Press Release

April 24, 2015

Landi Renzo: Shareholders' Meeting approves 2014 Annual Accounts and introduces shares carrying double votes

- **2014 Separate Financial Statements approved**
- **First Section of the Remuneration Report pursuant to Article 123-*ter* of CFA approved**
- **Renewed authorisation for the purchase and/or disposal of treasury shares**
- **By-Laws amended to introduce the mechanism of the shares carrying double votes**

Cavriago (RE), April 24, 2015

The Ordinary and Extraordinary Shareholders' Meeting of Landi Renzo was held today and chaired by Stefano Landi.

2014 Separate Financial Statements

The Shareholders' Meeting approved the 2014 Annual Accounts and allocated the net profit of Euro 211,778.96 to the extraordinary reserve, as the legal reserve has already reached one-fifth of the share capital.

Consolidated Financial Highlights

Revenues of Euro 233.2 million, an increase of 4.7% compared to Euro 222.8 million in 2013.
EBITDA of Euro 18.3 million, improved 65.8% compared to 2013 (Euro 11 million), thanks to the positive revenue performance, together with the implementation of cost containment actions. The cost structure benefitted from lower operating expenses on revenues and, more specifically, raw material purchases, service costs and labour costs. Revenues and the EBITDA margin are in line with the 2014 outlook announced to the market. **EBIT** reaches a level of Euro 2.6 million, net of Euro 0.2 million of non-recurring charges, compared to an EBIT loss of Euro 22.2 million in 2013. The **Pre-tax Result** reports a loss of Euro 0.1 million, net of non-recurring charges of Euro 0.2 million, against a net loss of Euro 26.8 million in 2013. The **Net Loss** was Euro 1.8 million, improving compared to 2013 (loss of Euro 25.6 million).
The **Net Debt** amounts to Euro 47.2 million, unchanged compared to September 30, 2014 and improving compared to Euro 53.9 million as at December 31, 2013. Group **Net Equity** amounts to Euro 108.1 million (Euro 109.8 million as at December 31, 2013).

Landi Renzo SpA Key Results

Revenues of Euro 95.2 million, +2.4% compared to 2013 (Euro 93.0 million).
An **EBITDA** loss of Euro 2.0 million was reported (loss of Euro 0.6 million in 2013). The **EBIT** reports a loss of Euro 10.3 million (loss of Euro 8.9 million in 2013), after amortisation and depreciation of Euro 8.3 million, of which Euro 3.4 million concerning intangible assets. **Net Profit** of Euro 0.2 million (reporting a loss of Euro 15.6 million in 2013) after dividends from Group companies of Euro 10.4 million, financial charges of Euro 2.8 million and impairments on investments of Euro 0.9 million. The **Net Debt** amounts to Euro 44.3 million (Euro 52.9 million as at December 31, 2013).

Remuneration Report pursuant to Article 123-*ter* of CFA

The Shareholders' Meeting approved the First Section of the *Remuneration Report* in accordance with Article 123-*ter* of the Consolidated Finance Act and Article 84-*quater* of the Consob Issuers' Regulation.

Renewal of the authorisation for the purchase and disposal of treasury shares

The Shareholders' Meeting also authorised the renewal of the purchase and/or disposal of treasury shares programme, with prior revocation, where not utilised, of the previous Shareholders' Meeting resolution of April 24, 2014.

The main aims of the programme include:
(a) avail of interesting investment and/or financial improvement opportunities for the Company;
(b) undertake, in compliance with current laws and regulations, a stabilisation activity on share price movements in relation to market anomalies, improving the liquidity of the share;

(c) dispose of treasury shares: (i) within the stock option plans for the executive directors, employees, including senior managers and collaborators of the Company and of the subsidiary companies, (ii) as part of acquisition transactions or to serve any issuance of bond loans convertible into shares of the Company, (iii) for efficient use of the Company liquidity.
(d) take advantage of an important management and strategic flexibility instrument.
The main features of the proposed programme include: duration of 18 months from approval of the resolution by the Shareholders' Meeting; maximum number of ordinary shares with a total nominal value, including shares held by the Company and subsidiaries, not exceeding one-fifth of the entire share capital, to be acquired at a price not lower or greater than 20% of the share price recorded on the trading day preceding each purchase.
The acquisition of treasury shares will be made in compliance with the applicable laws and regulations by the following means: (i) public purchase or exchange offer, (ii) on the regulated markets, (iii) purchase or disposal of derivative instruments with physical delivery of the underlying shares, or (iv) allocation to shareholders of sales options. Each disposal must be concluded at a price not lower or greater than 20% of the share price recorded on the trading day preceding the disposal.
In 2014 the Parent Company did not trade treasury shares or shares of holding companies and currently does not hold treasury shares or shares of holding companies. The subsidiary companies do not hold shares in the Parent Company.

Amendments to Company By-Laws

The Shareholders' Meeting amended Article 6 of the By-Laws and introduced Articles 6-*bis*, 6-*ter* and 6-*quater*, in order to introduce shares carrying double votes, in compliance with the new Article 127-*quinquies* of the CFA, as per Article 20, paragraph 1 of Legislative Decree No. 91 of June 24, 2014, enacted by Law No. 116 of August 11, 2014.

This provision seeks to stimulate medium/long-term investment, promoting the stability of the ownership structure through the presence of long-term shareholders with appropriate control powers. In particular, Article 6 - which establishes that each ordinary share grants the right to one vote - is supplemented with the new provisions of Articles 6-*bis* (which establishes the requirements and the cases which enable the acquisition and maintenance of double votes), 6-*ter* (in relation to the effects of the double votes, particularly in terms of the validity and approval of such by the Company) and 6-*quater* (which establishes that the double votes are only acquired with prior enrolment on the "Special List").

In particular, the double votes mechanism allocates the right to two votes for each ordinary Landi Renzo share held by the same shareholder for an uninterrupted period of at least 24 months, beginning on enrolment on the appropriate special list, which will be set up by the Company at the registered office and available also on the Company website.

The proposal for the amendment of the By-Laws was approved with the favourable vote of 86.73% of the share capital represented at the Shareholders' Meeting, corresponding to 59.11%% of the Landi Renzo share capital.

Filing of documentation

The minutes of the Shareholders' Meeting, the By-laws and a summary of the voting will be made available in accordance with the provisions required by law.

The manager responsible for the preparation of the corporate accounting documents Mr. Paolo Cilloni declares in accordance with Article 154 bis, paragraph 2, of Leg. Decree No. 58 of February 24, 1998, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

The present press release is also available on the company's website www.landi.it.

This press release is a translation. The Italian version prevails

Landi Renzo is the global leader in the LPG and Methane gas components and systems for motor vehicles sector. The Company is based in Cavriago (Reggio Emilia) and has over 60 years' experience in the sector, is renowned for the extent of its international activities in over 50 Countries, with export sales of over 80%. Landi Renzo SpA has been listed on the STAR segment of the MTA Market of Borsa Italiana since June 2007.

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