



PRESS RELEASE

LANDI RENZO S.p.A.: The Board of Directors Approves Results at 31 March 2010.

In the first quarter of the year all operating and financial indicators showed a positive growth, in line with expectations. The many activities implemented in the first quarter of 2009 and during 2009 are yielding the results. These activities enabled the Group to reach productive and efficiency levels whose impact was fully felt in the first quarter of 2010, when the Group succeeded in grasping the growth opportunities expressed by the market.

- Consolidated revenues amounted to € 93.9 million (+138.7% compared to Q1 2009)
- Gross operating margin (EBITDA) amounted to € 18.4 million (up compared to € 1.1 million in the first quarter of 2009)
- Operating result (EBIT) amounted to € 15.8 million (negative at € 1.1 million in the first quarter of 2009)
- Pre-tax income amounted to € 16.4 million (negative at € 898 million in the first quarter of 2009)
- Group and third parties net income amounted to € 11.6 million (negative at € 831 million in the first quarter of 2009)

Cavriago, 13 May 2010 - The Board of Directors of Landi Renzo S.p.A. — a company listed in the STAR segment of the electronic share market (MTA) organized and managed by Borsa Italiana — approved the Interim Report at 31 March 2010.

For the first quarter of 2010, consolidated revenues reached € 93.9 million, up 138.7% compared to the same period of 2009. With reference to profitability, EBITDA was € 18.4 million (+1,529.3%) and EBIT was € 15.8 million (+1,541.4%).

“The results for the quarter that has just come to an end are the reward for all the activities that allowed the Group to create and exploit market opportunities in full. The figures for the first three months of the year, which are highly positive in terms of all growth and profitability indicators, confirm the Group’s potential to create value for its shareholders,” commented Chief Executive Officer Claudio Carnevale. “In addition, in January 2010 we incorporated Landi Renzo USA, thereby laying the foundation for serving a nascent market with enormous potential. This initiative bears witness to the Group’s constant propensity for investment, even in highly challenging macroeconomic scenarios.”



Revenue Performance

Consolidated revenues in the first quarter of 2010 amounted to € 93.9 million (€ 39.3 million at 31 March 2009), increasing 138,7% compared to the same period of 2009, mainly due to the strong increase in demands of petrol/CNG and petrol/LPG-powered bifuel cars in European markets, and to the strong recovery of south-western Asia and South America.

In the first quarter of 2010, revenues from the sale of LPG systems increased 154.3% compared to the same period of 2009, reaching € 75.7 million, especially thanks to the supply contracts entered into with OEM clients. CNG systems sales also increased 97.3%, or € 17.4 million, compared to the first quarter of 2009.

The Italian market grew 125.1%, accounting for 48.9% of global sales. Also the European market (excluding Italy) improved 161.9% compared to the same period of 2009, mostly thanks to the good performance on the markets of Eastern Europe and France.

Sales in Iran, Pakistan, India, China and Thailand increased sharply. Noteworthy are the growth of the Brazilian market and the retention of market shares in the Venezuelan market.

Performance of EBITDA

In the first quarter of 2010 Group EBITDA amounted to € 18.4 million, increasing 1529.3% compared to the same period of 2009 (€ 1.1 million).

EBITDA margin was 19.6% compared to 2.9% for the first quarter of 2009.

Performance of Operating Result (EBIT)

EBIT was € 15.8 million (+1541.4%) compared to the first quarter of 2009, when it was negative at € 1.1 million.

Group and third parties pre-tax Income and Net Income

Pre-tax income was € 16.4 million (+1,924.2%) compared to the pre-tax loss of € 0.898 million in the first quarter of 2009, thus increasing more than Net Operating Margin thanks to more favourable exchange rates.

The Group's and third parties Net income for the first quarter of 2010 amounted to € 11.6 million (+1,498.6%) compared to a net loss of € 0.831 million for the same period of 2009.



Financial Position

Net financial position at 31 March 2010 was negative at € 24.7 million, improving compared to a negative net financial position of € 41.1 million at 31 December 2009, mainly thanks to cash generation from operating activities, which was also related to the gradual improvement of net 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. Exports accounted for more than 50% 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 Finance Act, that the accounting information contained in this press release corresponds to documented results, and to accounting records and books.

Landi Renzo

Pierpaolo Marziali
M&A and Investor Relation Manager
Investorrelationslandi.it@landi.it
+39 0522.94.33

Corrado Storchi
External Relations Manager
cstorchi@landi.it
+39 0522.94.33

Press Contacts:

Federico Vercellino
Barabino & Partners
f.vercellino@barabino.it
+39 02.72.02.35.35
+39 331.57.45.171



ASSETS (thousands of Euros)	31 March 2010	31 December 2009	31 March 2009
Non-current assets			
Property, plant and equipment	29.573	28.206	27.171
Development expenditure	4.381	4.427	3.889
Goodwill	51.961	51.961	51.961
Other intangible assets with finite useful lives	16.895	17.156	17.914
Other non-current financial assets	195	137	73
Deferred tax assets	9.679	9.775	4.236
Total non-current assets	112.684	111.662	105.244
Current assets			
Trade receivables	119.302	116.804	57.000
Trade receivables - related parties	58	192	661
Inventories	64.195	58.835	70.717
Other receivables and current assets	11.344	9.665	6.512
Current financial assets	137	140	127
Cash and cash equivalents	46.499	33.611	5.951
Total current assets	241.535	219.247	140.968
TOTAL ASSETS	354.219	330.909	246.212
EQUITY AND LIABILITIES (thousands of Euros)	31 March 2010	31 December 2009	31 March 2009
Equity attributable to the shareholders of the parent			
Share capital	11.250	11.250	11.250
Other reserves	128.850	106.149	114.026
Profit(Loss) for the period/year	11.299	22.238	-899
Total equity attributable to the shareholders of the parent	151.399	139.637	124.377
Minority interests	606	110	366
TOTAL EQUITY	152.005	139.747	124.743
Non-current liabilities			
Bank loans	50.834	53.620	27.417
Other non-current financial liabilities	295	295	465
Provisions for risks and charges	3.424	2.178	721
Defined benefit plans	2.588	2.549	2.505
Deferred tax liabilities	6.551	6.716	6.796
Total non-current liabilities	63.692	65.358	37.904
Current liabilities			
Bank overdraft and short-term loans	19.889	20.668	20.595
Other current financial liabilities	170	170	167
Trade payables	102.292	93.316	47.708
Trade payables - related parties	3.232	3.243	5.158
Tax liabilities	7.132	2.680	3.724
Other current liabilities	5.807	5.722	6.213
Other current liabilities - related parties	0	5	0
Total current liabilities	138.522	125.804	83.565
TOTAL LIABILITIES AND EQUITY	354.219	330.909	246.212



INCOME STATEMENT (thousands of Euros)	31 March 2010	31 March 2009
Revenues (goods and services)	93.797	39.266
Revenues (goods and services) - related parties	89	63
Other revenue and income	85	54
Cost of raw materials, consumables and goods and change in inventories	-34.216	-15.473
Cost of raw materials - related parties	-1.868	-1.647
Cost for services and use of third party assets	-28.573	-13.928
Cost for services and use of third party assets - related parties	-220	-214
Personnel expenses	-9.390	-6.488
Accruals, impairment losses and other operating expenses	-1.277	-502
Gross Operating Profit	18.427	1.131
Amortisation, depreciation and impairment losses	-2.644	-2.226
Operating Profit	15.783	-1.095
Financial income	44	206
Financial expenses	-551	-557
Exchange rate gains (losses)	1.105	548
Profit (Loss) Before Tax	16.381	-898
Income tax expense	-4.759	67
Profit (Loss) for the period/year, of which attributable to:	11.622	-831
Minority interests	323	68
Shareholders of the parent	11.299	-899
Basic earnings (losses) per share (in Euros) - calculated on 112.500.000 ordinary shares	0,1004	-0,0080
Diluted earnings (losses) per share (in Euros)	0,1004	-0,0080

STATEMENT of COMPREHENSIVE INCOME (thousands of Euros)	31 March 2010	31 March 2009
Profit (Loss) for the period/year, of which attributable to:	11.622	-831
Gains & Losses arising from translating financial statements of foreign operations	482	174
Others movements on Equity arising from foreign operations	153	0
<i>Gains & Losses included in Equity, net of tax effects</i>	635	174
Total comprehensive income for the period	12.257	-657
Total profit for Group Shareholders	11.763	-733
Minority Interests	494	76