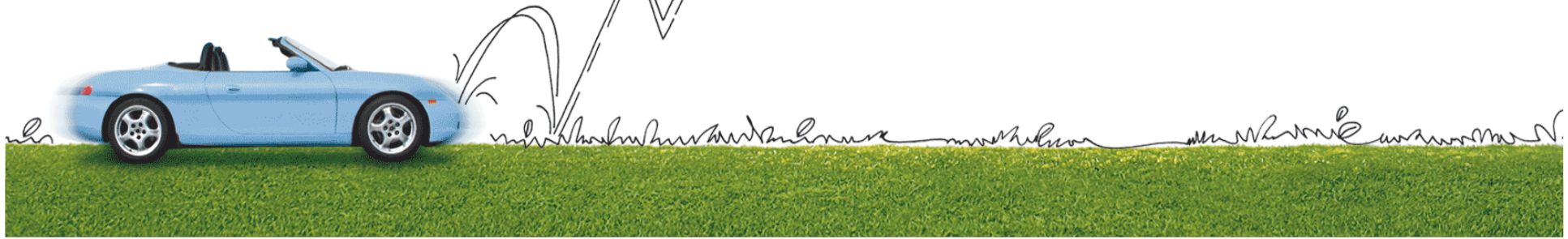
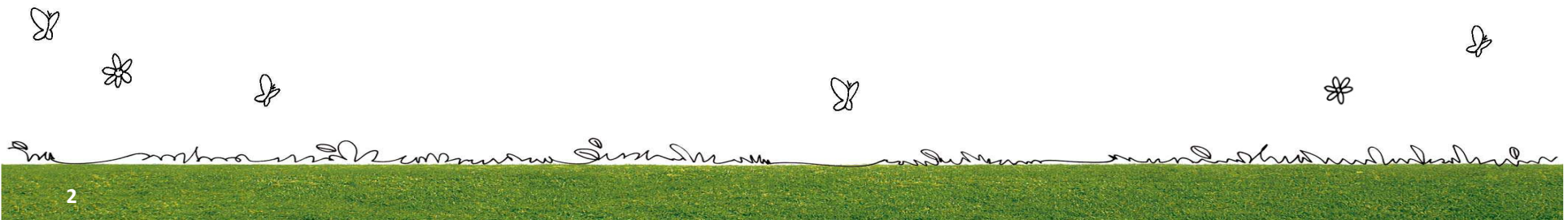


**Company Presentation**  
*March 2012*



## ***Company highlights***

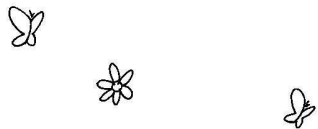


# Landi Renzo – The World Leader in CNG and LPG Alternative Fuel Systems



- **World leader** in Compressed Natural Gas (CNG) and Liquefied Petroleum Gas (LPG) with worldwide **market share > 30%**
- Full year **2011 consolidated revenues €253.5 m**
- Landi's **products** are **distributed worldwide** in more than **50 countries**
- Landi has **subsidiaries in 12 countries**
- Landi markets its systems through **two main channels**
  - **Aftermarket (installers and distributors)**
  - **Car manufacturers**

**Landi's business model focuses on R&D and distribution with substantial outsourcing of production**

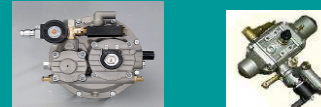


## Complete System and Installations



## Components

### CNG Reducers



### Electronic Control Unit



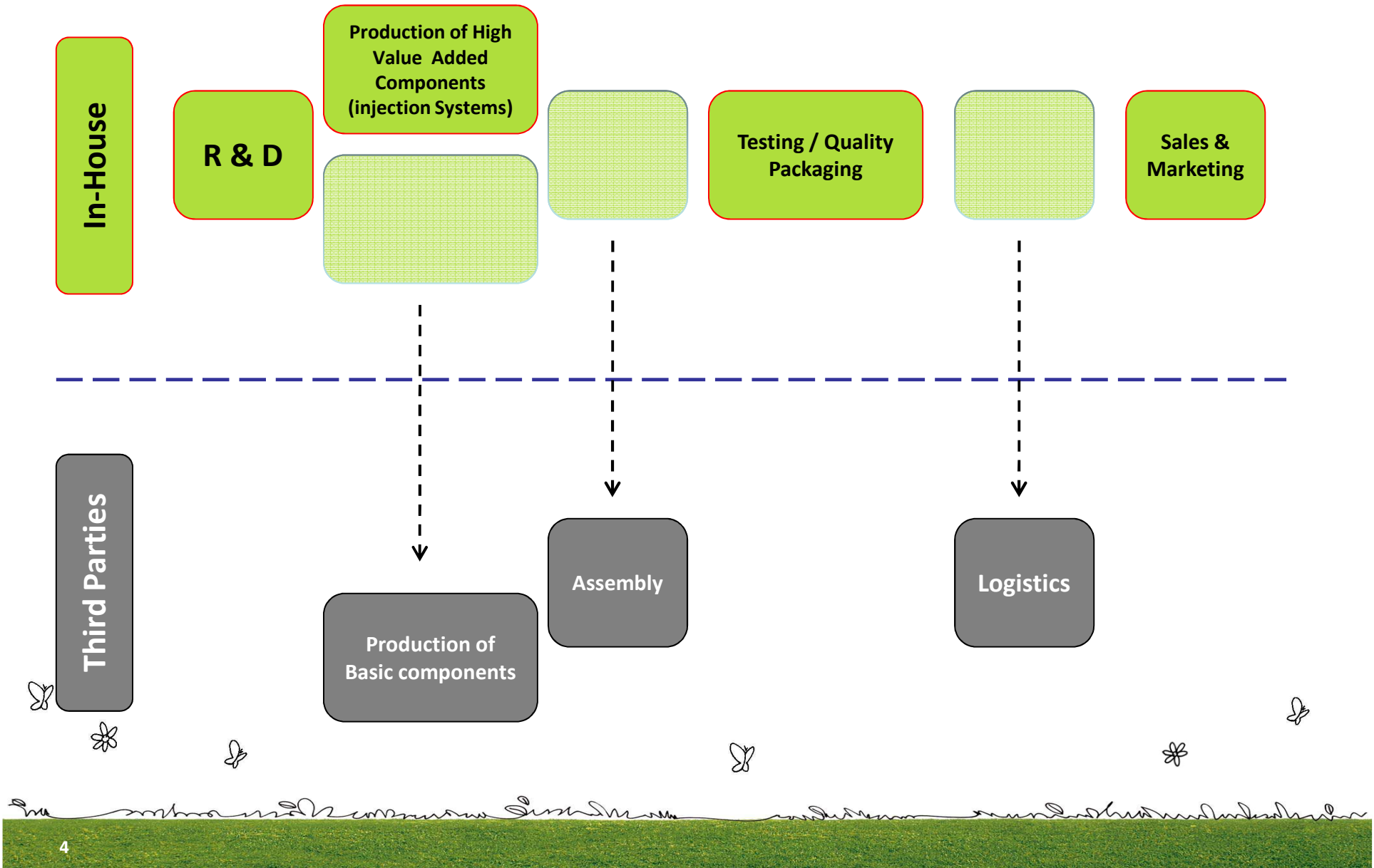
### LPG Reducers



### LPG / CNG Injectors



# Production Process - Landi Business Model





# Landi's subsidiaries



# OEM Partnership



## ***The sector***



# Drivers of sector growth

**high environment + high oil independence**

**high environment**

**high oil independence + some environment**

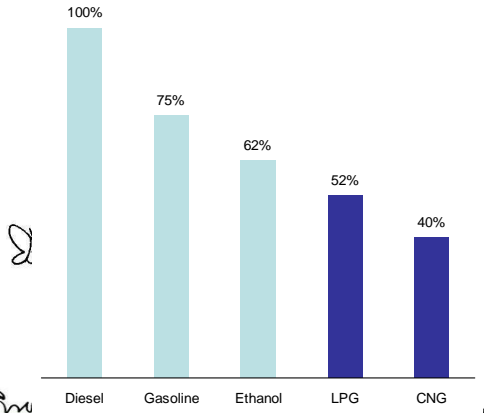
**high oil independence:**

- Venezuela
- Brasil
- Colombia, Perù
- Argentina

**Oil independence**

**high environment**

**Greenhouse Gas and Particulate Emissions Reduction**



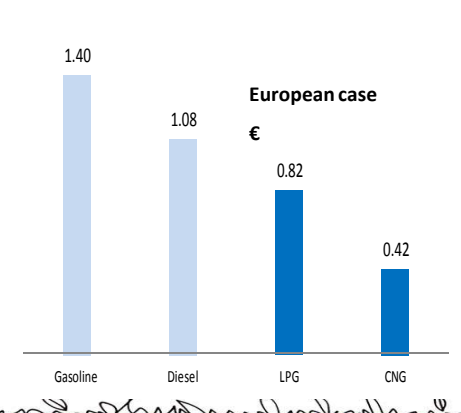
+ or

**Indepence from Oil**



=

**Customer cost to run 10 Km**





# New opportunities rise in new countries – some cases



**“Gazprom is going to do its utmost for the future of NGV vehicles.”**

*Miller – Gazprom CEO, 3-06-2011*

Reserves  
for 70  
years

**“Uzbekistan to convert 29% of total vehicle population in the country by 2015.”**

*NGV Journal 18-01-2011*

Reserves  
for 26  
years

Reserves  
for 25  
years

**“Brazil: rise of conversions in Rio de Janeiro”**

*NGV News 12-04-2011*

**Kazakhstan: “KazTransGas and BG to convert motor vehicles to CNG. The program, which aims to reduce pollution in the city, will run to 2018”**

*NGV global news 27-05-2011*

Reserves  
for 60  
years

**“Bolivia switched 3,000 vehicles to compressed natural gas in April”**

*NGV Journal 4-11-2011*

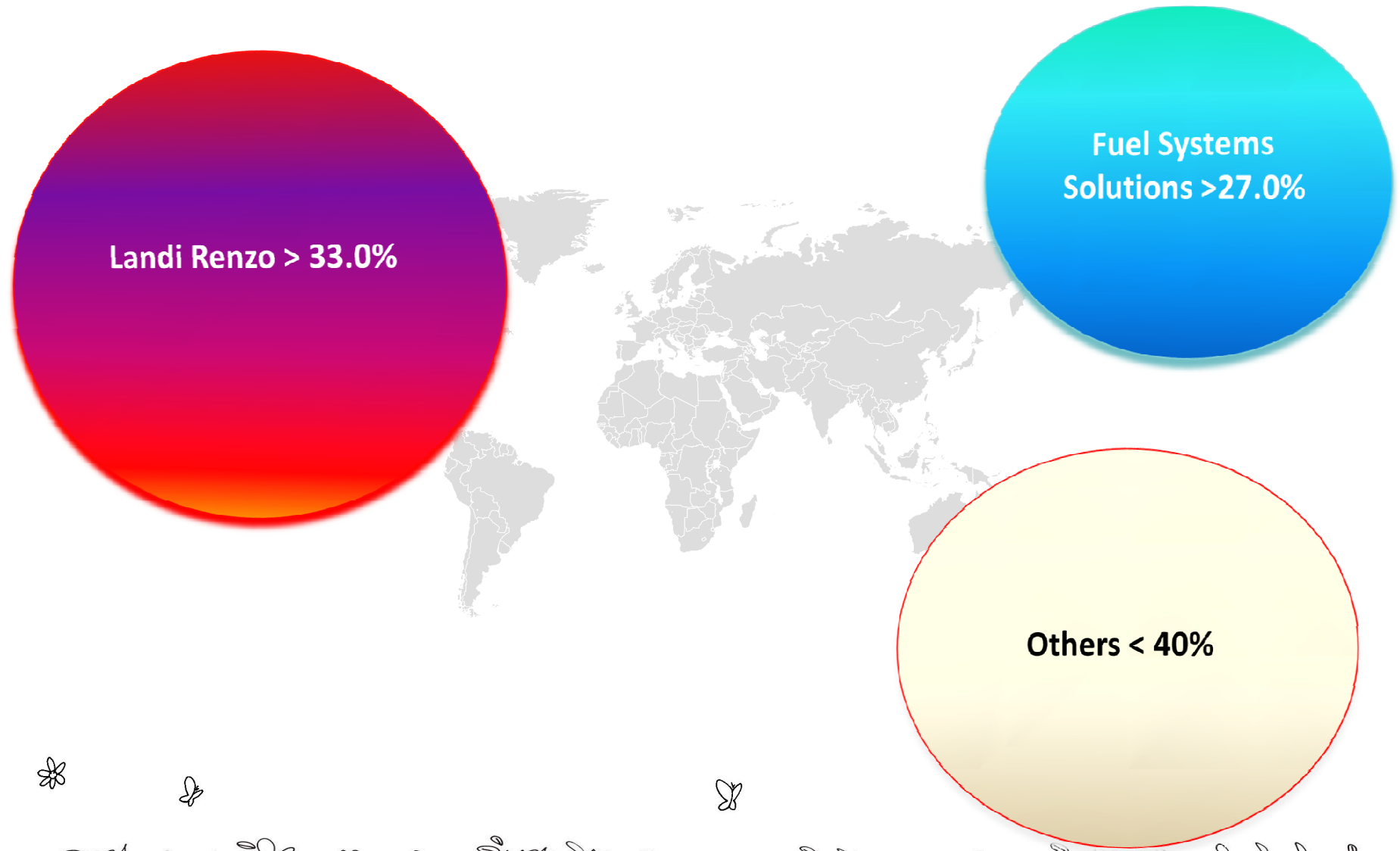
Reserves  
for 50  
years

**Venezuela to Carry Out “Natural Gas Revolution”**

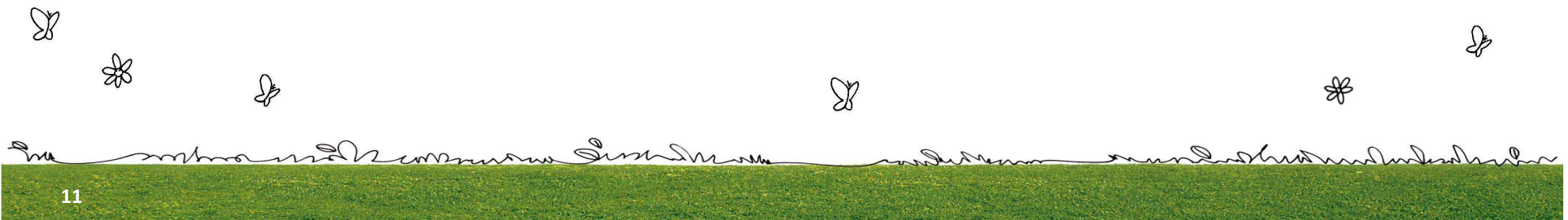
Reserves  
for 155  
years



# Market positioning



## *Strategy*



# Strategy in a nutshell

## KnowHow

Management of gaseous and cleaner fuels even through electronics

## Application

### AUTO MAKERS



Help them in meeting **emission (reduction)** targets

Whatever the emission level of a new car is, you can **reduce significantly using lpg/cng** through our products

### AFTER MARKET

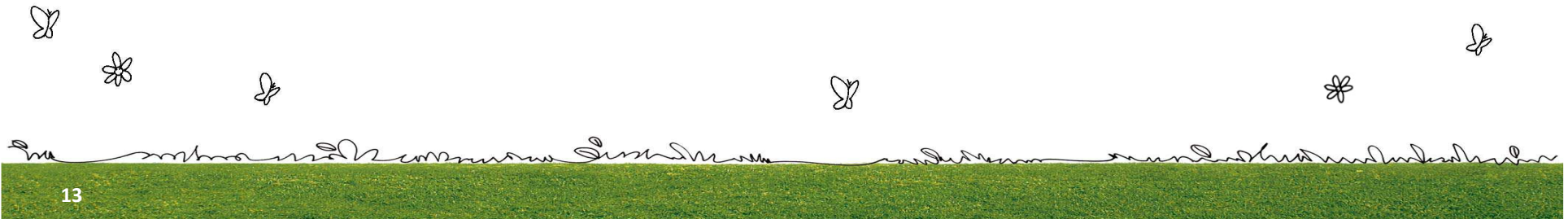


Important reduction of **pollutants** in the After Market

Impact of “**de-pollution**” effect is even greater in the **already existing car fleet** since the level of pollution you start from is much higher than in new cars



***Products and New  
Developments to execute the Strategy***



# New products

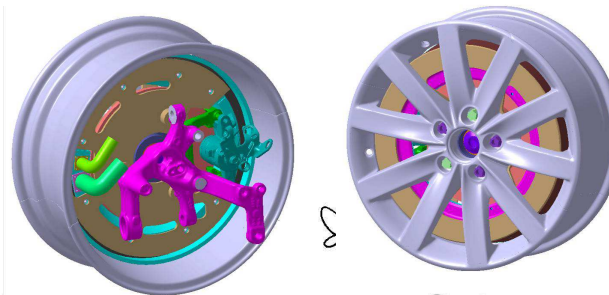
## Dual Fuel

- **Dual fuel Diesel/CNG combustion**
- Pollution reduction: Particulate Matter (PM)
- Economically viable for high mileage
- CO2 saving
- Saving of petrol-based fuel
- Noise reduction



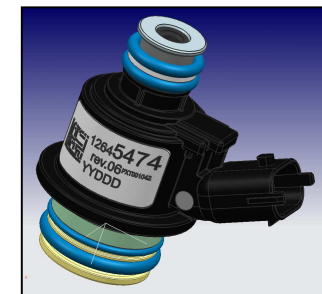
## Hybrid

- **Retrofit Hybrid System**
- Parallel Hybrid structure Through the Road, very suitable for retrofit application
  - Front axle: Internal Combustion Engine
  - Rear axle: Electrical Motors in Wheels
- Hybrid Supervisor manages the Internal Combustion Engine
- **Proprietary solution for integration of electrical motor in a standard vehicle wheel**

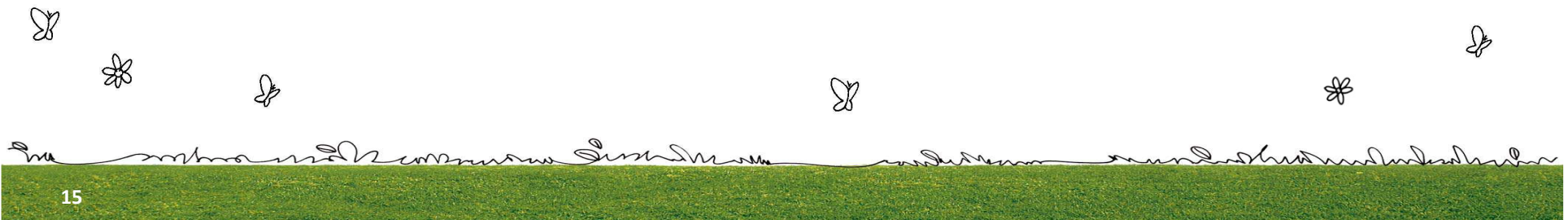


## Hydrogen

- **H2 Injector for Fuel Cell application**
  - By regulating the hydrogen amount in the stack it is possible to regulate the electrical power, following the demand of the user.
- LR has been awarded for **development of an injector for high pressure Hydrogen** in fuel cell for an important car manufacturer
- Know-how on future technologies and materials



## ***Financial Results***



# FY 2011 Profit&Loss Highlights

Profit&Loss						
<i>Eur m</i>	FY2011		FY2010		Delta	
Revenues	253.5	100.0%	302.4	100.0%	-48.9	-16.2%
EBITDA	19.5	7.7%	45.9	15.2%	-26.4	-57.5%
EBIT	-3.3	-1.3%	32.0	10.6%	-35.3	n.m.
EBIT	1.1	0.4%	32.0	10.6%	-30.9	n.m.
Net Profit	-9.1	-3.6%	18.6	6.2%	-27.7	n.m.

- Revenues increase throughout the world was not enough to offset the **decrease of European OE business** caused by the fact that incentives for LPG and CNG in Italy and France disappeared

- Margins were affected even by a **one-off** value amortization

\*if no item adjustment of goodwill and other depreciation for 4.3 € million was included



# Revenues Breakdown

## Revenues Breakdown by Region

*Eur m*

Region	FY2011		FY2010		Delta	
	Revenue	%	Revenue	%	Revenue	%
Italy	44.8	17.7%	89.6	29.6%	- 44.8	-50.0%
Europe (ex Italy)	66.1	26.1%	88.6	29.3%	- 22.5	-25.3%
SWAsia	66.9	26.4%	62.7	20.7%	4.2	6.7%
America	33.6	13.2%	24.4	8.1%	9.1	37.3%
RoW	42.1	16.6%	37.0	12.2%	5.1	13.8%
<b>Total</b>	<b>253.5</b>	<b>100.0%</b>	<b>302.4</b>	<b>100.0%</b>	<b>- 48.9</b>	<b>-16.2%</b>

## Revenues Breakdown by Segment

*Eur m*

Segment	FY2011		FY2010		Delta	
	Revenue	%	Revenue	%	Revenue	%
lpg	120.3	47.5%	190.2	62.9%	- 69.9	-36.8%
cng	118.5	46.7%	103.7	34.3%	14.8	14.3%
Other	14.7	5.8%	8.4	2.8%	6.3	74.4%
<b>Total</b>	<b>253.5</b>	<b>100.0%</b>	<b>302.4</b>	<b>100.0%</b>	<b>- 48.9</b>	<b>-16.2%</b>

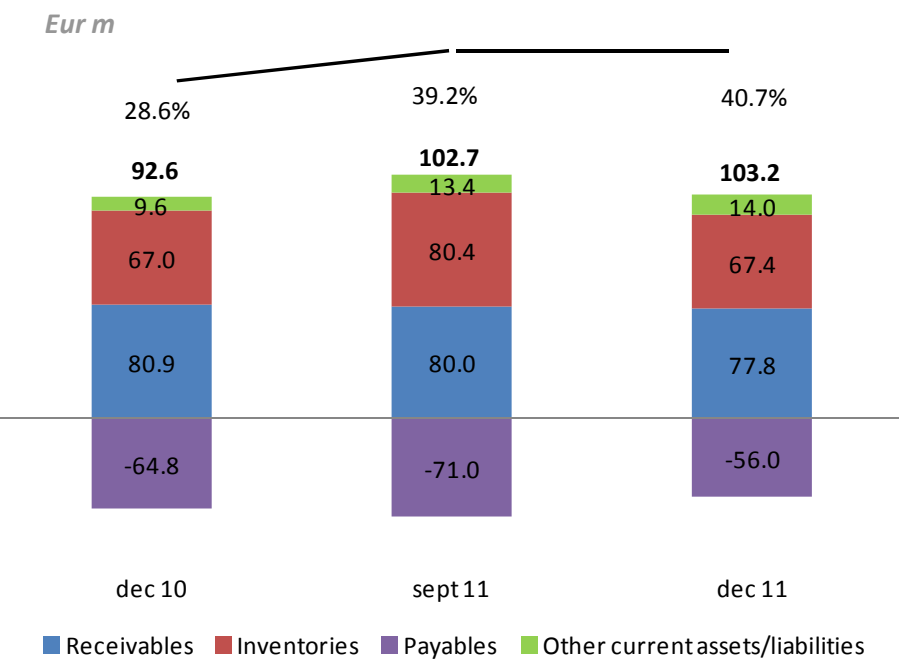
- Landi Renzo confirms its **international positioning** with 82.3% of its business abroad and with an **increase of 15.0% in the ex-Europe areas.**
- American market – thanks above all to **Latin America** – records a 37.3% increase
- Also **RoW** confirms its growth trend with a 13.8% increase driven above all by Far East markets
- New markets of **former USSR** area began to use **Natural Gas** as a true alternative option

• CNG increases in line with the fact that LPG is mainly a European market which decreased in 2011

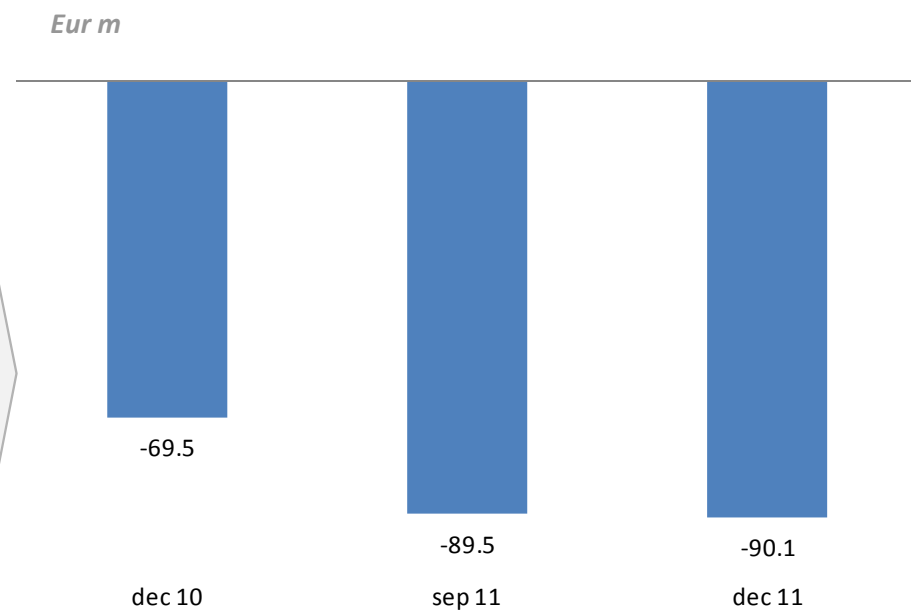
• Other businesses also played an important role

# Working capital and debt level

## Net Working Capital



## Net Financial Position



- **NWC** increased during the year above all for the everchanging business mix

- During **Q4** activities were mainly focused on **Inventories reduction**

- **Net Financial Position** moves accordingly the moves of NWC and in Q4\_2011 remains in line with Q3\_2011

- Moves on Inventories make payables to reduce so Net Financial Position does not decrease

## ***Annexes***



# 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



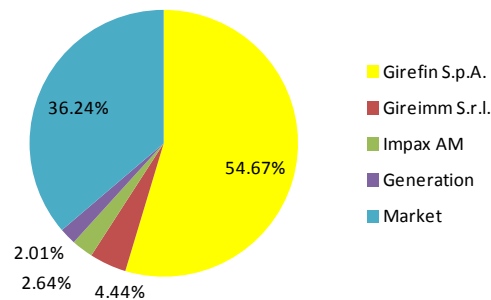
\*Interim

## Investor Relations

Investor Relations Contacts:

Pierpaolo Marziali  
 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 23/03/12: 1.86€

Capitalization: € 223,65 mln

FTSE Italia STAR



## Stock vs Market since Ipo





# Healthy Balance Sheet

ASSETS (thousands of Euros)	31-Dec-11	31-Dec-10 <i>restated</i>	31-Dec-10
<b>Non-current assets</b>			
Property, plant and equipment	35,096	38,551	38,551
Development expenses	10,346	12,340	5,563
Goodwill	55,582	59,818	66,225
Other intangible assets with finite useful lives	29,506	31,333	29,270
Other non-current financial assets	170	288	288
Deferred tax assets	13,274	9,473	9,473
<b>Total non-current assets</b>	<b>143,974</b>	<b>151,803</b>	<b>149,370</b>
<b>Current assets</b>			
Trade receivables	77,429	80,185	80,185
Trade receivables - related parties	361	712	712
Inventories	67,408	66,980	66,980
Other receivables and current assets	27,452	21,348	21,348
Current financial assets	176	131	131
Cash and cash equivalents	20,059	26,297	26,297
<b>Total current assets</b>	<b>192,885</b>	<b>195,653</b>	<b>195,653</b>
<b>TOTAL ASSETS</b>	<b>336,859</b>	<b>347,456</b>	<b>345,023</b>



# Healthy Balance Sheet

EQUITY AND LIABILITIES (thousands of Euros)	31-Dec-11	31-Dec-10 <i>restated</i>	31-Dec-10
<b>Group shareholders' equity</b>			
Share capital	11,250	11,250	11,250
Other reserves	134,154	122,058	121,807
Profit (loss) for the period	- 9,138	18,635	19,459
<b>Total equity attributable to the shareholders of the parent company</b>	<b>136,266</b>	<b>151,943</b>	<b>152,516</b>
<b>Minority interests</b>	<b>738</b>	<b>759</b>	<b>759</b>
<b>TOTAL EQUITY</b>	<b>137,004</b>	<b>152,702</b>	<b>153,275</b>
<b>Non-current liabilities</b>			
Non-current bank loans	40,119	66,637	66,637
Other non-current financial liabilities	49	173	173
Provisions for risks and charges	4,860	4,753	4,753
Defined benefit plans	2,835	3,153	3,153
Deferred tax liabilities	12,351	14,316	11,310
<b>Total non-current liabilities</b>	<b>60,214</b>	<b>89,032</b>	<b>86,026</b>
<b>Current liabilities</b>			
Bank overdrafts and short-term loans	69,878	28,407	28,407
Other current financial liabilities	125	560	560
Trade payables	55,903	64,474	64,474
Trade payables - related parties	61	354	354
Tax liabilities	6,458	4,345	4,345
Other current liabilities	7,216	7,582	7,582
<b>Total current liabilities</b>	<b>139,641</b>	<b>105,722</b>	<b>105,722</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>336,859</b>	<b>347,456</b>	<b>345,023</b>

# Profit&Loss

INCOME STATEMENT (thousands of Euros)	31-Dec-11	31/12/2010 restated	31-Dec-10
<b>Revenues (goods and services)</b>	253,529	302,376	302,376
<i>of witch: related parties</i>	1,217	1,273	1,273
Other revenue and income	1,646	1,341	1,341
Cost of raw materials, consumables and goods and change in inventories	- 124,018	- 130,337	- 130,337
Cost of raw materials - related parties	-	- 4,112	- 4,112
Costs for services and use of third party assets	- 66,693	- 80,409	- 80,409
Cost for services and use of third party assets - related parties	- 1,528	- 1,511	- 1,511
Personnel expenses	- 39,896	- 36,879	- 36,879
Accruals, impairment losses and other operating expenses	- 3,563	- 4,521	- 4,521
<b>Gross Operating Profit</b>	<b>19,477</b>	<b>45,948</b>	<b>45,948</b>
Amortization, depreciation and impairment losses	- 22,737	- 13,968	- 12,721
<i>of w hich: non recurring losses</i>	- 4,316		
<b>Net Operating Profit</b>	<b>- 3,260</b>	<b>31,980</b>	<b>33,227</b>
Financial income	482	229	229
Financial expenses	- 3,610	- 2,378	- 2,378
Exchange rate gains and losses	- 1,825	- 4	- 4
<b>Profit (Loss) before tax</b>	<b>- 8,213</b>	<b>29,827</b>	<b>31,074</b>
Taxes	- 926	- 10,477	- 10,900
<b>Net profit (loss) for the Group and minority interests, including:</b>	<b>- 9,139</b>	<b>19,350</b>	<b>20,174</b>
Minority interests	- 1	715	715
<b>Net Profit (Loss) of the Group</b>	<b>- 9,138</b>	<b>18,635</b>	<b>19,459</b>
Basic earnings (loss) per share (calculated on 112,500,000 shares)	- 0.0812	0.1656	0.1730
Diluted earnings (loss) per share	- 0.0812	0.1656	0.1730

# Disclaimer



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