PRESS RELEASE

Indesit Company's Board of Directors examines the figures for 1st quarter 2010 and approves the interim management report

Strong growth in operating margin and net profit, significant reduction in net financial indebtedness

EBIT: €35m against €1m in 1st quarter 2009

Net profit: €16m against losses of €15m in the same period the previous year

Revenues: €601m, up 1.8%

Net financial indebtedness down to €383m against €658m in 1st quarter 2009

Fabriano, 29th April 2010 – Meeting today in Fabriano the Board of Directors of Indesit Company examined the consolidated results for 1st quarter 2010 and approved the interim management report to 31st March 2010.

The **operating margin** (EBIT) in 1st quarter 2010 was €35.0m, against €1.2m in the same period the previous year. The ratio to sales rose to 5.8% from 0.2% in 1st quarter 2009.

Excluding **non-recurring income and expenses**, which amounted to €2.8m (€16.7m in 1st quarter 2009), the 1st quarter operating margin (EBIT) was €37.8m (€17.9m) up 111.2%. The ratio to sales was 6.3% (3.0%).

The **net result for the Group** in 1st quarter 2009 was a positive €16.0m, against losses of €14.6m in the same period in 2009.

1st quarter **revenues** amounted to €601.4m (€590.7m) up 1.8% on the same period the previous year.

Net financial indebtedness came down to €383.3m, a €275.2m improvement on €658.5m at 31st March 2009.

"The positive results for the quarter confirm that, despite persistent difficulties on the markets, the Group is making the right choices and thus continuing to create value," said Indesit Company Deputy Chairman Andrea Merloni. *"We are relaunching investments whilst managing at the same time to safeguard our financial solidity, which is still our primary objective."*

"Our efforts are continuing to give the expected results," added Indesit Company CEO Marco Milani. "*Our investments in innovation and launching of new products enabled us to further improve quality and revenues, while profitability in the quarter stayed at excellent levels. We must now continue our efforts so that the Group can consolidate its competitive advantages in a European market characterized by fierce competition and only weak signs of recovery".*

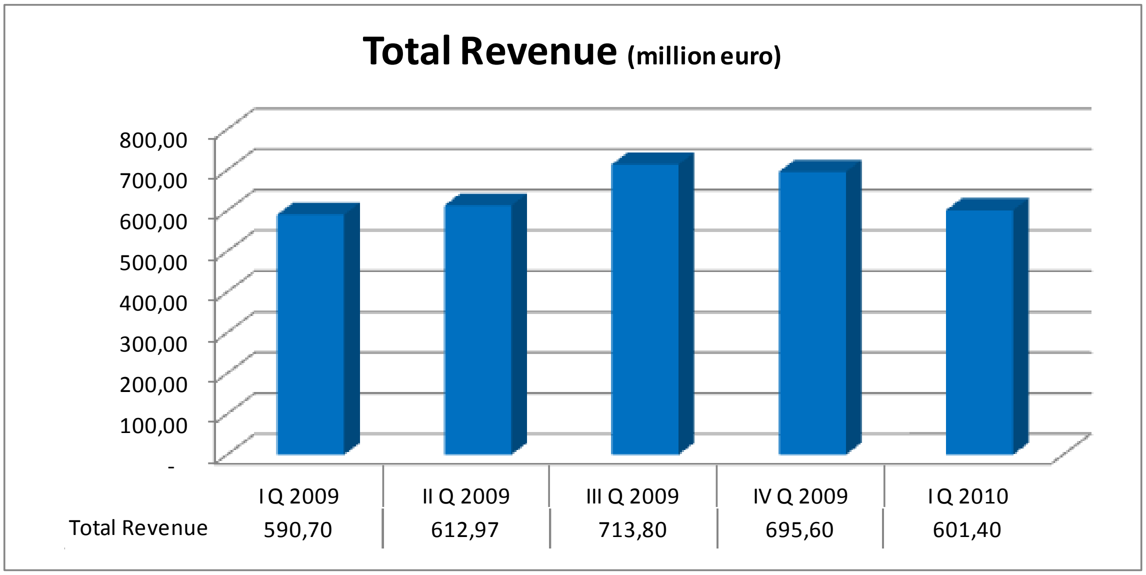
The increase in **revenues** in 1st quarter 2010 came from both sales of finished products and revenues from services. The positive change in revenues from sales of finished products in the quarter was mainly due to the increase in average unit revenues at constant exchange rates (3.2%).

The strong increase in operating **profitability** in 1st quarter 2010 with respect to 1st quarter 2009, both in absolute terms and as percentage of revenues, was the result of the continuation of measures put in place by the Group in 2009. Positive results were obtained thanks to improvements in the types of products sold, the launching of higher performing products and the relative improvement to the price/mix. Another favourable factor was the reduction in the production cost, thanks to lower purchasing costs for raw materials (components and steel) and improved efficiency in production processes. The increase in volumes also enabled a higher absorption of fixed industrial costs. The Group's profitability was further assisted by continual improvement in product quality and after-sales service in general, while spending on advertising and promotion increased, as previously announced and reversing the trend in 2009. Profitability also benefited from lower non-recurring restructuring charges.

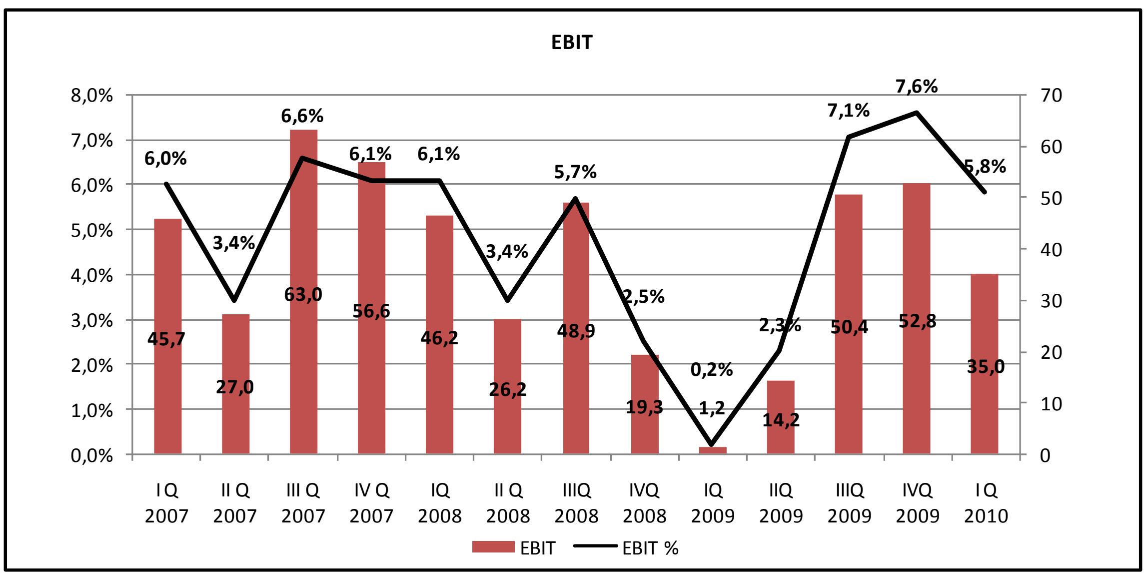
Investments, still limited in the 1st quarter, will pick up substantially in the coming months.

The Group's income results

euro/million	I Q 2010	I Q 2009	Change €m	Change %
Revenue	601,4	590,7	10,7	1,8%
Gross operating profit (EBITDA)	63,5	33,7	29,7	88,2%
Operating profit (EBIT)	35,0	1,2	33,8	2812,4%
Operating margin %	5,8%	0,2%		5,6p.p.
Profit before taxation	26,4	(16,5)	42,9	n/a
Profit for the period	15,8	(14,7)	30,5	n/a
Profit attribuitable to the Group	16,0	(14,6)	30,5	n/a
Gross of non recurrings items				
Non recurring items	(2,8)	(16,7)	13,9	
Gross operating profit before non recurring items (EBITDA)	66,2	47,4	18,8	39,6%
Operating profit before non recurring items (EBIT)	37,8	17,9	19,9	111,2%
Operating margin before non recurring items %	6,3%	3,0%		3,3p.p.



Revenue Breakdown	I Q 2010	I Q 2009	change %
Appliances	549,3	539,9	1,7%
Services	52,0	50,8	2,4%
Total Revenue	**601,4**	**590,7**	**1,8%**



Results by geographical region

The Group's operating areas are:

- **Italy**;
- **UK and Ireland**;
- **Russia**, including Russia and Asian republics;
- **Western Europe**, including France, Spain, Portugal, Germany, Austria, Switzerland, Benelux, Scandinavia, Lithuania, Estonia and Latvia;
- **Eastern Europe**, including Poland, Ukraine, Moldova, Czech Republic, Hungary, Romania, Greece, Turkey, Bulgaria and other Balkan states;
- **International**, including all the other non-European markets.

The composition of the geographical-organizational Areas has changed. In 2009, certain markets were put under the responsibility of other Areas as a result of internal re-organization. Comparative data at 31st March 2009 were therefore reclassified.
The reclassifications were as follows: Turkey, Romania, Bulgaria, Greece, the Balkans and the Caucasus Republics were reclassified from the **International** Area to the **Eastern European** Area; Scandinavia and Switzerland, Germany, Austria, North Balkans and the Baltic States were reclassified from the **Eastern European** Area **to the Western European** Area.

(million euro)	I Q 2010	I Q 2009
Revenue	**601,4**	**590,7**
Allocated operative costs to the areas	(546,3)	(564,3)
Total market result	**55,0**	**26,4**
Operative costs	(20,1)	(25,2)
Operating profit	**35,0**	**1,2**

Certain costs previously written to corporate departments were classified, from 1st January onwards, under the costs of geographical-organizational Areas. Comparative data at 31st March 2009 were therefore reclassified.
Costs not attributable to these Areas are mainly central management (*Corporate*) costs and net restructuring charges.

Italy Area

The trend in industry shipment in the **Italy** Area improved significantly.

(million euro)	I Q 2010	I Q 2009	Change
Revenue	110,6	107,6	3,0
Market result	11,5	10,7	0,8
Market operating margin %	10,4%	9,9%	0,4p.p.

The **Italy** Area saw an increase in revenues in both free-standing and built-in business.
In the free-standing segment, there was good performance by the Hotpoint-Ariston brand, while the Indesit brand performed well with its built-in products.
The overall increase in revenues was mainly the result of the increase in sales volumes, with average unit revenues improving slightly.

UK and Ireland Area

Industry shipment in 1st quarter 2010 in the **UK and Ireland** Area continued to show a slightly negative trend, mainly in the first two months of the year.

(million euro)	I Q 2010	I Q 2009	Change
Revenue	171,7	169,1	2,6
Market result	23,6	1,2	22,4
Market operating margin %	13,8%	0,7%	13,0p.p.

The 1st quarter results in the **UK and Ireland** Area continued to be among the best in Group. Despite sales volumes being down on the same period the previous year, sales rose 1.5% thanks to a particularly favourable *price/mix* and, to a lesser extent, an appreciation of UK sterling.
Built-in appliances performed well, especially Hotpoint-Ariston's.
Performance was positive in the washing and cooking sectors.

Western Europe Area

There was sustained growth in industry shipment in the Group's key Western European markets (**France and Spain**).

(million euro)	I Q 2010	I Q 2009	Change
Revenue	140,3	131,7	8,6
Market result	5,5	2,6	2,9
Market operating margin %	3,9%	2,0%	2,0p.p.

The increase in the Group's 1st quarter revenues in the **Western Europe Area** was the result of healthy growth in sales volumes and a slight improvement in average unit revenues.

The increase in sales was particularly strong in **France**, **Portugal** and **Spain.**

Both free-standing and built-in products sold well in all the product categories. The Hotpoint-Ariston brand saw the best growth in sales.

Russia Area

Industry shipment in **Russia** continued to show a negative trend, with contraction at over 10% year on year.

(million euro)	I Q 2010	I Q 2009	Change
Revenue	78,8	90,8	(12,0)
Market result	9,8	14,3	(4,6)
Market operating margin %	12,4%	15,8%	-3,4p.p.

The reduction in revenues was mainly due to falling sales volumes reflecting the persistently slack demand. Average unit revenues rose slightly thanks to a strengthening of the rouble which more than offset a deterioration in the price/mix.

Eastern European Area

Demand side indicators in **Eastern European countries** show a negative trend overall, values from country to country being different. The trend was significantly positive in **Turkey** but negative in **Poland**.

(million euro)	I Q 2010	I Q 2009	Change
Revenue	70,7	65,3	5,4
Market result	1,2	-5,0	6,1
Market operating margin %	1,7%	-7,6%	9,2p.p.

1st quarter revenues in the **Eastern European Area** were up around 8% overall compared to the same period the previous year.

The slight reduction in sales volumes was more than offset by the increase in average unit revenues, thanks to an improved price/mix and a strengthening of currencies in the Area.

The best performance was in **Ukraine,** where there were increases in both sales volumes and average unit revenues.

Results in **Poland** were penalized by the extremely unfavourable trend in demand. In **Turkey**, there was a significant increase in sales volumes and average unit revenues.

International Area

The **International** Area is made up of heterogeneous markets (Asia, Africa, Middle East, North America, South America) for which there can be no very significant aggregate data for plotting the industry shipment trend.

(million euro)	I Q 2010	I Q 2009	Change
Revenue	29,2	26,1	3,1
Market result	3,5	2,2	1,3
Market operating margin %	11,9%	8,5%	3,4p.p.

1st quarter sales in the **International** Area were up around 12%, the increase being mainly due to an increase in sales volumes.
The positive performance was more significant in built-in products, while in the free-standing segment washing products performed positively.

Cash flows[1]

(million euro)	31 March 2010	31 Dec 2009	31 March 2009
EBITDA	63,5	259,5	33,7
Change in NWC	(122,9)	52,1	(194,8)
Other Operating Flow	(24,4)	(67,6)	(13,0)
Operating cash flow	**(83,9)**	**244,0**	**(174,0)**
Net CapEx	(9,2)	(60,5)	(10,6)
Cash Flow before financial activies	**(93,1)**	**183,5**	**(184,7)**
Financial operations and others	-	(0,0)	(0,0)
Free cash flow	**(93,1)**	**183,5**	**(184,7)**

The operating cash flow was a negative €83.9m (negative €174.0m).
Compared to 1st quarter 2009 there was a significant improvement in operating cash flow due to growth in **EBITDA** and the change of **net working capital.**
Net investments were in line with the same period the previous year.
Free Cash Flow in the 1st quarter of 2010 was therefore a negative €93.1m (negative €184.7m), causing an increase in net financial indebtedness of the same amount with respect to 31st December 2009.

[1] In the Cash Flow table, the change in net working capital includes the change in trade payables for investments, which comes under cash flows from investment activities in the consolidated cash flow statement, which therefore shows different values for operating cash flows and cash flows from investment activities.

Balance sheet[2]

(million euro)	31 March 2010	31 Dec 2009	31 March 2009
Trade receivables	486,0	391,5	464,6
Inventories	307,7	281,4	356,2
Trade payables	(657,8)	(659,9)	(560,9)
Net working capital	**136,0**	**13,0**	**259,9**
Non-current assets	1.080,5	1.072,3	1.063,4
Other current assets and liabilities and non-current liabilities	(317,6)	(327,0)	(294,2)
Net invested capital	**899,0**	**758,3**	**1.029,0**
Net financial indebtedness	383,3	290,2	658,5
Equity attributable to the Group	514,1	466,6	368,0
Minority interests	1,5	1,5	2,6
Equity and financial liabilities	**899,0**	**758,3**	**1.029,0**

Net working capital over sales for the last 12 months dropped from 8.7% to 5.2%.
Trade payables increased largely due the improvement in terms of payment and also the strengthening of the main currencies in which the Group operates against the euro.
Trade receivables were slightly up and more than proportionally with respect to sales, reflecting the increase in volumes and the lengthening of terms of payment, especially in Russia. Inventories were significantly reduced due to the running down of stock in 2009, making it possible to start 2010 with very limited stock levels.

There was an increase in the value of **shareholders' equity** with respect to 31st December 2009 due to the positive change in the currency conversion reserve, caused mainly by the strengthening of the Russian rouble, the Polish zloty and the Turkish lira since the end of 2009.

[2] In the reclassified balance sheet, the trade receivables and payables, inventories and shareholders' equity items coincide with the values stated in the consolidated balance sheet; net financial indebtedness is detailed in the next table; the "Non-current assets" and "Other current assets and liabilities and non-current liabilities" items are made up of consolidated balance sheet items other than those mentioned above and those making up net financial indebtedness.

Net financial position

(million euro)	31 March 2010	31 Dec 2009	31 March 2009
Current financial assets	42,3	24,7	26,0
Cash and cash equivalents	154,6	191,0	130,8
Banks and other financial payables	(245,8)	(170,1)	(287,3)
Net financial position - short term	**(48,9)**	**45,5**	**(130,5)**
Medium/long-term financial payables	(336,0)	(337,2)	(542,0)
Net financial position (*)	**(384,9)**	**(291,7)**	**(672,5)**
Other non-current financial assets	1,6	1,4	14,0
Net financial indebtedness	**(383,3)**	**(290,2)**	**(658,5)**

(*) As defined in Consob Communication DEM/6064293 dated 28/07/2006, applying the CESR recommendations dated 10/02/2005.

Net financial indebtedness amounts to €383.3m (€658.5m).
Gross financial indebtedness stands at €581.8m (€829.3m), of which 58% medium/long-term and 42% short-term.
The table below is a breakdown of medium/long-term gross financial indebtedness by maturity.

	Medium/long-term financial payables	MATURITY							
		2011	2012	2013	2014	2015	2016	2017	2018
Bonds	208,2	56,1	7,3	7,1	121,5	0,9	15,3	0,0	0,0
Due to banks and Other financial payables	127,8	17,3	96,9	(1,1)	12,1	(0,1)	2,4	0,1	0,1
Total	**336,0**	**73,4**	**104,3**	**6,1**	**133,6**	**0,8**	**17,8**	**0,1**	**0,1**

Principal awards in 1st quarter 2010

Since the start of the year Indesit Company has won some important national and international awards for its efforts in the fields of innovation and design.

For the 3rd year running, it won a Good Design Award (for 2009) for outstanding industrial design. After Schòltes's Multiplo cooking vessel last year and the Indesit Moon washing machine in the "Bathroom" category in 2008, this year's award went to Hotpoint-Ariston's Quadrio fridge in the home appliances section.

In February, the Openspace oven was voted *Prodotto dell'Anno® 2010*. Hotpoint-Ariston's innovative 70 litre oven won the consensus of 88% of the 8,014 consumers involved. Analysis of the survey results showed that the decisive features, in addition to the saving of time afforded by the oven's flexibility and design, were its technological innovation and eco-sustainability characteristics.

Also in February, Indesit Company received a prestigious **Confindustria Andrea Pininfarina Award for Excellence,** in the **"**Champion of Innovation" category for "*strong vocation for innovation",* reads the Panel's citation, *"as shown by its extraordinary number of patents, its massive investment in the research and development of new products, and its ongoing commitment to innovation in pioneer sectors with a high impact on society*"

The interim management report to 31st March 2010 will be made available to the public at the Company's headquarters and at Borsa Italiana by 6th May 2010 and will be posted in the Investor section of the Company's website (www.indesitcompany.com) the same day.

This press release is also on-line, as of today, in the Media and Investor sections of 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.

The figures in brackets refer to the same period the previous year.

* 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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