

PRESS RELEASE

**Indesit Company's board of directors approve
figures for 1st quarter 2009**

Despite the continuing downturn in demand, market share rose 1 percentage point to reach a record 15% in "Greater Europe"

*Average price and product quality continue to improve
50 new products launched, the first of 240 planned this year*

*Revenues: €590.7 million, down 21.9% at current exchange rates
and 14.6% at constant rates*

*Ebit: €1.2 million against €46.2 million in 2008 (down 97.4% at current rates
and 50.9% at constant rates)*

Fabriano, 29th April 2009 - The board of directors of Indesit Company met today in Fabriano and approved its consolidated results for 1st quarter 2009.

Group **revenues** in 1st quarter 2009 amounted to €590.7m (€756.2m) down 21.9% on the same period the previous year. The figure for sales at constant exchange rates is €645.9m, down 14.6%.

The **operating margin** (EBIT) in 1st quarter 2009 was €1.2m (€46.2m, down 97.4%); its ratio to sales was 0.2% (6.1%). At constant rates, EBIT is €22.7m (down 50.9%).

The period saw a drop in sales due principally to feeble demand in all the main markets where the Group operates, above all when compared to 1st quarter 2008, and to the negative impact of exchange rate changes, mainly with the rouble and sterling.

Against a scenario of generally slack demand, the Group is seeing healthy growth in its market share in all the main markets, especially in Italy, the UK and Russia. The increase in January-February, nearly a whole percentage point (0.8%), enabled Indesit Group to top 15% by volume, a record for it in "Greater Europe". A peak in market share by value was also achieved in the quarter.

"Preparing ourselves for a tough 2009," said Group CEO Marco Milani, "we set ourselves two basic aims: to defend our financial solidity and consolidate our leadership positions in the markets of Greater Europe. Regarding the financial objectives, this quarter was slightly better than our expectations and confirms we are on the right track. Further, despite the current market situation, in which the worst contractions in demand are in the Countries where our Group is strongest, and the unfavourable exchange rate trends, we have in any case managed to further

improve the average price of products sold and our market share: a signal that confirms Indesit's capacity to cope excellently with this difficult economic period and look at the future with great confidence".

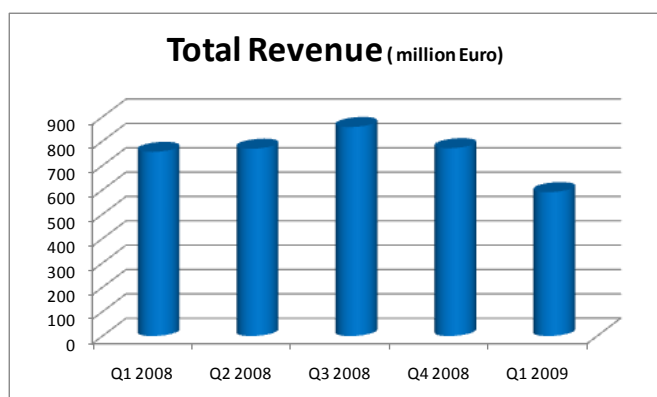
In the 1st quarter, 50 new products were launched onto the market, with innovative functions and quality at levels of excellence in line with our best competitors. By the end of the year a further 190 new products will have been launched, starting with Indesit's free-standing Prime line, Hotpoint-Ariston's new Aqualtis and the new S3 cooking line from the high-end brand Scholtès.

Key figures

	Q1 2009		Q1 2008		Change	
	(million euro)	%	(million euro)	%	(million euro)	%
Revenue	590,7	100,0%	756,2	100,0%	(165,5)	(21,9%)
Gross operating profit before non recurring items	47,4	8,0%	76,2	10,1%	(28,8)	(37,8%)
Gross operating profit	33,7	5,7%	77,3	10,2%	(43,6)	(56,4%)
Operating profit before non recurring items	17,9	3,0%	45,1	6,0%	(27,2)	(60,4%)
Operating profit	1,2	0,2%	46,2	6,1%	(45,0)	(97,4%)
Profit before taxation	(16,5)	(2,8%)	35,9	4,7%	(52,4)	(146,0%)
Profit for period	(14,7)	(2,5%)	21,5	2,8%	(36,2)	(168,2%)
Profit attributable to the Group	(14,6)	(2,5%)	21,6	2,9%	(36,2)	(167,5%)

Group **revenues** in 1st quarter 2009 amounted to €590.7m (€756.2m), down 21.9% on the same period in 2008. At constant rates, 1st quarter sales would have been €645.9m, down 14.6%.

The reduction in revenues was mainly in sales of finished products, while revenues from services saw only a slight contraction.



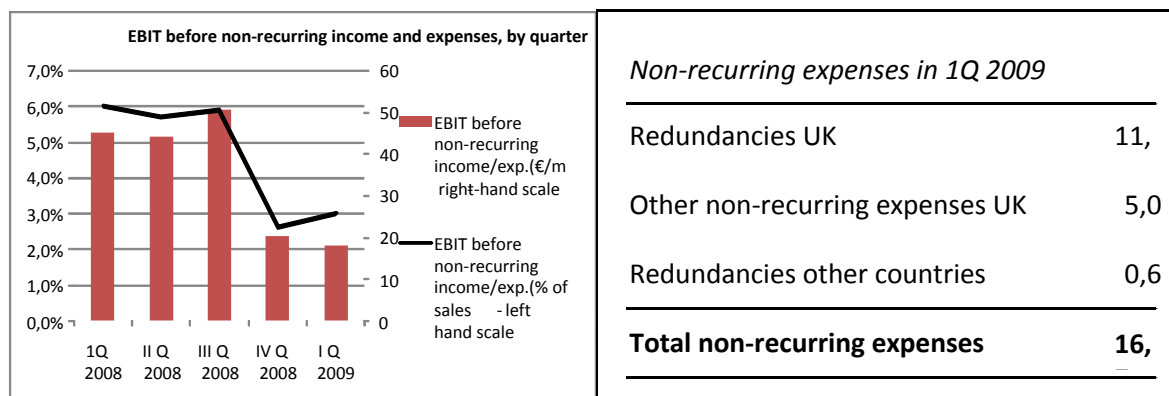
Revenue Breakdown	Q1 2009	Q1 2008	change %
Appliances	538,5	701,0	-23,2%
Services	52,2	55,2	-5,4%
Total Revenue	590,7	756,2	-21,9%

The decrease in revenues from sales of finished products was due mainly to the reduction in sales volumes (19.4%) following the downturn in demand (especially in markets like the UK and Russia, where the Group enjoys leadership positions), and to the negative trend in exchange rates (around 7%) in which the euro gained on the other major currencies. These negative effects were only partially offset by the positive trend in average unit revenues (price/mix), which rose a significant 3.2%.

The **gross operating margin** (EBITDA) in 1st quarter 2009 was €33.7m (€77.3m); its ratio to sales was 5.7% (10.2%).

The **operating margin** (EBIT) in 1st quarter 2009 was €1.2m (€46.2m, 97.4%); its ratio to sales was 0.2% (6.1%). At constant rates, EBIT in 1st quarter 2009 would have been €22.7m (down 50.9%).

Before non-recurring income and expenses, the operating margin (EBIT) was €17.9m (€45.1m); the ratio to sales was 3.0% (6.0%).



Reduction in volumes, exchange rate trends, lower absorption of fixed industrial costs following the marked cut back in production and higher non-recurring expenses negatively influenced margins, which in any case benefited from lower costs for procurement, advertising and promotion and further improvements to price/mix and product quality.

Net financial charges amounted to €17.7m (€10.4m), the increase being due to greater exchange differences.

The net result for the Group in 1st quarter 2009 was a loss of €14.6m (profits of €21.6m) and was penalized, as noted above, by major restructuring charges (€16.7m).

Results by geographical region

All the main markets in which the Group operates saw a general downturn in demand in the 1st quarter of 2009.

Italy

(million Euro)	Q1 2009	Q1 2008	change
Revenue	107,6	120,6	(13,0)
Operating Margin	9,2	14,7	(5,4)
Operating Margin %	8,6%	12,1%	(3,6%)

Performance in **Italy** was negatively influenced by loss of sales volumes in built-in products. Revenues from sales of free-standing appliances partially offset the reduction in volumes (less marked than for built-in products) with an improvement in the mix of products sold.

The result in Italy was also aggravated by a higher impact of provisions against bad debt than in 1st quarter 2008.

UK and Ireland

(million Euro)	Q1 2009	Q1 2008	change
Revenue	169,1	198,6	(29,5)
Operating Margin	3,2	4,7	(1,6)
Operating Margin %	1,9%	2,4%	(0,5%)

Results in the UK and Ireland obviously felt the drastic effect of the depreciation of UK sterling. Our UK organization, however, substantially offset this exchange rate effect by improving the sales *price/mix* and significantly reducing the costs of non-quality.

Russia

(million Euro)	Q1 2009	Q1 2008	change
Revenue	90,8	140,3	(49,5)
Operating Margin	13,0	30,0	(17,0)
Operating Margin %	14,3%	21,4%	(7,0%)

The 1st quarter 2009 result in **Russia** was down by €17.0m. This loss was due to the depreciation of the rouble and the loss of volumes reflecting a strong contraction in demand. The improvement in the price/mix and measures applied to contain structural costs are expected to mitigate, to a certain extent, the current negative trend. Recovery in this region, however, is strictly dependent on a turnaround in market demand.

West Europe			
(million Euro)	Q1 2009	Q1 2008	change
Revenue	131,2	143,7	(12,6)
Operating Margin	1,2	3,2	(1,9)
Operating Margin %	0,9%	2,2%	(1,3%)

The 1st quarter in **West Europe** as a whole was characterized by a reduction in sales (8.7%) that was the most limited of all the Group's operating regions. In absolute terms, the loss was concentrated largely in France, where the white goods market in the 1st quarter was hit by the international crisis that still hadn't been felt to its full extent in 2008. The operating margin in France was down by €1.7m on the previous year (the change across the whole region was €1.9m), mostly due to loss of volumes and a deterioration in the price/mix of built-in sales.

East Europe			
(million Euro)	Q1 2009	Q1 2008	change
Revenue	51,2	92,6	(41,4)
Operating Margin	-5,6	6,6	(12,2)
Operating Margin %	(11,0%)	7,1%	(18,1%)

The 1st quarter operating margin in **East Europe** had a strongly negative impact on the Group's result (operating margin down €5.6m). Two main factors affected performance in this region:

- the slump of the white goods market in Countries like the Ukraine and Romania, where in both cases the market lost around 69%;
- the depreciation of the zloty in Poland, which was very positive in terms of industrial costs (the Group has four production plants in the Country) but seriously penalized local sales performance.

The overall result of the two factors had a positive impact (€7.8m) on the Group's operating margin.

International			
(million Euro)	Q1 2009	Q1 2008	change
Revenue	40,8	60,4	(19,5)
Operating Margin	0,6	2,2	(1,6)
Operating Margin %	1,5%	3,7%	(2,1%)

The **International region** includes markets that are far apart and very different. The worst losses in terms of both revenues and margins were in United States, the Middle East and Far East. In Turkey, the Group's main market in this region, the 1st quarter saw a drop in sales in line with the market (which lost 24.9 % in the quarter), whereas the Group's operating margin here was consolidated thanks to a significant improvement in the price/mix. This result was achieved despite the negative impact on market performance caused by the depreciation of the Turkish lira. This effect was totally offset, for the Group, by the benefit in terms of industrial costs.

Q1 2009 (million Euro)	Total Regions	Unallocated expenses	Total Group
Revenue	590,7		590,7
Operating Expenses	(569,0)	(20,4)	(589,4)
Operating Margin	21,6	(20,4)	1,2
Q1 2008 (million Euro)	Total Regions	Unallocated expenses	Total Group
Revenue	756,2		756,2
Operating Expenses	(694,8)	(15,2)	(710,0)
Operating Margin	61,4	(15,2)	46,2

CASH FLOWS

	31-mar-09	31-dec-08	31-mar-08
EBITDA	33,7	270,5	77,3
Delta NWC	(194,8)	(62,7)	(189,2)
Other Operating Flow	(13,0)	(162,0)	(38,6)
Operating Cash Flow	(174,0)	45,8	(150,5)
Net CapEx	(10,6)	(136,1)	(15,8)
Cash Flow before financial activities	(184,7)	(90,3)	(166,3)
Financial operations & others	(0,0)	(52,4)	(0,1)
Free Cash flow	(184,7)	(142,7)	(166,4)

Cash flow from operations in 1st quarter 2009 was a negative €174.0m (negative €150.5m).

The higher absorption of cash with respect to 1st quarter 2008 was mainly due to the reduced operating margin (EBITDA), whose lower cash generation is only partially offset by the positive effect of other non-cash items (mainly taxes, exchange differences and movements in the cash flow hedge reserve), while cash flows absorbed in 1st quarter 2009 by net working capital management are more or less in line with 1st quarter 2008.

Net capital expenditure was down in line with the policy announced by the Group and amounted to €10.6m (€15.8m).

Free cash flow in 1st quarter 2009 was therefore a negative €184.7m (negative €166.4m), causing an increase in net financial indebtedness with respect to the amount at 31st December 2008.

EQUITY SITUATION

	31-mar-09	31-dec-08	31-mar-08
Trade receivables	464,6	459,0	599,0
Inventories	356,2	374,1	376,2
Trade payables	(560,9)	(767,9)	(783,5)
Net working capital	259,9	65,1	191,6
Non-current operating assets	1.063,4	1.113,5	1.180,2
Other current assets and liabilities and non-current liabilities	(294,2)	(282,2)	(318,5)
Net invested capital	1.029,0	896,4	1.053,3
Net financial indebtedness	658,5	473,8	497,6
Equity attributable to the Group	368,0	420,0	554,1
Minority interests	2,6	2,5	1,7
Equity and financial liabilities	1.029,0	896,4	1.053,3

The increase in **net working capital** (from 5.6% on rolling sales in March 2008 to 8.7% in March 2009) was for the most part realized in the last quarter of 2008. The further increase recorded in 1st quarter 2009 reflects the usual seasonal trend, in which net working capital grows in the first half of the year and shrinks in the second. The significant reduction in trade payables was due to the effect of exchange rates and the contraction in production volumes (and hence procurement of raw materials and components) in response to the contraction in demand and with the aim of reducing warehouse stocks.

The reduction in **shareholders' equity** with respect to 31st December 2008 was mainly due to the effects on the conversion reserve of the appreciation of the euro against the Polish zloty and the rouble (€31.1m) and the negative results for the quarter (€14.6m).

FINANCIAL POSITION

	31-mar-09	31-dic-08	31-mar-08
Current financial assets	26,0	43,8	55,2
Cash and cash equivalents	130,8	193,2	146,8
Banks and other financial payables	(287,3)	(268,2)	(401,1)
Net financial position - short term	(130,5)	(31,2)	(199,0)
Medium/long-term financial payables	(542,0)	(451,9)	(306,5)
Net financial position (*)	(672,5)	(483,1)	(505,5)
Other non-current financial assets	14,0	9,3	7,9
Net Financial Indebtedness	(658,5)	(473,8)	(497,6)

(*) As defined by Consob communication DEM/6064293 dated 28.07.2006 applying CESR recommendations dated 10.02.2005

Net financial indebtedness was €658.5m (€497.6m).

Gross financial indebtedness amounted to €829.3m (€707.6m), of which 65% medium/long-term and 35% short-term.

Medium/long-term debt maturities are as follows:

	Medium/long-term financial liabilities	Maturity						
		2010	2011	2012	2013	2014	2015	2016
Bonds	216,9	5,0	60,6	7,2	7,0	120,6	0,9	15,6
Due to banks and other financial payables	325,1	49,9	23,9	241,2	1,3	7,8	(0,1)	1,1
TOTAL	542,0	54,9	84,5	248,4	8,4	128,5	0,8	16,6

As of 31st March 2009, the Group has committed and non-utilized credit lines worth €190.0m.

Business restructuring

In February, Indesit Company announced to the parties involved its intention to close the Kinmel Park plant in the UK. Talks with the trade unions are now coming to a conclusion. The Company took an overall non-recurring charge of €14.9m in connection with closure of the plant.

Regarding the None plant in Italy, the Group is currently in talks with the unions on restructuring of its activities. No non-recurring charges were taken in the 1st quarter in this connection.

Principal awards in 1st quarter 2009

At the start of the year, Indesit Company received a number of important international awards for innovation and design.

Hotpoint-Ariston's new 4-door fridge, the Quadrio, was elected Product of the Year 2009 in Italy at the "Gran Premio Marketing e Innovazione" and also in the UK by Get Connected, a consumer electronics magazine, for its flexibility and eco-efficiency.



In January, Scholtès's Multiplo, an innovative cooking vessel, was one of the winners in the "Kitchen" category at the 2008 Good Design Awards, organized by the Chicago Athenaeum-Museum of Architecture and Design.

Lastly, in February, Hotpoint was elected "Most Trusted Domestic Appliance Brand", for the 9th time running, by a Reader's Digest survey in the UK, and also received a Superbrand Award as a brand perceived to be one of the strongest in the country.

The quarterly report will be made available to the public at the Company's headquarters and at Borsa Italiana by 6th May 2009 and will be posted on the Company's website (www.indesitcompany.com) the same day.

This press release is also on-line, as of today, on the Company's website (www.indesitcompany.com).

The manager charged with preparing the company's financial reports, Andrea Crenna, confirms, pursuant to paragraph 2, art. 154-bis, Consolidated Finance Law, that the accounting information included in this press release agrees with the underlying documentation, records and accounting entries.

* Definitions of performance indicators:

EBIT: operating margin.

EBITDA: operating margin before amortization and depreciation.

Net working capital: inventories plus trade receivables minus trade payables.

Net financial indebtedness: the balance of current financial assets, cash and cash equivalents, payables to banks and other financial payables, medium/long-term financial payables and other non-current financial assets.

Net financial position: the balance of current financial assets, cash and cash equivalents, payables to banks and other financial payables and medium/long-term financial payables.

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