



Copenhagen  
22 March 2012

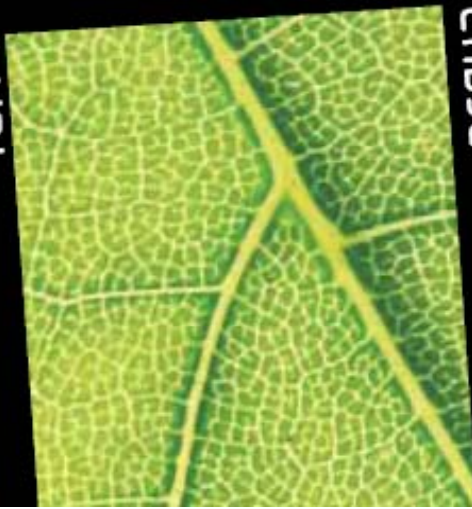
fuoco



aria



terra



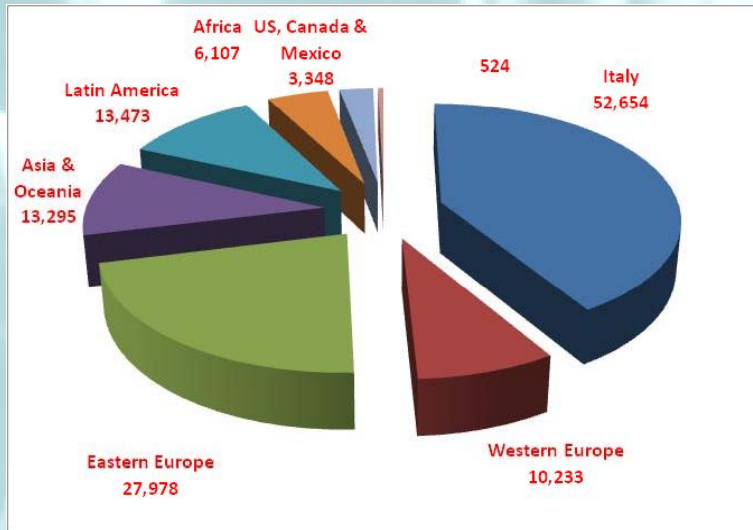
acqua



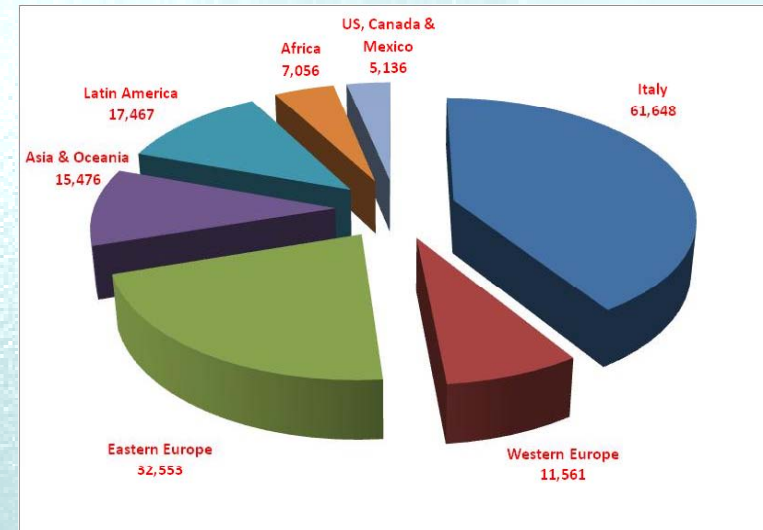
# Business model

- 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 components industry tends to grow 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
  - Focus on environmental matters

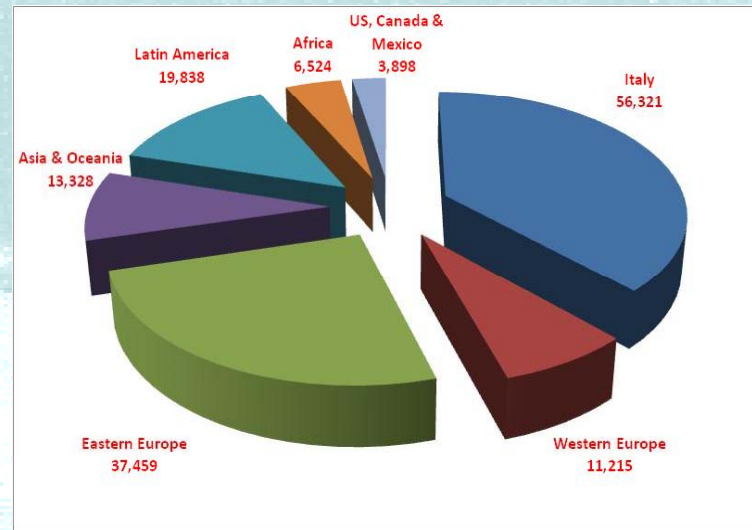
# Sales by market



2009



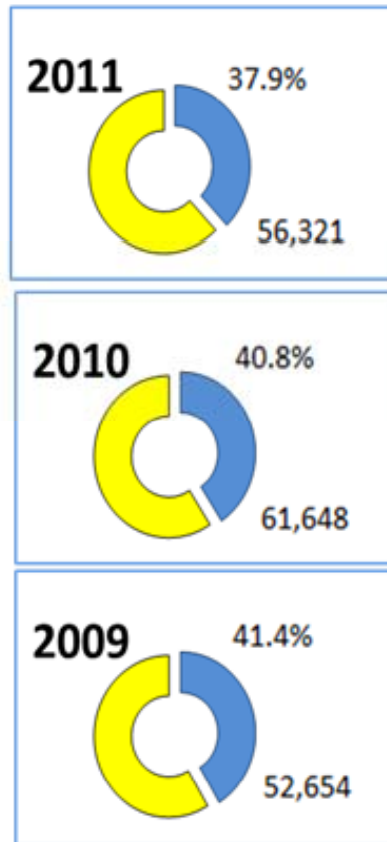
2010



2011



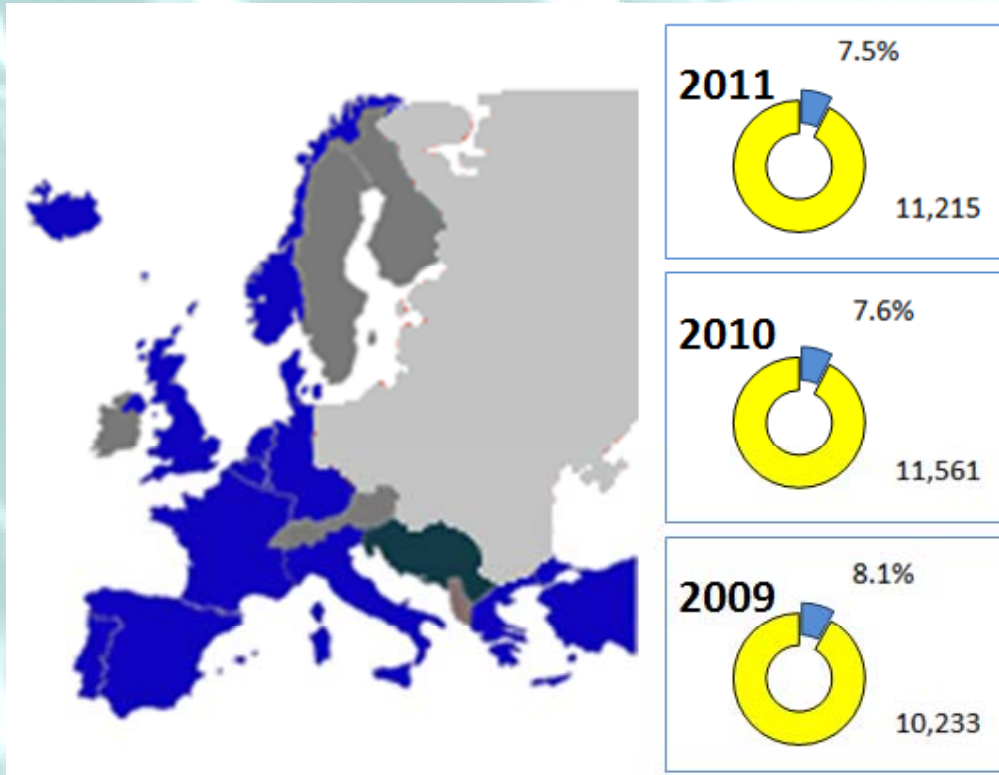
# Analysis by market - Italy



Sabaf enjoys a consolidated presence on the Italian market, leveraged by the most complete and innovative product range

Future strategies are primarily driven towards product differentiation and higher energy efficiency, to cope with a relatively stagnant market and growing pressures from emerging countries

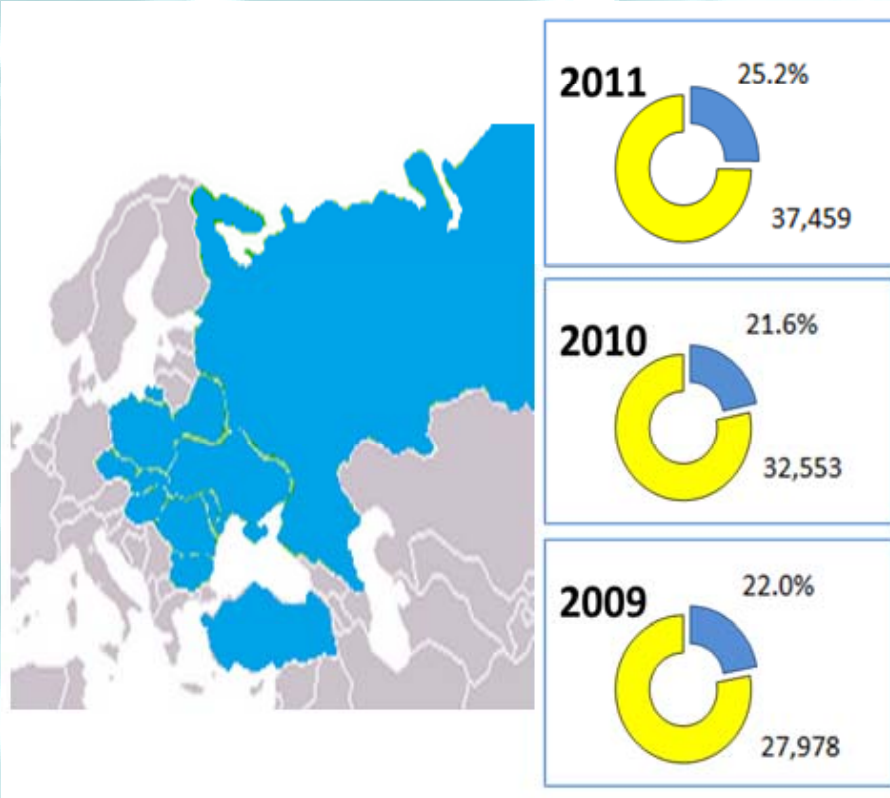
# Analysis by market – Western Europe



As well as the Italian players, the appliance manufacturers in Western Europe risk to suffer competition from emerging countries

Relying on the quality and the constant innovation of its product range Sabaf plans to consolidate its customer base

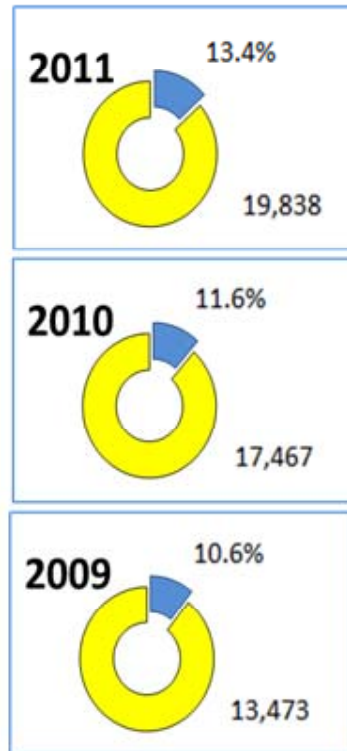
# Analysis by market – Eastern Europe & Turkey



Sabaf tends to benefit from the expected growth in Eastern European countries, with a specific focus on Turkey

The set-up of a manufacturing plant in Turkey during 2012 and the development of new commercial relationships represent key elements

# Analysis by market – South America

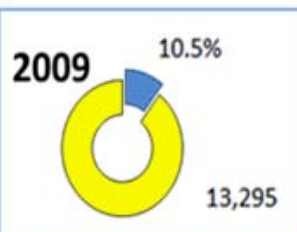
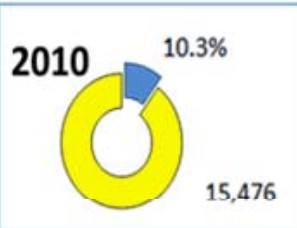
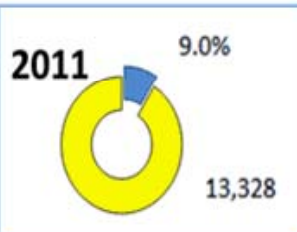
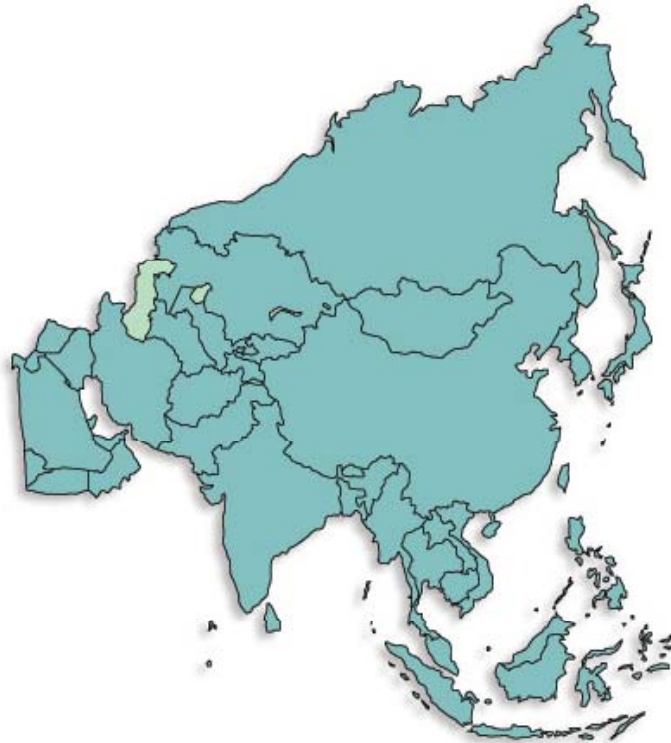


A large and fast growing market makes South America a priority in Sabaf strategy

Sabaf's presence here is well consolidated (a factory in Brasil was set up in 2001)

Safety standards could improve, opening new opportunities

# Analysis by market – Asia & Oceania



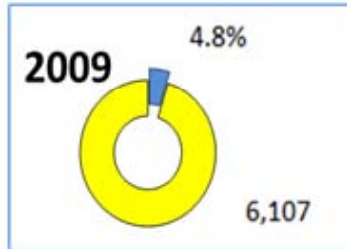
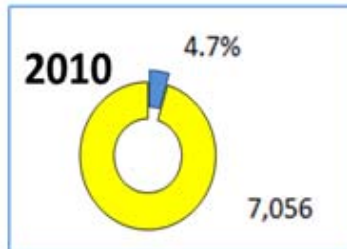
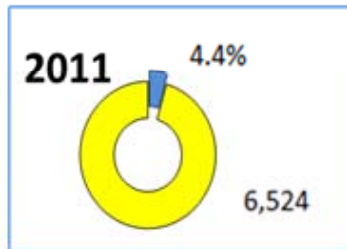
A boosting demand, along with probable stricter safety standards, represent growth opportunities for Sabaf

Young people tend to westernize their lifestyles, also as regards furniture and appliances

Sabaf's universally reknown brand and "made in Italy" represent an important premium in all the Asian markets

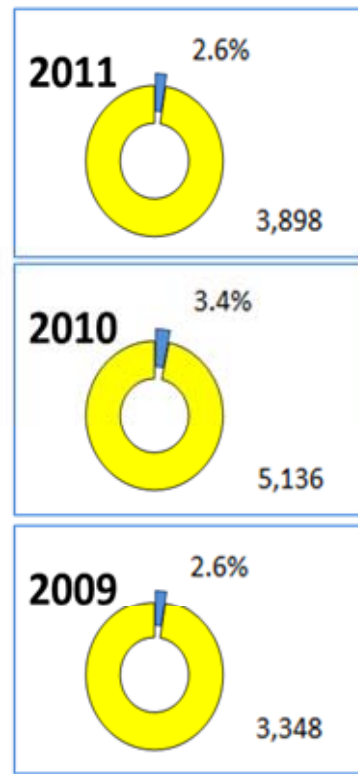


# Analysis by market – Africa



Huge housing market plans for new married young people represent an opportunity in North African markets, as soon as the political situation stabilizes. Leveraging on geographical proximity and long-term presence, Sabaf targets to increase its market share in the area

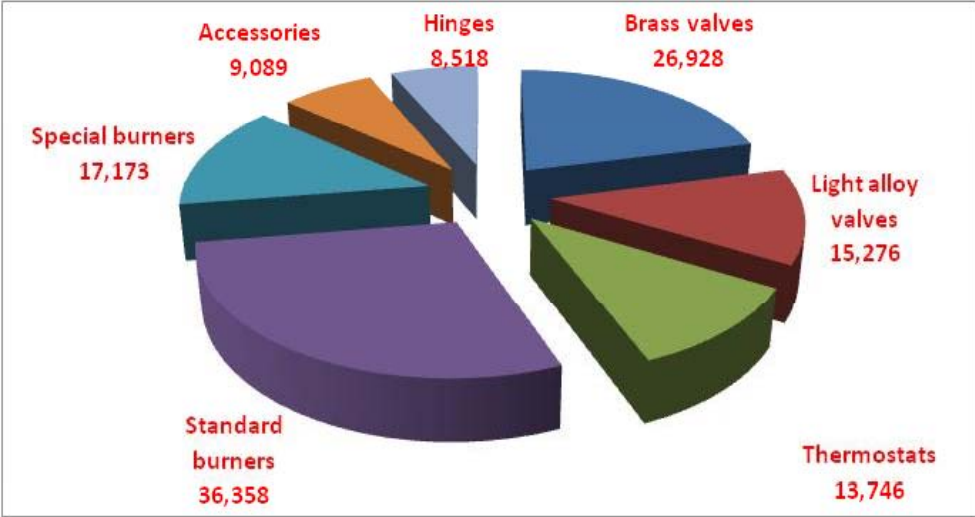
# Analysis by market – North America & Mexico



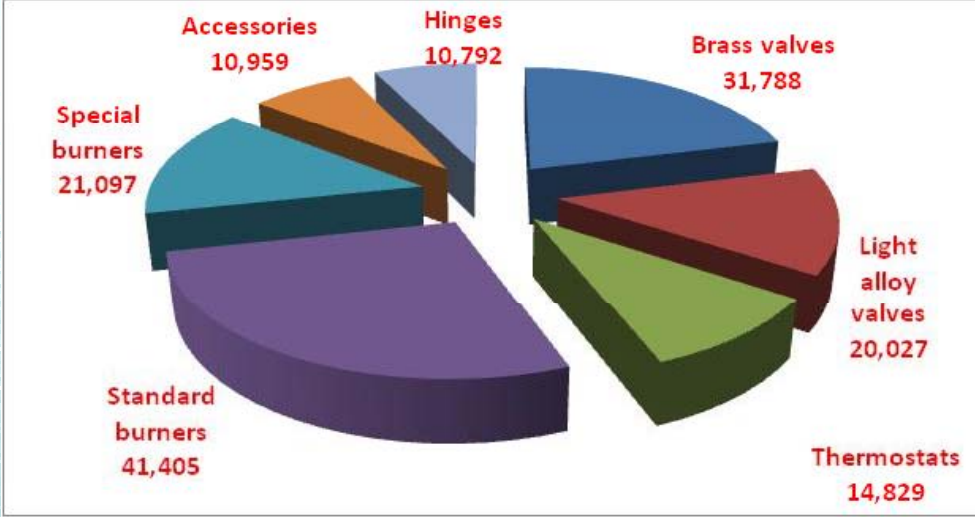
A wide range of innovative and efficient products, good commercial relationships and excellent technical reputation make Sabaf ready to exploit new opportunities in North America

A growing focus on safety is also emerging

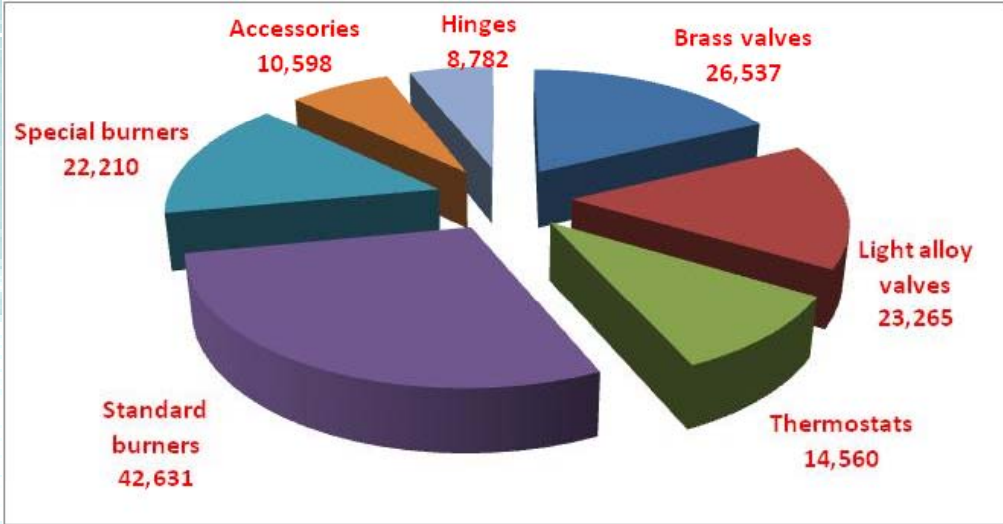
# Sales by product line



2009



2010

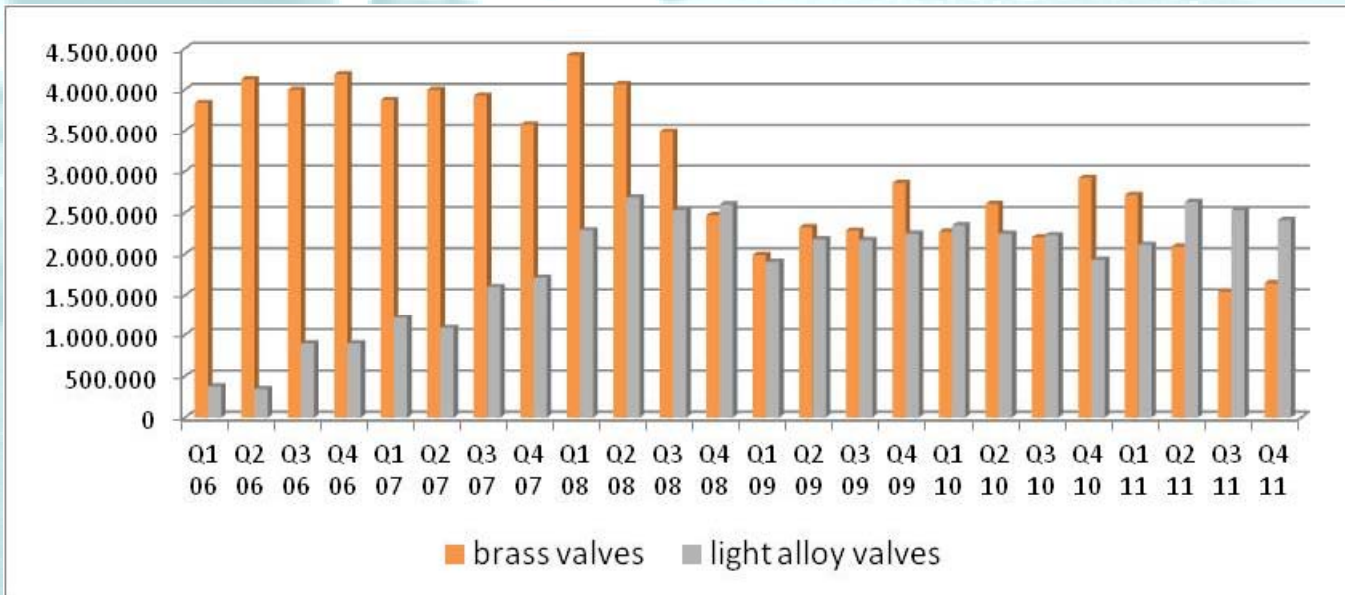


2011



# 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%

# New products

➤ Serie II High Efficiency burners, AE & AEO



➤ DUAL wok High Efficiency burners  
AE, AEO and TORCH



➤ Sabaf oven burner



➤ New aluminium valve



# 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 over 60%**

## Eco-friendly

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



# Serie II AE & Serie II AEO – Power & Efficiency



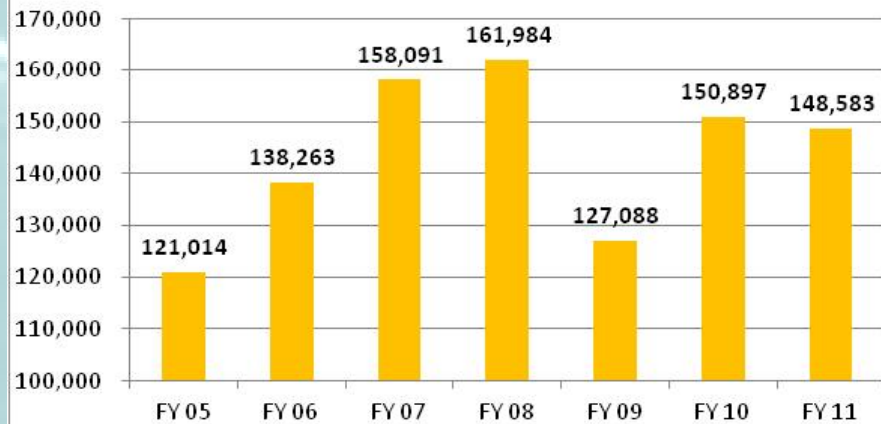
	Auxiliary	Semi Rapid	Rapid	Ultra Rapid
Maximum Output (kW)	1.00 kW	1.75 kW	3.00 kW	3.60 kW
Minimum Output (kW)	0.22 kW	0.33 kW	0.60 kW	1.50 kW
Efficiency	68%	69%	64%	60%

	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 <sup>3</sup> - ltr)	15.98	13.85	12.04
Saving	-	13%	25%

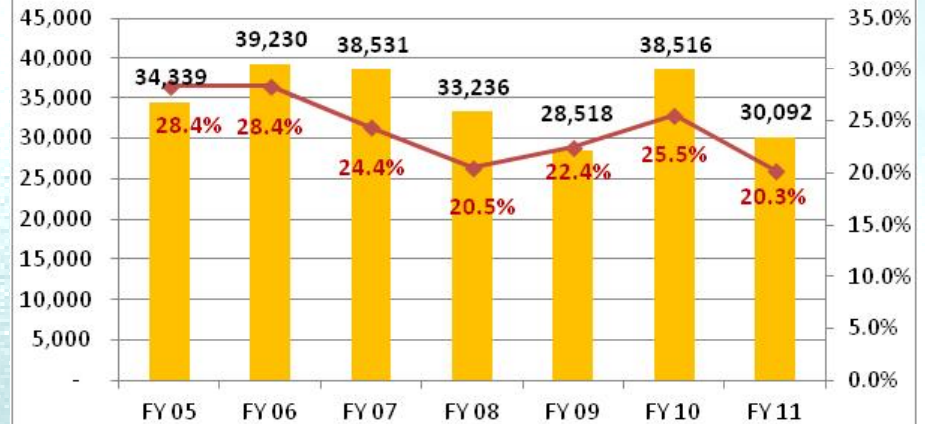
Comparing 3 semi rapid burners  
Boiling 1 litres of tap water with  
initial temperature of 25°C,  
natural gas

# Sales and profitability

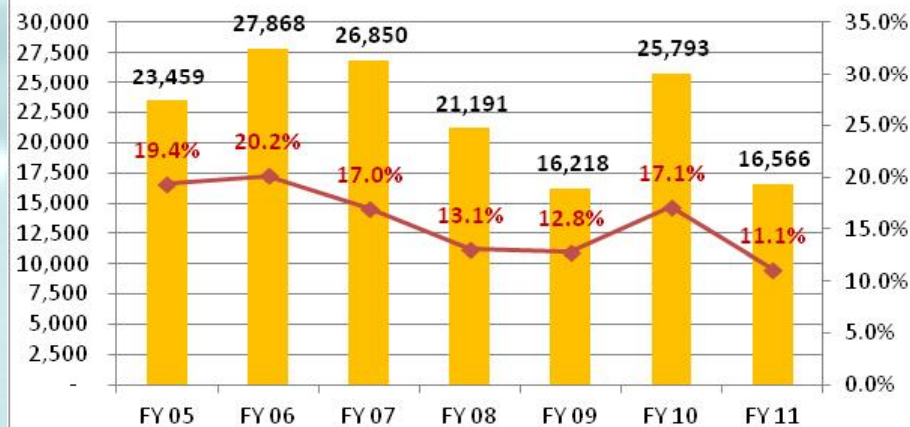
## SALES



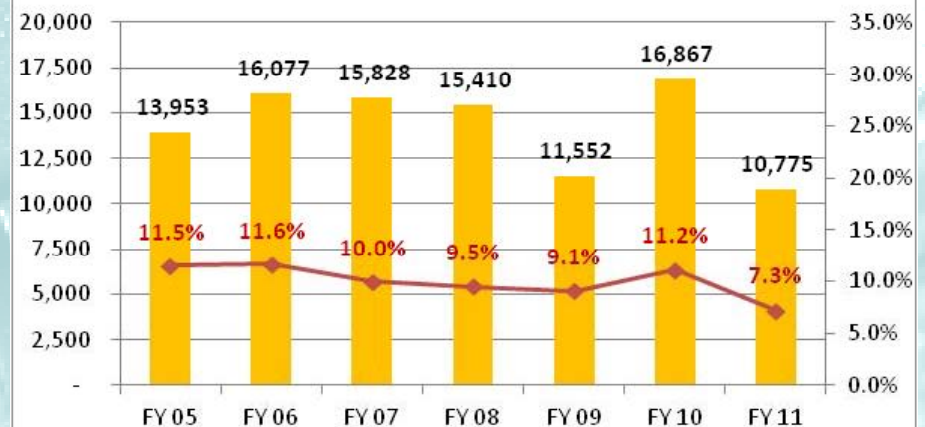
## EBITDA



## EBIT



## NET INCOME





# FY2011 results

€ x 000	FY 11		FY 10		
<b>SALES</b>	<b>148,583</b>	<b>100.0%</b>	<b>150,897</b>	<b>100.0%</b>	<b>-1.5%</b>
Materials	(59,103)	-39.8%	(57,919)	-38.4%	
Payroll	(30,740)	-20.7%	(30,920)	-20.5%	
Change in stock	910	0.6%	4,656	3.1%	
Other operating costs/income	(29,558)	-19.9%	(28,198)	-18.7%	
<b>EBITDA</b>	<b>30,092</b>	<b>20.3%</b>	<b>38,516</b>	<b>25.5%</b>	<b>-21.9%</b>
Depreciation	(12,420)	-8.4%	(12,438)	-8.2%	
Gains/losses on fixed assets	23	0.0%	(34)	0.0%	
Impairment of fixed assets	(1,129)	-0.8%	(251)	-0.2%	
<b>EBIT</b>	<b>16,566</b>	<b>11.1%</b>	<b>25,793</b>	<b>17.1%</b>	<b>-35.8%</b>
Net financial expense	(1,146)	-0.8%	(1,107)	-0.7%	
Foreign exchange gains/losses	390	0.3%	(151)	-0.1%	
Results of equity investments	(356)	-0.2%	(759)	-0.5%	
<b>EBT</b>	<b>15,454</b>	<b>10.4%</b>	<b>23,776</b>	<b>15.8%</b>	<b>-35.0%</b>
Income taxes	(4,679)	-3.1%	(6,909)	-4.6%	
Minorities	0		0		
<b>NET INCOME</b>	<b>10,775</b>	<b>7.3%</b>	<b>16,867</b>	<b>11.2%</b>	<b>-36.1%</b>
EPS	0.934		1.462		

# Cash flow statement

€ x 1000	FY 11	FY 10
<i>Cash at the beginning of the period</i>	9,769	9,154
Net profit	10,775	16,867
Depreciation	12,420	12,438
Change in net working capital		
change in inventories	(801)	(4,635)
change in receivables	981	(3,187)
change in payables	3,623	(659)
	3,803	(8,481)
Other changes in operating items	(4,559)	4,174
<b>Operating cash flow</b>	<b>22,439</b>	<b>24,998</b>
Investments, net of disposals	(14,455)	(13,344)
<b>Free cash flow</b>	<b>7,984</b>	<b>11,654</b>
Cash flow from financial activity	6,690	(6,052)
Own shares	0	0
Dividends	(9,201)	(5,750)
Forex	(1,034)	763
<b>Cash flow</b>	<b>4,439</b>	<b>615</b>
<i>Cash at the end of the period</i>	14,208	9,769

# Balance sheet

€ x 1000	31-Dec-11	31-Dec-10
Fixed assets	102,310	100,632
Net working capital	37,915	37,476
<b>Capital Employed</b>	<b>140,225</b>	<b>138,108</b>
Equity	121,823	121,846
Deferred taxes	366	323
Reserves for risks and severance indemnity	3,240	3,394
Net debt	14,796	12,545
<b>Sources of finance</b>	<b>140,225</b>	<b>138,108</b>

# Net financial position

<i>€ x 1000</i>	31-Dec-11	31-Dec-10
A. Cash	8	11
B. Positive balances of unrestricted bank accounts	11,868	9,105
C. Other liquidities	2,332	653
<b>D. Cash and cash equivalents (A+B+C)</b>	<b>14,208</b>	<b>9,769</b>
E. Current bank overdrafts	8,546	-
F. Current portion of non-current debt	8,486	5,843
G. Other current financial payables	33	55
<b>H. Current financial debt (E+F+G)</b>	<b>17,065</b>	<b>5,898</b>
<b>I. Current net financial debt (H-D)</b>	<b>2,857</b>	<b>(3,871)</b>
J. Non-current bank payables	9,051	12,240
K. Other non-current financial payables	2,888	4,176
<b>L. Non-current financial debt (J+K)</b>	<b>11,939</b>	<b>16,416</b>
<b>M. Net financial debt (L+I)</b>	<b>14,796</b>	<b>12,545</b>

# FY 2012 forecasts

The household appliance market in Europe continues to struggle at the start of 2012, while the outlook on other markets is encouraging.

For FY 2012, the Group believes that it will be able to register sales and profitability levels in line with those of 2011.

However, compared with 2011, the Group expects a weaker first half of the year and a gradual recovery in the second half, partly thanks to the contribution of new supply contracts that will gradually come into force over the year.

# Contact

For further information, please contact our Investor Relations Department

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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.