



Press release

Ospitaletto, 8 May 2012

SABAF: SHAREHOLDERS APPROVE THE 2011 FINANCIAL STATEMENTS

ALBERTO BARTOLI IS THE NEW CHIEF EXECUTIVE OFFICER

- Financial statements to 31 December 2011 approved, with a profit of €11.1 million (€13.2 million in 2010)
- Dividend distribution of €0.60 per share approved (€0.80 in 2010)
- Cinzia Saleri, Renato Camodeca, Nicla Picchi and Riccardo Rizza join Board of Directors
- Sales down 7.4% in the first quarter of 2012

The Ordinary Shareholders' Meeting of Sabaf S.p.A. was held today, called, inter alia, to approve the financial statements for the year ended 31 December 2011 and the appointment of company officers for the three-year period 2012-2014.

Following the Shareholders' Meeting, the Board of Directors met to decide on the allocation of responsibilities and powers, set up the Committees within the Board, and verify the independence of the Directors.

FY 2011 financial statements and dividend

The Shareholders' Meeting approved the financial statements relating to FY 2011, which ended with a profit of €11.1 million (€13.2 million in 2010). On a consolidated level, profit was €10.8 million (€16.9 million in 2010).

The Shareholders' Meeting also approved the payment of a dividend of €0.60 per share (a dividend of €0.80 per share was paid out in 2011).

The ex-dividend date is 21 May and the payment date 24 May 2012.

Board of Directors

The Shareholders' Meeting appointed the Board of Directors, comprising 13 members, for the three-year period 2012-2014.

Confirmed as executive directors were Giuseppe Saleri, Gianbattista Saleri, Ettore Saleri and Alberto Bartoli. Salvatore Bragantini, Giuseppe Cavalli, Leonardo Cossu, Fausto Gardoni and Gregorio Gitti were also confirmed as directors.

Joining the Board are Cinzia Saleri and independent directors Renato Camodeca (Professor of Business Economics at the University of Brescia), Nicla Picchi (a lawyer, member of the Supervisory Committee of Sabaf S.p.A. and other leading companies) and Riccardo Rizza (professional accountant, elected by minority shareholders). Giuseppe Saleri has been confirmed as Chairman of the Board.

In the subsequent meeting, the Board of Directors appointed Alberto Bartoli, 51, as the Chief Executive Officer. Mr. Bartoli has been Finance Director and a member of the Board of Sabaf S.p.A. for the last 18 years.

Cinzia Saleri, Gianbattista Saleri and Ettore Saleri were appointed Deputy Chairmen/woman.



The Board of Directors then checked that directors Salvatore Bragantini, Renato Camodeca, Giuseppe Cavalli, Leonardo Cossu, Fausto Gardoni, Gregorio Gitti, Nicla Picchi and Riccardo Rizza met the requirements of independence pursuant to the standards and criteria of the Code of Conduct for listed companies (for Leonardo Cossu, in derogation of the criteria relating to length of service, but this was more in substance than in form).

Renato Camodeca was appointed Lead independent director.

The Control and Risks Committee (comprising Bragantini, Camodeca, Cossu and Picchi) and the Remuneration and Appointments Committee (comprising Cavalli, Cossu and Gardoni) were set up within the Board of Directors.

The curricula vitae of members of the Board of Directors are available on the company website www.sabaf.it.

Board of Statutory Auditors

The Shareholders' Meeting also appointed the Board of Statutory Auditors for the three-year period 2012-2014. Standing Auditors are Alessandro Busi (Chairman, elected by minority shareholders), Enrico Broli and Anna Domenighini.

The Financial Reporting Officer

The Board of Directors also appointed Gianluca Beschi as the Financial Reporting Officer, pursuant to Article 154-bis of Legislative Decree 58/1998. His appointment was subject to the favourable opinion of the Board of Statutory Auditors, and complies with the requirements of professionalism set out in the Bylaws. The Board of Directors attributed to the Financial Reporting Officer the authority and resources necessary to carry out his duties. Gianluca Beschi also maintains the role of Investor Relations Manager.

Remuneration report

The Shareholders' Meeting also voted in favour of the section of the remuneration report which illustrates the policy for the remuneration of Directors and Executives with strategic responsibilities adopted by the Company for the financial year 2012.

Authorisation to buy and sell treasury shares

The Shareholders' Meeting also authorised the Board of Directors to buy and sell treasury shares, in equal treatment of shareholders and in accordance with the laws in force, for the following purposes:

- in accordance with Company strategy, to use treasury shares as part of the transactions related to business plans or agreements with strategic partners or in the framework of investment transactions, or other extraordinary financial transactions that imply assignation or utilisation of treasury shares;
- to offer shareholders an additional tool to liquidate their investments;
- to conduct operations to support market liquidity.

This authorisation allows the Board to purchase up to 2,306,690 ordinary shares on the market, for a period of 18 months, for a maximum total disbursement equal to the available reserves and distributable profits, at a price within a range of 10% above or below the average official prices recorded on the MTA (electronic stock exchange) during the five sessions prior to purchase.

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 price for the sale of shares may not be more than 10% lower than the average official prices recorded on the MTA during the five previous sessions, or, if the shares are disposed of by any means other than sale on the market, the price will be determined with different criteria, also with the aid of independent experts.



Performance in the first quarter of 2012 and outlook for the current year

During the meeting, the Company informed shareholders that the market was very weak in the first few months of 2012, particularly in Italy. The Group's results will be approved and announced on 15 May; preliminary results show sales of €37.3 million, down 7.4% versus €40.3 million in the same period of 2011.

The Company confirmed that it expects a gradual recovery in the second half of the year, partly thanks to the contribution of new supply contracts that will gradually come into force over the year. In light of the expected negative performance in the second quarter, however, it currently seems unlikely that the previous forecast for 2012 of sales in line with 2011 will be met. Information currently available points to a fall in revenues of approximately 5% for FY 2012.

These targets assume a macroeconomic scenario not affected by unpredictable events. If the economic situation were to change significantly, actual figures might diverge from forecasts.

Pursuant to Article 154-bis, 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 press release corresponds to the company's records, books and accounting entries.

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.

The product range features four main categories: 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 through its 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 South American market. Sabaf is also present through subsidiaries in Mexico, the USA and China.

