

9M15 FINANCIAL RESULTS



LANDIRENZO
GROUPTM

9M15 PROFIT&LOSS HIGHLIGHTS

(Eur million)

	9M 2015	%	9M 2014	%	Changes	%
Revenues (goods and services)	145,6		173,9		-28,3	-16,3%
Ebitda	1,9	1,3%	14,1	8,1%	-12,2	-86,4%
Amortization, depreciation and impairment losses	11,5	7,9%	11,2	6,5%	0,3	2,3%
Ebit	-9,6	-6,6%	2,9	1,7%	-12,5	-100,0%
Net Profit (Loss) of the Group	-11,3	-7,8%	-0,2	-0,1%	-11,1	-100,0%

⚠ **Revenues** – decrease is mainly due to “System for Cars” which followed the dynamics of the After Market segment

⚠ **EBITDA** decreases mainly for revenues decrease and sales mix. Furthermore, extraordinary costs were sustained to merge production plants in order to optimize production and get future savings.

REVENUES BREAKDOWN

(Millions of Euro)

Geographical distribution of revenues	9M 2015	%	9M 2014	%	Delta	%
Italy	28,6	19,6%	30,8	17,7%	-2,2	-7,1%
Europa (ex Italy)	62,5	42,9%	80,3	46,2%	-17,8	-22,2%
America	29,2	20,0%	27,6	15,9%	1,5	5,5%
Asia and rest of the world	25,4	17,4%	35,2	20,2%	-9,8	-27,9%
Total	145,6	100,0%	173,9	100,0%	-28,3	-16,3%

(Million of Euro)

Distribution of revenues per area of activity	9M 2015	%	9M 2014	%	Delta	%
Gas sector - systems for cars	116,6	80,1%	136,4	78,4%	-19,8	-14,5%
Gas sector - distribution systems	15,2	10,4%	21,8	12,5%	-6,6	-30,3%
Total revenues - GAS sector	131,8	90,5%	158,2	91,0%	-26,4	-16,7%
Other (Alarm systems, Audio, Robotics, Oil and Gas and other)	13,8	9,5%	15,7	9,0%	-1,9	-12,1%
Total revenues	145,6	100,0%	173,9	100,0%	-28,3	-16,3%

A new criterion for classification of revenues by segment was followed starting from the first half of 2014: this is in line with the logic of the management approach. The current composition shows the LPG and CNG lines in the segment "systems for cars" and includes revenues from sales of compressors for fueling stations, made by the company Safe SpA in the sector "distribution system".

The segment "Other - (Alarms, Sound, Robotics, Oil&Gas and other)," compared to previous results, does not include the sale of compressors for fuelling stations, by virtue of the above mentioned reclassification.

GEOGRAPHIC BREAKDOWN

🕒 **Italy** – turnover decrease is due mainly to the AM crisis.

🕒 **Europe** – revenues in this area decrease mainly for Russian market and other East Europe countries.

🕒 **America** – good trend of Northern America market.

🕒 **Asia and rest of the world** – the decrease is a consequence of negative trend in Far East and other Areas. Iranian markets begins to show positive signs of recovery.

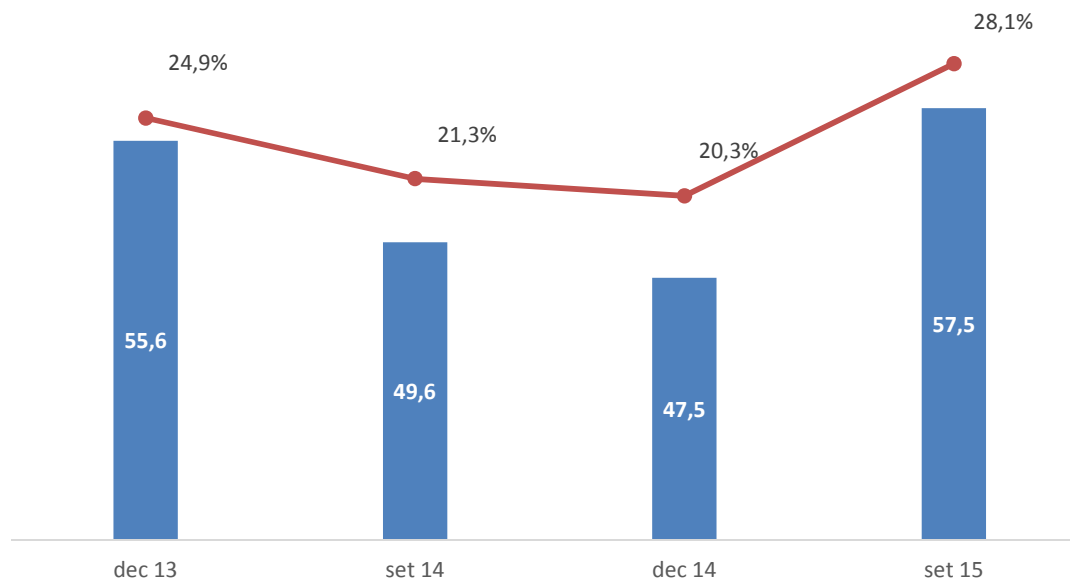
SECTOR BREAKDOWN

🕒 **Systems for cars** – the decrease is due to the AM segment.

🕒 **Distribution systems** – slowdown of revenues particularly in Russia for geopolitical situation.

🕒 **Other** – the decrease in this segment is due mainly to the Oil&Gas sector.

WORKING CAPITAL

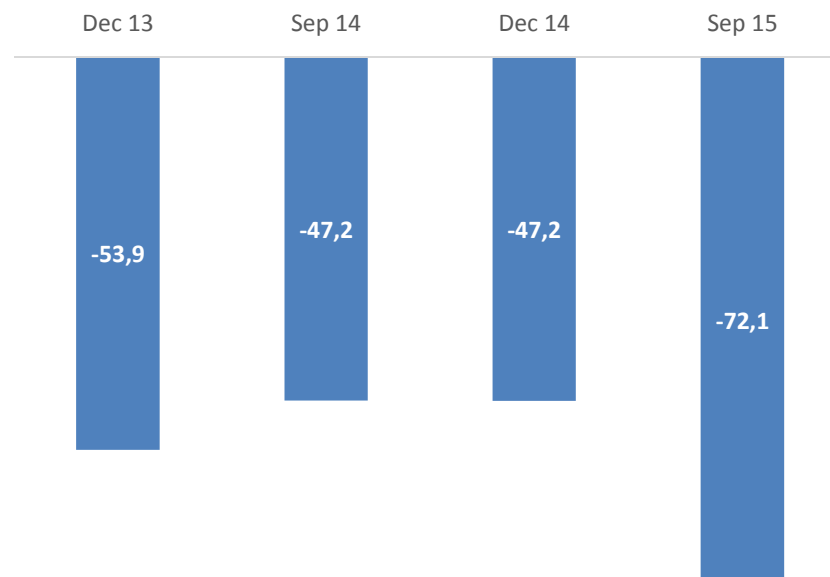


(Euro mln)

	dec 13	set 14	dec 14	set 15
Receivable	38,5	42,7	35,1	35,6
Inventories	64,6	72,3	65,9	65,2
Payables	-52,1	-64,9	-55,9	-47,4
Other current assets/liabilities	4,6	-0,6	2,5	4,1
Net working capital	55,6	49,6	47,5	57,5

Working Capital – compared with December 2014, the increase is due to payment to suppliers.

NET DEBT



🕒 **Net financial position** – the increase is generated mainly by the working capital trend during 2015 and for Capex for support Group business.

🕒 At September 2015 the Net Financial Position is composed mainly by **long-term debts** expiring over 2018.

ANNEXES



LANDI RENZO COMPANY PROFILE

BOARD OF DIRECTORS

Stefano Landi – President & CEO
Giovannina Domenichini – Honorary President
Claudio Carnevale - Executive Director
Herbert Paiarl - Director
Antonia Fiaccadori – Director
Alessandro Ovi - Indip. Director
Tomaso Tommasi di Vignano – Indip. Director

TOP MANAGERS

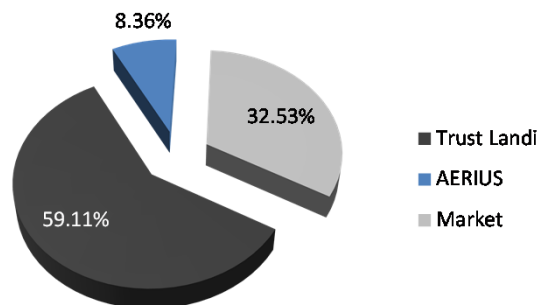


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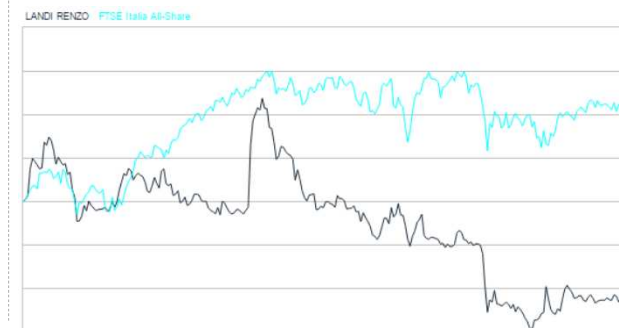
SHAREHOLDING



SHARE INFORMATION

N. of shares outstanding: 112.500.000
Price as of 11/11/15 € 0.78
Capitalization: € 87,75 mln
FTSE Italia STAR

STOCK VS MARKET



CONSOLIDATED BALANCE SHEET

(thousands of Euros)

ASSETS	30/09/2015	31/12/2014	30/09/2014
Non-current assets			
Property, plant and equipment	34,917	35,277	34,974
Development expenditure	7,524	7,101	6,367
Goodwill	39,942	39,942	40,190
Other intangible assets with finite useful lives	23,384	24,637	25,068
Equity investments consolidated using the equity method	186	180	330
Other non-current financial assets	792	773	538
Deferred tax assets	20,047	17,247	17,201
Total non-current assets	126,792	125,157	124,668
Current assets			
Trade receivables	33,202	33,069	42,066
Trade receivables - related parties	2,408	1,986	601
Inventories	61,416	63,269	70,109
Contract works in progress	3,744	2,590	2,214
Other receivables and current assets	15,609	15,533	14,973
Cash and cash equivalents	29,517	31,820	31,533
Total current assets	145,896	148,267	161,496
TOTAL ASSETS	272,688	273,424	286,164

CONSOLIDATED BALANCE SHEET

(thousands of Euros)

EQUITY AND LIABILITIES	30/09/2015	31/12/2014	30/09/2014
Group shareholders' equity			
Share capital	11,250	11,250	11,250
Other reserves	96,035	98,018	97,847
Profit (loss) of the period	-11,151	-1,783	-330
Total equity attributable to the shareholders of the parent	96,134	107,485	108,767
Minority interests	575	591	637
TOTAL EQUITY	96,709	108,076	109,404
Non-current liabilities			
Non-current bank loans	34,990	26,171	28,834
Other non-current financial liabilities	34,093	1,178	661
Provisions for risks and charges	3,902	5,055	5,362
Defined benefit plans	3,385	3,818	3,706
Deferred tax liabilities	8,172	8,417	8,573
Total non-current liabilities	84,542	44,639	47,136
Current liabilities			
Bank overdrafts and short-term loans	32,266	51,580	49,186
Other current financial liabilities	268	137	31
Trade payables	45,500	54,632	63,526
Trade payables - related parties	1,909	1,304	1,327
Tax liabilities	1,603	4,492	2,576
Other current liabilities	9,891	8,564	12,978
Total current liabilities	91,437	120,709	129,624
TOTAL EQUITY AND LIABILITIES	272,688	273,424	286,164

CONSOLIDATED PROFIT&LOSS

(thousands of Euros)

INCOME STATEMENT	30/09/2015	30/09/2014
Revenues (goods and services)	145,453	172,824
Revenues (goods and services)- related parties	158	1,110
Other revenue and income	1,443	1,254
Cost of raw materials, consumables and goods and change in inventories	-70,666	-79,724
Costs for services and use of third party assets	-39,185	-45,386
Costs for services and use of third party assets – related parties	-2,339	-1,870
Personnel expenses	-31,232	-31,760
Accruals, impairment losses and other operating expenses	-1,718	-2,323
Gross Operating Profit	1,914	14,125
Amortization, depreciation and impairment losses	-11,509	-11,245
Net Operating Profit	-9,595	2,880
Financial income	314	339
Financial expenses	-3,437	-3,172
Gains (losses) on exchange rate	-525	1,015
Gains (losses) on equity investments consolidated using the equity method	-210	-111
Profit (Loss) before tax	-13,453	951
Current and deferred taxes	2,157	-1,172
Profit (loss) of the period for the Group and minority interests, including:	-11,296	-221
Minority interests	-145	109
Profit (Loss) of the period for the Group	-11,151	-330
Basic earnings (loss) per share (calculated on 112,500,000 shares)	-0.0991	-0.0029
Diluted earnings (loss) per share	-0.0991	-0.0029

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