



PRESS RELEASE

LANDI RENZO S.p.A.: The Board of Directors approves the results as of 31 December 2007

Summary:

1. Significant growth in income and in net profit:
 - Consolidated turnover of 163.9 million Eur (+18.2% compared to 2006)
 - EBITDA of 35.1 million Eur (+15.6% compared to 2006)
 - EBIT of 31.2 million Eur (+13,7% compared to 2006)
 - Profit before taxes of 31.5 million Eur (+17.2% compared to 2006)
 - Net profit of 19.5 million Eur (+16.8% compared to 2006)
 - Net Financial Position positive at 50.6 million Eur (-7.4 million Eur in 2006)
2. Dividend of Eur 0.055 per share pre-tax
3. Proposal to renew authorisation for the purchase and disposal of treasury shares
4. Call of Shareholders' Meeting

Caviago, 20 March 2008 – The Board of Directors of Landi Renzo S.p.A. – a company listed on the *Mercato Telematico Azionario* organised and managed by *Borsa Italiana*, Star segment – today approved its consolidated draft year-end financial statements for the 2007 financial year.

In 2007 consolidated turnover reached 163.9 million Eur, representing growth of 18.2% as compared to 2006. As regards margins, EBITDA was equal to 35.1 million Eur (+15.6% compared to 2006) and EBIT to 31.2 million Eur (+13.7% compared to 2006).

Stefano Landi, CEO of the Company said “Results for 2007 illustrate growth in the principal economic and income indicators and are testimony to the validity of our business model and industrial strategies”.

Performance in income

Overall, in 2007 consolidated Group turnover reached 163.9 million Eur.

In 2007 the Group has once again confirmed its international vocation with 73.3% of turnover achieved outside Italy (20.0% in European Countries and 53.3% outside Europe). Growth in turnover is principally attributable to South East Asia and Italy.



The Italian market had a 23.2% growth with respect to the previous year and its turnover amounted at 43.8 million Eur.

The South East Asian market had a 27.4% increase with respect to 2006 mainly driven by the Iranian market where automotive CNG is particularly supported.

Performance in EBITDA

In 2007 EBITDA amounted to 35.1 million Eur, an increase of 15.6% as compared to 2006. Profit margin amounted to 21.4% despite significant growth in turnover for geographic areas with lower margins, thanks to efficient strategies for the acquisition of electronic components, reductions in outsourcing costs and improvements in productivity in the process for the manufacture of injectors.

Performance in EBIT

EBIT amounted to 31.2 million Eur, an increase of 13.7% as compared to 2006. Amortizations grew about 1 million Eur both for the increase in the amortizations due to new plant and machinery and for the increase in the amortizations of Research&Development expenses capitalised in previous years.

Profit before taxes and net profit

Profit before taxes amounted to 31.5 million Eur, an increase of 17.2% as compared to 26.9 million Eur in 2006. Growth in profit before taxes is also due to positive results in financial management which benefited from funds originating from income from the listing, which occurred on 26 June 2007. Net profit grew by 16.8%, reaching 19.5 million Eur.

Financial position

The net financial position for the Group at the end of December 2007 is positive at 50.6 million Eur as compared to a negative net financial position at 31 December 2006, equal to -7.4 million Eur. Cash mainly represents income deriving from the listing transaction last summer.

Positive changes in 2007 12 months cumulated financial results presented in 4Q 2007

After the approval of the controlled companies balance sheets by their Board of Directors, there have been some positive changes in Exchange rate and some reclassifications as compared to data presented during the 4th quarter financial results.

Net Profit increased of 152,000 Eur as a consequence.

Corporate Governance Report

The Board has examined and approved the annual corporate governance report and the report on compliance with the Self-Regulatory Code for listed companies relating to 2007.



Call of the extraordinary and ordinary Shareholders' Meeting

The Board of Directors of Landi Renzo S.p.A. has called an extraordinary Shareholders' meeting and an ordinary Shareholders' meeting on 23 April 2008 and 24 April 2008, at first and second call respectively, at 9.00 hours, at the registered offices of the company in Cavriago (Reggio Emilia) Località Corte Tegge, Via Nobel 2/4.

Proposal for allocation of profits

The Board of Directors of Landi Renzo S.p.A. has resolved to submit to the Shareholders' Meeting a proposal to allocate net year-end profit, equal to Eur 13.167 million Eur, to a dividend, for Eur 6.187 million Eur to be divided in the amount of Eur 0.055 pre-tax for each outstanding share, equal to a total of 112,5 million, with n.1 coupon detachment on 5 May 2008 and payment commencing from 8 May 2008.

Composition and remuneration of the Board of Directors

The Board of Directors of Landi Renzo S.p.A. has resolved to submit to the Ordinary Shareholders' Meeting any decision regarding the appointment of a director in replacement of the resigning Director Silvia Landi.

The Board of Directors has also assessed the independence of its members and has acknowledged that the Directors Alessandro Ovi and Tomaso Tommasi di Vignano have confirmed that they continue to fulfil the independence requisite, pursuant to applicable provisions of laws and regulations.

The Board of Directors has also resolved to submit to the Ordinary Shareholders' Meeting any decision regarding the determination of the maximum variable remuneration to be allocated to each executive director for the 2008 financial year, to be paid upon achievement of objectives specifically identified by the Board of Directors.

Organisation, Management and Control System pursuant to D. Lgs. 231/2001

The Board of Directors has resolved to approve the Organisation, management and control system pursuant to D. Lgs. 231/2001, together with all related acts, including the Code of Ethics and the Special Part and has appointed and established a Supervisory Body pursuant to Decree 231, in the persons of Messrs Enrico Gardani, Domenico Aiello and Daniele Ripamonti.

Relative documentation will be made available to the public on the Issuer's web-site.

Proposal to revoke and grant new delegation for the purchase of treasury shares

The Board of Directors has also resolved to seek authorisation from the Ordinary Shareholders' meeting, subject to revocation - for the part not yet executed - of the resolution adopted by the ordinary shareholders' meeting held on 7 March 2007, pursuant to and for the purposes of section



2357 civil code, for the purchase of Company treasury shares. Authorisation will concern a maximum number of shares the total nominal value of which, including any shares owned by subsidiaries, shall not exceed one tenth of the share capital.

This authorisation is requested not only in order to stabilise prices in relation to contingent market situations, improving the stock liquidity, but also for other possible purposes, such as availability of treasury shares to be used in the context of stock option plans for executive directors and employees, including Company managers and collaborators or those of its subsidiaries, or in the context of acquisition transactions, or for servicing any possible issues of bonds convertible into Company shares. The purchase of treasury shares may also be used for the efficient investment of company funds.

The proposal provides that the purchase can be carried out on one or more occasions, within 18 months of the date of the meeting resolution, in accordance with procedures set out under articles 132 of the Consolidated Act and 144-*bis* paragraph 1 of Consob Regulations, at a price that shall not be lower or higher than 20% of the reference price registered by the stock on the Stock Exchange on the trading day previous to each individual transaction.

The acquisition of ordinary Company shares shall be carried out in compliance with applicable provisions of law for listed companies and therefore in compliance with the provisions of articles 144-*bis* of Consob Regulations and 132 of the Consolidated Act, and according to procedures established in the Stock Exchange Regulations and any other applicable regulations, including those specified under EC Directive 2003/6 dated 28 January 2003 and related enforcement, community and national regulations.

Provision has also been made for a proposal to renew authorisation to dispose of treasury shares, without any limitations of time, including prior to exhaustion of purchases, on one or more occasions, on regulated and/or non-regulated markets, or outside the market, including by way of public offers and/or offers to Shareholders, institutional placements, and the placement of purchase coupons and/or warrants, or as consideration for acquisitions or public exchange offers at a price that shall be neither 20% lower or higher than the reference price registered by the stock on the Stock Exchange on the trading day previous to each individual transaction.

At the date hereof, Landi Renzo S.p.A. does not own any treasury shares, including through its subsidiary companies.

Proposal to amend By-laws

The Board of Directors has resolved to propose to the Shareholders' Meeting an amendment to article 22 of the By-laws regarding the composition and appointment of the Board of Auditors, for the purpose of specifying the requirements of integrity and professionalism for members of the



board of auditors and specifying the matters and sectors of business strictly relative to those of the Company.

Landi Renzo is a world leader in the sector of lpg and methane supply components for the automotive sector.

The company has registered offices in Cavriago (Reggio Emilia) and over 50 years experience in the sector and is characterised by sustained growth rates in income and the international nature of its business, through a presence in over 50 Countries, and a percentage of sales generated abroad of over 70%.

Landi Renzo S.p.A. has been listed on the Star Segment of Borsa Italiana since June 2007.

The officer responsible for the preparation of the Company's financial reports, Paolo Cilloni, declares pursuant to article 154 bis, paragraph 2 of the Consolidated Financial Act that financial information contained in this press release corresponds to documented results, and to accounting records and books.

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Cavriago (RE), 20 March 2008



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	14.926	24.581
Investment property		879
Development expenditure	1.844	1.095
Goodwill	2.988	2.988
Other intangible assets with finite useful lives	1.290	637
Other non-current financial assets	80	102
Deferred tax assets	1.841	1.193
Total non-current assets	22.970	31.475
Current assets		
Trade receivables	41.856	21.371
Inventories	33.091	32.161
Other receivables and current assets	8.870	7.368
Other receivables and current assets - related parties	88	
Current financial assets	205	188
Cash and cash equivalents	58.055	9.771
Total current assets	142.164	70.858
TOTAL ASSETS	165.134	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	74.356	24.214
Profit for the period/year	19.661	16.680
Total equity attributable to the shareholders of the parent	105.266	43.394
Minority interests	134	160
TOTAL EQUITY	105.401	43.554
Non-current liabilities		
Bank loans	1.971	5.673
Other non-current financial liabilities	632	7.083
Provisions for risks and charges	246	611
Defined benefit plans	1.948	2.419
Deferred tax liabilities	1.675	3.318
Total non-current liabilities	6.473	19.105
Current liabilities		
Bank overdraft and short-term loans	4.687	3.207
Other current financial liabilities	163	1.212
Trade payables	39.655	24.447
Trade payables - related parties	2.780	3.178
Tax liabilities	2.467	2.690
Other current liabilities	3.198	2.352
Other current liabilities - related parties	312	2.588
Total current liabilities	53.261	39.674
TOTAL LIABILITIES AND EQUITY	165.134	102.333



Landi Renzo S.p.A. consolidated income statement

INCOME STATEMENT (thousands of Euros)	31 December 2007	31 December 2006
Revenues (goods and services)	163.886	138.689
Other revenue and income	1.046	530
Cost of raw materials, consumables and goods and change in inventories	-66.011	-45.338
Cost of raw materials - related parties	-12.292	-17.746
Cost for services and use of third party assets	-35.956	-31.600
Cost for services and use of third party assets - related parties	-531	
Personnel expenses	-14.329	-12.457
Accruals, impairment losses and other operating expenses	-737	-1.740
Gross Operating Profit	35.076	30.340
Amortisation, depreciation and impairment losses	-3.866	-2.885
Operating Profit	31.210	27.455
Financial income	1.406	254
Financial expenses	-998	-1.164
Exchange rate gains (losses)	-111	332
Profit Before Tax	31.508	26.876
Income tax expense	-12.010	-10.183
Profit for the period/year, of which attributable to:	19.497	16.693
Minority interests	-163	13
Shareholders of the parent	19.661	16.680
Basic earnings per share (in Euros) - calculated on 112.500.000 ordinary shares	0,17	0,15
Diluted earnings per share (in Euros) - calculated on 112.500.000 ordinary shares	0,17	0,15

Landi Renzo S.p.A. consolidated balance sheet

Net Financial Indebtedness (thousands of €)	31 December 2007	31 December 2006
Cash and cash equivalents	58.055	9.771
Bank overdrafts	-4.687	-3.207
Short-term loans	-163	-1.212
<i>Net short term indebtedness</i>	53.205	5.352
Long term indebtedness	-2.603	-10.756
Outstandings Bonds	0	-2.000
<i>Net long term indebtedness</i>	-2.603	-12.756
Net Financial Indebtedness	50.602	-7.405