

# FY10 Results

March 2011

## FY10 Main Facts

- **11.7% Company Growth** despite incentives were written off in many countries
- Consolidating the growth trend – **cagr** around **27%** starting from 2005
- **Landi Renzo USA Corporation** established in January
- Acquisition of **A.E.B.** market leader of gas electronic devices
- Acquisition of **Baytech** (USA) with 11 GM CARB certificates
- **MED merger** (a formerly wholly owned company) as a step in cost restructuring activities

## FY10 Market Events

- More than **17% cng and lpg market penetration** in Italy even **without incentives**. In 2008 penetration was 7.2% with relevant rebates
- **France** grew a lot with more than 70k lpg cars sold

## ***Financial Results***



# FY10 Profit&Loss Highlights

## Profit&Loss

<i>Eur m</i>	<b>FY 2010</b>	<b>FY 2009</b>	<b>FY10 vs FY09</b>
<b>REVENUES</b>	302.4	270.8	11.7%
<b>EBITDA</b>	45.9	41.6	10.5%
<b>EBITDA margin</b>	15.2%	15.4%	
<b>EBIT</b>	33.2	32.2	3.1%
<b>Net Profit</b>	19.5	22.2	-12.5%

- During 2010 the Group continued its **growth** both on internal and external lines
- To give support to OEM Euro5 program Landi Renzo anticipated some costs which - together with some one off warranty costs and activities for installation plant restructuring - impacted results. Nonetheless the Ebitda grew more than 10%
- Costs to support OEM will give their results through 2011 as more and more lpg car models will be introduced
- 2009 Net profit was positively impacted by flat-rate taxes on Lovato goodwill

# Revenues Breakdown

## Revenues Breakdown by Region

Region	Eur m	FY 2010		FY 2009		FY10 vs FY09
		Revenue	%	Revenue	%	%
Italy	89.6	29.6%	136.8	50.5%	-34.5%	
Europe (ex Italy)	88.6	29.3%	73.5	27.2%	20.4%	
SWAsia	62.7	20.7%	21.8	8.1%	187.7%	
America	24.4	8.1%	15.3	5.7%	59.6%	
Rest of the World	37.0	12.2%	23.3	8.6%	59.2%	
<b>Total</b>	<b>302.4</b>	<b>100.0%</b>	<b>270.8</b>	<b>100.0%</b>	<b>11.7%</b>	

- **SWAsia** drove the growth of revenues. The main market was Iran which represents for the future always a good opportunity. Good conditions even in Pakistan with cng and Turkey with lpg
- Even **Eastern Europe** was very good above all during the second part of the year
- The **market diversification** of the Company allows it to offset drop in some European markets

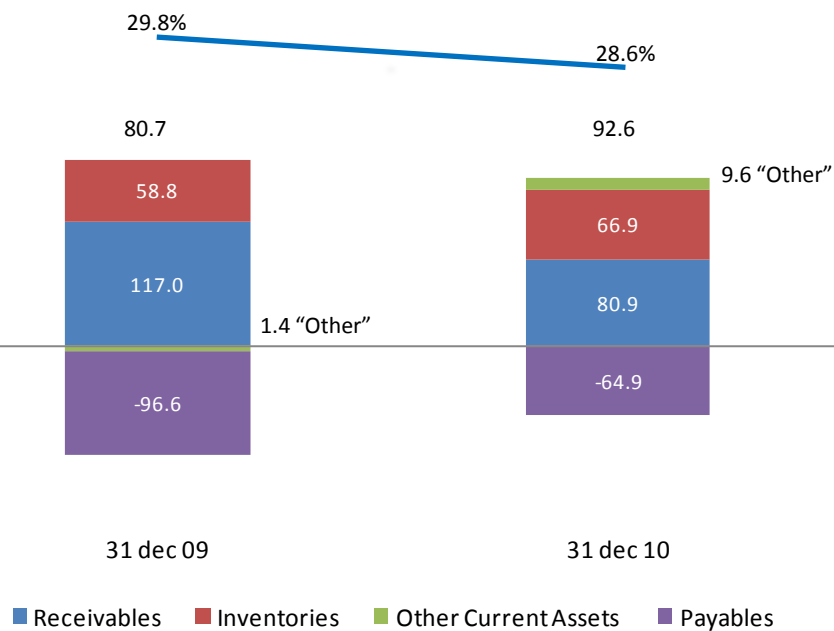
## Revenues Breakdown by Segment

Segment	Eur m	FY 2010		FY 2009		FY10 vs FY09
		Revenue	%	Revenue	%	%
Lpg	190.2	62.9%	210.7	77.8%	-9.7%	
Cng	103.7	34.3%	57.1	21.1%	81.7%	
Other	8.4	2.8%	3.0	1.1%	184.2%	
<b>Total</b>	<b>302.4</b>	<b>100.0%</b>	<b>270.8</b>	<b>100.0%</b>	<b>11.7%</b>	

- Geography explains even the segment mix – outside Europe markets are mainly natural gas markets
- After the acquisition of A.E.B. the Group increased its diversification which is reflected in the item “Other”

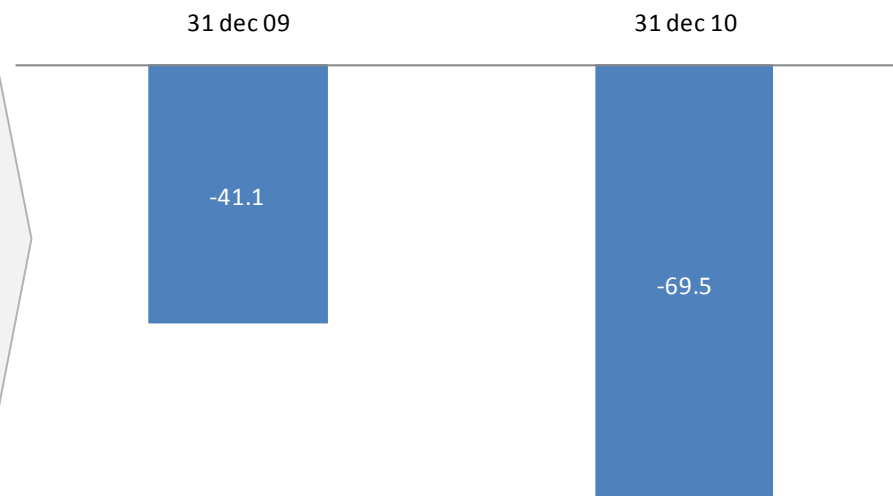
# Working capital and debt

## Net Working Capital (€m)



• **NWC** takes into account all assets acquired during the year with the M&A activities

## Net Financial Position (€m)



• **Net Financial Position** is the result of two main facts

- Acquisition of **A.E.B.** and **Baytech** for €55.5 mln.
- Production of **cash** from operation higher than €27.0 (net of dividends and debt reimbursement)

## *Company Profile*



# Landi Renzo Company Profile

## Board of Directors

Stefano Landi –President  
 Giovannina Domenichini – Honorary President  
 Claudio Carnevale - Executive Director  
 Carlo Alberto Pedroni – Executive Director  
 Carlo Coluccio - Director  
 Alessandro Ovi - Indip. Director  
 Tomaso Tommasi di Vignano – Indip. Director

## Top Managers

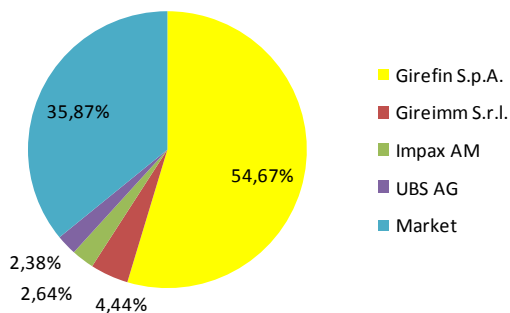


## Investor Relations

Investor Relations Contacts:

Pierpaolo Marziali – Giovanni Saccà  
 Tel: +39 0522 9433  
 E-mail: [ir@landi.it](mailto:ir@landi.it)  
[www.landi.it](http://www.landi.it)

## Shareholding



## Share Information

N. of shares outstanding: 112.500.000

Price as of 11/03/11: € 2.41

Capitalization: € 271.12 m

FTSE Italia STAR

## Stock vs Market since Ipo





## *Annexes*



# Healthy Balance Sheet

ASSETS (thousands of Euros)	31 December 2010	31 December 2009
<b>Non-current assets</b>		
Property, plant and equipment	38.551	28.206
Development expenditure	5.563	4.427
Goodwill	66.225	51.961
Other intangible assets with finite useful lives	29.270	17.156
Other non-current financial assets	288	137
Deferred tax assets	9.473	9.775
<b>Total non-current assets</b>	<b>149.370</b>	<b>111.662</b>
<b>Current assets</b>		
Trade receivables	80.185	116.804
Trade receivables - related parties	712	192
Inventories	66.980	58.835
Other receivables and current assets	21.348	9.665
Current financial assets	131	140
Cash and cash equivalents	26.297	33.611
<b>Total current assets</b>	<b>195.653</b>	<b>219.247</b>
<b>TOTAL ASSETS</b>	<b>345.023</b>	<b>330.909</b>

# Healthy Balance Sheet

<b>EQUITY AND LIABILITIES (thousands of Euros)</b>	<b>31 December 2010</b>	<b>31 December 2009</b>
<b>Equity attributable to the shareholders of the parent</b>		
Share capital	11.250	11.250
Other reserves	121.807	106.149
Profit(Loss) for the period/year	19.459	22.238
<b>Total equity attributable to the shareholders of the parent</b>	<b>152.516</b>	<b>139.637</b>
<b>Minority interests</b>	<b>759</b>	<b>110</b>
<b>TOTAL EQUITY</b>	<b>153.275</b>	<b>139.747</b>
<b>Non-current liabilities</b>		
Bank loans	66.637	53.620
Other non-current financial liabilities	173	295
Provisions for risks and charges	4.753	2.178
Defined benefit plans	3.153	2.549
Deferred tax liabilities	11.310	6.716
<b>Total non-current liabilities</b>	<b>86.026</b>	<b>65.358</b>
<b>Current liabilities</b>		
Bank overdraft and short-term loans	28.407	20.668
Other current financial liabilities	560	170
Trade payables	64.474	93.316
Trade payables - related parties	354	3.243
Tax liabilities	4.345	2.680
Other current liabilities	7.582	5.722
Other current liabilities - related parties	0	5
<b>Total current liabilities</b>	<b>105.722</b>	<b>125.804</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>345.023</b>	<b>330.909</b>

# Profit & Loss

INCOME STATEMENT (thousands of Euros)	31 December 2010	31 December 2009
<b>Revenues (goods and services)</b>	301.103	270.579
Revenues (goods and services) - related parties	1.273	196
Other revenue and income	1.341	1.238
Cost of raw materials, consumables and goods and change in inventories	-130.337	-112.749
Cost of raw materials - related parties	-4.112	-6.882
Cost for services and use of third party assets	-80.409	-78.535
Cost for services and use of third party assets - related parties	-1.511	-878
Personnel expenses	-36.879	-27.427
Accruals, impairment losses and other operating expenses	-4.521	-3.959
<b>Gross Operating Profit</b>	<b>45.948</b>	<b>41.583</b>
Amortisation, depreciation and impairment losses	-12.721	-9.366
<b>Operating Profit</b>	<b>33.227</b>	<b>32.217</b>
Financial income	229	218
Financial expenses	-2.378	-2.359
Exchange rate gains (losses)	-4	-843
<b>Profit (Loss) Before Tax</b>	<b>31.074</b>	<b>29.233</b>
Income tax expense	-10.900	-7.190
<b>Profit (Loss) for the period/year, of which attributable to:</b>	<b>20.174</b>	<b>22.043</b>
Minority interests	715	-195
Shareholders of the parent	19.459	22.238
Basic earnings (losses) per share (in Euros) - calculated on 112.500.000 ordinary shares	0,1730	0,1977
Diluted earnings (losses) per share (in Euros)	0,1730	0,1977
<b>STATEMENT of COMPREHENSIVE INCOME (thousands of Euros)</b>	<b>31 December 2010</b>	<b>31 December 2009</b>
<b>Profit (Loss) for the period/year, of which attributable to:</b>	<b>20.174</b>	<b>22.043</b>
Gains & Losses arising from translating financial statements of foreign operations	175	741
Others movements on Equity arising from foreign operations	0	0
<i>Gains &amp; Losses included in Equity, net of tax effects</i>	175	741
<b>Total comprehensive income for the period</b>	<b>20.349</b>	<b>22.784</b>
Total profit for Group Shareholders	19.638	22.964
Minority Interests	711	-180

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