



PRESS RELEASE

LANDI RENZO S.p.A. The Board of Directors Approves Results at 31 December 2008.

Sharp growth in margins and net income, which also includes Lovato's fourth-quarter results

- Consolidated revenues amounted to € 216.2 million (+31.9% compared to 2007)
- Gross Operating Margin (EBITDA) was € 46.8 million (+33.3% compared to 2007)
- Operating Result (EBIT) was € 40.7 million (+30.5% compared to 2007)
- Pre-tax income was € 39.7 million (+25.9% compared to 2007)
- Net income amounted to € 26.7 million (+35.8% compared to 2007)

Dividend of € 0.075 per share, gross of withholding taxes (+36.4%)

The Board of Directors of Landi Renzo S.p.A. — a company listed in the STAR segment of Borsa Italiana — today approved the draft financial statements for 2008.

Consolidated revenues reached €216.2 million in 2008, up by 31.9% on 2007. Acquired in October 2008, Lovato, the number-three company on its market, contributed revenues of € 10.0 million. In terms of profitability, EBITDA amounted to € 46.8 million (+33.3%), and EBIT was € 40.7 million, (+30.5%). Lovato contributed EBITDA of €0.6 million net of the adjustments for the implementation of the international accounting principles and of the "*Purchase Price Allocation(PPA)*".

"2008 was a year in which all of the strengths of Landi Renzo's business model came to the fore," explained Chief Executive Officer Stefano Landi. "A lean business model driven by research and development and aimed at seizing all of the growth opportunities presented by market demand increasingly sensitive to environmental issues. All of this allowed us to achieve organic growth of over 25% and make a strategic acquisition in a highly difficult macroeconomic context. This," gives us confidence for the future as well".



Performance of Revenues

On the whole, in 2008, the Group's consolidated revenues, excluding those of Lovato, amounted to € 206.3 million.

Organic revenues earned abroad accounted for 67.2% of the total (25.4% in Europe, excluding Italy, and 41.8% outside of Europe). The strong growth may be attributed to all areas of the world, which more than offset the decline in revenues posted in Southwest Asia.

The acquisition of Lovato, which reported overall growth of 21.5% of 2008, contributed € 10.0 million in revenues, with the majority of sales made in the European area .

Performance of EBITDA

In 2008, the Group's EBITDA figure consisted of € 46.8 million, up (+33.3% on 2007. Lovato's contribution to this result amounted to € 0.6 million, net of the adjustment for the implementation of the international accounting principles and of the "*Purchase Price Allocation (PPA)*".

Performance of Operating Result (EBIT)

EBIT was € 40.7 million, up by 30.5% on 2007. Depreciation and amortisation increased due to the coming on stream of new production facilities and the consolidation of Lovato.

Pre-tax Income and Net Income

Pre-tax income was € 39.7 million, up 25.9% on € 31.5 million in 2007. Net income rose by 35.8% to € 26.7 million, due in part to a decrease in the taxation of the Group's Italian companies.

Financial Position

The Group's net financial position was negative at € 6.5 million compared to a positive net financial position of € 50.6 million at 31 December 2007. The decrease was primarily due to the acquisition of Lovato, closed in October 2008.

Corporate Governance Report

The Board has examined and approved the Annual Report on Corporate Governance and Compliance With the Governance Code for Listed Companies in 2008.



Combined Ordinary and Extraordinary Shareholders' Meeting Called

The Board of Directors of Landi Renzo S.p.A. has called a combined Ordinary and Extraordinary Shareholders' Meeting for 24 April 2008 and 27 April 2008 (first and second call, respectively) at 9.30, at the company's office in Cavriago (Reggio Emilia), Località Corte Tegge, Via Nobel 2/4.

Dividend Proposed

The Board of Directors of Landi Renzo S.p.A. has resolved to propose to the General Shareholders' Meeting that the net income for the year of € 20.2 million, be allocated to € 8.4 million in dividends to be distributed in the amount of € 0.075, gross of withholding taxes, per each outstanding equal to € 112.5 million, with ex-dividend date no. 2 on 4 May 2009, and payment as of 7 May 2009.

Furthermore the Board of Director President has proposed the increase of the Directors numbers from 6 to 7 to allow the entrance of a new member subject to the approval of the coming Shareholders Meeting.

Landi Renzo is a 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 68% of the Company's sales.

Landi Renzo S.p.A. has been listed in 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.

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



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Cavriago (RE), 12 March 2009



INCOME STATEMENT (thousands of Euros)	31 December 2008	31 December 2007
Revenues (goods and services)	214,100	163,886
Revenues (goods and services) - related parties	2,098	0
Other revenue and income	652	1,046
Cost of raw materials, consumables and goods and change in inventories	-76,967	-66,011
Cost of raw materials - related parties	-18,907	-12,292
Cost for services and use of third party assets	-51,520	-35,956
Cost for services and use of third party assets - related parties	-853	-531
Personnel expenses	-20,279	-14,329
Accruals, impairment losses and other operating expenses	-1,564	-737
Gross Operating Profit	46,760	35,076
Amortisation, depreciation and impairment losses	-6,032	-3,866
Operating Profit	40,728	31,210
Financial income	1,907	1,406
Financial expenses	-1,425	-998
Exchange rate gains (losses)	-1,541	-111
Profit Before Tax	39,669	31,508
Income tax expense	-12,867	-12,010
Profit for the period/year, of which attributable to:	26,802	19,497
Minority interests	96	-163
Shareholders of the parent	26,706	19,662
Basic earnings per share (in Euros) - calculated on 112.500.000 ordinary shares	0.2374	0.1748
Diluted earnings per share (in Euros)	0.2374	0.1748



ASSETS (thousands of Euros)	31 December 2008	31 December 2007
Non-current assets		
Property, plant and equipment	25,106	14,926
Development expenditure	3,661	1,844
Goodwill	51,961	2,988
Other intangible assets with finite useful lives	18,063	1,290
Other non-current financial assets	73	80
Deferred tax assets	4,059	1,841
Total non-current assets	102,923	22,970
Current assets		
Trade receivables	48,977	41,856
Trade receivables - related parties	586	0
Inventories	68,163	33,091
Other receivables and current assets	7,425	8,870
Other receivables and current assets - related parties	0	88
Current financial assets	156	205
Cash and cash equivalents	30,272	58,055
Total current assets	155,579	142,164
TOTAL ASSETS	258,502	165,134
EQUITY AND LIABILITIES (thousands of Euros)	31 December 2008	31 December 2007
Equity attributable to the shareholders of the parent		
Share capital	11,250	11,250
Other reserves	87,154	74,356
Profit for the period/year	26,706	19,661
Total equity attributable to the shareholders of the parent	125,110	105,266
Minority interests	290	134
TOTAL EQUITY	125,400	105,401
Non-current liabilities		
Bank loans	27,679	1,971
Other non-current financial liabilities	465	632
Provisions for risks and charges	495	246
Defined benefit plans	2,579	1,948
Deferred tax liabilities	6,975	1,675
Total non-current liabilities	38,193	6,473
Current liabilities		
Bank overdraft and short-term loans	8,465	4,687
Other current financial liabilities	167	163
Trade payables	66,641	39,655
Trade payables - related parties	10,350	2,780
Tax liabilities	3,581	2,467
Other current liabilities	5,705	3,198
Other current liabilities - related parties	0	312
Total current liabilities	94,909	53,261
TOTAL LIABILITIES AND EQUITY	258,502	165,134