



London
5th October 2011

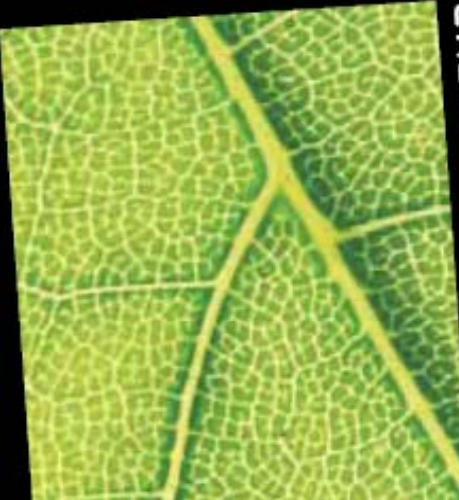
fuoco



aria



terra



acqua



Business model

- Among few players, Sabaf keeps a strong leadership in the business of components for cooking appliances
- Competitive advantage based on:
 - Product and process know-how
 - Process automation
 - Economies of scale
- The industry grows faster than the appliance market, thanks to:
 - Higher technical complexity and increasing value of the components
 - Outsourcing from household manufacturers
 - Growing need for safety and efficiency
 - Attention to environmental matters

Strategy 1 – Enhance technological leadership

- We will focus on organic growth
- We will keep full control of the production process
 - Unique know how in joint product and process engineering
 - High degree of vertical integration
 - Special, personalized machinery
 - Robotic die-casting and automated equipment
 - High precision and high performance tools
- Average capex at 15% of sales in the past 8 years
- > 10% of workforce employed in R&D and Equipment Departments

Strategy 2 - Enhance market leadership

We aim to:

- Further increase market share in Europe (today around 50%)
- Catch huge opportunities outside Europe
- Build long term partnerships together with clients
- Optimise the customer base

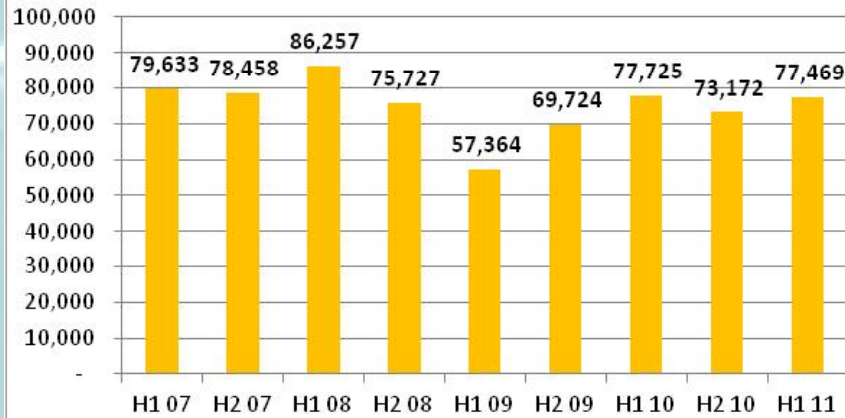
Strategy 3 – Product innovation



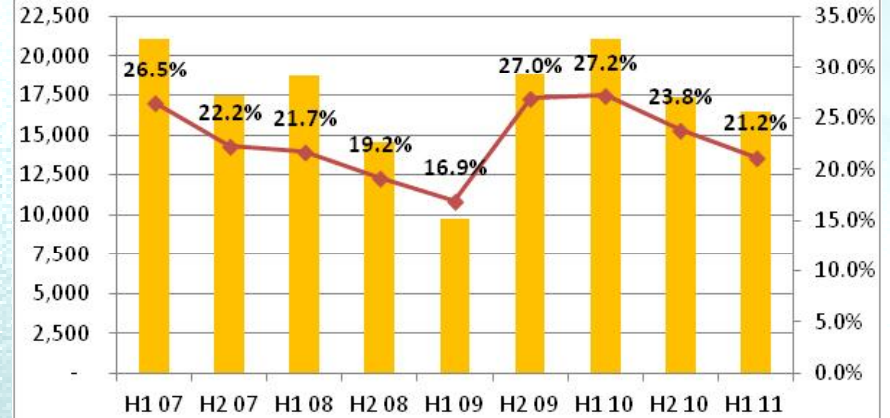
- Sabaf is the sole provider of the full range of components for gas cooking appliances
- We have the most innovative and advanced product portfolio
- Strong focus on power efficiency, common to all new products
- Product innovation aims to increase the barriers towards competitors
 - Technology not available to others
 - Continuous cost reduction
 - New patents
- Research for a higher value product mix

Sales and profitability

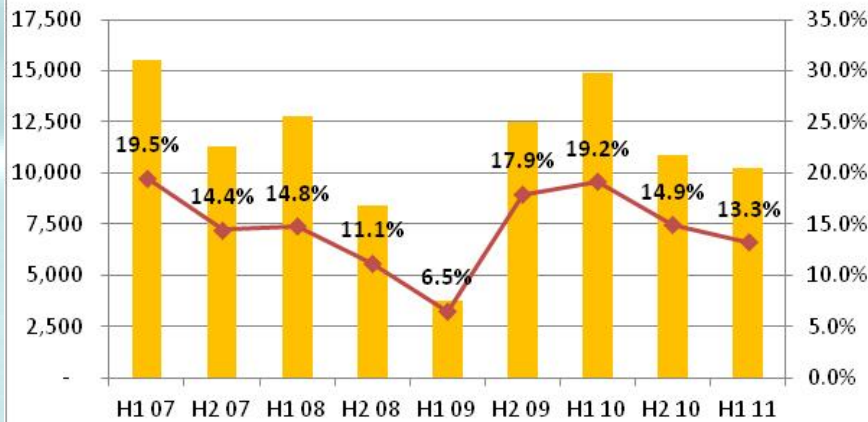
SALES



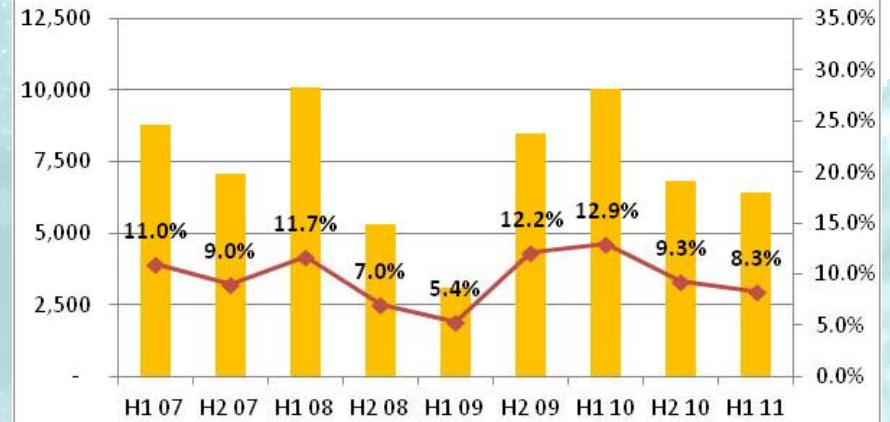
EBITDA



EBIT



NET INCOME



H1 2011 results

€ x 000	H1 2011		H1 2010			FY 2010	
SALES	77,469	100.0%	77,725	100.0%	-0.3%	150,897	100.0%
Materials	(32,662)	-42.2%	(31,728)	-40.8%		(57,919)	-38.4%
Payroll	(16,128)	-20.8%	(16,318)	-21.0%		(30,920)	-20.5%
Change in stock	3,512	4.5%	5,981	7.7%		4,656	3.1%
Other operating costs/income	(15,763)	-20.3%	(14,546)	-18.7%		(28,198)	-18.7%
EBITDA	16,428	21.2%	21,114	27.2%	-22.2%	38,516	25.5%
Depreciation	(6,166)	-8.0%	(6,042)	-7.8%		(12,438)	-8.2%
Gains/losses on fixed assets	4	0.0%	(171)	-0.2%		(285)	-0.2%
EBIT	10,266	13.3%	14,901	19.2%	-31.1%	25,793	17.1%
Net financial expense	(602)	-0.8%	(531)	-0.7%		(1,107)	-0.7%
Foreign exchange gains/losses	160	0.2%	275	0.4%		(151)	-0.1%
Equity investments profits/losses	(143)	-0.2%	(499)	-0.6%		(759)	-0.5%
EBT	9,681	12.5%	14,146	18.2%	-31.6%	23,776	15.8%
Income taxes	(3,248)	-4.2%	(4,087)	-5.3%		(6,909)	-4.6%
Minorities	0		0			0	
NET INCOME	6,433	8.3%	10,059	12.9%	-36.0%	16,867	11.2%

H1 2011 results adjusted for non recurring events

€ x 000	H1 2011	Non recurring events	H1 2011 adj
SALES	77,469 100.0%		77,469 100.0%
Materials	(32,662) -42.2%		(32,662) -42.2%
Payroll	(16,128) -20.8%		(16,128) -20.8%
Change in stock	3,512 4.5%		3,512 4.5%
Other operating costs/income	(15,763) -20.3%	1,607	(14,156) -18.3%
EBITDA	16,428 21.2%	1,607	18,035 23.3%
Depreciation	(6,166) -8.0%		(6,166) -8.0%
Gains/losses on fixed assets	4 0.0%		4 0.0%
EBIT	10,266 13.3%	gain on reduction of Sabaf do Brasil share capital	11,873 15.3%
Net financial expense	(602) -0.8%		(602) -0.8%
Foreign exchange gains/losses	160 0.2%	(396)	(236) -0.3%
Equity investments profits/losses	(143) -0.2%		(143) -0.2%
EBT	9,681 12.5%	1,211	10,892 14.1%
Income taxes	(3,248) -4.2%	(396)	(3,644) -4.7%
Minorities	0		0
NET INCOME	6,433 8.3%	815	7,248 9.4%

electricity equalisation payment

gain on reduction of Sabaf do Brasil share capital

Cash flow statement

€ x 1000	H1 2011	H1 2010	FY 2010
<i>Cash at the beginning of the period</i>	9,769	9,154	9,154
Net profit	6,433	10,059	16,867
Depreciation	6,166	6,042	12,438
Change in net working capital			
change in inventories	(2,584)	(5,150)	(4,635)
change in receivables	(3,485)	(5,984)	(3,187)
change in payables	3,775	6,873	(659)
	(2,294)	(4,261)	(8,481)
Other changes in operating items	1,525	3,630	4,174
Operating cash flow	11,830	15,470	24,998
Investments, net of disposals	(7,643)	(7,679)	(13,344)
Free cash flow	4,187	7,791	11,654
Cash flow from financial activity	5,108	(1,570)	(6,052)
Dividends	(9,201)	(5,750)	(5,750)
Forex	(634)	775	763
Cash flow	(540)	1,246	615
<i>Cash at the end of the period</i>	9,229	10,400	9,769

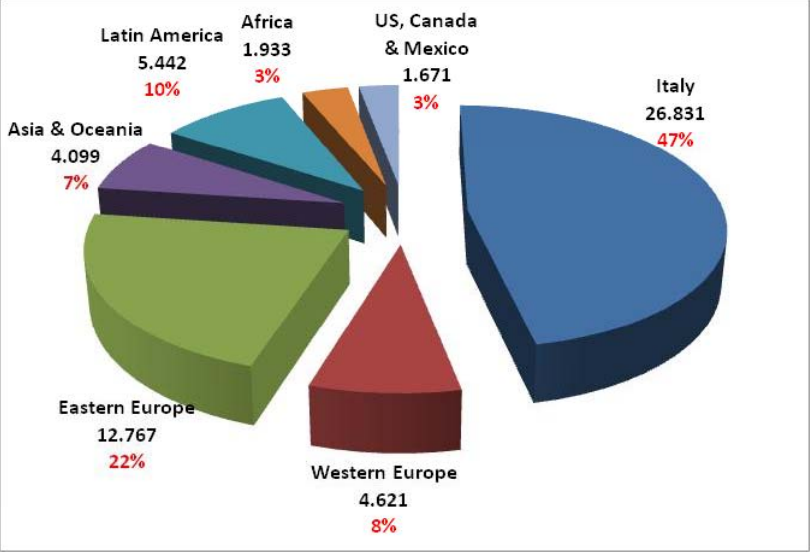
Balance sheet

€ x 1000	30-Jun-11	30-Jun-10	31-Dec-10
Fixed assets	101,770	101,150	100,632
Net working capital	38,322	34,073	37,476
Capital Employed	140,092	135,223	138,108
Equity	118,328	115,038	121,846
Deferred taxes	288	301	323
Reserves for risks and severance indemnity	3,283	3,427	3,394
Net debt	18,193	16,457	12,545
Sources of finance	140,092	135,223	138,108

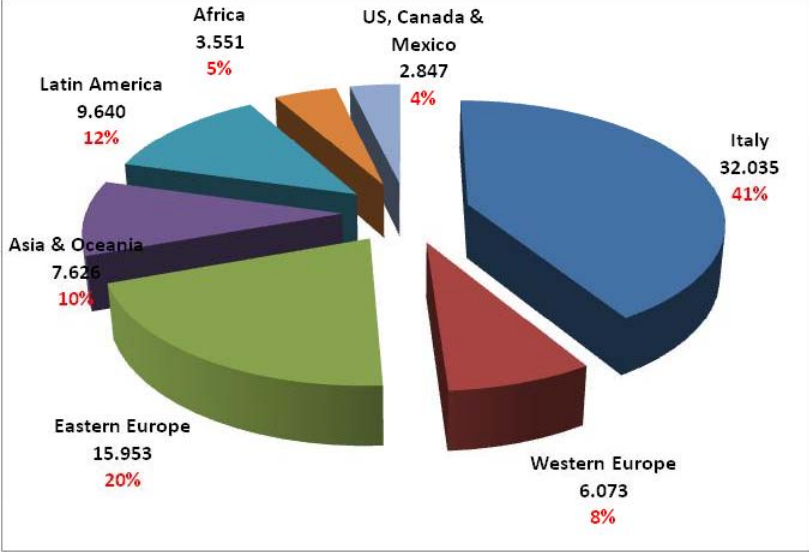
Net financial position

€ x 1000	30-Jun-11	30-Jun-10	31-Dec-10
A. Cash	9	15	11
B. Positive balances of unrestricted bank accounts	7,274	9,082	9,105
C. Other liquidities	1,946	1,303	653
D. Cash and cash equivalents (A+B+C)	9,229	10,400	9,769
E. Current bank overdrafts	8,064	1,500	-
F. Current portion of non-current debt	5,903	5,889	5,843
G. Other current financial payables	2	116	55
H. Current financial debt (E+F+G)	13,969	7,505	5,898
I. Current net financial debt (H-D)	4,740	(2,895)	(3,871)
J. Non-current bank payables	9,916	14,547	12,240
K. Other non-current financial payables	3,537	4,805	4,176
L. Non-current financial debt (J+K)	13,453	19,352	16,416
M. Net financial debt (L+I)	18,193	16,457	12,545

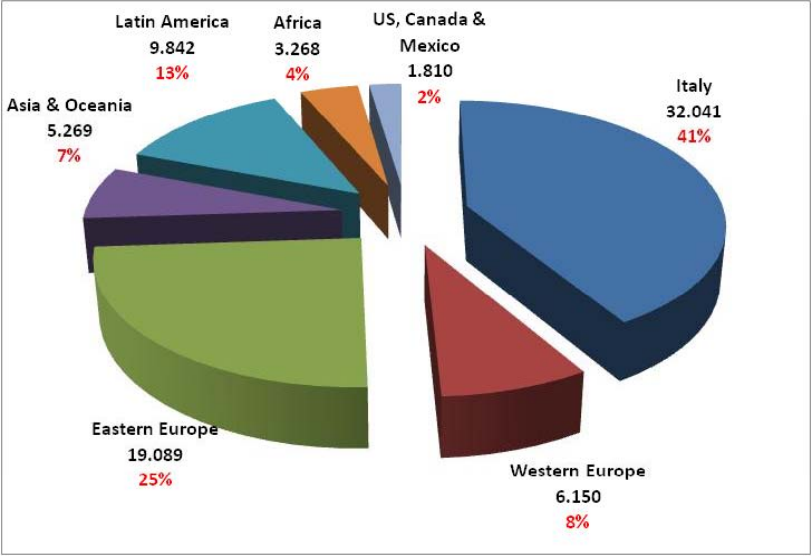
Sales by area



H1 2009

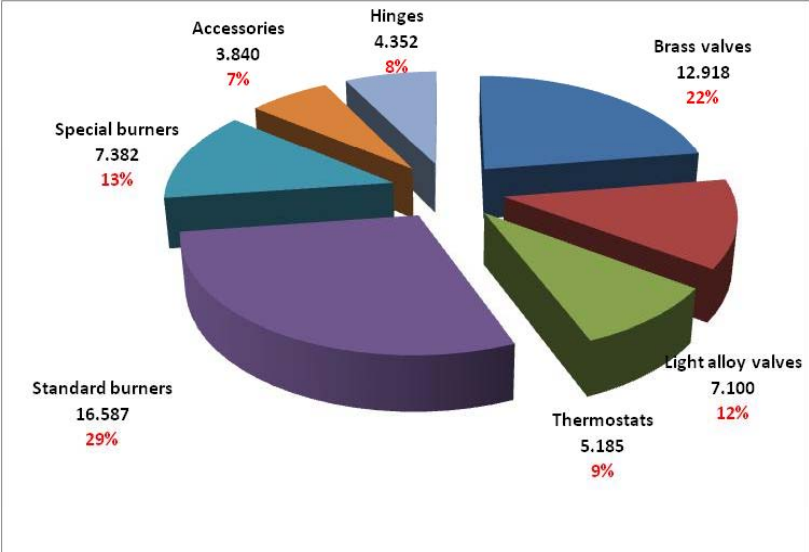


H1 2010

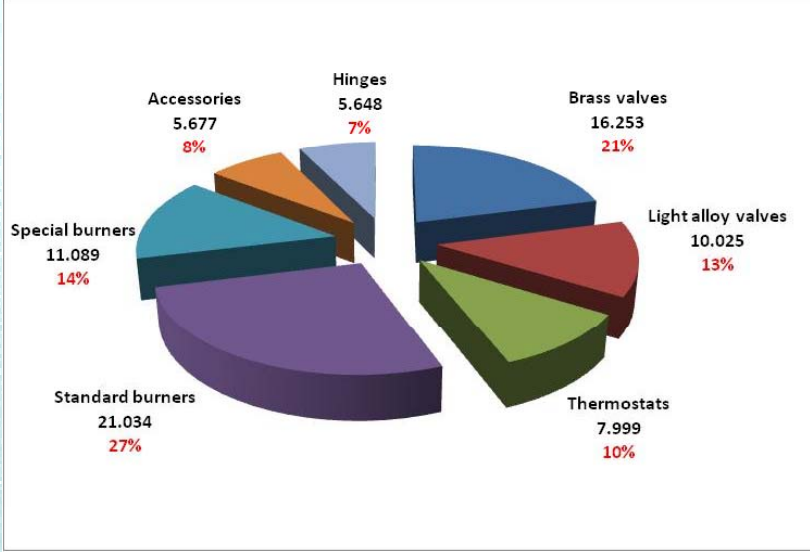


H1 2011

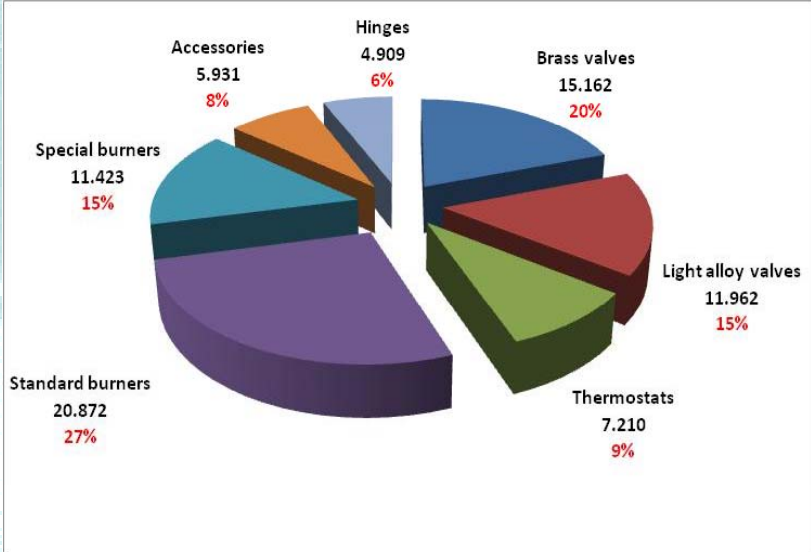
Sales by product line



H1 2009



H1 2010

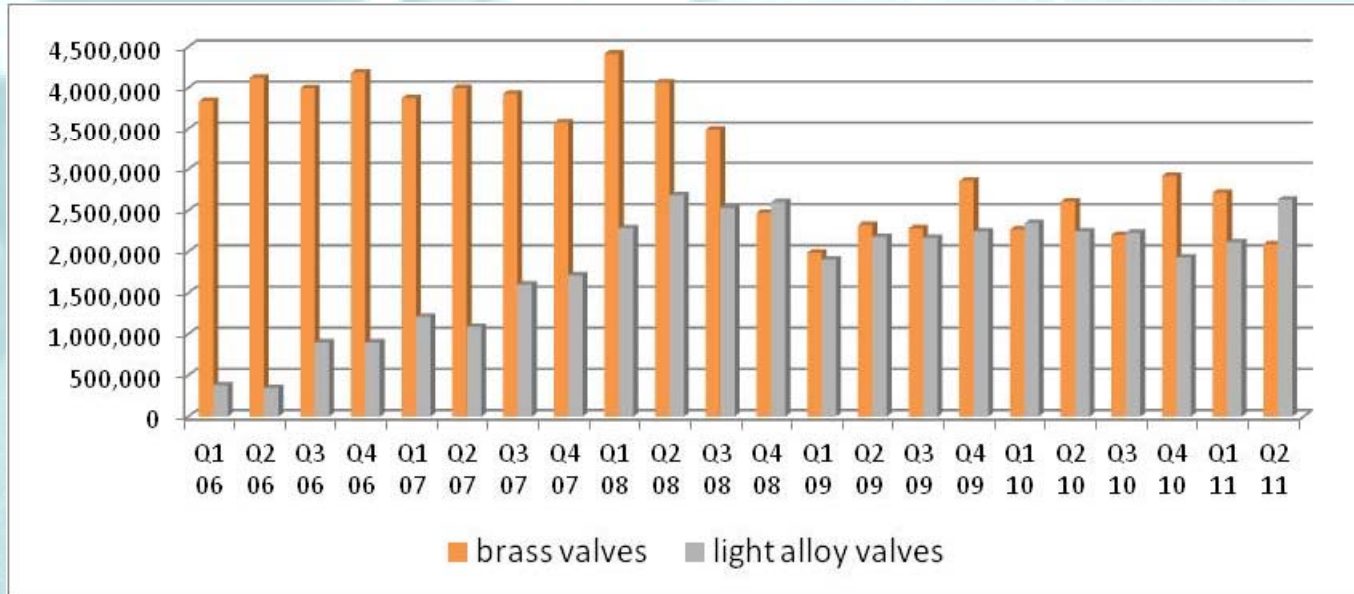


H1 2011



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%

FY 2011 forecasts

- Full year sales growth between 2% and 4%
- Full year EBITDA margin between 21% and 22%

Contact

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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.