



PRESS RELEASE

LANDI RENZO S.p.A.: The Board of Directors Approves Results at 31 March 2009.

Results for the first quarter of 2009 in line with expectations. Production capacity for LPG and CNG vehicles increased to over 150,000 per year, through activities aimed at laying the basis to meet the expected market demand for 2009. Such activities caused a temporary reduction in margins on a quarter-on-quarter basis. The first quarter is therefore not representative of the performance expected in all of 2009, which on the whole is in line with the expectations at the beginning of the year.

- **Consolidated revenues amounted to € 39.3 million (down 13.6% or € 6.2 million compared to 1Q08);**
- **Gross Operating Margin (EBITDA) amounted to € 1.1 million (down 88.7% or € 8.9 million compared to 1Q08);**
- **Operating Result (EBIT) amounted to € 1.1 million (down 112.3% or € 10.0 million compared to 1Q08);**
- **Pre-tax loss amounted to € 0.9 million (down 110.6% or € 9.3 million compared to 1Q08);**
- **Net loss amounted to € 0.8 million (down 114.8% or € 6.5 million compared to 1Q08);**
- **Net Financial Position was negative at € 42.7 million.**

Cavriago, 14 May 2008 - The Board of Directors of Landi Renzo S.p.A. — a company listed in the STAR segment of the electronic share market (MTA) organised and managed by Borsa Italiana — approved the Interim Report at 31 March 2009.

“The first quarter of 2009 is a period of transition and not representative,” said Chief Executive Officer Claudio Carnevale. “During the period, we launched a series of activities that allowed us to respond to rapidly growing demand for new cars with LPG and CNG fuel systems. In just three months we increased our production capacity more than fivefold to a potential 150,000 vehicles per year. The resources invested in these activities have already begun to show benefits in March, although the majority of such benefits will influence the second half of the year.”

The domestic market expanded in the first quarter, characterised by a ramp-up phase. This partly offset the decline in foreign markets. Revenues consequently amounted to € 39.3 million during the period (€ 45.5 million at 31 March 2008), down by 13.6% (like for like down by 22.9%).



The action taken to secure production capacity of over 150,000 LPG and CNG vehicles a year, which is functional to increasing the sales volumes of the car manufacturers channel, all of which are now offering an increasing number of LPG or CNG models, had an impact on EBITDA, which amounted to € 1.1 million in the first three months of 2009, down 88.7% (-€ 8.9 million) compared to the same period of 2008 (like for like, down by 83%).

In the first quarter of 2009, Group EBIT was negative at € 1.1 million, compared to a positive amount of € 8.9 million for the same period of 2008 (-112.3%). Pre-tax loss was € 0.9 million compared to a pre-tax profit of € 8.4 million for the first quarter of 2008 (-110.6%).

Group Net Result for the first quarter of 2009 was a loss of € 0.8 million compared to a positive net profit of € 5.6 million at 31 March 2008 (-114.8%).

Revenue Performance

Total Group's consolidated revenues reached € 39.3 million at 31 March 2009. Sales of LPG systems went from € 23.0 million to € 29.8 million, up 29.6%, whereas sales of CNG systems went from € 21.2 million to € 8.8 million, down by 58.4%

A geographical breakdown of revenues shows that in the first quarter of 2009, 48.2% of the Group's consolidated revenues were generated abroad (28.9% in Europe and 19.3% in non-European countries). In the first quarter of 2009, the Italian market grew 37.7%, accounting for 51.8% of total revenues. This increase was driven by the rise in sales of injection LPG systems, particularly through the OEM channel.

It should also be noted that official figures indicate that the Group has increased its share of the LPG testing segment in Italy at 31 March 2009 to 39.0% (compared to 35.7% at 31 March 2008). Revenues increased 9.8% in Europe compared to the first quarter of 2008, buoyed by the strong performance of sales on Eastern European markets.

Margin Performance

EBITDA for the quarter was € 1.1 million (2.9% of revenues), compared to € 10.0 million (22.0% of revenues) for the same period of 2008.

EBITDA performance was therefore affected both by a decline in sales and costs associated with increasing the Company's capacity.

These factors also influenced other margins such as EBIT and Net Profit.



Financial Position

The net financial position at 31 March 2009 was negative at € 42.7 million compared to a negative net financial position of € 6.5 million at 31 December 2008, mainly due to the increase in working capital.

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.

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 Finance Act, that the accounting information contained in this press release corresponds to documented results, and to accounting records and books.

Investor Relations
Pierpaolo Marziali
Landi Renzo Investor Relator
Investorrelationslandi.it@landi.it
+39 0522 94 33

Press Contacts:
Barabino & Partners
Federico Vercellino
f.vercellino@barabino.it
+39.02.72.02.35.35

Cavriago (RE), 14 May 2009

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



ASSETS (thousands of Euros)	31 March 2009	31 December 2008
Non-current assets		
Property, plant and equipment	27.171	25.106
Development expenditure	3.889	3.661
Goodwill	51.961	51.961
Other intangible assets with finite useful lives	17.914	18.063
Other non-current financial assets	73	73
Deferred tax assets	4.236	4.059
Total non-current assets	105.244	102.923
Current assets		
Trade receivables	57.000	48.977
Trade receivables - related parties	661	586
Inventories	70.717	68.163
Other receivables and current assets	6.512	7.425
Other receivables and current assets - related parties	0	0
Current financial assets	127	156
Cash and cash equivalents	5.951	30.272
Total current assets	140.968	155.579
TOTAL ASSETS	246.212	258.502
EQUITY AND LIABILITIES (thousands of Euros)	31 March 2009	31 December 2008
Equity attributable to the shareholders of the parent		
Share capital	11.250	11.250
Other reserves	114.026	87.154
Profit(Loss) for the period/year	-899	26.706
Total equity attributable to the shareholders of the parent	124.377	125.110
Minority interests	366	290
TOTAL EQUITY	124.743	125.400
Non-current liabilities		
Bank loans	27.417	27.679
Other non-current financial liabilities	465	465
Provisions for risks and charges	721	495
Defined benefit plans	2.505	2.579
Deferred tax liabilities	6.796	6.975
Total non-current liabilities	37.904	38.193
Current liabilities		
Bank overdraft and short-term loans	20.595	8.465
Other current financial liabilities	167	167
Trade payables	47.708	66.641
Trade payables - related parties	5.158	10.350
Tax liabilities	3.724	3.581
Other current liabilities	6.213	5.705
Other current liabilities - related parties	0	0
Total current liabilities	83.565	94.909
TOTAL LIABILITIES AND EQUITY	246.212	258.502



INCOME STATEMENT (thousands of Euros)	2009	2008
	1st Quarter	1st Quarter
Revenues (goods and services)	39.266	45.515
Revenues (goods and services) - related parties	63	0
Other revenue and income	54	42
Cost of raw materials, consumables and goods and change in inventories	-15.473	-15.850
Cost of raw materials - related parties	-1.647	-3.554
Cost for services and use of third party assets	-13.928	-10.961
Cost for services and use of third party assets - related parties	-214	-207
Personnel expenses	-6.488	-4.587
Accruals, impairment losses and other operating expenses	-502	-386
Gross Operating Profit	1.131	10.012
Amortisation, depreciation and impairment losses	-2.226	-1.125
Operating Profit	-1.095	8.888
Financial income	206	495
Financial expenses	-557	-256
Exchange rate gains (losses)	548	-682
Profit (Loss) Before Tax	-898	8.444
Income tax expense	67	-2.813
Profit (Loss) for the period/year, of which attributable to:	-831	5.631
Minority interests	68	-28
Shareholders of the parent	-899	5.660
Basic earnings (losses) per share (in Euros) - calculated on 112.500.000 ordinary shares	-0,0080	0,0501
Diluted earnings (losses) per share (in Euros)	-0,0080	0,0501