
Landi Renzo: at September 30, 2012 net profit of 3.4 million Euro and increase of 47.3% of EBITDA vs September 30, 2011

- o Net revenues of 203.4 million Euro, +7% compared to 30 September 2011 (190.1 million Euro)
- o EBITDA of 23.6 million Euro, +47.3% compared to 30 September 2011
- o EBIT of 9.8 million Euro (negative EBIT of 2.0 million Euro at 30 September 2011)
- o Net profit of 3.4 million Euro (net loss of 7.8 million Euro at 30 September 2011)
- o Net debt of 77.0 million Euro (89.5 million Euro at 30 September 2011)

Cavriago (Reggio Emilia), 14 November 2012

The Board of Directors of Landi Renzo SpA met today under the chairmanship of Stefano Landi to approve the Company's quarterly financial statements for the period ending 30 September 2012.

In the first nine months of 2012, the Group's net revenues totalled 203.4 million Euro (190.1 million Euro at 30 September 2011), up by 7%; EBITDA amounted to 23.6 million Euro, up by 47.3% compared to 30 September 2011 (16.0 million Euro); EBIT totalled 9.8 million Euro, compared to negative EBIT of -2 million Euro at 30 September 2011.

"The results for the first nine months of the current year show the effectiveness of the initiatives undertaken by the Group - said the Group's CEO Claudio Carnevale. The Company supplied the car manufacturing market with hi-tech products that can satisfy the demand for alternatively fuelled vehicles. This is the case in Italy where, in spite of a downward trend in the car market (according to data from UNRAE, down by over 20% compared to the first nine months of 2011), the sales mix of new vehicles fitted with LPG and CNG systems has risen significantly: from 5% in the first nine months of 2011, it rose to 12% in the first nine months of 2012, generating a positive effect on volumes and turnover.

Once again through product innovation, we have managed to increase our presence in markets relevant to our sector. In addition, the actions undertaken to contain costs and to launch new products into the market are producing the expected results and the Group is implementing other initiatives to further improve profits" added Carnevale.

Consolidated income results at 30 September 2012

The Group's **net revenues** amounted to 203.42 million Euro (compared to 190.14 million Euro at 30 September 2011), up by 7% compared to the prior-year period, with significant improvements on the Italian market (+69.3%), Europe (+29.8%) and the Rest of the World (+20%).

EBITDA totalled 23.58 million Euro, up by 47.3% compared to 16 million Euro in the first nine months of 2011.

EBIT amounted to 9.78 million Euro, up compared to the negative figure recorded in the first nine months of 2011 (-2 million Euro) when it was even influenced by a one-off writeoff amounting to 4.3 million Euro.

Pre-tax profit was 6.59 million Euro, compared to a pre-tax loss of 5.98 million Euro in the first nine months of 2011.

Net profit amounted to 3.40 million Euro, compared to a net loss of 7.84 million Euro at 30 September 2011.

Breakdown of revenues

Revenues from sales of products and services in the gas sector rose from 179.04 million Euro in the first nine months of 2011 to 192.75 million Euro in the first nine months of 2012, up by 7.7%.

The improvement in sales in the LPG sector (+41.5%) largely occurred on European markets and in particular in Italy, a market which saw sharp growth in demand both for OEM registrations and for aftermarket transformations.

It should be noted that the CNG sector improved in the third quarter, but the recovery did not offset the drop recorded in the first six months of the year due to the fall in South-Western Asia. Overall the CNG sector fell by 26.8% compared to the same period in 2011.

Product sales in the alarm, sound and other sectors fell from 11.10 million Euro to 10.67 million Euro.

The geographical breakdown shows that the Landi Group generated 71.3% of its consolidated revenues abroad (81.9% in Q311), of which 40.6% outside of Europe and 30.8% in Europe, where net sales increased by 29.8% (totalling 62.74 million Euro at 30 September 2012).

With respect to the first nine months of 2011, results as of September 30, 2012 show that:

- sales in Italian market rose by 69.3%, with revenues reaching 58.29 million Euro due to rising demand for green and cheaper fuels (LPG and CNG) and the renewed offer of products for the OEM channel with systems compatible with the requirements of the Euro V regulations that are currently in force;
- revenues in Europe rose by 29.8%, with significant increases in sales in Eastern Europe;
- the South-Western Asian area, as already highlighted in the first half of 2012, recorded a decrease in sales by 67.8%, mainly due to a sharp slowdown in the Iranian and Pakistani markets.
- American markets revenues increased by 11.6%, in particular Latin America, while sales in the markets of the Rest of the World rose by 20,0% thanks to the positive trend in demand in the Far East.

Consolidated financial results at 30 September 2012

Net debt at 30 September 2012 was 76.96 million Euro compared to 71.56 million Euro at 30 June 2012.

2012 outlook

The trend in the first nine months of the year is in line with the Group's forecasts for 2012 and shows positive results in terms of both revenues and profits, despite the ongoing difficulties relating to the macroeconomic scenario and the key market, including business restrictions caused by specific country problems in South-Western Asia.

As for the 2012 as a whole, the Group confirms a positive outlook with revenues growing by over 5% compared to 2011, as well as EBITDA margin over 10%. The additional revenues expected for the current year from the newly created SAFE S.p.A. total around 6 million Euro

In compliance with the provisions of art. 2428 of the Italian Civil Code, it should be noted that during 2011 the Parent Company did not trade any treasury shares or shares of parent companies and currently does not hold any treasury shares or shares of parent companies. The subsidiaries do not hold any shares of the Parent Company.

Paolo Cilloni, Manager in charge of preparing the financial reports, declares - pursuant to article 154-bis, par. 2 of Legislative Decree no. 58 of 24 February 1998 - that the accounting information provided herein is in line with the documented results and the accounting books and entries.

The Financial Report at 30 September 2012 will be made available to the public at the registered office of the Company as well as at Borsa Italiana SpA and at the website www.landi.it within the legally required deadlines.

This press release, together with a presentation, is also available on the company's website www.landi.it together with a presentation.

This press release is a translation. The Italian version prevails

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 - Italy) 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 and with more than 70% of sales generated abroad.

Landi Renzo S.p.A. has been listed in the STAR segment of Borsa Italiana MTA market since June 2007.

Landi Renzo
Pierpaolo Marziali
M&A and Investor Relations Manager
ir@landi.it
Corrado Storchi
External Relations Manager
cstorchi@landi.it
Tel. +39 0522.94.33

SEC Relazioni Pubbliche e Istituzionali
Marco Fraquelli
fraquelli@segrp.it
Daniele Pinosa
pinosa@segrp.it
Tel. +39 02.624999.1

IR Top Consulting
Maria Antonietta Pireddu
Tel. +39 02 45.47.38.84/3
ir@irtop.com

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (thousands of Euros)	30/09/2012	30/09/2011	3Q12	3Q11
Revenues (goods and services)	203,286	188,966	64,142	62,122
Revenues (goods and services) - related parties	131	1,173	120	274
Other revenue and income	1,490	816	531	138
Cost of raw materials, consumables and goods and change in inventories	-92,838	-91,039	-30,416	-29,743
Costs for services and use of third party assets	-54,397	-50,293	-16,436	-17,317
Costs for services and use of third party assets – related parties	-1,189	-1,146	-401	-384
Personnel expenses	-30,998	-30,479	-9,152	-9,318
Accruals, impairment losses and other operating expenses	-1,905	-1,994	-693	-653
Gross Operating Profit	23,580	16,004	7,695	5,119
Amortization, depreciation and impairment losses	-13,798	-17,999	-4,649	-8,911
<i>of which non-recurring</i>	0	-4,316	0	-4,316
Net Operating Profit	9,782	-1,995	3,046	-3,792
Financial income	545	377	193	106
Financial expenses	-3,167	-2,543	-990	-943
Exchange rate gains and losses	-567	-1,822	-558	394
Profit (Loss) before tax	6,593	-5,983	1,691	-4,235
Taxes	-3,223	-1,885	-1,046	-978
Net profit (loss) for the Group and minority interests, including:	3,370	-7,868	645	-5,213
Minority interests	-33	-29	-152	229
Net Profit (Loss) of the Group	3,403	-7,839	797	-5,442
Basic earnings (loss) per share (calculated on 112.500.000 shares)	0.0303	-0.0697	0.0071	-0.0484
Diluted earnings (loss) per share	0.0303	-0.0697	0.0071	-0.0484

ASSETS (thousands of Euros)	30/09/2012	31/12/2011	30/09/2011
Non-current assets			
Property, plant and equipment	32,856	35,096	35,745
Development expenditure	8,071	10,346	10,811
Goodwill	55,582	55,582	55,582
Other intangible assets with finite useful lives	27,698	29,506	29,815
Other non-current financial assets	2,642	170	253
Deferred tax assets	13,927	13,274	12,104
Total non-current assets	140,776	143,974	144,310
Current assets			
Trade receivables	81,734	77,429	79,558
Trade receivables - related parties	268	361	453
Inventories	76,745	67,408	80,375
Other receivables and current assets	22,606	27,452	29,296
Current financial assets	187	176	120
Cash and cash equivalents	18,945	20,059	20,010
Total current assets	200,485	192,885	209,812
TOTAL ASSETS	341,261	336,859	354,122
EQUITY AND LIABILITIES (thousands of Euros)	30/09/2012	31/12/2011	30/09/2011
Group shareholders' equity			
Share capital	11,250	11,250	11,250
Other reserves	124,878	134,154	133,151
Profit (loss) for the period	3,403	-9,138	-7,839
Total equity attributable to the shareholders of the parent	139,531	136,266	136,562
Minority interests	848	738	693
TOTAL EQUITY	140,379	137,004	137,255
Non-current liabilities			
Non-current bank loans	27,861	40,119	54,810
Other non-current financial liabilities	49	49	123
Provisions for risks and charges	5,255	4,860	4,585
Defined benefit plans	2,986	2,835	2,849
Deferred tax liabilities	10,604	12,351	12,849
Total non-current liabilities	46,755	60,214	75,216
Current liabilities			
Bank overdrafts and short-term loans	67,925	69,878	54,441
Other current financial liabilities	74	125	123
Trade payables	71,682	55,903	70,961
Trade payables - related parties	75	61	64
Tax liabilities	6,017	6,458	7,425
Other current liabilities	8,354	7,216	8,637
Total current liabilities	154,127	139,641	141,651
TOTAL LIABILITIES AND EQUITY	341,261	336,859	354,122

CONSOLIDATED CASH FLOW STATEMENT (thousands of Euros)	30/09/2012	31/12/2011	30/09/2011
Opening cash and cash equivalents	-49,819	-2,110	-2,110
Profit (Loss) before tax (less minority interests)	6,626	-8,212	-5,954
<i>Adjustments:</i>			
Financial net expenses / (income), including exchange differences	3,190	4,737	5,516
Amortization, depreciation	13,798	18,421	13,683
Impairment of intangible and tangible assets	0	4,316	4,316
Changes in provisions and employee benefits	595	343	34
Changes in other provisions	1,427	107	-168
Net change in deferred taxes	-2,399	-2,567	0
<i>(Increase) decrease in current assets:</i>			
Inventories	-9,337	-428	-13,395
trade receivables	-4,305	2,757	627
trade receivables - related parties	93	351	259
receivables from others and other assets	2,910	-6,149	-7,937
<i>Increase (decrease) in current liabilities:</i>			
trade payables	15,779	-4,285	6,487
trade payables - related parties	14	-293	-290
payables to others and other liabilities	1,087	1,747	4,138
Cash flow from (for) operating activities	29,478	10,845	7,316
Net interest paid (including realized exchange rate differences)	-2,538	-4,737	-1,527
Income taxes paid	-3,677	-5,833	-5,399
Free Cash flow from (for) operating activities	23,263	275	390
Investments in intangible assets	-1,534	-1,307	-967
Development expenditure	-1,930	-3,089	-2,038
Investments in property, plant and equipment	-5,353	-10,495	-10,754
Cash receipts from disposals of intangible and tangible assets	1,188	569	0
Investments in other non-current financial assets	-2,537	52	0
Cash flow from (for) investing activities	-10,166	-14,270	-13,759
Dividends paid in the period	0	-6,188	-6,188
Loans obtained/repaid to/from banks and other financial backers during the period	-12,258	-27,079	-12,316
Payments for reduction of payables for financial leasing	0	-447	-448
Cash flow from (used in) financing activities	-12,258	-33,714	-18,952
Total cash flow	839	-47,709	-32,321
Closing cash and cash equivalents	-48,980	-49,819	-34,431