

Landi Renzo: commitment to acquire a business branch from a leader in the field of components to manufacture Compressed Natural Gas refueling stations.

**The Group completes its offer and consolidates at an international level its leadership in the eco-sustainable mobility sector.
The company continuity and important employment levels, necessary for the business branch activity, have been protected**

Cavriago (Reggio Emilia), 23 May 2012

Landi Renzo has forwarded to Agave s.r.l., a company in liquidation about to submit an application for composition with creditors, an irrevocable proposal for temporary rental and subsequent acquisition of the SAFE business branch.

Through the trademark SAFE, Agave has been operating for more than 35 years in the production of compressors for gas processing for a wide range of applications, also managing their marketing and/or distribution and support services; its main business areas are CNG (natural gas refuelling stations for vehicles), Oil and Gas (compressors and auxiliary systems for the processing of gas from extraction to distribution), plants for the processing of biomethane, hydrogen and Liquefied Natural Gas plants.

The transaction, aimed at allowing the distressed company to continue operations and to be relaunched, even preventing some job cuts, is part of the strategy of Landi Renzo which considers the possibility of expanding its own product portfolio with the the know-how in the production of “CNG stations” as a competitive factor. Landi Renzo believes that, with a view to industrial integration, refueling stations could have a parallel development of the use of methane as a fuel or even to boost it.

“The transaction concerns the Group strategy- said Landi Renzo’s CEO Claudio Carnevale- that points to expand its product portfolio.

This acquisition, moreover, confirms the world-wide leadership of Landi Renzo Group in developing and marketing innovative technological solutions in the field of low environment impact transports.

Finally - said Mr. Carnevale- this operations gives us the opportunity to enter in important segments of the high pressure gas processing field, such as, among the others, Oil and Gas and Biogas.”

The business branch involved in the transaction comprises several assets including tangible and intangible assets, as well as a specific number of workers necessary for business relaunching.

Rental of the business branch, in preparation for the acquisition, is subject to some suspension clauses, the most significant of which is the authorisation from the Court of Bologna to enter into the temporary rental and acquisition contract.

The final acquisition of the business branch is subject to approval of the composition plan which Agave will propose to its creditors.

The financial outlay for the transaction can be estimated at around 10 million euro (around 2 million euro for the acquisition of the business branch and around 8 million euro for the acquisition of Agave inventories). Such value will be rectified, upon conclusion of the transaction, by assessing the exact

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amount of all the items involved in the transfer, also including some liabilities of about 500 thousand euro.

During 2011, through the business branch in question, Agave achieved a turnover of around 27 million euro.

It is expected that the business branch becomes effective from the beginning of next July: it can be estimated that such a business could contribute around 10 million additional euros to revenues of the Landi Renzo Group for the current financial year.

For the purposes of this transaction Landi Renzo is supported by Mediobanca S.p.A. in the capacity of financial advisor and by Studio Legale Bassi & Terzi, Studio Oliva and by Analisi S.p.A. respectively as legal, tax and accounting consultants.

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 and exports accounting for about 70% of the Company's sales.

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

This press release is a translation. The Italian version prevails

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