Landi Renzo's Board of Directors has approved the interim financial statements as at 31 March 2013

- **Revenues of 53.1 million Euro (59.6 million Euro as at 31 March 2012)**
- **EBITDA of 1.7 million Euro (5.8 million Euro as at 31 March 2012)**
- **EBIT loss of 2.8 million Euro (EBIT profit of 1.3 million Euro as at 31 March 2012)**
- **Net loss of 2.6 million Euro (0.6 million Euro as at 31 March 2012)**
- **Net debt of 64.6 million Euro (96.5 million Euro as at 31 March 2012)**

Cavriago (RE), 10 May 2013

The Landi Renzo's Board of Directors met today under the chairmanship of Stefano Landi to approve the Company's interim financial statements as at 31 March 2013.

Consolidated net revenues amounted to 53.1 million Euro as at 31 March 2013 compared to 59.6 million Euro as at 31 March 2012, down by 10.9%. EBITDA decreased to 1.7 million Euro from 5.8 million Euro as at 31 March 2012. EBIT was negative to the tune of 2.8 million Euro, compared to a profit of 1.3 million Euro in the prior-year period.

"First quarter's results – says Chairman and CEO **Stefano Landi** – *are in line with our forecasts. Within this challenging environment, the Group has managed to increase its presence in key geographical areas such as Italy, for example. We are committed to pursue this strategy during the year and further increase margins by recovering efficiency."*

Consolidated results as at 31 March 2013

Consolidated **net revenues** decreased by 10.9% to 53.1 million Euro compared to 59.6 million Euro as at 31 March 2012.

In the first quarter, revenues from the sale of LPG systems decreased by 8.4% from 36.7 million Euro in the first quarter of 2012 to 33.6 million Euro in the first quarter of 2013. Revenues from the sale of CNG fuel systems also fell from 19.7 to 13.5 million Euro.

In terms of geographical distribution, the Landi Renzo Group achieved 68.7% of its consolidated sales abroad (35.5% in Europe, 33.2% outside of Europe).

The good trend of revenues from the Italian car manufacturing companies were not able to offset the drop in the after market channel, due to the current macroeconomic scenario. Therefore sales in this market decreased by 9.6% on the prior-year period and they amount to 16.6 million Euro in first quarter 2013.

In Europe, some countries which have an important role in the sector development recorded significant results, partially offsetting the drop recorded in other areas. Thus revenues fell by 6.1% compared to the prior-year period when they amounted to 20.0 million Euro.

In Asia and in the Rest of the world, sales decreased by 15.7% compared to the first quarter of 2012 due mainly to the disappointing demand in Pakistan and despite a sharp increase in the Far East. Total sales in this area are, therefore, 10.8 million Euro in first quarter 2013.

The good performance registered in key American markets partially offset the drop in sales recorded in Venezuela, which is now going through a crucial political and institutional phase. Therefore, revenues dropped by 17.7% on the prior-year period and they amount to 6.8 million Euro in first quarter 2013.

EBITDA amounted to 1.7 million Euro, down by 4.1 million Euro compared to the prior-year period (EBITDA of 5.8 million Euro).

EBIT was negative to the tune of 2.8 million Euro, compared to a profit of 1.3 million Euro posted in the first quarter of 2012.

The **pre-tax loss** amounted to 3.3 million Euro compared to the 461 thousand Euro loss as at 31 March 2012.

In the first quarter of 2013 the Group recorded a 2.6 million Euro **net loss** compared to a net loss of 625 thousand Euro in the same period of 2012.

Net debt amounted to 64.6 million Euro as at 31 March 2013 compared to 61.9 million Euro as at 31 December 2012.

Despite the uncertainties surrounding the macroeconomic scenario and the reference market, the Group confirms a positive **outlook** for 2013 with sales over 280 million Euro and EBITDA margin over 10%.

Significant events after the reporting period and outlook

After the reporting period, on 24 April 2013 the Shareholders' Meeting resolved, among other things, to: allocate Landi Renzo S.p.A.'s profit of 5,531,903.97 Euro to the Extraordinary Reserve, authorise once again the purchase and sale of treasury shares; appoint Corporate Bodies, due to be in charge until approval of financial statements as at 31 December 2015; change Articles 10, 12, 14 and 22 of the By-Laws.

On 24 April 2013 the Board of Directors appointed Stefano Landi as CEO.

In April 2013, Landi Renzo's subsidiary SAFE S.p.A. closed the acquisition of the business branch producing gas-processing compressors useful for multiple applications from Agave S.r.l. (formerly SAFE s.r.l.), in liquidation and in composition with creditors. The consideration paid amounted to approximately 3.5 million Euro.

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

*This press release and a relevant report are also available **on the company's website** www.landi.it*

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) 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.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (thousands of Euros)	31/03/2013	31/03/2012 restated
Revenues (goods and services)	53,048	59,596
Revenues (goods and services)- related parties	80	2
Other revenue and income	182	843
Cost of raw materials, consumables and goods and change in inventories	-23,430	-25,638
Costs for services and use of third party assets	-15,834	-17,943
Costs for services and use of third party assets – related parties	-392	-390
Personnel expenses	-11,005	-10,020
Accruals, impairment losses and other operating expenses	-922	-601
Gross Operating Profit	**1,726**	**5,849**
Amortization, depreciation and impairment losses	-4,518	-4,543
Net Operating Profit	**-2,791**	**1,306**
Financial income	184	133
Financial expenses	-875	-1,060
Exchange rate gains and losses	177	-840
Profit (Loss) before tax	**-3,305**	**-461**
Taxes	700	-194
Net profit (loss) for the Group and minority interests, including:	**-2,605**	**-655**
Minority interests	-10	-30
Net Profit (Loss) of the Group	-2,595	-625

Since first quarter 2013 the Group implements and backdates IAS 19 in accordance with Rule CE n. 475-2012. So data for 2012 are restated.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
ASSETS (thousands of Euros)	31/03/2013	31/12/2012 restated	31/03/2012 restated
Non-current assets			
Property, plant and equipment	33,349	32,972	32,994
Development expenditure	7,719	8,365	9,579
Goodwill	55,582	55,582	55,582
Other intangible assets with finite useful lives	26,811	27,169	28,825
Other non-current financial assets	665	203	171
Deferred tax assets	14,681	13,810	13,723
Total non-current assets	**138,807**	**138,101**	**140,874**
Current assets			
Trade receivables	65,615	69,010	82,559
Trade receivables - related parties	229	229	296
Inventories	73,631	65,928	72,052
Other receivables and current assets	17,929	14,213	27,466
Current financial assets	112	116	176
Cash and cash equivalents	34,527	38,629	23,568
Total current assets	**192,043**	**188,125**	**206,117**
TOTAL ASSETS	**330,850**	**326,226**	**346,991**

EQUITY AND LIABILITIES (thousands of Euros)	31/03/2013	31/12/2012 restated	31/03/2012 restated
Group shareholders' equity			
Share capital	11,250	11,250	11,250
Other reserves	127,434	124,234	124,719
Profit (loss) for the period	-2,595	2,951	-625
Total equity attributable to the shareholders of the parent	**136,089**	**138,435**	**135,344**
Minority interests	**622**	**623**	**628**
TOTAL EQUITY	**136,711**	**139,058**	**135,972**
Non-current liabilities			
Non-current bank loans	46,964	38,465	38,052
Other non-current financial liabilities	25	25	49
Provisions for risks and charges	5,650	5,077	5,066
Defined benefit plans	3,393	3,466	2,877
Deferred tax liabilities	9,792	10,583	11,780
Total non-current liabilities	**65,824**	**57,616**	**57,824**
Current liabilities			
Bank overdrafts and short-term loans	52,143	62,017	81,891
Other current financial liabilities	24	24	125
Trade payables	62,767	55,722	56,267
Trade payables - related parties	10	58	300
Tax liabilities	4,270	2,445	6,784
Other current liabilities	9,101	9,286	7,828
Total current liabilities	**128,315**	**129,552**	**153,195**
TOTAL LIABILITIES AND EQUITY	**330,850**	**326,226**	**346,991**

CONSOLIDATED CASH FLOW STATEMENT (amount in thousands of euro)	31/03/2013	31/12/2012 restated	31/03/2012 restated
Cash flow from operating activities			
Profit (Loss) for the year	-2,604	2,686	-655
Adjustments for:			
Depreciation	2,437	9,896	2,259
Amortization of intangible assets	2,060	8,570	2,284
(Reversal of) impairment losses on property, plant and equipment	21	25	
impairment loss on trade receivables	71	1,021	42
Net finance costs	514	4,237	1,418
Gain on sale of property,plant and equipment	-24	-89	
Gain on curtailment	-90	-142	707
Tax expense	-700	2,973	130
	1,685	**29,177**	**6,185**
Changes in:			
inventories	-7,704	1,480	-4,644
trade and other receivables	-849	20,795	-6,023
trade and other paybles	8,638	-2,253	1,215
provisions and employee benefits	126	902	486
Cash generated from operating activities	**1,896**	**50,101**	**-2,781**
Interest paid	-280	-2,613	-378
income taxes paid	-368	-7,898	-163
Net cash flow from (for) operating activities	**1,248**	**39,590**	**-3,322**
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment	25	2,686	177
Acquisition of property, plant and equipment	-2,558	-9,862	-1,979
Acquisition of intangible assets	-402	-845	-211
Acquisition of other investments	-476	0	-2
Development expenditure	-685	-3,273	-767
Net cash used in investing activities	**-4,096**	**-11,294**	**-2,782**
Cash flow from financing activities			
Net repayments and financings	-1,375	-9,515	9,946
Net cash from (used in) financing activities	**-1,375**	**-9,515**	**9,946**
Net increase (decrease) in cash and cash equivalents	**-4,223**	**18,781**	**3,842**
Cash and cash equivalents at 1 January	38,629	20,059	20,059
Effect of exchange rate fluctuations on cash held	121	-211	-333
Cash and cash equivalents at the end of period	34,527	38,629	23,568