf aluminium cooktop valve is perfectly interchangeable with the brass cooktop valve that SABAF is currently supplying.

First Samples : September 2010
Mass Production : Beginning of 2011

Contact

For further information, please contact our Investor Relations Department

Gianluca Beschi

SABAF S.p.A.

Via dei Carpini, 1

25035 Ospitaletto (Brescia)

Tel +39.030.6843236

gianluca.beschi@sabaf.it

Disclaimer

Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially.

The Company's business is in the domestic appliance industry, with special reference to the gas cooking sector, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting this business. Forward-looking statements with regard to the Group's business involve a number of important factors that are subject to change, including: the many interrelated factors that affect consumer confidence and worldwide demand for durable goods; general economic conditions in the Group's markets; actions of competitors; commodity prices; interest rates and currency exchange rates; political and civil unrest; and other risks and uncertainties.

Pursuant to Article 154/2, paragraph 2 of the Italian Consolidated Finance Act (Testo Unico della Finanza), the company's Financial Reporting Officer Alberto Bartoli declares that the financial disclosure contained in this financial presentation corresponds to the company's records, books and accounting entries.