

Q1 2016 FINANCIAL RESULTS



LANDIRENZO
GROUPTM

Q1 2016 PROFIT&LOSS HIGHLIGHTS

(Eur million)

	Q1 2016	%	Q1 2015	%	Changes	%
Revenues (goods and services)	41,4		45,6		-4,1	-9,1%
Ebitda	0,4	0,9%	0,0	0,1%	0,3	100,0%
Amortization, depreciation and impairment losses	4,1	9,9%	3,9	8,5%	0,2	6,2%
Ebit	-3,8	-9,1%	-3,8	-8,4%	0,1	2,1%
Net Profit (Loss) of the Group	-4,3	-10,4%	-2,7	-6,0%	-1,6	-58,9%

🕒 **Revenues** – the decrease is mainly due to OEM segment, for the delay of some E6 new car models that will be recover in the next quarters.

🕒 **EBITDA** – although volume decrease, EBITDA improves mainly for payroll cost and other operating expenses reduction.

REVENUES BREAKDOWN

(Millions of Euro)

Geographical distribution of revenues	Q1 2016	%	Q1 2015	%	Delta	%
Italy	9,4	22,7%	9,5	20,9%	-0,1	-1,3%
Europa (ex Italy)	18,8	45,5%	21,9	48,0%	-3,0	-13,9%
America	6,1	14,8%	8,0	17,6%	-1,9	-23,6%
Asia and rest of the world	7,1	17,0%	6,2	13,5%	0,9	14,5%
Total Revenues	41,4	100,0%	45,6	100,0%	-4,1	-9,1%

(Million of Eur)

Distribution of revenues per area of activity	Q1 2016	%	Q1 2015	%	Delta	%
Gas sector - systems for cars	33,9	82,0%	38,0	83,5%	-4,1	-10,7%
Gas sector - distribution systems	3,7	8,9%	4,6	10,0%	-0,9	-19,2%
Total revenues - GAS sector	37,6	90,9%	42,6	93,5%	-5,0	-11,6%
Other (Alarm systems, Audio, Aquatronics (1), Robotics, Oil and Gas and other)	3,8	9,1%	3,0	6,5%	0,8	27,4%
Total Revenues	41,4	100,0%	45,6	100,0%	-4,1	-9,1%

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 fuelling 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 is stable although the decrease of OEM/AM conversions.

🕒 **Europe** – revenues in this area decrease mainly for delay of new E6 carlines in OEM segment.

🕒 **America** – negative trend in some markets of South America

🕒 **Asia and Rest of the world** – increase is due to Indian and Nord Africa market.

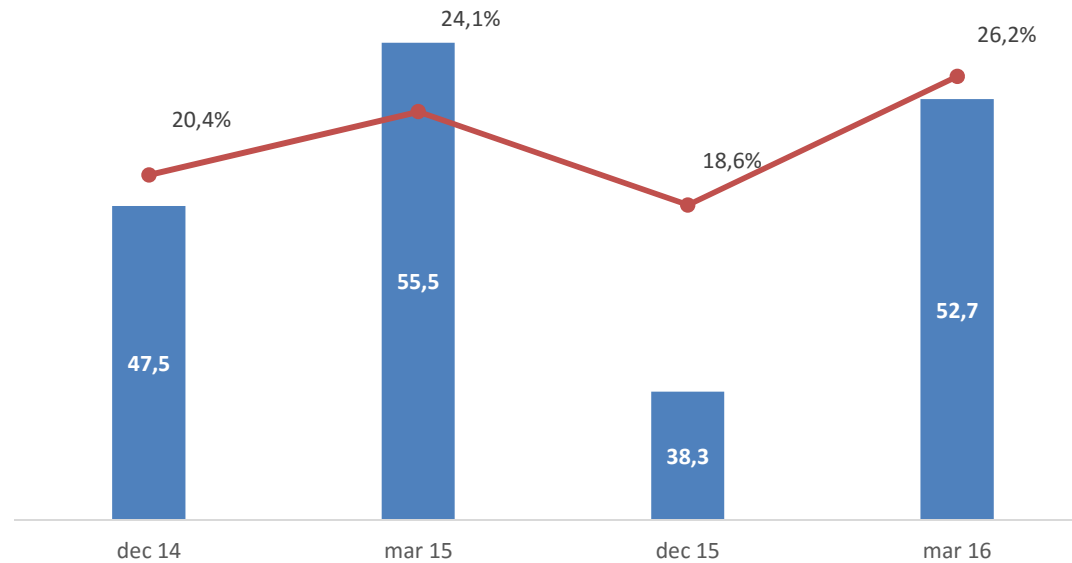
SECTOR BREAKDOWN

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

🕒 **Distribution systems** – slowdown of revenues particularly in South East Asia.


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

WORKING CAPITAL

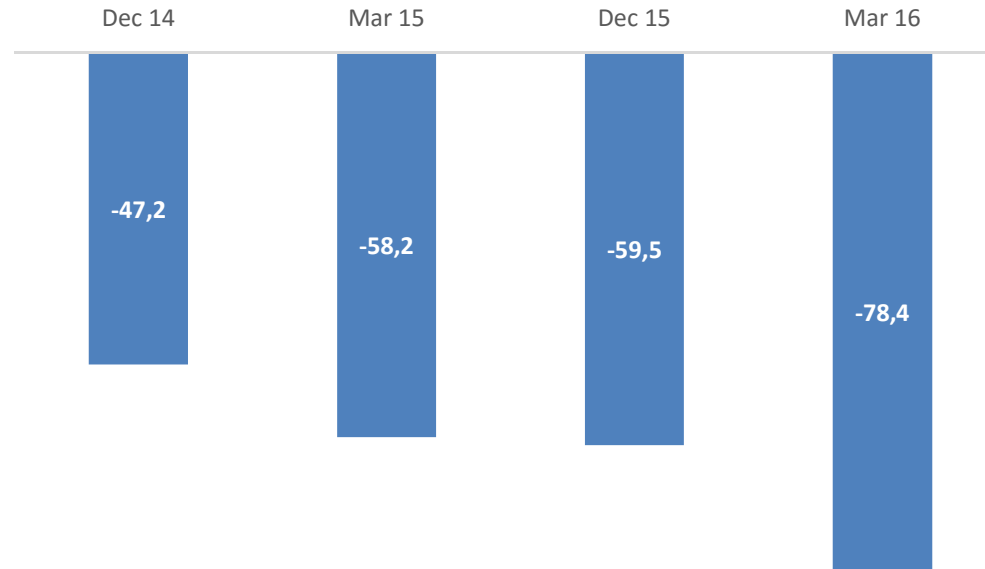


(Euro mln)

	dec 14	mar 15	dec 15	mar 16
Receivable	35,1	35,8	33,8	35,7
Inventories	65,9	75,6	60,4	63,4
Payables	-55,9	-59,9	-58,4	-52,6
Other current assets/liabilities	2,5	3,9	2,5	6,3
Net working capital	47,5	55,5	38,3	52,7

 **Working Capital** – compared with December 2015, the increase is affected mainly by lower factorized receivable and retirement incentives. To be highlighted the decrease of payables, compared to December.

NET DEBT



🕒 **Net financial position** – the increase is generated mainly by the working capital trend during the first quarter.

ANNEXES



LANDI RENZO COMPANY PROFILE

BOARD OF DIRECTORS

Stefano Landi – President & CEO
Giovannina Domenichini – Honorary President
Claudio Carnevale - Executive Director
Angelo Iori – Director
Silvia Landi - Director
Anton Karl - Director
Sara Fornasiero - Indip. Director
Ivano Accorsi – Indip. Director

TOP MANAGERS

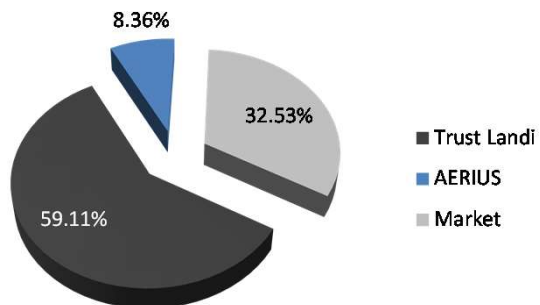


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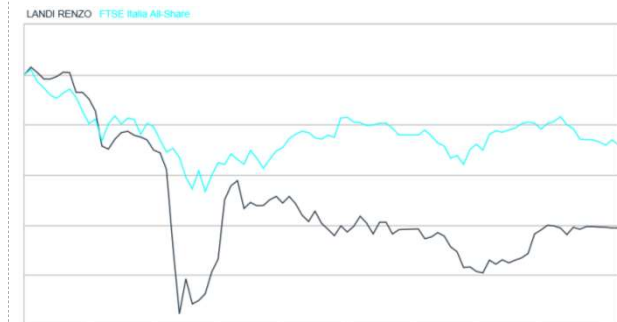
SHAREHOLDING



SHARE INFORMATION

N. of shares outstanding: 112.500.000
Price as of 10/05/16 € 0.518
Capitalization: € 58,275 mln
FTSE Italia STAR

STOCK VS MARKET



CONSOLIDATED BALANCE SHEET

(thousands of Euro)

ASSETS	31/03/2016	31/12/2015	31/03/2015
Non-current assets			
Property, plant and equipment	33,998	35,364	35,191
Development expenditure	8,464	8,404	7,121
Goodwill	30,094	30,094	39,942
Other intangible assets with finite useful lives	22,017	22,696	24,288
Equity investments consolidated using the equity method	71	109	491
Other non-current financial assets	453	574	788
Deferred tax assets	14,705	13,779	18,493
Total non-current assets	109,802	111,020	126,314
Current assets			
Trade receivables	33,279	31,340	33,321
Trade receivables - related parties	2,371	2,424	2,507
Inventories	60,955	57,528	72,862
Contract works in progress	2,457	2,904	2,732
Other receivables and current assets	15,582	16,347	15,771
Cash and cash equivalents	20,263	38,264	22,588
Total current assets	134,907	148,807	149,781
TOTAL ASSETS	244,709	259,827	276,095

CONSOLIDATED BALANCE SHEET

(thousands of Euros)

EQUITY AND LIABILITIES	31/03/2016	31/12/2015	31/03/2015
Group shareholders' equity			
Share capital	11,250	11,250	11,250
Other reserves	59,349	95,428	96,688
Profit (loss) of the period	-4,190	-35,288	-2,754
Total equity attributable to the shareholders of the parent	66,409	71,390	105,184
Minority interests	359	425	725
TOTAL EQUITY	66,768	71,815	105,909
Non-current liabilities			
Non-current bank loans	26,899	11,935	26,645
Other non-current financial liabilities	29,850	1,468	1,178
Provisions for risks and charges	7,498	8,059	5,234
Defined benefit plans	3,277	3,313	3,827
Deferred tax liabilities	6,531	6,691	8,615
Total non-current liabilities	74,055	31,466	45,499
Current liabilities			
Bank overdrafts and short-term loans	36,725	50,797	52,847
Other current financial liabilities	5,223	33,523	137
Trade payables	50,248	56,260	58,382
Trade payables - related parties	2,364	2,091	1,493
Tax liabilities	1,683	4,990	2,344
Other current liabilities	7,643	8,885	9,484
Total current liabilities	103,886	156,546	124,687
TOTAL EQUITY AND LIABILITIES	244,709	259,827	276,095

CONSOLIDATED PROFIT&LOSS

(thousands of Euro)

INCOME STATEMENT	31/03/2016	31/03/2015
Revenues (goods and services)	41,416	45,466
Revenues (goods and services) - related parties	4	92
Other revenue and income	195	220
Cost of raw materials, consumables and goods and change in inventories	-19,105	-19,852
Costs for services and use of third party assets	-11,312	-13,658
Costs for services and use of third party assets - related parties	-775	-669
Personnel expenses	-9,466	-10,929
Accruals, impairment losses and other operating expenses	-594	-627
Gross Operating Profit	363	43
Amortization, depreciation and impairment losses	-4,118	-3,878
Net Operating Profit	-3,755	-3,835
Financial income	39	115
Financial expenses	-1,301	-799
Gains (losses) on exchange rate	-159	1,024
Gains (losses) on equity investments consolidated using the equity method	-38	4
Profit (Loss) before tax	-5,214	-3,491
Current and deferred taxes	898	774
Profit (loss) of the period for the Group and minority interests, including:	-4,316	-2,717
Minority interests	-126	37
Profit (Loss) of the period for the Group	-4,190	-2,754
Basic earnings (loss) per share (calculated on 112,500,000 shares)	-0.0372	-0,0245
Diluted earnings (loss) per share	-0.0372	-0,0245

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