

# 1H15 FINANCIAL RESULTS

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# SNAPSHOT

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Challenging market conditions



Cost reduction plan under implementation



Bond issuance for 34€ mln



2015 New guidance – Revenues 210€ mln EBITDA 10€ mln



Iran - a key market showing some slight signs of recovery



In Italy lpg and cng new vehicles sold showing a good trend

# 1H15 PROFIT&LOSS HIGHLIGHTS

(Eur million)

	H1 2015	%	H1 2014	%	Changes	%
<b>Revenues (goods and services)</b>	<b>98,1</b>		<b>112,4</b>		<b>-14,2</b>	<b>-12,7%</b>
<b>Ebitda</b>	<b>0,2</b>	<b>0,2%</b>	<b>7,6</b>	<b>6,8%</b>	<b>-7,5</b>	<b>-97,9%</b>
Amortization, depreciation and impairment losses	7,7	7,9%	7,5	6,7%	0,2	3,1%
<b>Ebit</b>	<b>-7,6</b>	<b>-7,7%</b>	<b>0,2</b>	<b>0,1%</b>	<b>-7,7</b>	<b>N/A</b>
<b>Net Profit (Loss) of the Group</b>	<b>-7,2</b>	<b>-7,4%</b>	<b>-1,8</b>	<b>-1,6%</b>	<b>-5,4</b>	<b>N/A</b>

📌 **Revenues** - decrease of After Market segment partially offset by good performances with OEM business.

📌 **EBITDA** decreases mainly for volume effect and sales mix. Furthermore, extraordinary cost were sustained for production plants merger aimed to optimize production and get future savings.

# REVENUES BREAKDOWN

(Millions of Euro)

Geographical distribution of revenues	H1 2015	%	H1 2014	%	Delta	%
Italy	19.9	20.3%	22.2	19.7%	-2.3	-10.3%
Europa (ex Italy)	44.4	45.2%	48.7	43.3%	-4.3	-8.8%
America	17.4	17.7%	18.4	16.3%	-1.0	-5.3%
Asia and rest of the world	16.4	16.7%	23.1	20.6%	-6.7	-29.0%
<b>Total</b>	<b>98.1</b>	<b>100.0%</b>	<b>112.4</b>	<b>100.0%</b>	<b>-14.2</b>	<b>-12.7%</b>

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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 fueling stations, made by the company Safe SpA in the sector "distribution system".

The segment "Other - (Alarms, Sound, Aquatronica (sold on April 2014), 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 has decreased mainly due to the flexion in AM segment and higher level of competition in the segment.

📍 **Europe** – revenues in this area decrease mainly for LPG Russian market.

📍 **America** – decrease due to shift of Bolivian tender and Central America countries.

📍 **Asia and rest of the world** – the decrease is a consequence of negative trend in Far East and other Areas. Iranian markets begins to show positive signs of recovery.

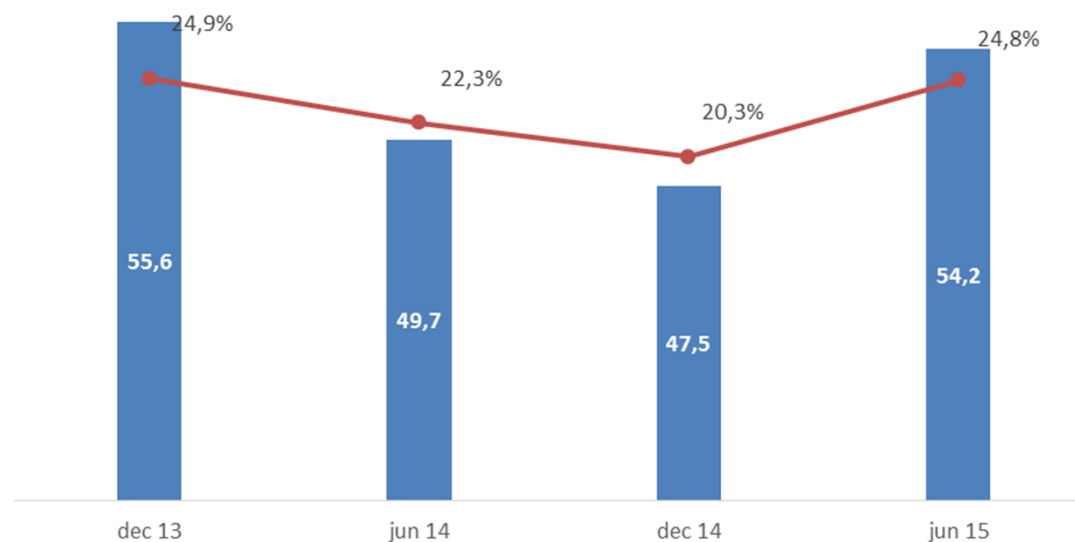
## SECTOR BREAKDOWN

📍 **Systems for cars** – the decrease is due to the AM segment partially offset by the good level of revenues of OEM car makers.

📍 **Distribution systems** – slight increase due to the good performance in South East Asia market and Italy.

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

# WORKING CAPITAL

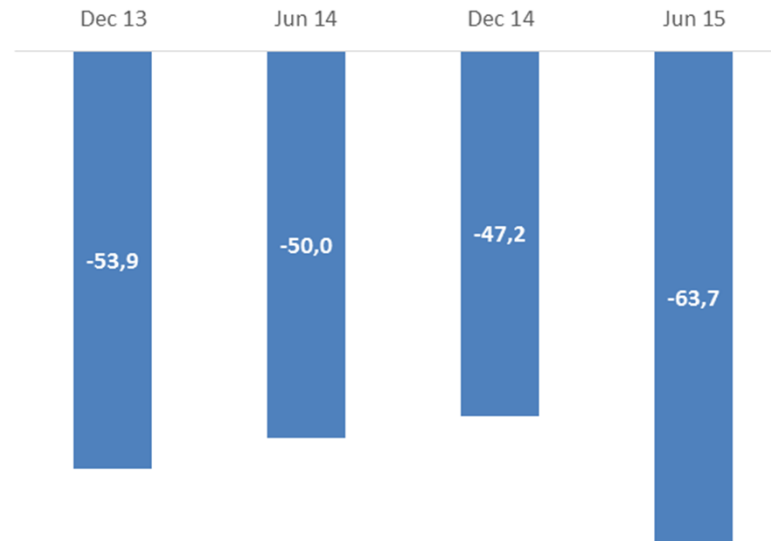


(Euro mln)

	dec 13	jun 14	dec 14	Jun 15
Receivable	38,5	41,9	35,1	40,4
Inventories	64,6	72,8	65,9	71,4
Payables	-52,1	-68,3	-55,9	-61,3
Other current assets/liabilities	4,6	3,3	2,5	3,7
<b>Net working capital</b>	<b>55,6</b>	<b>49,7</b>	<b>47,5</b>	<b>54,2</b>

📌 **Working Capital** – compared with December 2014, the increase is the result, mainly, for the increase of inventories level, to support the business of the coming quarters.

# NET DEBT



🕒 **Net financial position** – the increase is generated mainly by the working capital trend during 1H15 and for Capex for support Group business.

🕒 At June 2015 the Net Financial Position is composed mainly by **long-term debts** expiring over 2018.

# ANNEXES



# LANDI RENZO COMPANY PROFILE

## BOARD OF DIRECTORS

Stefano Landi – President & CEO  
 Giovannina Domenichini – Honorary President  
 Claudio Carnevale - Executive Director  
 Herbert Paierl - Director  
 Antonia Fiaccadori – Director  
 Alessandro Ovi - Indip. Director  
 Tomaso Tommasi di Vignano – Indip. Director

## TOP MANAGERS

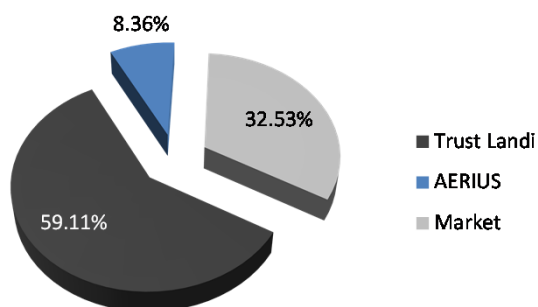


## INVESTOR RELATIONS

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## SHAREHOLDING



## SHARE INFORMATION

N. of shares outstanding: 112.500.000

Price as of 25/08/15 € 0.775

Capitalization: € 87,19 mln

FTSE Italia STAR

## STOCK VS MARKET





# CONSOLIDATED BALANCE SHEET

(thousands of Euros)

ASSETS	30/06/2015	31/12/2014	30/06/2014
<b>Non-current assets</b>			
Property, plant and equipment	35,118	35,277	34,674
Development expenditure	7,491	7,101	6,329
Goodwill	39,942	39,942	40,190
Other intangible assets with finite useful lives	23,802	24,637	25,518
Equity investments consolidated using the equity method	297	180	364
Other non-current financial assets	797	773	535
Deferred tax assets	19,450	17,247	17,903
<b>Total non-current assets</b>	<b>126,897</b>	<b>125,157</b>	<b>125,513</b>
<b>Current assets</b>			
Trade receivables	38,001	33,069	41,301
Trade receivables - related parties	2,426	1,986	593
Inventories	67,382	63,269	68,024
Contract works in progress	3,993	2,590	4,812
Other receivables and current assets	15,787	15,533	17,093
Cash and cash equivalents	58,942	31,820	28,127
<b>Total current assets</b>	<b>186,531</b>	<b>148,267</b>	<b>159,950</b>
<b>TOTAL ASSETS</b>	<b>313,428</b>	<b>273,424</b>	<b>285,463</b>

# CONSOLIDATED BALANCE SHEET

(thousands of Euros)

<b>EQUITY AND LIABILITIES</b>	<b>30/06/2015</b>	<b>31/12/2014</b>	<b>30/06/2014</b>
<b>Group shareholders' equity</b>			
Share capital	11,250	11,250	11,250
Other reserves	96,549	98,018	97,748
Profit (loss) of the period	-7,169	-1,783	-1,870
<b>Total equity attributable to the shareholders of the parent</b>	<b>100,630</b>	<b>107,485</b>	<b>107,128</b>
Minority interests	660	591	522
<b>TOTAL EQUITY</b>	<b>101,290</b>	<b>108,076</b>	<b>107,650</b>
<b>Non-current liabilities</b>			
Non-current bank loans	32,299	26,171	30,138
Other non-current financial liabilities	34,041	1,178	661
Provisions for risks and charges	4,399	5,055	5,190
Defined benefit plans	3,374	3,818	3,613
Deferred tax liabilities	8,324	8,417	8,816
<b>Total non-current liabilities</b>	<b>82,437</b>	<b>44,639</b>	<b>48,418</b>
<b>Current liabilities</b>			
Bank overdrafts and short-term loans	56,041	51,580	47,286
Other current financial liabilities	268	137	25
Trade payables	59,569	54,632	67,192
Trade payables - related parties	1,756	1,304	1,101
Tax liabilities	2,360	4,492	4,120
Other current liabilities	9,707	8,564	9,671
<b>Total current liabilities</b>	<b>129,701</b>	<b>120,709</b>	<b>129,395</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>313,428</b>	<b>273,424</b>	<b>285,463</b>

# CONSOLIDATED PROFIT&LOSS

(thousands of Euros)

INCOME STATEMENT	30/06/2015	30/06/2014
Revenues (goods and services)	97,990	111,618
Revenues (goods and services)- related parties	135	752
Other revenue and income	864	876
Cost of raw materials, consumables and goods and change in inventories	-46,701	-50,635
Costs for services and use of third party assets	-27,098	-30,025
Costs for services and use of third party assets – related parties	-1,561	-1,248
Personnel expenses	-22,206	-21,921
Accruals, impairment losses and other operating expenses	-1,263	-1,770
<b>Gross Operating Profit</b>	<b>160</b>	<b>7,647</b>
Amortization, depreciation and impairment losses	-7,716	-7,481
<b>Net Operating Profit</b>	<b>-7,556</b>	<b>166</b>
Financial income	224	219
Financial expenses	-2,101	-2,237
Gains (losses) on exchange rate	597	217
Gains (losses) on equity investments consolidated using the equity method	-100	-77
<b>Profit (Loss) before tax</b>	<b>-8,936</b>	<b>-1,712</b>
Current and deferred taxes	1,703	-94
<b>Profit (loss) of the period for the Group and minority interests, including:</b>	<b>-7,233</b>	<b>-1,806</b>
Minority interests	-64	64
Profit (Loss) of the period for the Group	-7,169	-1,870
Basic earnings (loss) per share (calculated on 112,500,000 shares)	-0.0637	-0.0166
Diluted earnings (loss) per share	-0.0637	-0.0166

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