Informazione Regolamentata n. 0915-8-2019	Data/Ora Ricezione 14 Marzo 2019 18:42:38	MTA - Star

Societa'	:	LANDI RENZO
Identificativo Informazione Regolamentata	:	115123
Nome utilizzatore	:	LANDIN03 - Cilloni
Tipologia	:	REGEM
Data/Ora Ricezione	:	14 Marzo 2019 18:42:38
Data/Ora Inizio Diffusione presunta	:	14 Marzo 2019 18:42:39
Oggetto	:	PR_FY18 Financial Results

Testo del comunicato

Vedi allegato.

Landi Renzo: Board of Directors approves results at December 31, 2018 and convenes the General Shareholders' Meeting on April 29, 2019. The Agenda includes, *inter alia*, the appointment of the members of the Board of Directors and the Board of Statutory Auditors

- All main operating and financial indicators grew sharply
- Revenues target achieved ahead of the Strategic Plan schedule
- Ongoing margin growth

Results:

- ✓ Revenues amounted to €188.1 million, increasing (+12.5%) compared to €167.1 million at December 31, 2017 (on a like-for-like consolidation basis)
- ✓ Adjusted EBITDA was positive at €25.2 million, increasing sharply (+134.9%) compared to €10.7 million at December 31, 2017 (on a like-for-like consolidation basis)
- ✓ EBITDA was positive at €21.5 million, sharply up compared to €2.7 million at December 31, 2017 (on a like-for-like consolidation basis)
- ✓ EBIT totaled €11.3 million (negative for €11.9 million at December 31, 2017, on a like-for-like consolidation basis)
- ✓ Net profit grew to €4.5 million compared to €3.7 million at year-end 2017
- ✓ Net Financial Debt was €52.9 million (net financial debt of €49 million at December 31, 2017)
- ✓ Revenues target exceeded ahead of the Strategic Plan schedule

Cavriago (RE), March 14, 2019

The Board of Directors of Landi Renzo S.p.A., chaired by Stefano Landi, today examined and approved the draft Financial Statements of the Company and the Consolidated Financial Statements at December 31, 2018. For the second year running, Landi Renzo reported an improvement in all main operating and financial indicators and margin growth. This was the result of the first measures implemented by the management in accordance with the 2018-2022 Strategic Plan, including the shift in the Group's focus towards the Automotive business, the implementation of the EBITDA Improvement project launched in the previous year, intensification of R&D activities within the gas mobility sector, as well as the strengthening of the Group's position within the key markets for gas-powered vehicles.

"*2018 was a year of exceptional results, which followed the already remarkable achievements of 2017. Landi Renzo was able to increase its leading position in the natural gas-based transport sector thanks both to its focus on the Automotive industry and to orders placed by important international OEMs and within the After Market channel, particularly from countries where natural gas-powered vehicles are a very fast-expanding segment, like in India and Brazil. I thank the top managers and the whole team of professionals involved for the enormous amount of work that they have performed and that — I am certain — will carry on successfully in the future,*" stated Stefano Landi, Chairman of Landi Renzo S.p.A.

Cristiano Musi, Chief Executive Officer of Landi Renzo S.p.A., commented: "*After laying down the foundations for our future in the previous year, I can honestly say that I am proud of the work accomplished in 2018 by the team and all our colleagues. We have already reached some of the goals set out in the 2018-2022 Strategic Plan, like our revenues target, and achieved a robust margin improvement, returning to profit with no extraordinary transactions. Now, we aim at becoming a key player of future mobility, enhancing the value and* *role of gas mobility, which has a significant scope for expansion, both in the Passenger Car and the Heavy Duty segments. We are ready to grasp all opportunities, also leveraging on our ability to be a reliable partner and to work on innovative solutions in collaboration with our customers. Moreover, we continue with our daily commitment to secure our future, backed by a strong R&D team working in partnership with universities and international research centers in the search for solutions involving the use of biomethane and even hydrogen for both Passenger Cars and Mid & Heavy Duty vehicles, striving for a more sustainable mobility ensuring enhanced efficiency to users. In 2019, we intend to focus all our efforts on this path towards growth and technological development, in order to unlock the Group's full potential and to grasp the strategic opportunities that may arise to accelerate growth and create value."*

"In addition, I would like to underline the improving performance reported by the SAFE-CEC S.r.l. joint venture, whose revenues grew by about 20% in its first year of operation, with aggregate adjusted Ebitda improving from a negative figure of about €3.5 million to a positive adjusted Ebitda of €4 million. The Company has therefore strengthened its leading position on European and international markets, standing among the leaders offering solutions for biomethane distribution. For SAFE-CEC as well, 2019 will represent a further breakthrough year, with the goal of expanding its business and doubling its Ebitda."

Group's Consolidated Financial Highlights at December 31, 2018 (on a like-for like consolidation basis)

Following the M&A transactions undertaken at the end of the previous year, including the deconsolidation of the Sound business (as a result of the sale of Eighteen Sound S.r.l. to B&C Speaker S.p.A.) and the Gas Distribution and Compressed Natural Gas business (with the transfer of SAFE to the SAFE&CEC S.r.l. joint venture), in 2018 the Group operated directly in its automotive core business, and indirectly — through the SAFE&CEC S.r.l. joint venture — in the Gas Distribution and Compressed Natural Gas business. The income statement at December 31, 2018 cannot be therefore compared directly with that for the same period of 2017.

In 2018, Landi Renzo Group's revenues amounted to €188,079 thousand on a like-for like consolidation basis, i.e., considering the Automotive business alone, up by €20,935 thousand (+12.5%) compared to the previous year. The sales increase was mainly attributable to the After Market channel's positive performance (accounting for approximately 19.9%), in particular within the emerging markets, where the Group concentrated its sales activities. This uptrend confirmed the effectiveness of the Group's efforts in terms of business expansion, both in Italy and worldwide, and its strong positioning in the OEM channel, which accounted for 39% of the Group's total revenues at December 31, 2018, up 2.7% compared to the previous year. In addition, sales grew also as a result of the increased demand for low environmental-impact engines, due to the increasing restrictions posed on internal combustion engine (ICEs) by the European Union.

The breakdown by geographical area of Group's revenues — 82.3% of which were generated abroad (81.6% at December 31, 2017) — was as follows:

- Italy accounted for 17.7% of total sales, up in absolute terms, on a like-for like consolidation basis (€33,297 thousand) compared to December 31, 2017 (€30,802 thousand), thanks to the good performance of the OEM and After Market channels;
- the rest of Europe accounted for 41.4% (€77,896 thousand) of total sales (48.9% at December 31, 2017), down by 4.6% (€3,773 thousand) compared to 2017, as a result of the decline in After Market sales in Turkey, partially offset by the recovery of sales on the Polish market;
- sales generated in America in 2018 accounted for 19.7% of total sales (15.4% in 2017), amounting to €37,082 thousand, with a 43.8% increase thanks to the After Market segment's good sales performance in the LATAM area;
- the markets in Asia and the Rest of the World improved significantly, accounting for 21.2% of total sales (17.3% at December 31, 2017), with a good sales performance of €39,804 thousand in absolute

terms (+37.8% compared to the previous year), mainly thanks to the good results reported by the North Africa area.

Adjusted EBITDA amounted to €25,237 thousand at December 31, 2018 (13.4% of revenues), up €14,492 thousand compared to December 31, 2017 (€10,745 thousand), owing to an increase in sales volumes of €6.4 million, as well as to a decline of €6.5 million in fixed costs and of €1.6 million in variable costs associated with the EBITDA Improvement project.

EBITDA was positive at €21,512 thousand and included non-recurring costs for €3,725 thousand, chiefly attributable to strategic advisory associated with the implementation of the EBITDA Improvement project.

EBIT for the reporting period was positive at €11,269 thousand (negative at €11,860 thousand at December 31, 2017), after amortization, depreciation and impairment losses totaling €10,243 thousand (€12,597 thousand at December 31, 2017) and non-recurring costs for €3,725 thousand (€10,977 thousand at December 31, 2017). At December 31, 2017, EBIT had been affected by a €1,984 thousand loss on asset disposal related to the sale of Technical Center business unit's laboratories management activities to the AVL Group.

Total financial expenses (interest received, interest paid and exchange gains/losses) amounted to €5,493 thousand, down compared to 2017 (€6,178 thousand), mainly due to lower interest expenses, attributable to more effective debt management.

At December 31, 2018, **EBT** was positive for €4,185 thousand (€3,474 thousand at December 31, 2017), net of the €1,591 thousand loss on equity investments measured at equity, primarily regarding the joint ventures Krishna Landi Renzo India Private Ltd Held (written up by €308 thousand) and SAFE&CEC S.r.l. (written down by €1,895 thousand).

The Group's **Net Profit** for the Group and minority interests at December 31, 2018 was €4,533 thousand, compared to a net profit for the Group and minority interests amounting to €3,702 thousand at December 31, 2017.

Net Financial Debt totaled €52,872 thousand at December 31, 2018, essentially in line with December 31, 2017 (net financial debt of €48,968 thousand), despite €4,377 thousand non-recurring costs incurred for termination incentives and the related employee-leaving indemnities associated with the reorganization plan and investments in tangible and intangible assets of €8,269 thousand.

Performance of the Gas Distribution and Compressed Natural Gas operating business

The Gas Distribution and Compressed Natural Gas business (which in 2017 was represented by the subsidiary SAFE S.p.A.) was subject to a strategic business combination agreement with Clean Energy Fuels Corp aimed at creating the number-two player in the sector worldwide by turnover.
The business combination was implemented through the formation of a NewCo, SAFE & CEC S.r.l., to which 100% of SAFE S.p.A.'s share capital was then contributed by Landi Group and 100% of Clean Energy Compressor Ltd (now called IMW Industries Ltd) by Clean Energy Fuels Corp. Due to the agreed governance system — which reflects a joint control arrangement between the two shareholders — the Group's equity interest has been classified as a joint venture for the purposes of international accounting standards (IFRS 11) and therefore has been consolidated using the equity method.
In 2018, the Gas Distribution and Compressed Natural Gas business reported consolidated net sales of €58,920 thousand, adjusted EBITDA positive at €4,005 thousand and a loss after taxes of €3,716 thousand. The

SAFE&CEC NewCo's results for the reporting period were attributable to several start-up inefficiencies, generally experienced by Groups that have been incorporated for a few months and are therefore still implementing a process for integrating and enhancing synergies.
In parallel, all the activities aimed at reorganizing the Group's operations have been launched, particularly with a view to optimizing processes and synergies between SAFE S.p.A. and IMW Industries Ltd, and with significant objectives in terms of cost reduction and margin growth.
The Group also has a significant order backlog, which it is believed will allow it to go back to profit and significantly increase EBITDA as soon as 2019.

Landi Renzo S.p.A. (Parent Company): Financial Highlights at December 31, 2018

Revenues of Landi Renzo S.p.A., also following the merger (effective October 30, 2018) of Emmegas S.r.l., a company fully held by Landi Renzo S.p.A., amounted to €135,987 thousand, up 22% compared to the previous year. EBITDA was positive at €11,894 thousand compared to the 2017 figure, negative for €4,748 thousand. EBIT totaled €4,466 thousand, impacted by amortization, depreciation and impairment losses amounting to €7,428 thousand overall, of which €4,163 thousand referring to intangible assets and €3,265 thousand to tangible assets.
Net financial debt totaled €54,538 thousand at year-end 2018, compared to a net financial debt of €56,899 thousand at December 31, 2017. Workforce rose to 300 staff.

Significant Events after December 31, 2018

The following events occurred after December 31, 2018 and up to today's date:

- on February 6, 2019, the subsidiary Landi Renzo Brasil signed an exclusive partnership agreement with Uber, a company that directly connects passengers and car drivers at global level. Under the agreement, the cars owned by Uber drivers in Brazil will be converted into gas-powered vehicles thanks to the solutions offered by Landi Renzo. With the Landi Renzo-Uber partnership agreement, Uber undertakes to offer to Brazilian Uber drivers a special credit facility to acquire and install Landi Renzo's methane-powered systems;
- on February 28, 2019, Landi Renzo and Krishna Landi Renzo, Landi Renzo Group's Indian joint venture, signed an exclusive partnership agreement with Ford India. Under the agreement, Landi Renzo undertakes to produce and install its solutions for the methane-powered version of the new Ford Aspire, also guaranteeing post-sales support service through its local authorized workshops. The number of vehicles that will be involved in the scope of this supply agreement amounts to 2,000 units per year for approximately five years.

Business outlook

In light of the performance of the reference market and the order backlog, for 2019 the Group forecasts revenues in the range of €185 million to €190 million, and an adjusted EBITDA of approximately €27 million.
The joint venture's revenues related to the Gas Distribution and Compressed Natural Gas segment (consolidated using the equity method) are expected to increase by an amount of €65-€70 million, with an adjusted EBITDA of about €8 million.

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Proposal for the renewal of the authorization for the buy-back and disposal of treasury shares

The Board of Directors decided to submit to the Shareholders' Meeting the proposal to renew the plan for the buy-back and/or disposal of treasury shares, after prior revocation of the resolution passed by the General Shareholders' Meeting on April 24, 2018, in order to:

(a) have treasury shares which may be used: (I) for future stock option plans (or other remuneration systems based on financial instruments pursuant to Article 114-*bis* of Legislative Decree No. 58/1998) for executive directors, employees, including managers and staff of Landi Renzo S.p.A. and its subsidiaries; (ii) for the issue of bonds convertible into shares of Landi Renzo S.p.A.; and (iii) for effective use of company liquidity;

(b) stabilize share trends in relation to contingent market situations, in compliance with Regulation (EU) No. 596/2014, in accordance with applicable Italian and European legislation.

The main characteristics of the proposed plan are: 18-month duration, starting from the date on which the Shareholders' Meeting passes the relevant resolution; a maximum number of ordinary shares, including shares held by Landi Renzo S.p.A. and its subsidiaries, with an overall nominal value not in excess of one-fifth of total capital, to be purchased at a price which is no more than 20% above or below the reference price of the shares recorded on the trading day prior to each single purchase and that also does not exceed the higher of the price of the most recent independent transaction and the highest current bid price in the trading facility in which the purchase is undertaken, even if the shares are traded in multiple facilities. Treasury shares shall be purchased in compliance with Italian and European laws and regulations, according to various methods: (i) public purchase or exchange offer; (ii) on regulated markets or multilateral trading facilities; (iii) purchase or sale of derivatives on regulated markets or multilateral trading facilities that involve the physical delivery of underlying shares; (iv) award of put options to shareholders; (v) as part of systematic internalization services, on a non-discriminatory basis, involving the automatic, non-discretionary execution of trades according to pre-determined parameters; (vi) by methods established by market practice admitted by Consob pursuant to Regulation (EU) No. 596/2014; or (vii) under the conditions laid down in Article 5 of Regulation (EU) No. 596/2014. Each sale shall be for a price that is no more than 20% above or below the reference price recorded during the session prior to the sale.

Landi Renzo S.p.A. did not trade treasury shares or shares of parent companies in 2018 and it does not currently hold any treasury shares or shares of parent companies. The subsidiaries do not hold any shares of Landi Renzo S.p.A.

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Motion to the General Shareholder's Meeting to approve a remuneration plan based on the allotment of Landi Renzo S.p.A. ordinary shares pursuant to Article 114-*bis* of Legislative Decree No. 58/1998

The Board of Directors approved the adoption, in accordance to Article 114-*bis* of Legislative Decree No. 58/1998, of a remuneration plan called " 2019-2021 Performance Shares Plan" (the "**Plan**") which provides for the free granting of the rights to be allotted, free of charge, Landi Renzo S.p.A. ordinary shares (the "**Shares**") if the pre-set performance targets are achieved or exceeded. The Plan aims, *inter alia*, at rewarding the achievement of the targets of the Industrial Plan for the three-year period 2019-2021, as well as at aligning the interests of the management with those of the shareholders, with an eye to creating additional value in the medium-/long-term.

The Plan has a three-year duration and provides for the allotment of Shares in a single tranche, at the end of the vesting period. The Plan is designed for those who hold positions of greater impact on Company's results or of greater strategic significance for the achievement of Landi Renzo's multi-year targets, clustered as follows: (i) the Chief Executive Officer; and (ii) other managers designated according to the level of their contribution to the business, their level of autonomy and the complexity of their position.

The Plan provides for the free allotment of a maximum of No. 3,200,000 Shares. The treasury shares purchased as per the authorization that may be approved from time to time by the General Shareholder's Meeting pursuant to Article 2357 of the Italian Civil Code will be used in service of the Plan.

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Approval of the Report on Corporate Governance and Ownership Structure and the Remuneration Policy

The Board of Directors also approved the Report on Corporate Governance and Ownership Structure for 2018 pursuant to Article 123-*bis* of Legislative Decree No. 58/1998 and the 2019 Remuneration Report pursuant to Article 123-*ter* of Legislative Decree No. 58/1998 and Article 84-*quarter* of the Consob Regulation issued by Resolution No. 11971 of 1999.

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General Shareholders' Meeting called on April 29, 2019

The Board of Directors decided to convene the Ordinary General Shareholders' Meeting on April 29, 2019 (single call), at 9:00 a.m. CET, at the company headquarters in Cavriago (Reggio Emilia), Località Corte Tegge, Via Nobel 2/4, to debate and resolve on the following Agenda:

- 1.1. Financial Statements at December 31, 2018, Directors' Report on Operations, Statutory Auditors' Report and Independent Auditors' Report; relevant and ensuing resolutions. 1.2. Resolutions concerning net profit for the year; relevant and ensuing resolutions.
- Appointment of the Board of Directors: 2.1 Definition of the number of members; 2.2 Appointment of the Board of Directors; 2.3 Appointment of the Chair of the Board of Directors; 2.4 Definition of Directors' term of office; 2.5 Definition of Board of Directors' remuneration; relevant and ensuing resolutions.
- Appointment of the Board of Statutory Auditors: 3.1 Appointment of the Board of Statutory Auditors; 3.2 Appointment of the Chair of the Board of Statutory Auditors; 3.3 Definition of Board of Statutory Auditors' remuneration; relevant and ensuing resolutions.
- Resolution on Section 1 of the Remuneration Report, pursuant to Article 123-*ter*, paragraph 6, of Legislative Decree No. 58 of February 24, 1998, as subsequently amended and extended; relevant and ensuing resolutions.
- Approval of the share-based remuneration plan based on the allotment of Landi Renzo ordinary shares, pursuant to Article 114-*bis* of Legislative Decree No. 58 of February 24, 1998.
- Authorization for the buy-back and disposal of treasury shares, after prior revocation of the resolution passed by the General Shareholders' Meeting on April 24, 2018, to the extent not executed; relevant and ensuing resolutions.

The Notice of Calling will be published in compliance with the methods established by applicable laws, including regulations.

Conference call with the financial community – March 15, 2019

The results at December 31, 2018 will be presented by the top managers of the Group to the financial community during a conference call to be held on Friday, March 15, 2019, at 9:00 CET. Detailed instructions about how to connect to the call will be made available in the Investor Relations section of the Company's website, www.landirenzogroup.com, by 8:00 a.m. CET on the day of the call.

Pursuant to Article 154-bis, paragraph 2, of Italian Legislative Decree No. 58 of February 24, 1998, the Officer in charge of preparing the Company's financial statements, Paolo Cilloni, declares that the accounting

information contained in this press release corresponds to the documented results, books and accounting records.
The Financial Statements at December 31, 2018 and the related Independent Auditors' Report will be made available to the public within the terms and in the manner set forth by applicable laws in force. The financial reports will be also available on the website www.landirenzogroup.com.

This press release is also available on the corporate website www.landirenzogroup.com.it.

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

For further information:

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Landi Renzo Group – Consolidate Financial Statements

(thousands of Euro) **INCOME STATEMENT**	**31/12/2018**	**31/12/2017 (*)**
Revenues (goods and services)	188,079	206,294
Other revenue and income	1,482	4,222
Cost of raw materials, consumables and goods and change in inventories	-93,092	-100,527
Costs for services and use of third party assets	-44,100	-57,307
Personnel expenses	-28,150	-43,181
Accruals, impairment losses and other operating expenses	-2,707	-4,802
Gross Operating Profit	**21,512**	**4,699**
Amortization, depreciation and impairment losses	-10,243	-16,189
Net Operating Profit	**11,269**	**-11,490**
Financial income	138	91
Financial expenses	-4,058	-4,396
Gains (losses) on exchange rate	-1,573	-1,873
Gains (losses) on equity investments	0	21,134
Gains (losses) on joint venture accounted for using the equity method	-1,591	8
Profit (Loss) before tax	**4,185**	**3,474**
Current and deferred taxes	348	228
Profit (loss) of the period for the Group and minority interests, including:	**4,533**	**3,702**
Minority interests	-138	-437
Profit (Loss) of the period for the Group	4,671	4,139
Basic earnings (loss) per share (calculated on 112,500,000 shares)	0.0415	0.0368
Diluted earnings (loss) per share	0.0415	0.0368

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

(thousands of Euro)		
ASSETS	**31/12/2018**	**31/12/2017**
Non-current assets		
Property, plant and equipment	12,745	14,583
Development expenditure	6,932	5,401
Goodwill	30,094	30,094
Other intangible assets with finite useful lives	14,039	15,769
Investments accounted for using the equity method	22,292	24,301
Other non-current financial assets	352	428
Other non-current assets	3,991	4,560
Deferred tax assets	10,538	8,016
Total non-current assets	**100,983**	**103,152**
Current assets		
Trade receivables	35,131	29,118
Inventories	38,895	36,562
Other receivables and current assets	8,016	7,529
Cash and cash equivalents	15,075	17,779
Total current assets	**97,117**	**90,988**
TOTAL ASSETS	**198,100**	**194,140**

(thousands of Euro)		
EQUITY AND LIABILITIES	**31/12/2018**	**31/12/2017**
Group shareholders' equity		
Share capital	11,250	11,250
Other reserves	43,931	41,983
Profit (loss) of the period	4,671	4,139
Total equity attributable to the shareholders of the parent	**59,852**	**57,372**
Minority interests	-276	-669
TOTAL EQUITY	**59,576**	**56,703**
Non-current liabilities		
Non-current bank loans	23,055	26,906
Other non-current financial liabilities	24,427	29,308
Provisions for risks and charges	5,443	11,891
Defined benefit plans	1,646	2,446
Deferred tax liabilities	339	423
Total non-current liabilities	**54,910**	**70,974**
Current liabilities		
Bank overdrafts and short-term loans	16,203	7,741
Other current financial liabilities	4,262	2,792
Trade payables	55,166	47,829
Tax liabilities	2,385	3,003
Other current liabilities	5,598	5,098
Total current liabilities	**83,614**	**66,463**
TOTAL EQUITY AND LIABILITIES	**198,100**	**194,140**

(thousands of Euro)

STATEMENT OF CASH FLOWS	31/12/2018	31/12/2017 (*)
Cash flow from operating activities		
Profit (Loss) before taxes of the period	4,185	3,474
Adjustments for:		
Impairment loss on tangible assets	0	1,984
Depreciation	4,752	7,115
Amortization of intangible assets	5,491	7,090
Imperment losses on intangible assets	-106	-2,953
impairment loss on trade receivables	91	632
Net finance costs including forex exchange	5,493	6,178
Net gains/losses on trade receivables	1,591	-21,142
	21,497	**2,378**
Changes in:		
inventories	-2,332	4,310
trade and other receivables	-5,762	-1,694
trade and other paybles	4,225	5,641
provisions and employee benefits	-7,236	3,036
Cash generated from operating activities	**10,392**	**13,671**
Interest paid	-4,207	-4,195
Interest received	51	55
income taxes paid	-667	-577
Net cash flow from (for) operating activities	**5,569**	**8,954**
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	110	4,724
Disposal of activities and changes in consolidation scope	0	3,948
Affiliates consolidated using the equity method	0	-204
Acquisition of property, plant and equipment	-3,128	-2,479
Acquisition of intangible assets	-168	-370
Development expenditure	-5,083	-2,300
Net cash used in investing activities	**-8,269**	**3,319**
Free Cash Flow	**-2,700**	**12,273**
Cash flow from financing activities		
Payment for a future capital increase	0	8,867
Bond repayments	-3,674	0
Disbursements (reimbursement) of medium/long-term loans	-3,354	-755
Change in short-term bank debts	7,800	-18,390
Net cash from (used in) financing activities	**772**	**-10,278**
Net increase (decrease) in cash and cash equivalents	**-1,928**	**1,995**
Cash and cash equivalents as at 1 January	17,779	16,484
Effect of exchange rate fluctuations on cash held	-776	-700
Cash and cash equivalents at the end of the period	**15,075**	**17,779**

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

Landi Renzo S.p.A. – Separate Financial Statements

(Euros)

INCOME STATEMENT	31/12/2018	31/12/2017 (*)
Revenues (goods and services)	135,986,583	111,073,954
Other revenue and income	1,359,938	915,334
Cost of raw materials, consumables and goods and change in inventories	-67,142,786	-53,624,202
Costs for services and use of third party assets	-36,062,677	-35,903,190
Personnel expenses	-20,351,955	-24,632,353
Accruals, impairment losses and other operating expenses	-1,894,779	-2,577,608
Gross Operating Profit	**11,894,324**	**-4,748,065**
Amortization, depreciation and impairment losses	-7,427,851	-11,270,976
Net Operating Profit	**4,466,473**	**-16,019,041**
Financial income	92,259	201,481
Financial expenses	-3,451,011	-3,641,463
Gains (losses) on exchange rate	427,115	-1,298,666
Gains (losses) on equity investments	-2,098,344	21,166,701
Gains (losses) on joint venture accounted for using the equity method	-1,590,836	7,860
Profit (Loss) before tax	**-2,154,344**	**416,872**
Taxes	2,380,697	1,522,114
Profit (loss) for the year	**226,353**	**1,938,986**

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

(Euros)		
ASSETS	**31/12/2018**	**31/12/2017**
Non-current assets		
Property, plant and equipment	9,672,207	9,964,851
Development expenditure	6,771,765	4,953,932
Goodwill	2,372,845	2,372,845
Other intangible assets with finite useful lives	5,882,887	6,483,969
Investments in subsidiaries	54,271,892	56,013,238
Investments in associated companies and joint ventures	22,464,490	24,473,316
Other non-current financial assets	395,874	395,874
Other non-currant assets	3,991,430	4,561,430
Deferred tax assets	10,825,852	7,751,453
Total non-current assets	**116,649,242**	**116,970,908**
Current assets		
Trade receivables	15,709,738	12,799,945
Receivables form susbsidiaries	12,035,068	13,434,065
Inventories	24,750,381	20,271,041
Other receivables and current assets	4,974,651	5,179,972
Cash and cash equivalents	8,531,249	7,225,430
Total current assets	**66,001,087**	**58,910,453**
TOTAL ASSETS	**182,650,329**	**175,881,361**

(Euros)		
EQUITY AND LIABILITIES	**31/12/2018**	**31/12/2017**
Equity		
Share capital	11,250,000	11,250,000
Other reserves	39,652,474	38,032,481
Profit (loss) of the period	226,353	1,938,986
TOTAL EQUITY	**51,128,827**	**51,221,467**
Non-current liabilities		
Bank loans	19,450,413	23,338,908
Other non-current financial liabilities	26,578,337	32,257,572
Provisions for risks and charges	4,073,038	9,012,497
Defined benefit plans	1,497,376	1,999,508
Total non-current liabilities	**51,599,164**	**66,608,485**
Current liabilities		
Bank overdrafts and short-term loans	13,165,543	6,129,157
Other current financial liabilities	4,262,312	2,792,482
Trade payables	45,295,377	35,924,139
Payables to subsidiaries	11,939,673	8,391,553
Tax liabilities	918,682	1,153,057
Other current liabilities	4,340,751	3,661,021
Total current liabilities	**79,922,338**	**58,051,409**
TOTAL EQUITY AND LIABILITIES	**182,650,329**	**175,881,361**

(thousands of Euro)

STATEMENT OF CASH FLOWS	31/12/2018	31/12/2017 (*)
Cash flow from operating activities		
Profit (Loss) before taxes of the period	-2,155	417
Adjustments for:		
Impairment loss on tangible assets	0	1,984
Depreciation	3,265	4,574
Amortization of intangible assets	4,163	4,713
Dividends paid	-2,981	0
Imperment losses on intangible assets	-44	0
Gains (losses) on exchange rate	-427	0
impairment loss on trade receivables	44	139
Net finance costs including forex exchange	3,359	4,739
Net gains/losses from subsidiaries	6,670	-21,175
	11,894	**-4,609**
Changes in:		
inventories	-4,081	553
trade and other receivables	-2,309	2,323
trade and other paybles	13,058	6,015
provisions and employee benefits	-5,440	1,680
Cash generated from operating activities	**13,122**	**5,962**
Interest paid	-3,799	-3,721
Interest received	24	35
income taxes paid	-118	0
Net cash flow from (for) operating activities	**9,229**	**2,276**
Cash flow from investing activities		
Dividend Cash	2,981	0
Proceeds from sale of property, plant and equipment	416	663
Increase in capital of subsidiaries company	0	6,788
Acquisition of property, plant and equipment	-3,299	-1,174
Acquisition of intangible assets	-162	-316
Increase of Intercompany loans	-1,173	-1,536
Development expenditure	-5,084	-1,910
Net cash used in investing activities	**-6,321**	**2,515**
Free Cash Flow	**2,908**	**4,791**
Cash flow from financing activities		
Payment for a future capital increase	0	8,867
Bond repayments	-3,674	0
Disbursements (reimbursement) of medium/long-term loans	-3,312	-755
Cash and cash equivalents from Emmegas merger	57	987
Change in short-term bank debts	5,327	-10,850
Net cash from (used in) financing activities	**-1,602**	**-1,751**
Net increase (decrease) in cash and cash equivalents	**1,306**	**3,040**
Cash and cash equivalents as at 1 January	7,225	4,185
Cash and cash equivalents at the end of the period	8,531	7,225

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

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