



PRESS RELEASE

LANDI RENZO S.p.A.: The Board of Directors Approves Q4 2007 Results

In 2007 sharp increase in revenues and margins:

- **Consolidated revenues amounted to € 163.9 million (up 18.2% compared to 2006)**
- **Gross Operating Margin (EBITDA) was € 35.2 million (up 16.0% compared to 2006)**
- **Operating result (EBIT) amounted to € 31.3 million (up 14.0% compared to 2006)**
- **Pre-tax income reached €31.3 million (up 16.5% compared to 2006)**
- **Net income reached €19.3 million (up 15,8% compared to 2006)**

The Board of Directors of Landi Renzo S.p.A. — a company specialising in eco-mobility, listed in the STAR segment of Borsa Italiana — approved the Quarterly Report at 31 December 2007.

In the fourth quarter of 2007, consolidated revenues amounted to €46.4 million, up 39.6% compared to the same period of 2006. The Company also reported a sharp upturn in profitability: EBITDA was €9.6 million (up 32.1% compared to the fourth quarter of 2006); EBIT amounted to €8.3 million (+28.3%). Pre-tax income increased by 38.6% reaching €8.2 million.

In 2007, consolidated revenues totalised €163.9 million, up 18.2% compared to 2006, also thanks to the positive performance of the LPG business line, which posted €73.3 million revenues, up 24.5% compared to the previous year.

During 2007 the Group also consolidated its international standing, with 73.3% of consolidated revenues generated abroad (20.0% in Europe and 53.3% from outside Europe).

In terms of profitability, EBITDA amounted to €35.2 million, up 16.0%, and EBIT was €31.3 million, up 14.0%. Pre-tax profit reached €31.3 million, up 16.5% compared to €26.9 million for 2006. Net income was €19.3 million, up 15,8%.

The Group's net financial position at the end of December 2007 was positive at €50.7 million compared to a negative net financial position of €-7.4 million at 31 December 2006. At 30 September 2007, net financial position was €50.3 million.

Chief Executive Officer Stefano Landi confirmed that "The good results for 2007 prove firstly that the Group's knowledge of the trends and dynamics in the industry makes it the landmark player in its sector,



and also confirm the validity of its business model and growth strategies. In the future we are confident - Landi continues - that we will also be able to achieve margins and growth which will comply with those obtained last year”.

Landi Renzo is the world leader in the sector of components and LPG and CNG fuel systems for motor vehicles.

Based in Cavriago (Reggio Emilia) and with more than 50 years' experience in the sector, Landi Renzo is distinguished by the sustained growth of its revenues and the extent of its international operations, with a presence in over 50 countries. Exports accounted for more than 70.0% of the Company's sales in 2007. Landi Renzo S.p.A. has been listed in the STAR segment of Borsa Italiana since June 2007.

The manager responsible for preparing the company's financial reports, Paolo Cilloni, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

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This press release is a translation, the Italian version will prevail.



Landi Renzo S.p.A. consolidated balance sheet

ASSETS (thousands of Euros)	31 December 2007	31 December 2006
Non-current assets		
Property, plant and equipment	14.949	24.581
Investment property		879
Development expenditure	1.844	1.095
Goodwill	2.988	2.988
Other intangible assets with finite useful lives	1.292	637
Other non-current financial assets	75	102
Deferred tax assets	1.900	1.193
Total non-current assets	23.048	31.475
Current assets		
Trade receivables	41.752	21.371
Inventories	33.072	32.161
Other receivables and current assets	8.872	7.368
Other receivables and current assets - related parties	88	
Current financial assets	205	188
Cash and cash equivalents	58.142	9.771
Total current assets	142.131	70.858
TOTAL ASSETS	165.179	102.333
EQUITY AND LIABILITIES (thousands of Euros)	31 December 2007	31 December 2006
Equity attributable to the shareholders of the parent		
Share capital	11.250	2.500
Other reserves	74.366	24.214
Profit for the period/year	19.509	16.680
Total equity attributable to the shareholders of the parent	105.125	43.394
Minority interests	114	160
TOTAL EQUITY	105.239	43.554
Non-current liabilities		
Bank loans	1.971	5.673
Other non-current financial liabilities	632	7.083
Provisions for risks and charges	475	611
Defined benefit plans	1.948	2.419
Deferred tax liabilities	1.670	3.318
Total non-current liabilities	6.696	19.105
Current liabilities		
Bank overdraft and short-term loans	4.687	3.207
Other current financial liabilities	163	1.212
Trade payables	39.698	24.447
Trade payables - related parties	2.780	3.178
Tax liabilities	2.471	2.690
Other current liabilities	3.089	2.352
Other current liabilities - related parties	356	2.588
Total current liabilities	53.244	39.674
TOTAL LIABILITIES AND EQUITY	165.179	102.333



Landi Renzo S.p.A. consolidated income statement

INCOME STATEMENT (thousands of Euros)	31 December 2007	31 December 2006	4th Q 2007	4th Q 2006
Revenues (goods and services)	163.886	138.689	46.448	33.275
Other revenue and income	1.046	530	534	206
Cost of raw materials, consumables and goods and change in inventories	-66.057	-45.338	-19.510	-12.453
Cost of raw materials - related parties	-12.292	-17.746	-3.027	-2.392
Cost for services and use of third party assets	-35.723	-31.600	-10.430	-8.026
Cost for services and use of third party assets - related parties	-531		-207	0
Personnel expenses	-14.372	-12.457	-4.006	-3.056
Accruals, impairment losses and other operating expenses	-757	-1.740	-247	-319
Gross Operating Profit	35.200	30.340	9.555	7.234
Amortisation, depreciation and impairment losses	-3.903	-2.885	-1.221	-741
Operating Profit	31.297	27.455	8.334	6.494
Financial income	1.351	254	584	18
Financial expenses	-912	-1.164	-200	-475
Exchange rate gains (losses)	-426	332	-525	-123
Profit Before Tax	31.310	26.876	8.193	5.914
Income tax expense	-11.986	-10.183	-3.045	-2.735
Profit for the period/year, of which attributable to:	19.324	16.693	5.148	3.179
Minority interests	-185	13	-164	-6
Shareholders of the parent	19.509	16.680	5.312	3.186
Basic earnings per share (in Euros) - calculated on 112.500.000 ordinary shares	0,17	0,15	0,05	0,03
Diluted earning per share (in Euros)	0,17	0,15	0,05	0,03

Landi Renzo S.p.A. consolidated balance sheet

Net Financial Indebtedness (thousands of €)	31 December 2007	30 September 2007	31 December 2006
Cash and cash equivalents	58.142	58.716	9.771
Bank overdrafts	-4.687	-4.653	-3.207
Short-term loans	-163	-161	-1.212
<i>Net short term indebtedness</i>	53.292	53.901	5.352
Long term indebtedness	-2.603	-3.639	-10.756
Outstandings Bonds	0	0	-2.000
<i>Net long term indebtedness</i>	-2.603	-3.639	-12.756
Net Financial Indebtedness	50.689	50.262	-7.405