



PRESS RELEASE

Amplifon S.p.A.: the Board of Directors has approved the draft financial statements as of December 31st, 2009.

Proposal for renewed dividend payout equal to Euro 0.033 per share.

The main consolidated results highlight:

- **Revenues: Euro 657.0 million, +2.4% (Euro 641.4 million at 31/12/2008).**
- **EBITDA: Euro 90.1 million, an increase of +21.3% with respect to the prior year, with recurring EBITDA rising +17.4% with respect to Euro 74.3 million recorded at 31/12/2008 to Euro 87.2 million.**
- **Net profit reaches Euro 29.2 million, with the recurring portion increasing by 51.5% to Euro 26.9 million (Euro 17.8 million at 31/12/2008).**
- **Further reduction in net debt: Euro -40.7 million with respect to 31/12/2008, dropping to Euro 150.0 million (Euro 190.6 million at 31 December 2008), which confirms the Group's ability to generate significant operating cash flow.**

Milan, March 10th, 2010 – Today the Board of Directors of Amplifon S.p.A., worldwide leader in the distribution and fitting of hearing aids and related services, approved the draft financial statements as of December 31st, 2009 in a meeting chaired by Anna Maria Formigini Holland.

MAIN ECONOMICAL AND FINANCIAL FIGURES									
	FY 2009 before non recurring operations (Euro millions)	% on figures before non recurring operations	Non recurring operations	FY 2009 after non recurring operations	FY 2008 before non recurring operations	% on figures before non recurring operations	Non recurring operations	FY 2008 after non recurring operations	Var % on figures before non recurring operations
Net revenues	657,0	100.0%		657,0	641,4	100.0%		641,4	2.4%
EBITDA	87,2	13.3%	3,0	90,1	74,3	11.6%		74,3	17.4%
EBITA	65,4	10.0%	3,0	68,4	53,2	8.3%		53,2	22.9%
EBIT	56,9	8.7%	3,0	59,9	45,0	7.0%	-29,4	15,6	26.4%
Net income	26,9	4.1%	2,2	29,2	17,8	2.8%	-32,3	-14,5	51.5%
Free cash flow	57,9				62,7				
(Euro millions)	12/31/2009				12/31/2008				Var. %
Net financial position	150,0				190,6				-21.3%



Amplifon S.p.A.'s Board of Directors will propose that the Shareholders' Meeting, convened on April 21st, 2010, approve a renewed **dividend payout of Euro 0.033** per share, to be paid on May 13th, 2010 with the shares going ex-div on May 10th, 2010, for a total of Euro 6.3 million.

The Group's Performance 2009 4th Quarter

During the fourth quarter the Amplifon Group confirmed the growth of all the key performance indicators and further reduction of net financial position with respect to the same period in 2008, achieving positive results in the income statement and balance sheet in line with the previous months of 2009.

The Group reported a significant increase in revenues (Euro +11.2 million, +6.0%) thanks to the positive performances in all the geographic areas: Continental Europe (+5.7%), the United Kingdom (+18.2% in GBP), North America (+18.6% in USD).

Important growth was recorded in most of the reference markets in Continental Europe: Italy (+9%), France (+6.7%), Spain and Portugal (+9.9%), Switzerland (+4.6%) and recurring EBITDA rose by Euro 1.2 million with respect to the same period of the previous year.

The reversal of the trend in the United Kingdom, already apparent in the third quarter of 2009, was also confirmed in the last quarter. A strong increase in sales was accompanied by a further reduction in operating losses, which in the fourth quarter amounted only to Euro 0.2 million.

In the United States the Group reported an increase in EBITDA of Euro 3.1 million, confirming the improvement in the operating profit already highlighted in the third quarter of 2009.

The Group's Performance as of December 31st, 2009

In a global macroeconomic scenario characterized by a deep economic recession and a lack of consumer confidence, the Amplifon Group focused its attention on organic growth, on maximizing both profitability and cash flow and, thanks to the steps already taken at the beginning of 2008, in 2009 achieved positive economic in its income statement and financial position, which gradually improved throughout the year and which showed significant growth over the prior year.

Consolidated revenues from sales and services as of December 31st, 2009 are equal to Euro 657.0 million and rose by Euro 15.6 million (+2.4%) from Euro 641.4 million reported on December 31st, 2008.

EBITDA showed significant improvement in all the geographic areas. The portion attributable to recurring operations came in at Euro 87.2 million, an increase of 17.4% (Euro + 12.9 million) with respect to Euro 74.3 million reported in the prior year.

Consolidated EBITDA is equal to Euro 90.1 million and rose by Euro 15.9 million (+21.3%) when compared to the prior year. It includes Euro 3 million of non-recurring income related to the bonus provision released by the Group's company active in the reinsurance of policies sold in The Netherlands.



The increase in EBITDA was particularly significant in Continental Europe (Euro + 12.7 million, +16.1%), thanks to cost rationalization, to the improved purchasing terms and conditions negotiated with the suppliers, to an additional one-off discount of Euro 3.9 million, to a capital gain of Euro 2.2 million from the sale of the “*Service Italia*” division to the Siemens Group finalized in May 2009 and to the above mentioned release of bonus provisions.

Of note is the further reduction in operating losses in the United Kingdom that amounts to Euro 1.5 million which, net Amplivox sold in Autumn 2008, is even more significant and equal to Euro 3.2 million.

The **Group's net profit**, deriving from recurring operations only, amounts to Euro 26.9 million and shows an increase of 51.5% (Euro + 9.2 million) compared to Euro 17.8 million recorded at December 31st, 2008.

This result benefits from the improved profitability described above and from a significant decrease in financial charges thanks to the drop of both interest rates and debt.

Consolidated net income including non-recurring operations is equal to Euro 29.1 million compared to the loss of Euro 14.5 million reported at the end of 2008.

Net equity as of December 31st, 2009 rose from Euro 184.2 million at December 31st, 2008 to Euro 219.2 million.

Net debt as of December 31st, 2009 equal to Euro 150.0 million, shows a decrease of Euro 40.7 million with respect to Euro 190.6 million recorded at December 31st, 2008.

Consequently, the Net Debt / EBITDA ratio came in at 1.7 compared to 2.56 in the prior year while the Group's Net Debt / Equity ratio is equal to 0.69 (1.04 at December 31st, 2008).

The significant cash flow generation made it possible to finance acquisitions for Euro 17.4 million (the most significant of which was Dialogue in Belgium) and to make operating investments of Euro 29.2 million thus contributing to a further strengthening of the Group's financial structure.

Further confirmation of the Group's ability to continuously and consistently generate cash flow is the fact that in the past two years debt has decreased by more than Euro 90 million, dropping from Euro 240.8 million at December 31st, 2007 to the current level of Euro 150.0 million.

Free cash flow as of December 31st, 2009 amounts to Euro 57.9 million, compared to Euro 62.7 million at December 31st, 2008. Please note that in 2008 cash flow significantly benefited of restructuring activities of working capital, no longer repeatable in the future.

With regards to the **parent company Amplifon S.p.A.**, in 2009 the company recorded revenues of Euro 194.3 million, an increase of 0.9% (Euro 192.7 million at December 31st, 2008) and a net profit of Euro 35.9 million (Euro - 22.4 million at December 31st, 2008).



Outlook for the coming months

In 2010 the global market conditions should improve slowly but signs of weakness and instability persist in all the reference markets. The Group's strategy will remain focused on the continuous and further improvement of its operating efficiency, the cost control and the pursuit of optimal market shares in all the countries where it is active.

The Group will also keep its focus on the management of working capital in order to maintain its excellent levels of cash flow generation.

In Europe it will continue to renew its stores ensuring, at the same time, that adequate investments are made in marketing to uphold sales, aiming at consolidating and further improving profitability.

In the United States the Group intends to further increase profitability through the implementation of a restructuring plan of the subsidiary *Sonus* which consists in the conversion of the actual points of sale into a new model of "medical franchising", reproducing the successful business model already adopted by *Miracle Ear* in the retail sector.

"2009 was a difficult year but with important achievements. We are particularly satisfied with the results that we are presenting to our shareholders and with a financial structure that will enable us to also analyze possible opportunities of external growth." stated Franco Moschetti, Amplifon Group's Chief Executive Officer.

"In 2010 the Amplifon Group will celebrate the sixtieth anniversary and, strengthened by our achievements, we will look to our future with renewed confidence."

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The Board of Directors also resolved to propose that the ordinary Shareholders' Meeting authorize the renewal of the share buyback programme in accordance with the terms and conditions of the programme already approved at the Shareholders' Meeting held on April 22nd, 2009. The programme's main characteristics include: a duration of 18 months as of the date of the resolution, up to a maximum of 12,942,000 ordinary shares with a nominal value of Euro 0.02 per share (equal to 6.52% of the current share capital or 10% if the 6,900,00 treasury shares already held are included) to be purchased at a price which is not 5% above or below the official stock price recorded by the Italian Stock Exchange on the day prior to each single purchase.

The programme is motivated by the need to be able to purchase or sell shares due to market conditions in order to sustain the stock's liquidity or investment policies, as well as use the treasury shares as a means of payment in company acquisition transactions and also to support possible allocation of shares to staff members.



The Board of Directors also resolved to submit to the extraordinary Shareholders' Meeting, the proposal to grant the Board of Directors, for a period of five years from the date of the resolution, the power, pursuant to Article 2443 of the Italian Civil Code, to increase share capital for cash, on one or more occasions, in a divisible manner for a maximum amount of Euro 396,840, by issuing a maximum of 19,842,000 ordinary shares with a nominal value of Euro 0.02 each, to be placed exclusively through third parties with the exception of any option rights held by shareholders, pursuant to Article 2441, 5th paragraph of the Italian Civil Code in order to provide the company with the financial resources necessary to take advantage of opportunities for external growth or to strengthen its financial position.

In compliance with paragraph 2 of Article 154 bis of the "Uniform Financial Services Act" (Legislative Decree 58/1998), the Financial Reporting Officer Ugo Giorcelli declares that the accounting information reported in the present press release corresponds to the underlying documentary reports, books of account and accounting entries.

***Amplifon**, listed on the STAR segment and the FTSE Italia Mid Cap Index of the Milan Stock Exchange, is worldwide leader in the distribution and fitting of hearing aids and related services.*

Through a network of over 3,000 points of sale and 2,900 service centres, Amplifon is active in Italy, the UK, France, Germany, the Netherlands, Belgium, Switzerland, Spain, Portugal, Hungary, Egypt and North America (USA and Canada).

Attachments: Income Statement, Balance Sheet, Reclassified Cash Flow Statement and the Amplifon Group's Sales by Geographic Area.

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PROFIT AND LOSS - AMPLIFON GROUP

Euro (thousands)	FY 2009				FY 2008			
	Recurring operations	Non recurring operations	Total after non recurring operations	% on net revenues	Recurring operations	Non recurring operations	Total after non recurring operations	% on net revenues
Net revenues	657,032		657,032	100.0%	641,439		641,439	100.0%
COGS	-161,865		-161,865	-24.6%	-166,251		-166,251	-25.9%
Labour costs	-186,219		-186,219	-28.3%	-181,299		-181,299	-28.3%
Cost of services	-224,670		-224,670	-34.2%	-221,243		-221,243	-34.5%
Other operating revenues	3,777	2,957	6,734	1.0%	3,236		3,236	0.5%
Other operating costs	-866		-866	-0.1%	-1,595		-1,595	-0.2%
EBITDA	87,189	2,957	90,146	13.7%	74,287		74,287	11.6%
Operating depreciation and write-offs	-21,744		-21,744	-3.3%	-21,058		-21,058	-3.3%
EBITA	65,445	2,957	68,402	10.4%	53,229		53,229	8.3%
Cust.lists, trademarks, non comp.agr., goodwill & loc.rights amort. and write-offs	-8,551		-8,551	-1.3%	-8,249	-29,396	-37,645	-5.9%
EBIT	56,894	2,957	59,851	9.1%	44,980	-29,396	15,584	2.4%
Income, reval. & write down of fin. activities	270		270	0.0%	-861		-861	-0.1%
Net financial expenses	-12,355		-12,355	-1.9%	-16,332		-16,332	-2.5%
Exchange differences and derivatives not designated as hedging instruments	-1,501		-1,501	-0.2%	-492		-492	-0.1%
Net income before taxes	43,308	2,957	46,265	7.0%	27,295	-29,396	-2,101	-0.3%
Current taxes	-13,304	-754	-14,058	-2.1%	-10,443		-10,443	-1.6%
Deferred taxes	-3,029		-3,029	-0.5%	1,199	-2,934	-1,735	-0.3%
Net income Group and Minorities	26,975	2,203	29,178	4.4%	18,051	-32,330	-14,279	-2.2%
Minority interests	25		25	0.0%	257		257	0.0%
Net income Group	26,950	2,203	29,153	4.4%	17,794	-32,330	-14,536	-2.3%



BALANCE SHEET - AMPLIFON GROUP

Euro (thousands)	12/31/2009	12/31/2008	Var.
Goodwill	249,916	240,622	9,294
Customer lists, non compete agreements, trademarks and location rights	51,927	50,070	1,857
Software charges, licenses, other int.ass., wip and advances	16,244	15,848	396
Tangible assets	60,950	56,358	4,592
Fixed financial assets	19,135	16,645	2,490
Other non-current financial assets	2,376	2,358	18
Total fixed assets	400,548	381,901	18,647
Inventories	35,854	39,850	-3,996
Trade receivables	97,273	99,232	-1,959
Other receivables	39,454	34,205	5,249
Current assets	172,581	173,287	-706
Total assets	573,129	555,188	17,941
Trade payables	-95,912	-88,902	-7,010
Other payables	-103,438	-89,945	-13,493
Provisions for risks (current portion)	-647	-640	-7
Short term liabilities	-199,997	-179,487	-20,510
Working capital	-27,416	-6,200	-21,216
Derivative instruments	-944	-5,056	4,112
Deferred tax assets	60,719	61,132	-413
Deferred tax liabilities and tax payables	-29,943	-26,709	-3,234
Provisions for risks (non current portion)	-25,796	-21,145	-4,651
Employee benefits	-7,949	-9,098	1,149
Other long term payables	-10	-11	1
NET INVESTED CAPITAL	369,209	374,814	-5,605
Shareholders' equity	218,751	183,754	34,997
Third parties' equity	498	446	52
Net equity	219,249	184,200	35,049
Long term net financial debt	184,287	218,104	-33,817
Short term net financial debt	-34,327	-27,490	-6,837
Total net financial debt	149,960	190,614	-40,654
FINANCIAL DEBT AND NET EQUITY	369,209	374,814	-5,605



CASH FLOW STATEMENT - AMPLIFON GROUP

(Euro thousands)	FY 2009	FY 2008
EBIT	59,851	15,584
Cash Flow provided by (used in) operating activities	80,197	84,003
Cash Flow provided by (used in) operating investing activities	-22,279	-21,256
Free Cash Flow	57,918	62,747
Cash Flow provided by (used in) acquisitions	-17,367	-6,730
Cash Flow provided by (used in) securities	-530	2,576
Cash Flow provided by (used in) investing activities	-40,176	-25,410
Cash Flow provided by (used in) operating activities and investing activities	40,021	58,593
Changes in shareholders' equity		-7,308
Hedging instruments and other changes in non current assets	929	-629
Net Cash Flow from the period	40,950	50,656
Net Financial Indebtness as of period opening date	-190,614	-240,782
Effect of activity disposal and exchange rate fluctuations on financial position	-296	-488
Change in net financial position	40,950	50,656
Net Financial Indebtness as of period closing date	-149,960	-190,614



NET REVENUES BY GEOGRAPHIC AREA - AMPLIFON GROUP

Euro (thousands)	FY 2009	%	FY 2008	%	Variation	% Variation	Exch. Rates effects (i)
Italy	194,118	29.5%	192,443	30.0%	1,675	0.9%	
France	93,079	14.2%	90,216	14.1%	2,863	3.2%	
The Netherlands	85,949	13.1%	85,217	13.3%	732	0.9%	
Germany	40,492	6.2%	41,945	6.5%	-1,453	-3.5%	
Spain & Portugal	31,282	4.8%	30,857	4.8%	425	1.4%	
Switzerland	30,686	4.7%	27,840	4.3%	2,846	10.2%	1,496
Belgium	8,394	1.3%			8,394		
Hungary	3,091	0.5%	3,799	0.6%	-708	-18.6%	-354
Elimination	-258	0.0%	-825	-0.1%	567	-68.7%	
Total Continental Europe	486,833	74.1%	471,492	73.5%	15,341	3.3%	1,142
United Kingdom and Ireland	36,431	5.5%	44,532	6.9%	-8,101	-18.2%	-4,184
United Kingdom and Ireland	36,431	5.5%	44,532	6.9%	-8,101	-18.2%	-4,184
USA - Canada	132,368	20.1%	124,311	19.4%	8,057	6.5%	6,609
Total America	132,368	20.1%	124,311	19.4%	8,057	6.5%	6,609
Egitto	1,408	0.2%	1,142	0.2%	266	23.3%	44
Total Africa	1,408	0.2%	1,142	0.2%	266	23.3%	44
Elimination	-8	0.0%	-38	0.0%	30	-78.9%	
Total	657,032	100.0%	641,439	100.0%	15,593	2.4%	3,611