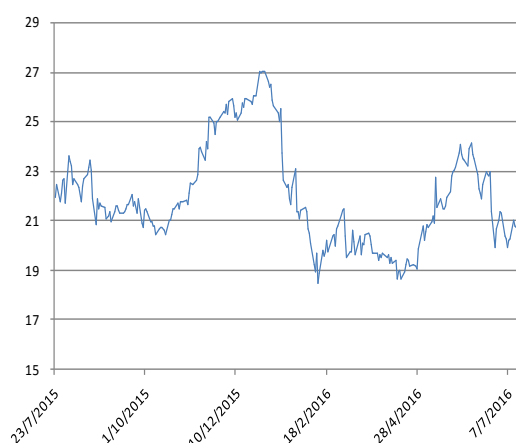


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Share Price (13/07/2016) Milan Stock Exchange, €	
	<b>20.74 €</b>
<b># of Shares (mn)</b>	149.50
<b>Market Cap (in € mn)</b>	3,100.63
<b>A.D. Volume (p)</b>	129,430
<b>Beta Co-efficient</b>	0.62
<b>Statistical Data</b>	
<b>Max 52 week</b>	27.03 €
<b>Min 52 week</b>	18.49 €
<b>1-M Rtn</b>	-9.39%
<b>6-M Rtn</b>	-10.28%
<b>12-M Rtn</b>	-6.27%

Source: VRS Calculations, Reuters.

## Stock Price Performance (1 year, in €)



Note: Share price performance based on share price closes on Milan Stock Exchange.  
Period as day/month/year.

## DELONGHI GROUP

Listed on Milan Stock Exchange, Italy, [Bloomberg Ticker: DLG:IM] [Reuters Ticker: DLG.MI]

**Business Sector: Consumer Discretionary**

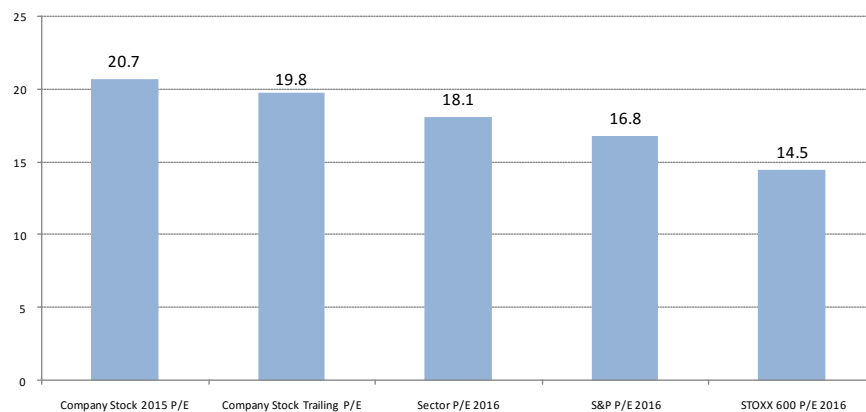
### Corporate & Investment Highlights

- De'Longhi was founded in 1902 in Italy and was incorporated in 1950. The Company has expanded to become a producer of portable heaters, air conditioners and small domestic appliances operating subsidiaries in 33 countries and generating revenues all over the world. De'Longhi Group acquired the British company Kenwood in 2001.

### Consolidated Revenue Breakdown per Geography (Period 2011 – 2015, € million)

(in EUR mn)	2011	2012	2013	2014	2015
<b>Europe</b>	970	1,008	1,107	1,197	1,283
Sales					
<b>Middle East / India / Africa</b>	80	85	131	163	180
Sales					
<b>Asia / Pacific / Americas</b>	380	437	395	366	429
Sales					
<b>Total</b>	1,429	1,530	1,633	1,727	1,891
Sales					

### Company Historic P/E Multiple versus Market P/E Multiples (x)



Source: VRS calculations based on consolidated IFRS accounts, FACTSET

#### Important Note:

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## DELONGHI GROUP

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### BASIC FINANCIAL INDICATORS

(in € mn)	Sales	EBITDA	EBT	EATAM	P/E (x)	P/BV (x)	EV/EBITDA (x)	DEBT / EQUITY (x)	ROE %
2010	1,626	193	112	75	41.4	4.1	19.0	0.28	10%
2011	1,429	203	139	90	34.4	3.6	18.5	0.13	11%
2012	1,530	225	155	118	26.2	4.9	14.2	0.51	19%
2013	1,633	240	157	117	26.5	4.6	13.0	0.44	18%
2014	1,727	260	171	127	24.5	4.0	11.8	0.45	16%
2015	1,891	285	199	150	20.7	3.4	10.3	0.21	17%

Notes: (1) EATAM and equity are calculated excluding minorities. (2) P/E, P/BV and EV/EBITDA are based on current share price.  
Source: Official Consolidated Financial Statements, VRS Calculations.  
n/c stands for non calculable.

### Working Capital Ratios

in € million		2010	2011	2012	2013	2014	2015
Revenues	€ mn	1,626	1,429	1,530	1,633	1,727	1,891
Cost (net of depreciation)	€ mn	774	640	690	706	757	829
Gross Profit Margin	%	52.41%	55.23%	54.93%	56.77%	56.19%	56.19%
Net Income / Profit	€ mn	75	90	118	117	127	150
Net Profit Margin	%	4.6%	6.3%	7.7%	7.2%	7.3%	7.9%
Cash & Cash Equivalents	€ mn	194	196	244	271	389	358

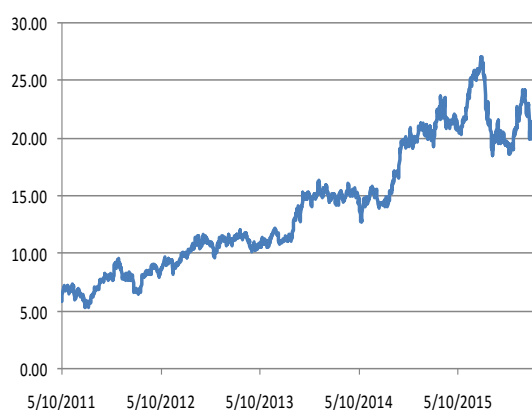
<b>Stock Days</b>	Days	136	159	145	147	153	142
Stock Inventory	€ mn	288	278	274	283	318	323
<b>Debtors Days</b>	Days	87	89	91	75	77	72
Debtors - Receivables	€ mn	388	349	381	335	366	372
<b>Creditors Days</b>	Days	177	189	186	179	185	169
Creditors - Suppliers	€ mn	374	331	352	346	383	383
<b>Operating Cycle (Days)</b>	Days	223	248	236	222	231	214
<b>Cash Cycle (Days)</b>	Days	46	59	50	43	46	45

Source: Official Consolidated Financial Statements, VRS Calculations.  
Gross profit is calculated by deducting cost of sales (net of depreciation, wherever applicable) from revenues.

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### Stock Price Performance (Last 5 years, in €)



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Period as day/month/year.

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## DISCLOSURE CHECKLIST

Covered Company	Bloomberg	Reuters	Stock Price	Date	Disclosure
DELONGHI GROUP	DLG:IM	DLG.MI	€ 20.74	July 13, 2016	----

1. VRS has acted as financial consultant for the covered company within the past 24 months.
2. VRS has sent the research report to the covered company, prior to publication or dissemination, for factual verification.
3. VRS has changed the contents of the initially sent report, with respect to: factual changes have been made.
4. VRS has received compensation from the covered company for the preparation of this research report.
5. VRS produces research reports for this company on systematic basis.
6. VRS produces research reports for this company on demand basis.
7. VRS has produced a research report for this company within the past 12 months.

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