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## Landi Renzo gets from Cerved an upgrade of its rating to B1.2, the second upgrade received by the agency in the last 6 months

*Cavriago (RE), 6th May 2019*

On 4th May Cerved Rating Agency raised the rating of Landi Renzo Group from B2.1 to B1.2, in consideration of the revised business model and of the strengthening of its competitive positioning. This is the second upgrade of the rating for the company, the first one was assigned always from Cerved in November 2018.

The Group proceeded to dispose of a number of non core assets and focused again on the Automotive sector, that has become the main business (in the After Market and OEM channels). Moreover, it carried out a reorganization of the manufacturing footprint, with a centralization of the activities within the parent company, and revised the cost structure. This allowed Landi Renzo to achieve the results posted in 2018. At the basis of this positive trend there is a continuous improvement strategy, that has been part of the company since more than two years and will continue to be part of its business model. It is also under definition a new business plan, that will be presented within July 2019.

Compared year on year (31/12/2017-31/12/2018), on a like-for-like consolidation basis (considering only the Automotive sector, giving the deconsolidation of Safe&Cec), Landi Renzo recorded growth in all the main economic indicators:

- Consolidated revenues +12.5%, that amounted to €188.1 million, vs €167.1 million in 2017;
- Adjusted EBITDA + 134.9% (net of non-recurring costs) at €25.2 million (vs. €12.7 million in 2017);
- EBIT at €11.3 million (which was negative for €11.9 million in 2017);
- NET PROFIT of €4.5 million, vs €3.7 million in 2017.

The company, which met its 2018 budget estimates, has also improved its debt repayment schedule since June 2018.

**Cristiano Musi, Chief Executive Officer of Landi Renzo** commented: "We welcome with great satisfaction this new improvement in our rating by Cerved, the second received in six months, which also demonstrates the trust that our Group has found on the market. All this has been made possible thanks to the work carried out by the entire team of Landi Renzo, which continues to work to further improve the performance of our Group. We aim at consolidating - at an international level - the Group's position in the Passenger Car segment and at increasing our presence in the Indian market, which is presenting truly significant growth opportunities; as well as in the Heavy Duty segment, where it is now clear and "consolidated" that future mobility will be fuelled by natural gas (both CNG and LNG) and biomethane. Furthermore, we are increasingly confident in Safe&Cec's performance and growth plan, one year after the deconsolidation, given its excellent orders book in pipeline and growth prospects. At the same time, we keep working for the future of the Group, studying new solutions for sustainable hydrogen mobility together with universities and international research centres."

*This press release is also available on the corporate website [www.landirenzogroup.com](http://www.landirenzogroup.com).*

*This press release is a translation. The Italian version will prevail.*

**Landi Renzo** is the global leader in the LPG and Methane gas components and systems for the motor vehicles sector. The



# Press Release

6th May 2019

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 SpA has been listed on the STAR segment of the MTA Market of Borsa Italiana since June 2007.

## **LANDI RENZO**

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