



PRESS RELEASE

Landi Renzo: agreement signed for the acquisition of Lovato Gas, the third largest global operator in the sector of LPG and Methane components and fuel systems for vehicles.

- **Landi Renzo further consolidates its position as a global leader**
- **Enterprise Value equal to 63 million Euro**
- **The acquisition will be financed through funds originating from listing on the Stock Market and bank credit lines previously approved**

Cavriago, 21 July 2008 – Landi Renzo S.p.A. (“Landi Renzo”), a global leader in the sector of LPG and methane components and fuel systems for vehicles, listed on the Star Segment of *Borsa Italiana*, today entered into an agreement for the acquisition of 100% of the shares in Lovato Gas S.p.A. (“Lovato”). The sellers are Aletti Private Equity SGR S.p.A. and other minority shareholders.

The transaction represents a further step in the process for the internationalisation of Landi Renzo, strengthening its position on markets with a high rate of growth, which Lovato already operates on, including Eastern Europe and India. Further, the integration of the two companies will lead to important synergies thanks to the completion of a range of products offered to customers and integration of respective production platforms.

Lovato, which was established in 1958 by the Lovato family, is one of the principal global operators in the sector of LPG and methane components and fuel systems for vehicles. 95% of revenues are generated abroad, in over 70 countries and in particular on markets undergoing significant growth such as Russia, other Eastern European countries, Turkey and India.

Upon termination of the financial year closed at 31 December 2007, Lovato reported turnover of approximately € 39.3 million with an EBITDA, adjusted for non-recurrent items, of approximately € 8.5 million.

Completion of the transaction, which shall occur within a maximum term of 4 months, is conditional upon formal performance of certain preliminary commitments taken on by the seller. The total value of the transaction (“Enterprise Value”) is equal to € 63 million and will be partly financed through the use of funds originating from listing on the Stock Market of Landi Renzo and partly through credit lines previously approved.

Landi Renzo was assisted in the transaction by Mediobanca and Eidos Partners as financial advisor and by Clifford Chance as legal advisor, whilst the Sellers were assisted by Lazard as financial advisor and Vita Samory, Fabbrini e Associati as legal advisor.



“We are absolutely satisfied with the agreement reached. It consolidates our position of leadership in an extremely dynamic sector undergoing significant development. The acquisition of Lovato is part of our strategic plan, outlined since our listing on the Stock Market”, commented Stefano Landi, CEO of Landi Renzo. “The integration of the two companies will permit us to develop our business in new markets and to offer our customers a more complete range of products”.

Landi Renzo is the global leader in the sector for LPG and methane components and fuel systems for vehicles. The company has registered offices in Cavriago (Reggio Emilia) and over 50 years experience in the sector and is renowned for consistent growth rates in its revenues and the international nature of its business, with a presence in over 50 countries. The percentage of sales generated abroad is equal to approximately 73% of total turnover. Landi Renzo has been listed on the Star Segment of Borsa Italiana since June 2007.

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