

Merloni Domestic Appliances Limited

**Directors' report and financial
statements**

Registered number 00622077

31 December 2006



Officers and advisors professional

Directors

M Marini

M Moscardi

Secretary

K Bloodworth

Registered office

Morley Way
Peterborough
PE2 9JB

Auditors

KPMG LLP
37 Hills Road
Cambridge
CB2 1XL

Share capital

GBP 90,175,000

VAT No

513936740

Registration number

622077

Contents

| | |
|---|----|
| Directors' report | 1 |
| Statement of directors' responsibilities in respect of the Directors' Report and the financial statements | 3 |
| Report of the independent auditors to the members of Merloni Domestic Appliances Limited | 4 |
| Income Statement | 6 |
| Balance Sheet | 7 |
| Cash Flow Statement | 8 |
| Statement of changes in equity as at 31 December 2006 | 9 |
| Notes | 10 |
| Notes | 11 |
| Notes | 12 |
| Notes | 13 |

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2006

Principal activities

The principal activities of the company are the servicing of domestic appliances

Business Review

Merloni Domestic Appliances Ltd did not have any turnover during the year. However the company holds a number of investments with Indesit Company UK Limited and General Domestic Appliances Holdings Limited. These investments are in the form of loans which deliver interest income.

Results and dividends

The results for the year are as follows

| | 2006 £000 | 2005 £000 |
|--------------------------------------|--------------|--------------|
| Profit before taxation | 4,181 | 4,016 |
| Tax on profit on ordinary activities | (1,254) | (1,205) |
| Profit for the year | <u>2,927</u> | <u>2,811</u> |

The directors do not recommend the payment of a final dividend (2005 £nil)

Directors and directors' interests

The directors who held office during the year were as follows

| | |
|-------------|------------------------------|
| M Milani | (resigned 24 February 2006) |
| M Marini | (appointed 24 February 2006) |
| A Sasso | (appointed 24 February 2006) |
| A Sasso | (resigned 22 December 2006) |
| F Simonetti | (appointed 24 February 2006) |
| F Simonetti | (resigned 18 October 2006) |
| M Moscardi | (appointed 18 October 2006) |

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Accounting policies and adoption of international financial reporting standards – IFRS

The financial statements of Merloni Domestic Appliances Limited have been prepared in accordance with International Financial Reporting Standards – IFRS (hereafter referred to as either IFRS or IAS) adopted by the European Union.

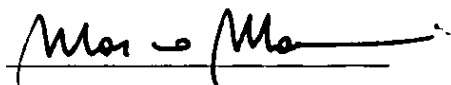
Approach taken

All amounts are stated in £000 (except where stated)

Directors' report *(continued)*

By order of the board

M Marini

A handwritten signature in black ink, appearing to read 'Marini', is written over a horizontal line.

Director

Date 21st April 2007

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable laws.

The financial statements are required by law to present fairly the financial position and the performance of the company; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP

37 Hills Road
Cambridge
CB2 1XL
United Kingdom

Report of the independent auditors to the members of Merloni Domestic Appliances Limited

We have audited the financial statements of Merloni Domestic Appliances Limited for the year ended 31 December 2006 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement and the Statement of Changes in equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

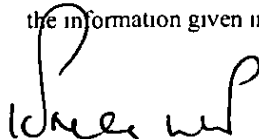
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the independent auditors to the members of Merloni Domestic Appliances Limited (*continued*)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



KPMG LLP
Chartered Accountants
Registered Auditor

10 May 2007

Date

Income Statement
for year ended 31 December 2006

| | <i>Note</i> | 2006 Total £000 | 2005 Total £000 |
|---------------------------------|-------------|--|--|
| Revenue | | - | - |
| Cost of sales | | - | - |
| General administrative expenses | <i>1</i> | (8) | (173) |
| Other Income | <i>2</i> | 4,208 | 4,208 |
| | | <hr/> | <hr/> |
| Operating profit | | 4,200 | 4,035 |
| Financial charges | <i>3</i> | (19) | (19) |
| | | <hr/> | <hr/> |
| Profit before tax | | 4,181 | 4,016 |
| Taxation | <i>4</i> | (1,254) | (1,205) |
| | | <hr/> | <hr/> |
| Profit for the year | | 2,927 | 2,811 |
| | | <hr/> <hr/> | <hr/> <hr/> |

All of the Company's activities in the period related to continuing operations

Balance Sheet
at 31 December 2006

| | <i>Note</i> | 2006 £000 | 2005 £000 |
|---|-------------|----------------------------|----------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 5 | 144 | 144 |
| Investments in associates | 6 | 700 | 700 |
| Other investments | 7 | 141,803 | 135,359 |
| Total non-current assets | | 142,647 | 136,203 |
| Current assets | | | |
| Trade and other receivables | 8 | 68 | 1,985 |
| Cash and cash equivalents | 9 | 53 | 76 |
| Total current assets | | 121 | 2,061 |
| Total assets | | 142,768 | 138,264 |
| Equity | | | |
| Share capital | 10 | 90,175 | 90,175 |
| Share premium | | 37,069 | 37,069 |
| Retained earnings | 10 | 6,555 | 3,744 |
| Net profit for the year | | 2,927 | 2,811 |
| Total equity | | 136,726 | 133,799 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Non-current financial payables | 11 | 3,482 | 1,915 |
| Total non-current liabilities | | 3,482 | 1,915 |
| Current liabilities | | | |
| Bank overdraft and other financial payables | 12 | 79 | 76 |
| Trade and other payables | 13 | 1 | 8 |
| Due to tax authorities | 14 | 2,480 | 2,466 |
| Total current liabilities | | 2,560 | 2,550 |
| Total liabilities | | 6,042 | 4,465 |
| Total equity and liabilities | | 142,768 | 138,264 |

These financial statements were approved by the board of directors on

and were signed on its behalf by



M Marini

Director

27th April 2007

Cash Flow Statement
for year ended 31 December 2006

| | <i>Note</i> | 2006 £000 | 2005 £000 |
|---|-------------|----------------------------|----------------------------|
| Cash flows from operating activities | | | |
| Profit for the year | | 2,927 | 2,811 |
| Taxation | | 1,254 | 1,205 |
| Decrease in trade receivables | | 1,917 | 22 |
| (Decrease)/increase in trade and other payables | | (4) | 84 |
| Payment of tax | | (1,240) | 112 |
| | | <hr/> | <hr/> |
| Cash flow from operating activities | | 4,854 | 4,234 |
| | | <hr/> | <hr/> |
| Investments in other investments | | (6,444) | (4,203) |
| | | <hr/> | <hr/> |
| Cash flow absorbed by investing activities | | (6,444) | (4,203) |
| | | <hr/> | <hr/> |
| Change in non-current financial payables | | 1,567 | - |
| | | <hr/> | <hr/> |
| Cash flow (absorbed by) financing activities | | 1,567 | - |
| | | <hr/> | <hr/> |
| | | <hr/> | <hr/> |
| Net cash flow | | (23) | 31 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at start of year | | 76 | 45 |
| Cash and cash equivalents at end of year | 10 | 53 | 76 |
| | | <hr/> | <hr/> |
| Total change in cash and cash equivalents | | (23) | 31 |
| | | <hr/> | <hr/> |

Statement of changes in equity as at 31 December 2006

| | 2006 £000 | 2005 £000 |
|------------------------|--------------|--------------|
| Profit for the year | 2,927 | 2,811 |
| Net increase in equity | 2,927 | 2,811 |
| Opening equity | 133,799 | 130,988 |
| Closing equity | 136,726 | 133,799 |

Notes

(forming part of the financial statements)

Company activities

Merloni Domestic Appliances Ltd (the "Company") is a company based in the UK, and is active in the servicing of domestic appliances

Approval of the financial statements as of 31 December 2006

The financial statements as of 31 December 2006 were approved by the Board of Directors on 27 April 2007 and have been audited

Declaration of compliance with international accounting standards and transition to IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB)

1 Accounting policies

Basis of preparation

The currency of presentation of the financial statements is the GBP. The financial statements are prepared on the historical cost basis.

Accounting estimates

The preparation of financial statements involves making assumptions and estimates that affect the value of assets and liabilities and the related explanatory information, as well as the value of contingent assets and liabilities at the reference date. These estimates are used to value the tangible and intangible assets subject to impairment, as well as to record provisions for doubtful accounts, depreciation and amortisation and the write down of assets and taxation. The estimates and related assumptions are based on both prior experience and an assessment of their reasonableness. Estimates and assumptions are reviewed regularly and, if later estimates differ from those made initially, the effects are immediately reflected in the income statement. If the changes in estimate relate to both the current and future periods, their effects are reflected in the income statements for the periods concerned.

Treatment of foreign currency balances and transactions

Foreign currencies

All transactions are recorded in the functional currency of the principal operating environment in which each group company operates. Transactions not carried out in the functional currency of the group company concerned are translated to this currency using exchange rates applying at the time of the related transactions. Monetary assets and liabilities are translated using the exchange rates applying on the accounting reference date and any exchange differences are recorded in the income statement. The non-monetary assets and liabilities recorded at historical cost in the foreign currencies concerned are translated using the historical rates applying at the time of the related transactions. The non-monetary assets and liabilities stated at fair value in the foreign currencies concerned are translated using the exchange rates applying at the time that their fair value was determined.

Notes

(forming part of the financial statements)

Accounting policies *(continued)*

Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company, and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

Finance payments associated with financial liabilities are dealt with as part of finance expenses. Finance payments associated with financial instruments that are classified in equity are dividends and are recorded directly in equity

Property, plant and equipment

Investment in own operating leases

Property, plant and equipment are recorded at purchase cost or, if produced internally, at production cost, comprising the cost of materials, labour and a reasonable allocation of overheads and related charges, and stated net of accumulated depreciation and any impairment of value determined on the basis described below. If necessary and significant, the cost of fixed assets includes an initial estimate of dismantling and removal costs. Ordinary maintenance expenses are charges to the income statement, while the costs of replacing certain parts and improvement expenditure are capitalised when it is probable that they will generate measurable economic benefits in the future. The financial charges incurred to finance the purchase or production of fixed assets are capitalised when the associated loans relate solely to such assets

Depreciation

Property, plant and equipment are depreciated on a systematic basis over their estimated useful lives; significant component parts of plant and machinery with different useful lives are depreciated separately. Useful lives are monitored on a constant basis, having regard for changes in the intensity with which these assets are used; any changes in the depreciation schedules are applied on a prospective basis

Residual value is verified with reference to the estimated present value of expected future cash flows and adjusted, where necessary, every time events suggest that the carrying value of property, plant and equipment may be impaired, or when there is a marked decrease in their market value, significant technological changes or evidence of significant obsolescence. Such write-downs are reversed if the reasons for recording them cease to apply. Land, whether or not used for the construction of civil or industrial buildings, is not depreciated since it is deemed to have an indefinite useful life

The useful lives of property, plant and equipment are grouped into the following categories

| | |
|---------------------------------------|---------------|
| Buildings and temporary constructions | 10 - 33 years |
| Other assets | |
| Vehicles and internal transport | 3-6 years |
| Furniture, IT and office machines | 3-8 years |

Notes

(forming part of the financial statements)

Accounting policies *(continued)*

Trade receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses

Cash and cash equivalents

Cash and cash equivalents are recorded at nominal value, comprise cash on hand and bank deposits

Share capital

Share capital is recorded at nominal value. Dividends are recorded as a liability in the year in which they are declared

Income

Revenues

Revenues from services are recorded in the income statement based on their stage of completion at the balance sheet date, determined with reference to the work performed or, alternatively, to the percentage of completion with respect to the total. Revenues are not recorded if their recoverability is considered to be uncertain. Sales are stated net of discounts, allowances, rebates and returns, and do not include the proceeds from the disposal of raw materials and scrap

Expenses

The costs of purchasing goods and services are recorded when the amounts concerned can be determined reliably. The costs of purchasing goods are recognised on delivery which, under the terms of current contracts, marks the time when the related risks and benefits are transferred. The costs of services are recorded on an accruals basis with reference to the time they are received

Cost of sales

Cost of sales includes all the costs of manufacturing finished products, comprising raw materials, the purchase of components, the cost of direct and indirect, internal and external processing, industrial depreciation, all production-related charges, and the provisions for costs to be incurred in relation to products sold

Selling, distribution, general and administrative expenses

Selling, distribution, general and administrative expenses comprise all the costs incurred to commercialise products and provide services, the costs of distributing products to the group's warehouses and to customers, general and administrative expenses and related charges, as well as all the other non-financial expenses that are not part of core operating activities

Net financial charges

Net financial charges include the interest expense accrued on all forms of loan, cash discounts allowed to customers for early payments with respect to the agreed terms of sale, financial income from cash and cash equivalents, dividends, and exchange gains and losses, as well as the economic effects recorded in the income statement of valuing the transactions that hedge interest-rate and exchange-rate risks

Notes

(forming part of the financial statements)

Accounting policies *(continued)*

Taxation

Income taxes are recorded in the income statement, except for those relating to transactions reflected directly in shareholders' equity, which are also recorded in shareholders' equity. Income taxes include current taxes and the adjustments to deferred tax assets and liabilities.

Current taxes are based on an estimate of the amount that Indesit Company expects to be paid by multiplying the taxable income of each group company by the tax rate in force on the accounting reference date.

Deferred tax assets and liabilities are recorded using the liability method, considering all the timing differences that emerge between the fiscal value of assets and liabilities and their carrying values in the financial statements. Deferred tax assets and liabilities are not recognised in relation to goodwill or those assets and liabilities that do not affect taxable income. The recoverability of deferred tax assets is verified at the end of every period and any amounts for which recovery is no longer likely are charged to the income statement.

Deferred taxation is recorded using the tax rates expected to be in force for the tax periods in which the related timing differences are forecast to reverse or expire.

Deferred tax assets are recorded to the extent it is considered likely that future taxable income will be sufficient to recover such taxes.

Changes in accounting policies, changes in accounting estimates and reclassifications

The financial statements are prepared in accordance with IFRS. The company has not made any changes to the accounting policies applied to the comparative information as of 31 December 2005. Furthermore, no revised or new accounting standards have been issued by the International Accounting Standards Board (IASB) or interpretations released by the International Financial Reporting Interpretations Committee (IFRIC), effective from 1 January 2006, with a significant impact on the financial statements.

Notes *(continued)*

1 General and administrative expenses

| | 2006 £000 | 2005 £000 |
|--|--------------|--------------|
| Services | (8) | (55) |
| Bad debts | - | (118) |
| | <hr/> | <hr/> |
| Total general and administration expenses | (8) | (173) |
| | <hr/> | <hr/> |

2 Other income

Other income is analysed as follows

| | 2006 £000 | 2005 £000 |
|----------------------------------|--------------|--------------|
| Interest from UK Group Companies | 4,208 | 4,208 |
| | <hr/> | <hr/> |
| Total other income | 4,208 | 4,208 |
| | <hr/> | <hr/> |

Notes (continued)

3 Financial charges

Net financial charges as of 31 December 2006 are analysed as follows

| | 2006 £000 | 2005 £000 |
|--------------------------------|--------------|--------------|
| Exchange losses | - | (16) |
| Other financial charges | (19) | (3) |
| Total financial charges | (19) | (19) |

4 Taxation

Recognised in the income statement

| | 2006 £000 | 2005 £000 |
|--------------------------------------|--------------|--------------|
| Current tax expense | | |
| Current year | 1,254 | 1,205 |
| Adjustments for prior years | - | - |
| Total tax in income statement | 1,254 | 1,205 |

Reconciliation of effective tax rate

| | 2006 £000 | 2005 £000 |
|--|--------------|--------------|
| Profit before tax | 4,181 | 4,016 |
| Income tax using the domestic corporation tax rate (30%) (Over) provided in prior years | 1,254 - | 1,205 - |
| Total tax in income statement | 1,254 | 1,205 |

Notes (continued)

5 Property, plant and equipment

| £M | 31 December 2005 | | | Movement in the period | | | | | 31 December 2006 | | |
|--------------------|------------------|---------------------|------------|------------------------|-----------|---------------------------|----------------------------------|-------------------|------------------|---------------------|------------|
| | Cost | Accum Depreciations | Total | Other acquisitions | Disposals | Depreciation on disposals | Depreciation charge for the year | Reclassifications | Cost | Accum Depreciations | Total |
| Land and buildings | 156 | (12) | 144 | - | - | - | - | - | 156 | (12) | 144 |
| | <u>156</u> | <u>(12)</u> | <u>144</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>156</u> | <u>(12)</u> | <u>144</u> |

There were no outstanding orders for the supply of future capital expenditure

6 Investments in associates

The Company has the following investments in associates

| Cost | Shares in Subsidiary undertakings £000 |
|---|---|
| At 1 January 2006 and at 31 December 2006 | 700 |

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

| Subsidiary undertakings | Percentage of ordinary shares held | Country of incorporation | Type of business |
|--------------------------------|--|-----------------------------|---------------------|
| Indesit (Properties) Limited | 100% | England & Wales | Non-trading |
| RTC International Limited | 100% | England & Wales | Non-trading |
| Ariston Group Services Limited | 99% | England & Wales | Non-trading |

7 Other investments

| | 2006 £000 | 2005 £000 |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | 141,803 | 135,359 |
| Total other investments | <u>141,803</u> | <u>135,359</u> |

Amounts above include accrued interest £16,340,000 (2005 £12,131,000)

Notes (continued)

8 Trade and other receivables

Trade receivables comprise amounts due from customers as a result of commercial transactions and the provision of services, stated net of provisions for bad debts

| | 2006 £000 | 2005 £000 |
|--|--------------|--------------|
| Trade debtors | 68 | 1,985 |
| Total trade and other receivables | 68 | 1,985 |

9 Cash and cash equivalents

Cash and cash equivalents includes bank deposits

| | 2006 £000 | 2005 £000 |
|--|--------------|--------------|
| Cash and cash equivalents | 53 | 76 |
| Total cash and cash equivalents | 53 | 76 |

10 Capital and reserves

| | 2006 £000 | 2005 £000 |
|--|--------------|--------------|
| Share capital | | |
| Authorised, called up, allotted and fully paid | 90,175 | 90,175 |

Retained earnings amount to £9,482,000 an increase of £2,927,000 on 2005

Notes *(continued)*

11 Non-current financial payables

| | 2006 £000 | 2007 £000 |
|---|--------------|--------------|
| Loans from UK Group undertakings | 3,185 | 1,915 |
| Non-current payables | 297 | - |
| Total non-current financial payables | 3,482 | 1,915 |

2006 – The loans are with RTC International £305,000, Indesit Property Limited £1,561,000, Indesit Company UK Holdings £1,104,000 and Indesit Company UK Limited £215,000

12 Bank overdrafts and other financial payables

| | 2006 £000 | 2007 £000 |
|---|--------------|--------------|
| Short term advances | 79 | 76 |
| Total bank overdrafts and other financial payables | 79 | 76 |

13 Trade payables

| | 2006 £000 | 2007 £000 |
|-----------------------------|--------------|--------------|
| Inter group payables | 1 | 8 |
| Total trade payables | 1 | 8 |

14 Due to tax authorities

| | 2006 £000 | 2007 £000 |
|-------------------------------------|--------------|--------------|
| Current tax payable | 2,480 | 2,466 |
| Total due to tax authorities | 2,480 | 2,466 |

Notes *(continued)*

15 Contingent liabilities

There is a claim against the company by a person injured by a washing machine manufactured by the company. Liability for the damage is disputed and will not be determined until a hearing of this matter. The company has prepared medical and engineer reports and counsel is in process of preparing an opinion on liability and quantum, therefore no provision has been made in the accounts. No action has been made since August 2005.

16 Parent company and related party disclosures

The company's immediate parent company is Indesit Company UK Holdings Limited, a company incorporated in England and Wales.

The company's ultimate controlling party is considered to be Indesit Company S p A, incorporated in Italy.

There have been no transactions within the Indesit Company S p A group in 2006 or 2005 and there were no balances in the balance sheet.

The financial statements for Indesit Company S p A are prepared and copies may be obtained from the company at Viale Aristide Merloni 47, 60044 Fabriano (AN), Italy.