LANDIRENZO GROUP™

INTERIM MANAGEMENT REPORT AT 31 MARCH 2018

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1. GENERAL INFORMATION

1.1. CORPORATE OFFICERS AND INFORMATION

On 29 April 2016, the Shareholders' Meeting of the parent company Landi Renzo S.p.A. elected the Board of Directors and the Board of Statutory Auditors for the period 2016-2018. They will therefore remain in office until the Meeting of Shareholders called to approve the Financial Statements for the year ending 31 December 2018. The Meeting also appointed PricewaterhouseCoopers S.p.A. as the independent auditing firm for the period 2016-2024. On 28 April 2017, after increasing the number of members of the Board of Directors from eight to nine, the Shareholders' Meeting appointed Cristiano Musi (formerly General Manager) as director; on the same date, the Board of Directors made him Chief Executive Officer and revoked all other mandates previously assigned.

Chairman Stefano Landi continues to act as Executive Chairman of the Board.

On 17 October 2017 the Shareholders' Meeting of the parent company Landi Renzo S.p.A. approved the reduction of the number of members of the Board of Directors from nine to eight, following the resignation of Claudio Carnevale in July 2017.

At the same meeting, to allow for compliance with gender balance requirements by the company's Board of Statutory Auditors, due to the death of Massimiliano Folloni in May 2017, the ordinary Shareholders' Meeting of Landi Renzo S.p.A. also approved the appointment of Domenico Sardano as standing auditor.

On the date this Interim Management Report was drafted, the company officers were as follows:

Board of Directors

Executive Chairman	Stefano Landi
Honorary Chairperson - Director	Giovannina Domenichini
Chief Executive Officer	Cristiano Musi
Director	Silvia Landi
Director	Angelo Iori
Independent Director	Anton Karl
Independent Director	Sara Fornasiero (*)
Independent Director	Ivano Accorsi

Board of Statutory Auditors

Chairman of the Board of Statutory Auditors	Eleonora Briolini
Standing Statutory Auditor	Diana Rizzo
Standing Statutory Auditor	Domenico Sardano
Alternate Auditor	Filomena Napolitano
Alternate Auditor	Andrea Angelillis

Control and Risks Committee

Chairman	Sara Fornasiero
Committee Member	Ivano Accorsi
Committee Member	Angelo Iori

Remuneration Committee

Chairman	Ivano Accorsi
Committee Member	Sara Fornasiero
Committee Member	Angelo Iori

Committee for Transactions with Related Parties

Committee Member	Sara Fornasiero
Committee Member	Ivano Accorsi

Supervisory Board (Italian Legislative Decree 231/01)	
Chairman	Jean-Paule Castagno
Member of the Body	Sara Fornasiero
Member of the Body	Domenico Sardano (**)

Independent Auditing Firm	PricewaterhouseCoopers S.p.A.

Financial Reporting Manager	Paolo Cilloni

(*) The Director also holds the office of Lead Independent Director
(**) Appointed on March 15, 2018

Registered office and company details

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Via Nobel 2/4/6
42025 Corte Tegge – Cavriago (RE) – Italy
Tel. +39 0522 9433
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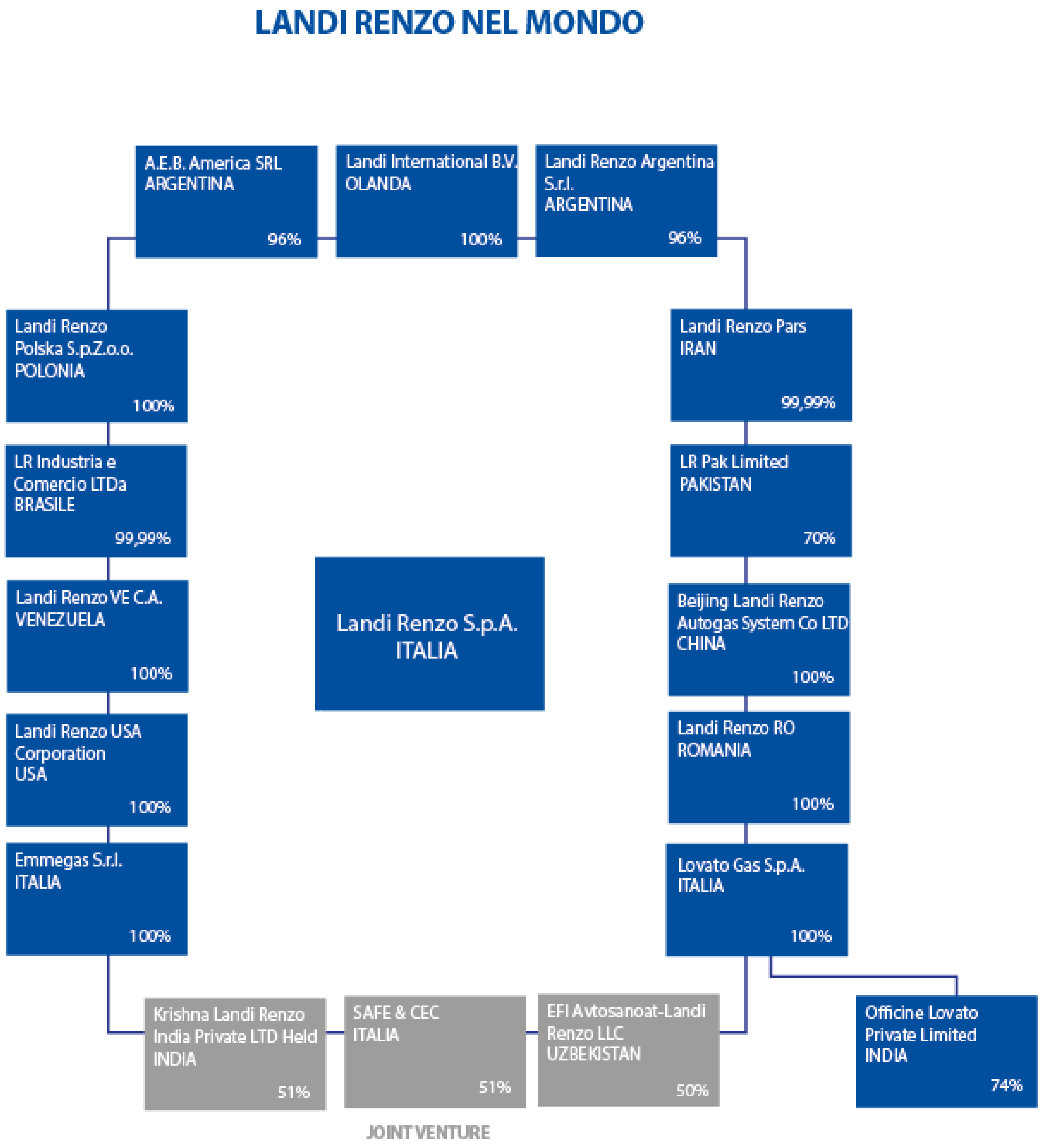
Share capital: Euro 11,250,000
Tax Code and VAT Reg. No. IT00523300358

This report is available on the Internet at:
www.landirenzogroup.com

1.2. GROUP STRUCTURE



1.3. LANDI RENZO GROUP FINANCIAL HIGHLIGHTS

(Thousands of Euro)

ECONOMIC INDICATORS OF THE FIRST THREE MONTHS	Q1 2018	Q1 2017	Change
Revenue	42,037	46,774	-4,737
Adjusted Gross Operating Profit (EBITDA) (1)	5,360	2,196	3,164
Gross Operating Profit (EBITDA)	4,533	1,747	2,786
Adjusted Net Operating Profit (EBIT) (1)	2,706	-1,811	4,517
Net Operating Profit (EBIT)	1,879	-2,260	4,139
Earnings before Tax	-132	-3,211	3,079
Net profit (loss) for the Group and minority interests	-1,175	-2,961	1,786
Adjusted Gross Operating Profit (EBITDA) / Revenue	12.8%	4.7%	
Net profit (loss) for the Group and minority interests / Revenue	-2.8%	-6.3%	

Below are the main financial indicators, with same perimeter (Automotive segment)

(Thousands of Euro)

MAIN FINANCIAL INDICATORS OF THE FIRST THREE MONTHS, WITH SAME PERIMETER	Q1 2018	Q1 2017	Change
Revenue	42,037	40,838	1,199
Adjusted Gross Operating Profit (EBITDA) (1)	5,360	3,028	2,332
Gross Operating Profit (EBITDA)	4,533	2,579	1,954
Adjusted Operating Profit (EBITDA) (1)	2,706	-523	3,229
Net Operating Profit (EBIT)	1,879	-972	2,851
Adjusted Gross Operating Profit (EBITDA) / Revenue	12.8%	7.4%	

(Thousands of Euro)

FINANCIAL POSITION	31/03/2018	31/12/2017	31/03/2017
Net fixed assets and other non-current assets	99,923	103,152	95,165
Operating capital (2)	20,307	17,279	38,405
Non-current liabilities (3)	-11,529	-14,760	-12,570
NET INVESTED CAPITAL	108,701	105,671	121,000
Net financial position (cash) (4)	53,774	48,968	69,877
Equity	54,927	56,703	51,123
BORROWINGS	108,701	105,671	121,000

(Thousands of Euro)

KEY INDICATORS	31/03/2018	31/12/2017	31/03/2017
Operating capital / Turnover (*rolling 12 months*) (5)	12.1%	10.3%	20.2%
Net financial debt / Equity	97.9%	86.4%	136.7%
Gross tangible and intangible investments	650	5,149	2,033
Personnel (peak) (6)	510	599	810

(Thousands of Euro)

CASH FLOWS	31/03/2018	31/12/2017	31/03/2017
Operational cash flow	-3,495	8,954	-1,930
Cash flow for investment activities	-642	3,319	-1,556
FREE CASH FLOW	-4,137	12,273	-3,486
Future share capital increase contributions	0	8,867	0

(1) The figures do not include the recognition of extraordinary costs of 827 thousand in the first three months of 2018.
(2) This is calculated as the difference between Trade Receivables, Inventories, Contract Work in Progress, Other Current Assets and Trade Payables, Tax liabilities, Other Current Liabilities.
(3) These are calculated by totalling Deferred Tax Liabilities, Defined Benefit Plans for employees and Provisions for Risks and Charges.
(4) The net financial position is calculated in accordance with the provisions of CONSOB Communication DEM/6064293 of 28 July 2006.
(5) the figures to 31 March 2018 and 31 December 2017 have been normalised to take into account the deconsolidation of the Sound, Gas Distribution and Compressed Natural Gas segments.
(6) the Personnel figure as at 31 December 2017 does not include the employees of Eighteen Sound S.r.l. and SAFE S.p.A. (38 and 73 employees, respectively), which left the Group's consolidation perimeter in November and December 2017.

2. DIRECTORS' OBSERVATIONS ON BUSINESS PERFORMANCE

Q1 2018 ended with an adjusted EBITDA of Euro 5,360 thousand, adjusted EBIT of Euro 2,706 thousand and a net result for the Group and minority interests of Euro 1,175 thousand. With the same perimeter, in other words by comparing the results for the Automotive segment alone, which is the Landi Renzo Group's core business, these results show a net improvement on the same period for the previous year, and confirm the expected results in terms of a reduction in both fixed and variable costs. This is thanks to the implementation of the action plan guidelines prepared by Management with the support of a top consulting firm, aimed at EBITDA improvement. In view of the extraordinary operations of the previous year, the figures for Q1 2018 are not directly comparable with the same period for 2017.

For the purposes of better understanding this interim report, it should be noted that during the previous year the Landi Renzo Group completed various extraordinary operations. These were described in detail in the financial report to 31 December 2017, to which please refer for more information. In particular:

- the "Sound" segment, which is essentially represented by Eighteen Sound S.r.l. and its subsidiary Sound&Vision S.r.l., which was sold in November 2017;
- on 29 December 2017, the strategic agreement was concluded for the industrial aggregation of the subsidiary SAFE S.p.A., a company in the Landi Group operating in the production and installation of gas treatment compressors for many applications ("Gas Distribution and Compressed Natural Gas" segment), and Clean Energy Compression Ltd (today called "IMW Industries Ltd"), a company specialized in compressed natural gas (CNG) supply systems including compressors, distributors, gas control systems and storage systems for various forms of transport, company fully owned by the US group Clean Energy Fuels Corp, consequently creating the world's second largest group in this sector in terms of turnover. The aggregation was based on the establishment of a newco called SAFE & CEC S.r.l. and subsequent contribution of 100% of SAFE S.p.A. by the Landi Group and 100% of Clean Energy Compressor Ltd by Clean Energy Fuels Corp. Landi Renzo S.p.A. has a majority share of 51% in SAFE & CEC S.r.l. while Clean Energy Fuels Corp. holds the remaining 49%. Following the contractually required governance system which reflects the joint control agreement between the two shareholders, the Group ownership is classified as a "joint venture" pursuant to international accounting standards (IFRS 11).

As a result, the financial data for the Sound segment and for SAFE S.p.A. were consolidated into the Group's consolidated accounts 31 December 2017, for 11 and 12 months respectively. In Q1 2018, the Group therefore operated directly only in the "Automotive" segment, its core business, and indirectly through the joint venture SAFE & CEC S.r.l., consolidated using the net equity method in the "Gas Distribution and Compressed Natural Gas segment. Consequently, the income statement to 31 March 2018 was not directly comparable with the same period of the previous year, which included the contribution of both the above segments.
Revenues for Q1 2018 were, overall, down by 10.1% (Euro 4,737 thousand), compared to the same period for last year, due to these extraordinary operations. The comparison between the revenues for Q1 2018 and the same period for the previous year (same perimeter, i.e. Automotive segment only) shows a 2.9% increase (Euro 1,119 thousand) deriving from the positive trend in After Market sales, particularly in Asia and Rest of the World. Sales of gas systems and components (OEM) on the national and international markets were in line with the same period of the previous year (-0.6%).

As regards the business outlook, the Automotive sector order portfolio is showing encouraging signs of a trend reversal compared to previous years, in the OEM distribution channel and also in After Market.

The financial results for Q1 2018 are positive in terms of the reduction in both fixed and variable costs thanks to the activities undertaken by Management in the previous year to restructure the Automotive business area and bring the Group in line with the market, improve the quality to satisfy market requirements, reduce time to market and improve EBITDA. These activities were performed with the support of a leading consulting firm and concentrated on bringing the Automotive efficiency levels into line with the industry best practices.

2.1. PERFORMANCE AND NOTES ON THE MAIN CHANGES IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2018

2.1.1. Summary of the Group's results for the first quarter of 2018

The following table sets out the main economic indicators of the Group for the first three months of 2018 compared with the same period in 2017.

(Thousands of Euro)	31/03/2018	Extraordinary costs	31/03/2018 ADJ	%	31/03/2017	Extraordinary costs	31/03/2017 ADJ	%	ADJ changes	ADJ %
Revenues from sales and services	**42,037**		**42,037**	**100.0%**	**46,774**		**46,774**	**100%**	**-4,737**	-10.1%
Other revenues and income	102		102	0.2%	250		250	0.5%	-148	-59.2%
Operating costs	-37,606	-827	-36,779	-87.5%	-45,277	-449	-44,828	-95.8%	8,049	-18.0%
Gross Operating Profit	**4,533**		**5,360**	**12.8%**	**1,747**		**2,196**	**4.7%**	**3,164**	**144.1%**
Amortization, depreciation and impairment	-2,654		-2,654	-6.3%	-4,007		-4,007	-8.6%	1,353	-33.8%
Net Operating Profit	**1,879**		**2,706**	**6.4%**	**-2,260**		**-1,811**	**-3.9%**	**4,517**	**249.4%**
Financial income (charges) and exchange differences	-1,138		-1,138	-2.7%	-1,029		-1,029	-2.2%	-109	-10.6%
Gain (loss) on equity investments valued using the equity method	-873		-873	-2.1%	78		78	0.2%	-951	-1219.2%
Profit (Loss) before tax	**-132**		**695**	**1.7%**	**-3,211**		**-2,762**	**-5.9%**	**3,457**	**125.2%**
Current and deferred taxes	-1,043				250					
Net profit (loss) for the Group and minority interests, including:	**-1,175**				**-2,961**					
Minority interests	-52				24					
Net profit (loss) for the Group	**-1,123**				**-2,985**					

Consolidated revenues for the first quarter of 2018 totalled Euro 42,037 thousand, increasing by Euro 4,737 thousand (-10.1%) compared with the same period of the previous year.

As previously illustrated, this dip in sales relates only to the sale of the “Sound” segment and to the deconsolidation of the “Gas Distribution and Compressed Natural Gas” segment at the end of 2017. Consolidated quarterly revenues the Automotive were up by 2.9% compared to the same quarter in the previous year. This was mainly as a result of sales in the After Market channel, which increased by around 5.7% mainly thanks to the acquisition of major orders in Algeria, which in recent months has invested heavily in hybrid gas engines.

Revenues in the OEM segment, which represented 40.8% of the Group’s total revenues on 31 March 2018, were essentially in line with the revenues recorded in the same period of the previous year (-0.6%).

Adjusted EBITDA at the end of the quarter was Euro 5,360 thousand, which is a clear improvement on the same period in the previous year (Euro 2,196 thousand) thanks to the higher sales in the Automotive sector and in particular, the positive reduction in fixed and variable costs resulting from the EBITDA improvement project.

The Gross Operating Profit (EBITDA) was positive at Euro 4,533 thousand. This result was impacted not only by the above factors but also by extraordinary costs totalling Euro 827 thousand. These mainly related to the top consulting firm engaged to support the Chief Executive and Management in preparing and implementing the EBITDA improvement plan, which is expected to be completed during the second half of 2018.

SEGMENT REPORTING

In compliance with the provisions of IFRS 8, information is provided below on the business operating segments.
The criteria applied to identify the operating segments and the performance indicators are consistent with the management reporting periodically prepared and used by the Group's top management to take strategic decisions.
As previously illustrated, during Q1 2018 the Group's direct operations were only in the Automotive segment. The below information, which illustrates the segment contributions by each business unit in the same quarter for the previous year, gives an adequate comparison of the results for the quarter in question.

The Group currently operates in the Gas Distribution and Compressed Natural Gas segment through a joint venture SAFE & CEC S.r.l. which, in accordance with the contractual governance system, meets the joint control requirements as stipulated by IFRS 11 and is consolidated according to the net equity method. This paragraph provides information about the trend in this segment during the quarter, to provide a better understanding of the impact of this business unit on the Group's balance sheet.

Breakdown of sales by business segment

First quarter 2018 compared to first quarter 2017

(Thousands of Euro)

Distribution of revenues by segment	At 31/03/2018	% of revenues	At 31/03/2017	% of revenues	Change	%
Automotive segment	42,037	100.0%	40,838	87.3%	1,199	2.9%
Gas Distribution and Compressed Natural Gas segment	-	0.0%	3,103	6.6%	-3,103	-100.0%
Sound segment	-	0.0%	2,833	6.1%	-2,833	-100.0%
Total revenues	**42,037**	**100%**	**46,774**	**100%**	**-4,737**	**-10.1%**

The Group's total revenues in the first three months were Euro 42,037 thousand, a reduction (-10.1%, Euro 4,737 thousand) compared to the corresponding period in the previous year. They relate entirely to the Automotive segment following the contribution of the Gas Distribution and Compressed Natural Gas segment to the joint venture SAFE&CEC S.r.l., and to the sale of the Sound segment which took place in December and November 2017. Following these extraordinary operations, there were no into segment sales during the quarter (this item amounted to Euro 106 thousand on 31 March 2017), as they mainly related to intercompany services provided by Automotive companies to companies operating in other sectors.
Revenues from sales of products and services in the Automotive segment increased in the first quarter of 2018, rising from Euro 40,838 thousand in 2017 to Euro 42,037 thousand in 2018, recording an increase of 2.9% (Euro 1,199 thousand).

Distribution of sales by geographical area in the first quarter of 2018 is shown below.

Breakdown of sales by geographical area

First quarter 2018 compared to first quarter 2017

(Thousands of Euro)

Geographical distribution of revenues	At 31/03/2018	% of revenues	At 31/03/2017	% of revenues	Change	%
Italy	7,919	18.8%	9,587	20.5%	-1,668	-17.4%
Europe (excluding Italy)	19,065	45.4%	23,731	50.7%	-4,666	-19.7%
America	5,636	13.4%	6,517	13.9%	-881	-13.5%
Asia and Rest of the World	9,417	22.4%	6,939	14.9%	2,478	35.7%
Total	**42,037**	**100%**	**46,774**	**100%**	**-4,737**	**-10.1%**

In view of the extraordinary operations occurring at the end of the previous year, leading to the deconsolidation of the Sound and Gas Distribution and Compressed Natural Gas segments, for comparison purposes below is a breakdown of sales by geographic area, for the Automotive segment only.

(Thousands of Euro)

Geographical distribution of revenues	At 31/03/2018	% of revenues	At 31/03/2017 (*)	% of revenues	Change	%
Italy	7,919	18.8%	8,071	19.8%	-152	-1.9%
Europe (excluding Italy)	19,065	45.4%	21,954	53.7%	-2,889	-13.2%
America	5,636	13.4%	5,127	12.6%	509	9.9%
Asia and Rest of the World	9,417	22.4%	5,686	13.9%	3,731	65.6%
Total	**42,037**	**100%**	**40,838**	**100%**	**1,199**	**2.9%**

(*) Data for the Automotive segment alone

Regarding the geographical distribution of revenues, during the first three months of 2018, the Group achieved 81.2% of its consolidated revenues abroad (45.4% in Europe and 35.8% outside Europe), and in detail:

- <u>Italy</u>

Sales on the Italian market of Euro 7,919 thousand were in line with the same period of the previous year (a decrease of Euro 152 thousand). They essentially reflect the good performance of the OEM and After Market segments, in particular:

- OEM bi-fuel new car registrations, for the set of new vehicles equipped with LPG and CNG systems, were in line with the same period of the previous year, accounting for 8.0% of total registrations according to data published by ANFIA (the Italian National Association for the Automotive Industry);
- After Market was essentially stable in terms of the number of conversions compared to the same period in the previous year. The Group's domestic market share on the After Market channel at the end of the period was roughly 32%.

- <u>Europe</u>

The decline of Euro 2,889 thousand in Europe was mainly attributable to the fall in After Market sales in Turkey. This was only partially offset by an upturn in sales in Russia and Ukraine.

- <u>America</u>

Sales in the first three months for this area, equal to Euro 5,636 thousand, represented an increase of 9.9%. This was mainly attributable to the positive trend in Latam.

- <u>Asia and Rest of the World</u>

The Asia and Rest of World markets recorded significant growth (65.6% compared to the first quarter of 2017). This was essentially due to the higher After Market sales in Algeria which in recent months has invested heavily in hybrid gas engines.

Profitability

(Thousands of Euro)	Values at 31 March 2018					Values at 31 March 2017				
	Automotive	*Gas Distribution and Compressed Natural Gas*	*Sound*	Adjustments	Landi Renzo Consolidated	*Automotive*	*Gas Distribution and Compressed Natural Gas*	*Sound*	Adjustments	Landi Renzo Consolidated
Net sales outside the Group	**42,037**				**42,037**	**40,838**	**3,103**	**2,833**		**46,774**
Intersegment sales					-	106	25	18	-149	0
Total Revenues from net sales and services	42,037				42,037	40,944	3,128	2,851	-149	46,774
Other revenue and income	102				102	229	21	0		250
Operating costs	-36,779				-36,779	-38,145	-4,220	-2,612	149	-44,828
Adjusted gross operating profit	**5,360**				**5,360**	**3,028**	**-1,071**	**239**	**0**	**2,196**
Extraordinary costs	-827				-827	-449	0	0		-449
Gross Operating Profit	**4,533**				**4,533**	**2,579**	**-1,071**	**239**	**0**	**1,747**
Amortization, depreciation and impairment	-2,654				-2,654	-3,551	-270	-186		-4,007
Net capital loss from disposal					0	0	0	0		0
Net Operating Profit	**1,879**				**1,879**	**-972**	**-1,341**	**53**	**0**	**-2,260**
Financial income (charges) and exchange differences					-1,138					-1,029
Gain (loss) on equity investments valued using the equity method					-873					78
Profit (Loss) before tax					**-132**					**-3,211**
Current and deferred taxes					-1,043					250
Net profit (loss) for the Group and minority interests, including:					**-1,175**					**-2,961**
Minority interests					-52					24
Net profit (loss) for the Group					**-1,123**					**-2,985**

In the first quarter of 2018 the adjusted gross operating margin (adjusted EBITDA) was positive, Euro 5,360 thousand, equivalent to 12.8% of revenues, up by Euro 3,164 thousand compared to the figure for March 2017 (Euro 2,196 thousand). This was mainly as a result of the higher sales in the Automotive sector which is the core business of the Landi Renzo Group, and partly as a result of the benefits from the reduction in fixed and variable costs thanks to the EBITDA improvement project.

The Gross Operating Profit (GOP or EBITDA) was positive at Euro 4,533 thousand, inclusive of Euro 827 thousand in extraordinary costs referred to strategic advisory expenses as detailed below:

(Thousands of Euro) **EXTRAORDINARY COSTS**	**31/03/2018**	**31/03/2017**	**Change**
Strategic consultancy	-827	-349	-478
Voluntary retirement incentives	0	-100	100
Total	**-827**	**-449**	**-378**

Costs of raw materials, consumables and goods and changes in inventories decreased overall from Euro 22,550 thousand on 31 March 2017 to Euro 20,145 thousand on 31 March 2018, which in absolute terms is a decrease of Euro 2,405 thousand, mainly related to the improvements in production efficiency and the deconsolidation of the Sound, Gas Distribution and Compressed Natural Gas segments.

The costs of services and use of third-party assets amounted to Euro 9,575 thousand and included extraordinary costs of Euro 827 thousand related to the strategic advisory costs mentioned above, compared to Euro 12,283 thousand in the same period of the previous year.

Personnel cost was Euro 7,218 thousand, a significant decrease compared to the same period in the previous year (Euro 9,736 thousand), following the company restructuring process aimed at bringing the business organisation into line with the Group’s current activities and strategic plan, and following the deconsolidation of the Sound and Gas Distribution and Compressed Natural Gas segments (Euro 1,747 thousand on 31 March 2017). During January, an agreement was signed with the partners of Lovato Gas S.p.A., in relation to the company restructuring project whose aim is to bring the business organisation into line with the Group’s current activities and the strategic plan.

The Net Operating Profit (EBIT) for the period was Euro 1,879 thousand (negative, in the amount of Euro 2,260 thousand on 31 March 2017), after accounting for amortization, depreciation and impairment of Euro 2,654 thousand (Euro 4,007 thousand on 31 March 2017), as well as extraordinary costs of Euro 827 thousand.

The quarter ended with a pre-tax loss of Euro 132 thousand against a pre-tax loss of Euro 3,211 thousand in the first quarter of 2017, after the recognition of losses on investment write-downs of Euro 873 thousand.
Financial charges amounted to Euro 1,138 thousand, up on the same period for 2017 (Euro 1,029 thousand). This was mainly as a result of the exchange effects, following the devaluation of the Brazilian and Argentinian currencies against the euro. Net of the exchange effects, financial charges have fallen compared to the same period in the previous year (Euro 893 thousand on 31 March 2018, compared to Euro 1,041 thousand on 31 March 2017).
In the first three months of 2018, the devaluation of equity investments valued using the net equity method is Euro 873 thousand (Euro 78 thousand from revaluation at 31 March 2017). This includes the Group's share of the profits

from the Joint Venture Krishna Landi Renzo India Private Ltd Held (revaluation of Euro 84 thousand) and SAFE&CEC S.r.l. (devaluation equal to Euro 957 thousand).

The net result of the Group and minority interests in the first quarter of 2018 showed a loss of Euro 1,175 thousand compared with a Group and minority interest loss of Euro 2,961 thousand for the same period in 2017. Taxes for the period include approximately Euro 600 thousand relating to the adjustment in advance taxes following the use of tax provisions during the quarter. This was mainly in connection with the payment of redundancy bonuses as provided for in the company restructuring plan.

The net result for the period as at 31 March 2018 was negative at Euro -1,123 thousand compared to a negative result of Euro -2,985 thousand in the same period of 2017.

Automotive operating segment performance

(Thousands of Euro)	31.03.2018	31.03.2017	Change	% Change
Net sales outside the Group	42,037	40,838	1,199	2.9%
Intersegment sales	0	106	-106	-100.0%
Total Revenues from net sales and services	**42,037**	**40,944**	**1,093**	**2.7%**
Other revenue and income	102	229	-127	-55.5%
Operating costs	-36,779	-38,145	1,366	-3.6%
Adjusted gross operating profit	**5,360**	**3,028**	**2,332**	**77.0%**
Extraordinary costs	-827	-449	-378	84.2%
Gross Operating Profit	**4,533**	**2,579**	**1,954**	**75.8%**
Amortization, depreciation and impairment	-2,654	-3,551	897	-25.3%
Net Operating Profit	**1,879**	**-972**	**2,851**	**293.3%**

In the first three months of 2018, the Automotive segment achieved net sales outside the Group of Euro 42,037 thousand, up 2.9% compared with the same period of the previous year (Euro 40,838 thousand).
The increase is largely due to the significant upturn in sales in the After Market channel, which benefited from a significant commercial input particularly in Algeria.
Adjusted EBITDA was Euro 5,360 thousand, which is a significant increase compared to the first three months of 2017 (Euro 3,028 thousand) thanks to the significant increase in margins related to higher sales volumes of the period and to the change in prices and products mix, with a total effect of some Euro 1.0 million, and to the benefits of the reduction in fixed costs after implementation of the EBITDA improvement project guidelines, with savings of some Euro 1.4 million.
EBITDA was positive at Euro 4,533 thousand (positive by Euro 2,579 thousand in the first three months of 2017 after including extraordinary costs of Euro 449 thousand) despite extraordinary costs for the period amounting to Euro 827 thousand.
The segment also includes sales of alarm systems for cars under the MED brand (non-core business), with revenues during the nine months equal to Euro 351 thousand.

Gas Distribution and Compressed Natural Gas operating segment performance

As already illustrated above, the "Gas Distribution and Compressed Natural Gas" segment (which in 2017 was essentially represented by the subsidiary SAFE S.p.A.), was the subject of a strategic aggregation with Clean Energy Fuels Corp, the aim of which was to create the world's second-largest group, in terms of business volume. The aggregation was based on the establishment of a newco called SAFE & CEC S.r.l. and subsequent contribution of 100% of SAFE S.p.A. by the Landi Group and 100% of Clean Energy Compressor Ltd (now "IMW Industries Ltd") by Clean Energy Fuels Corp. In accordance with the contractually required governance system, which reflects the joint control agreement between the two shareholders, the Group's share is classified as a "joint venture" pursuant to international accounting standards (IFRS 11). Therefore consolidation is via the net equity method.

This joint venture was recognised according to the net equity method. It led to the recognition of a write-down of the equity investment of Euro 957 thousand on 31 March 2018.

During the first three months of 2018, the Gas Distribution and Compressed Natural Gas segment achieved consolidated net sales of Euro 9,873 thousand, adjusted EBITDA of Euro -1,030 thousand, and a post-tax loss of Euro 1,877 thousand. SAFE&CEC's results for the quarter were affected both by the seasonality of the business and by the initial inefficiencies due to the harmonisation and reorganisation issues that only arose after a few months. Management is currently undertaking initiatives to restructure the group's activities in order to harmonise the synergies between SAFE S.p.A. and IMW Industries Ltd. The Group has a portfolio of major orders which will see a gradual recovery in the next few quarters, with the budget targets being reached: expected revenues at between Euro 57 and Euro 60 million, with an adjusted EBITDA margin of approximately Euro 5 million, equal to 8% of revenues.

Invested capital

(Thousands of Euro)

Balance Sheet and Financial Position	31/03/2018	31/12/2017	31/03/2017
Trade receivables	30,386	29,118	34,951
Inventories	38,822	36,562	49,719
Work in progress on orders	0	0	714
Trade payables	-49,168	-47,829	-46,548
Other net current assets	267	-571	-431
Net operating capital	**20,307**	**17,279**	**38,405**
Tangible assets	13,489	14,583	29,262
Intangible assets	50,354	51,264	58,067
Other non-current assets	36,080	37,305	7,836
Fixed capital	**99,923**	**103,152**	**95,165**
TFR (severance indemnity) and other provisions	-11,529	-14,760	-12,570
Net invested capital	**108,701**	**105,671**	**121,000**
Financed by:			
Net Financial Position	53,774	48,968	69,877
Group shareholders' equity	55,601	57,372	51,410
Minority interests	-674	-669	-287
Borrowings	**108,701**	**105,671**	**121,000**

Ratios	31/03/2018	31/12/2017	31/03/2017
Net operating capital	20,307	17,279	38,405
Net operating capital/Turnover (rolling)	12.1%	10.3%	20.2%
Net invested capital	108,700	105,671	121,000
Net capital employed/Turnover (rolling)	64.6%	63.0%	63.8%

Net working capital at the end of the period stood at Euro 20,307 thousand. This is an increase compared to the same figure recorded on 31 December 2017, of Euro 3,028 thousand as a result of the increase in inventories and receivables, which was only partially offset by the increase in trade payables. In terms of percentages on rolling sales, there was an increase in this figure, from 10.3% on 31 December 2017 to the current 12.1% (20.2% on 31 March 2017).

Trade receivables stood at Euro 30,386 thousand, an increase of Euro 1,268 thousand compared to 31 December 2017. On 31 March 2017, derecognised receivables assigned through factoring with crediting on maturity stood at Euro 22.1 million, compared to Euro 19.5 million on 31 December 2017.

There was an increase of Euro 1,339 thousand in trade payables, which rose from Euro 47,829 thousand as at 31 December 2017 to Euro 49,168 thousand, while the closing inventories totalling Euro 38,822 thousand, increased by Euro 2,260 thousand to support the orders on hand of the second quarter.

Net invested capital (Euro 108,701 thousand) was basically unchanged compared to December 2017, Euro 105,671 thousand), while the percentage indicator calculated on the rolling turnover increased from 63.0% to 64.5%.

Net Financial Position and cash flows

(Thousands of Euro)

	31/03/2018	31/12/2017	31/03/2017
Cash and cash equivalents	18,670	17,779	20,997
Bank financing and short-term loans	-13,049	-7,741	-25,187
Bonds issued (net value)	-2,373	-2,373	
Short-term loans	-419	-419	-425
Net short term indebtedness	**2,829**	**7,246**	**-4,615**
Bonds issued (net value)	-29,101	-28,679	-31,377
Medium-Long term loans	-27,502	-27,535	-33,885
Net medium-long term indebtedness	**-56,603**	**-56,214**	**-65,262**
Net financial position	**-53,774**	**-48,968**	**-69,877**

The Net Financial Position was negative at Euro -53,774 thousand compared to the negative Net Financial Position as at 31 December 2017 of Euro -48,968 thousand (equal to Euro -69,877 thousand as at 31 March 2017). The changing Net Financial Position was due to the increase in working capital, as well as the redundancy bonuses paid during the quarter, and the effects of the initial application of IFRS 9.

The following table shows the total cash flow for the first quarter of 2018 compared with the first quarter of 2017

(Thousands of Euro)

	31/03/2018	31/03/2017
Operational cash flow	-3,495	-1,930
Cash flow for investment activities	-642	-1,556
Free Cash Flow	***-4,137***	***-3,486***
Cash flow generated (absorbed) by financing activities	5,275	7,541
Overall cash flow	**1,138**	**4,055**

The net cash flow from operations at the end of March, as shown in the statement of cash flows, was Euro -3,495 thousand; the investments absorbed cash flow of Euro 642 thousand, while the cash flow generated by financial activities was positive, in the amount of Euro 5,275 thousand.

Investments

Investments in property, plant, machinery and other equipment totalled Euro 139 thousand (Euro 801 thousand as at 31 March 2017) and refer to purchases of plant and machinery, new production moulds and testing/control equipment.

The increase in intangible assets amounted to Euro 511 thousand (Euro 910 thousand as at 31 March 2017) and mainly related to the capitalisation of costs of development projects, which meet the requirements of IAS 38 for recognition as balance sheet assets.

2.1.2. Results of Parent company

As at 31 March 2018, Landi Renzo S.p.A. had generated revenues of Euro 28,145 thousand, a significant improvement of 16.4% compared to the same period of the previous year (Euro 24,180 thousand).
The Gross Operating Profit was positive and totalled Euro 1,709 thousand compared to Euro 894 thousand at 31 March 2017, with an increase of Euro 815 thousand.
In the first quarter of 2018, the Parent Company incurred extraordinary costs of Euro 827 thousand related to the strategic advisory costs mentioned above.

2.1.3. Transactions with related parties

The Landi Group deals with related parties at market conditions considered to be normal in the markets in question, taking account of the characteristics of the goods and the services supplied.

Transactions with related parties listed below include:

- the relationships for supply of services between Gireimm S.r.l. and Landi Renzo S.p.A. and Safe S.p.A. for rent of the property used as the operational headquarters of the Parent Company and of the subsidiaries;
- the service contracts between Gestimm S.r.l., a company in which a stake is held through the parent company Girefin S.p.A., and Landi Renzo S.p.A. for rent of the property used as headquarters of the subsidiary;
- the service supply contracts between Emilia Properties Inc., a company in which a stake is held through the parent company Girefin S.p.A., and Landi Renzo USA Corporation for the rents on properties used by the company;
- the supply agreements for services provided by Landi Renzo S.p.A. and Landi Renzo USA Corporation to the joint venture SAFE & CEC S.r.l. in relation to administration and commercial services;
- relationships for supply of services to the Pakistani company AutoFuels (held by a minority shareholder of the Pakistani subsidiary LR PAK), to the joint venture Krishna Landi Renzo India Private Ltd Held and to the joint venture EFI Avtosanoat-Landi Renzo LLC.

2.2. SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER AND LIKELY FUTURE DEVELOPMENTS

After the end of the quarter and up to the present date we point out that:

- On 24 April 2018, the Shareholders' Meeting of Landi Renzo S.p.A. resolved, amongst other things:
  - to approve the financial statements for 2017, and to allocate to the extraordinary reserve the sum of Euro 1,938,986.13 being the annual profit earned by Landi Renzo S.p.A., as the Legal Reserve has already reached one fifth of the share capital;
  - to authorize the Board of Directors to purchase treasury shares.
- The automotive sector is pursuing a strategy intended to consolidate its positioning in mature markets and grow at international level, for the most part in the Heavy Duty segment.
- in April, one of the leading automotive publications Automotive News Europe nominated CEO Cristiano Musi as one of the industry's Rising Stars of 2018 in the General Management category. This award is part of an annual programme for managers from all disciplines in the automotive industry.

Likely future developments

With regard to the business outlook, taking into account the results of the first three months of 2018, the uncertainties in the core market and the orders in the portfolio, the information already given at the time of approval of the annual financial report to 31 December 2017 is confirmed, with moderate business growth forecast along with a slight recovery in margins in terms of adjusted EBITDA.

Cavriago, 14 May 2018

Chief Executive Officer
Cristiano Musi

3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2018

3.1. GENERAL ACCOUNTING STANDARDS AND CONSOLIDATION PRINCIPLES

3.1.1. Preamble

The Interim Management Report as at 31 March 2018, which has not been audited, has been prepared in compliance with art. 154-*ter* of Italian Legislative Decree no. 58 of 24 February 1998, as amended, and with the *Regolamento Emittenti* (Issuers' Regulations) issued by CONSOB (Italian Securities and Exchange Commission). Therefore, the provisions of the IAS on infra-annual financial information (IAS 34 – Interim Financial Reporting) were not adopted.

The Interim Management Report as at 31 March 2018 has been prepared in accordance with the IAS/IFRS. To this end, the data of the separate financial statements of the Italian and foreign subsidiaries have been reclassified and adjusted accordingly.

The line-by-line method is used for consolidation, whereby all assets and liabilities are recognised in their entirety, excluding the joint venture SAFE & CEC S.r.l. and Krishna Landi Renzo India Private LTD Held, which is consolidated using the equity method.
The accounting standards, and the valuation and consolidation criteria used in preparing the Interim Management Report as at 31 March 2018 are not different to those used in drawing up the consolidated financial statements closed at 31 December 2017, to which please refer for further information.

As well as the interim values as at 31 March 2018 and 2017, the financial data for the year ended on 31 December 2017 is shown for the purpose of comparison.

The functional and reporting currency is the Euro. Figures in the schedules and tables herein are in thousands of Euro.

3.1.2. Amendments and revised accounting standards applied by the Group for the first time

The accounting standards and calculation methods used in preparing this interim report have not been varied compared to the standards used for the consolidated report to 31 December 2017 apart from the initial application of IFRS 9, which led to a redetermination of the amortised cost of the loans and bonds that were renegotiated during the previous year. As provided for by the transitional rules, the related effect was charged to the opening balance of net equity for the current year.
Please note that the valuation and measurement of the accounting items shown are based on International Accounting Standards and the relative interpretations currently in force, and that no new accounting standards were applied early.

3.1.3. Consolidation procedures and accounting criteria

The preparation of the Interim Management Report requires the directors to apply accounting standards and methods that are sometimes based on difficult and subjective assessments and estimates derived from past experience and based on assumptions that are considered reasonable and realistic given the circumstances. Application of these estimates and assumptions affects the amounts presented in the financial statements, such as the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Shareholders' Equity and the Consolidated Cash Flow Statement, and in disclosures provided. Estimates are used in recognizing goodwill, impairment of fixed assets, development expenditure, taxes, provisions for bad debts and inventories write-down, employee benefits and other provisions. The estimates and assumptions are reviewed periodically and the effects of all changes are normally reflected immediately on the income statement.

However, some valuation processes, especially the more complex ones such as establishing any loss in value of non-current assets, are normally carried out to a fuller extent only during the preparation of the annual financial statements, when all the necessary information is available, except for those cases in which there are impairment indicators that require an immediate assessment of possible losses in value.

The Group performs activities that do not on the whole present significant seasonal or cyclical variations in total sales over the course of the year, except for the signing of new supply contracts on the OEM channel which may involve planned and differing delivery schedules in the individual quarters.

The policies and principles of the Landi Renzo Group for the identification, management and control of risks related to the activity are described in detail in the Consolidated Financial Statements as at 31 December 2017, to which you may refer for a more complete description of such aspects.

3.1.4. Consolidation area

The consolidation scope includes the Parent Company Landi Renzo S.p.A. and the companies in which it holds a direct or indirect controlling stake according to IFRS.

There has been no change to the consolidation area, as of 31 March 2018, compared to 31 December 2017. However, the company Eighteen Sound S.r.l. and its subsidiary Sound&Vision S.r.l. were sold in November 2017 and therefore the income statement was only consolidated for 11 months. In addition the subsidiary SAFE S.p.A was contributed to the joint venture SAFE & CEC S.r.l. on 29 December 2017 and was therefore deconsolidated. Following these extraordinary operations which are described in detail in the financial report to 31 December 2017 (to which please refer), the income statement to 31 March 2018 is not directly comparable with the same period for the previous year.

Adoption of simplification of reporting obligations pursuant to CONSOB Resolution no. 18079 of 20 January 2012.

Under Art. 3 of CONSOB Resolution no. 18079 of 20 January 2012, Landi Renzo S.p.A. decided to adopt the opt-out system envisaged by Arts. 70, par. 8, and 71, par. 1-*bis,* of CONSOB Regulation no. 11971/99 (as amended). It is therefore able to opt out from the disclosure of the information documents listed in Annex 3B to the CONSOB Regulation, on occasion of significant mergers, demergers, increases in capital through contribution of goods in kind, acquisitions and disposals.

3.2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousands of Euro)

ASSETS	31/03/2018	31/12/2017	31/03/2017
Non-current assets			
Land, property, plant, machinery and equipment	13,489	14,583	29,262
Development expenditure	4,904	5,401	8,210
Goodwill	30,094	30,094	30,094
Other intangible assets with finite useful lives	15,356	15,769	19,763
Equity investments valued using the equity method	23,428	24,301	121
Other non-current financial assets	445	428	447
Other non-current assets	4,560	4,560	
Deferred tax assets	7,647	8,016	7,268
Total non-current assets	**99,923**	**103,152**	**95,165**
Current assets			
Trade receivables	28,478	27,443	33,213
Trade receivables - related parties	1,908	1,675	1,738
Inventories	38,822	36,562	49,719
Contract works in progress			714
Other receivables and current assets	8,918	7,529	11,092
Cash and cash equivalents	18,670	17,779	20,997
Total current assets	**96,796**	**90,988**	**117,473**
TOTAL ASSETS	**196,719**	**194,140**	**212,638**

(Thousands of Euro)

SHAREHOLDERS' EQUITY AND LIABILITIES	31/03/2018	31/12/2017	31/03/2017
Equity			
Share capital	11,250	11,250	11,250
Other reserves	45,474	41,983	43,145
Profit (loss) for the period	-1,123	4,139	-2,985
Total Shareholders' Equity attributable to the Group	**55,601**	**57,372**	**51,410**
Minority interests	-674	-669	-287
TOTAL SHAREHOLDERS' EQUITY	**54,927**	**56,703**	**51,123**
Non-current liabilities			
Non-current bank loans	26,813	26,906	32,836
Other non-current financial liabilities	29,790	29,308	32,426
Provisions for risks and charges	9,045	11,891	9,126
Defined benefit plans for employees	2,027	2,446	2,940
Deferred tax liabilities	457	423	504
Total non-current liabilities	**68,132**	**70,974**	**77,832**
Current liabilities			
Bank financing and short-term loans	13,049	7,741	25,187
Other current financial liabilities	2,792	2,792	425
Trade payables	44,446	43,165	41,809
Trade payables – related parties	4,722	4,664	4,739
Tax liabilities	3,265	3,003	2,494
Other current liabilities	5,386	5,098	9,029
Total current liabilities	**73,660**	**66,463**	**83,683**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**196,719**	**194,140**	**212,638**

3.3. CONSOLIDATED INCOME STATEMENT

(Thousands of Euro)

CONSOLIDATED INCOME STATEMENT	31/03/2018	31/03/2017 (*)
Revenues from sales and services	42,037	46,774
- of which transactions with related parties	277	204
Other revenue and income	102	250
Costs of raw materials, consumables and goods and change in inventories	-20,145	-22,550
Costs for services and use of third party assets	-9,575	-12,283
- of which transactions with *related parties*	-526	-804
Personnel cost	-7,218	-9,736
Provisions, provision for bad debts and other operating expenses	-668	-708
Gross Operating Profit	**4,533**	**1,747**
Amortization, depreciation and impairment	-2,654	-4,007
Net Operating Profit	**1,879**	**-2,260**
Financial income	26	18
Financial expenses	-919	-1,059
Exchange gains (losses)	-245	12
Gain (loss) on equity investments valued using the equity method	-873	78
Profit (Loss) before tax	**-132**	**-3,211**
Current and deferred taxes	-1,043	250
Net profit (loss) for the Group and minority interests, including:	**-1,175**	**-2,961**
Minority interests	-52	24
Net profit (loss) for the Group	-1,123	-2,985
Basic earnings (loss) per share (calculated on 112,500,000 shares)	-0.0100	-0.0265
Diluted earnings (loss) per share	-0.0100	-0.0265

(*) The comparative figure was re-presented in accordance with the classification adopted on 31 March 2018

3.4. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of Euro)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	31/03/2018	31/03/2017
Net profit (loss) for the Group and minority interests:	**-1,175**	**-2,961**
Profits/losses that will not be subsequently reclassified in the income statement		
Remeasurement of defined employee benefit plans (IAS 19)	-33	50
Total profits/losses that will not be subsequently reclassified in the income statement	**-33**	**50**
Profits/losses that could subsequently be reclassified in the income statement		
Exchange rate differences from conversion of foreign operations	-247	393
Total profits/losses that could subsequently be reclassified in the income statement	**-247**	**393**
Profits/Losses recorded directly to Shareholders' Equity net of tax effects	**-280**	**443**
Total consolidated income statement for the period	**-1,455**	**-2,518**
Profit (loss) for Shareholders of the Parent Company	-1,450	-2,549
Minority interests	-5	31

3.5. CONSOLIDATED CASH FLOW STATEMENT

(Thousands of Euro)

CONSOLIDATED CASH FLOW STATEMENT	31/03/2018	31/03/2017
Financial flows deriving from operating activities		
Profit (loss) for the period	-1,175	-2,961
Adjustments for:		
Depreciation of property, plant and equipment	1,233	2,046
Amortization of intangible assets	1,421	1,902
Loss (Profit) from disposal of tangible and intangible assets	-30	60
Impairment loss on receivables	20	40
Net financial expenses	1,138	1,029
Profit (loss) attributable to investments	873	0
Income tax for the year	1,043	-250
	4,523	**1,866**
Changes in:		
Inventories and contract work in progress	-2,260	719
Trade receivables and other receivables	-2,678	1,561
Trade payables and other payables	1,266	-5,051
Provisions and employee benefits	-2,953	19
Cash generated from operations	**-2,102**	**-886**
Interest paid	-1,159	-670
Interest received	5	6
Income taxes paid	-239	-380
Net cash generated (absorbed) by operations	**-3,495**	**-1,930**
Financial flows from investments		
Proceeds from the sale of property, plant and equipment	8	77
Change in consolidation area and sale of consolidated entities	0	78
Purchase of property, plant and equipment	-139	-801
Purchase of intangible assets	-56	-10
Development expenditure	-455	-900
Net cash absorbed by investment activities	**-642**	**-1,556**
Financial flows from financing activities		
Future share capital increase contributions	0	8,867
Disbursements (reimbursements) of medium/long-term loans	0	-336
Change in short-term bank debts	5,275	-990
Net cash generated (absorbed) by financing activities	**5,275**	**7,541**
Net increase (decrease) in cash and cash equivalents	**1,138**	**4,055**
Cash and cash equivalents as at 1 January	17,779	16,484
Effect of exchange rate fluctuation on cash and cash equivalents	-247	458
Closing cash and cash equivalents	**18,670**	**20,997**

This report, as required by IAS 7, par. 18, has been prepared using the indirect method.

Other information	31/03/2018	31/03/2017
(Increase)/Decrease in trade receivables and other receivables from related parties	-233	260
Increase/(Decrease) in trade payables and other payables to related parties	58	568

3.6. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Thousands of Euro)	Share capital	Statutory Reserve	Extraordinary and Other Reserves	Share Premium Reserve	Future share capital increase contributions	Result for the year	Group Shareholders' Equity	Profit (Loss) attributable to minority interests	Capital and reserves attributable to minority interests	Total Shareholders' Equity
Balance as at 31 December 2016	**11,250**	**2,250**	**10,552**	**46,598**	**0**	**-25,245**	**45,405**	**-759**	**436**	**45,082**
Result for the year						-2,985	**-2,985**	24		**-2,961**
Actuarial profits/losses (IAS 19)			50				**50**			**50**
Translation difference			386				**386**		7	**393**
Total comprehensive profits/losses			**436**			**-2,985**	**-2,549**	**24**	**7**	**-2,518**
Other changes			-313		8,867		**8,554**		5	**8,559**
Allocation of profit			-25,245			25,245	**0**	759	-759	**0**
Balance as at 31 March 2017	**11,250**	**2,250**	**-14,570**	**46,598**	**8,867**	**-2,985**	**51,410**	**24**	**-311**	**51,123**
Balance as at 31 December 2017	**11,250**	**2,250**	**148**	**30,718**	**8,867**	**4,139**	**57,372**	**-437**	**-232**	**56,703**
Effect of IFRS 9 application			-321				**-321**			**-321**
Balance as at 01 January 2018	**11,250**	**2,250**	**-173**	**30,718**	**8,867**	**4,139**	**57,051**	**-437**	**-232**	**56,382**
Result for the year						-1,123	**-1,123**	-52		**-1,175**
Actuarial profits/losses (IAS 19)			-33				**-33**			**-33**
Translation difference			-294				**-294**		47	**-247**
Total comprehensive profits/losses			**-327**			**-1,123**	**-1,450**	**-52**	**47**	**-1,455**
Other changes							**0**			**0**
Allocation of profit			4,139			-4,139	**0**	437	-437	**0**
Balance as at 31 March 2018	**11,250**	**2,250**	**3,639**	**30,718**	**8,867**	**-1,123**	**55,601**	**-52**	**-622**	**54,927**

STATEMENT PURSUANT TO ARTICLE 154-*bis*, PAR. 2, OF ITALIAN LEGISLATIVE DECREE NO. 58 DATED 24 FEBRUARY 1998

Subject: Interim Management Report as at 31 March 2018

I, the undersigned, Paolo Cilloni, the Financial Reporting Manager of Landi Renzo S.p.A.,

declare

in accordance with Article 154-bis, subparagraph 2 of the Finance Consolidation Act (Italian Legislative Decree 58/1998) that the accounting information contained in the Interim Management Report to 31 March 2018 corresponds to the accounting documents, ledgers and records.

Cavriago 14 May 2018

Financial Reporting
Manager
Paolo Cilloni