



Emak[®]

our power, your passion



Investor Presentation March 2013

Emak is one of the main global players in the production and distribution of machines, components and accessories for gardening, agriculture, forestry and industry such as chainsaws, brushcutters, lawnmowers, garden tractors, motor hoes, power cutters, high pressure pumps and pressure washers.



North America

- 1- Emak USA
- 2- Speed North America (Tecomec Gr.)
- 3- Comet USA (Comet Gr.)
- 4- Valley Industries (Comet Gr.)

Mexico

- 1- Comet (30% S.I.Agro)

Brasil

- 1- Emak do Brasil

Italy

- 1- Emak (Bagnolo in P.)
- 2- Comag S.r.l.(Pozzilli)
- 3- Tecomec S.r.l.
- 4- Comet S.p.A.
- 5- P.T.C. S.r.l.
- 6- Sabart S.r.l.
- 7- Raico S.r.l.

Europe

- | | |
|---|--|
| Comet France,
Emak France,
Speed France | France |
| Emak subs. | Spain, Germany,
Poland, UK, Ukraine |

China

- 1- Emak Jiangmen
- 2- Tailong Zhuahi
- 3- Tecomec Ningbo

South Africa

- 1- Speed Line South Africa

Key figures

Sales
€ 354.8mIn

EBITDA
€ 28.8mIn

Net profit
€ 8.6mIn

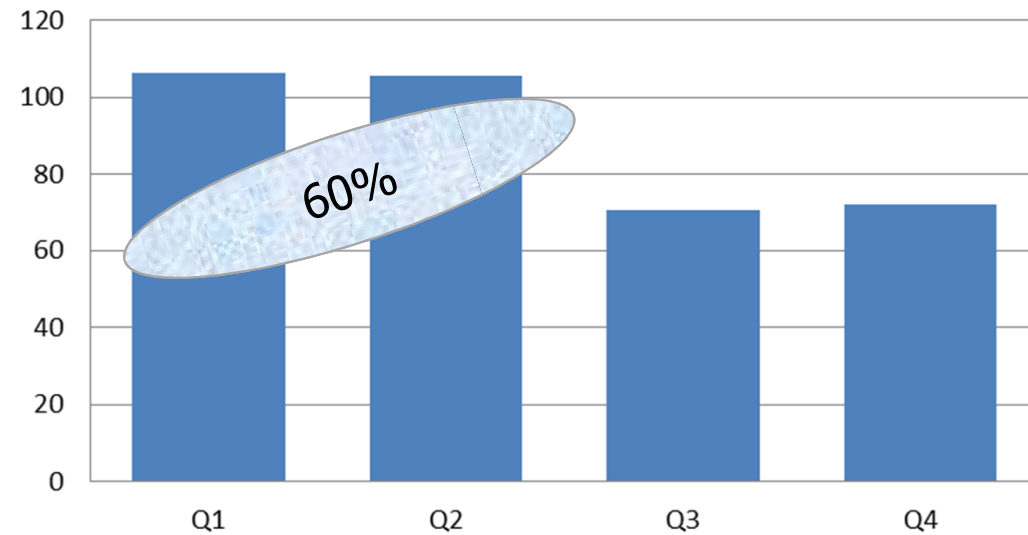
Dividend
proposal
€ 0.020 per
share

€/mln	FY 2012	%	FY 2011 PF (1)	%
Sales	354.8		356.9	
– Emak	185.7		203.6	
– Greenfield	143.0		151.6	
– Valley, PTC, Epicenter (2)	26.2		1.7	
EBITDA adjusted	31.7	8.9%	37.4	10.5%
non recurring items	-2.9		-1.7	
– intercompany margins reversal	-2.6		0.4	
– M&A	-0.3		-2.1	
EBITDA	28.8	8.1%	35.7	10.0%
– Emak	12.6		17.5	
– Acquisitions	16.2		18.2	
EBIT	16.6	4.7%	23.7	6.6%
– Emak	5.1		10.4	
– Acquisitions	11.5		13.3	
Net profit	8.6	2.4%	13.0	3.6%

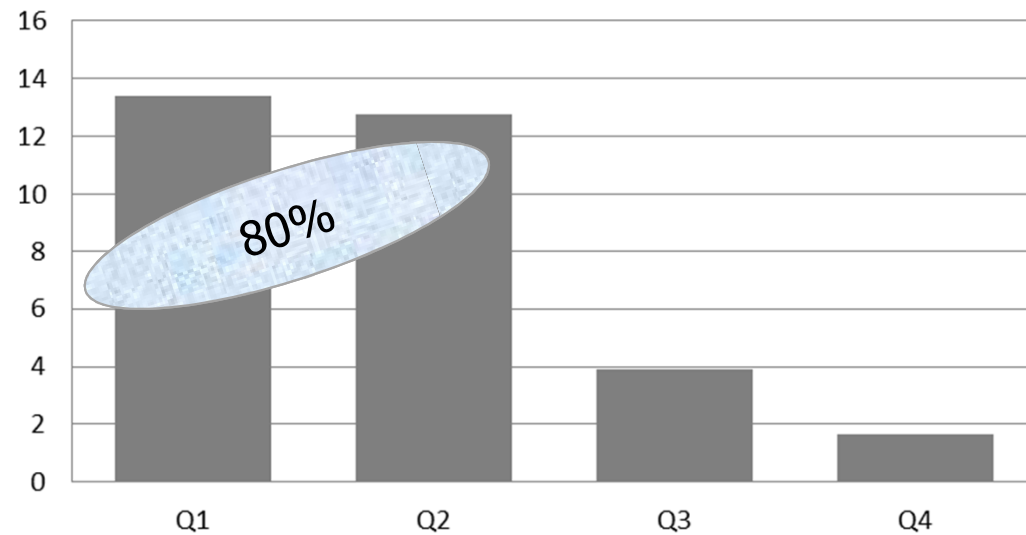
- (1) Pro forma figures for FY 2011 include Tecomec Group, Comet Group, Sabart and Raico as if acquired January 1, 2011. PTC and Epicenter since 1 October 2011
- (2) Valley has been consolidated since 1 January 2012.

Based on 2012 results, sales and EBITDA are concentrated in first half

2012 Sales (€/mln)



2012 EBITDA (€/mln)



€145.1mln
-6% vs pro forma FY11
40.9% of total sales

Gardening



Brushcutters



Garden tractors



Lawn mowers



Blowers

€145mln
+2% vs pro forma FY11
40.9% of total sales

Agriculture & Forestry



Chain saws



Diaphragm pumps



Tillers



Transporters

€64.6mln
+7% vs pro forma FY11
18.2% of total sales

Construction & Industry



Power cutters



Piston pumps



High pressure washers

Europe

€243.9mIn
(of which Italy €80mIn)
-3.7% vs pro forma FY11
68.8% of total sales

Americas

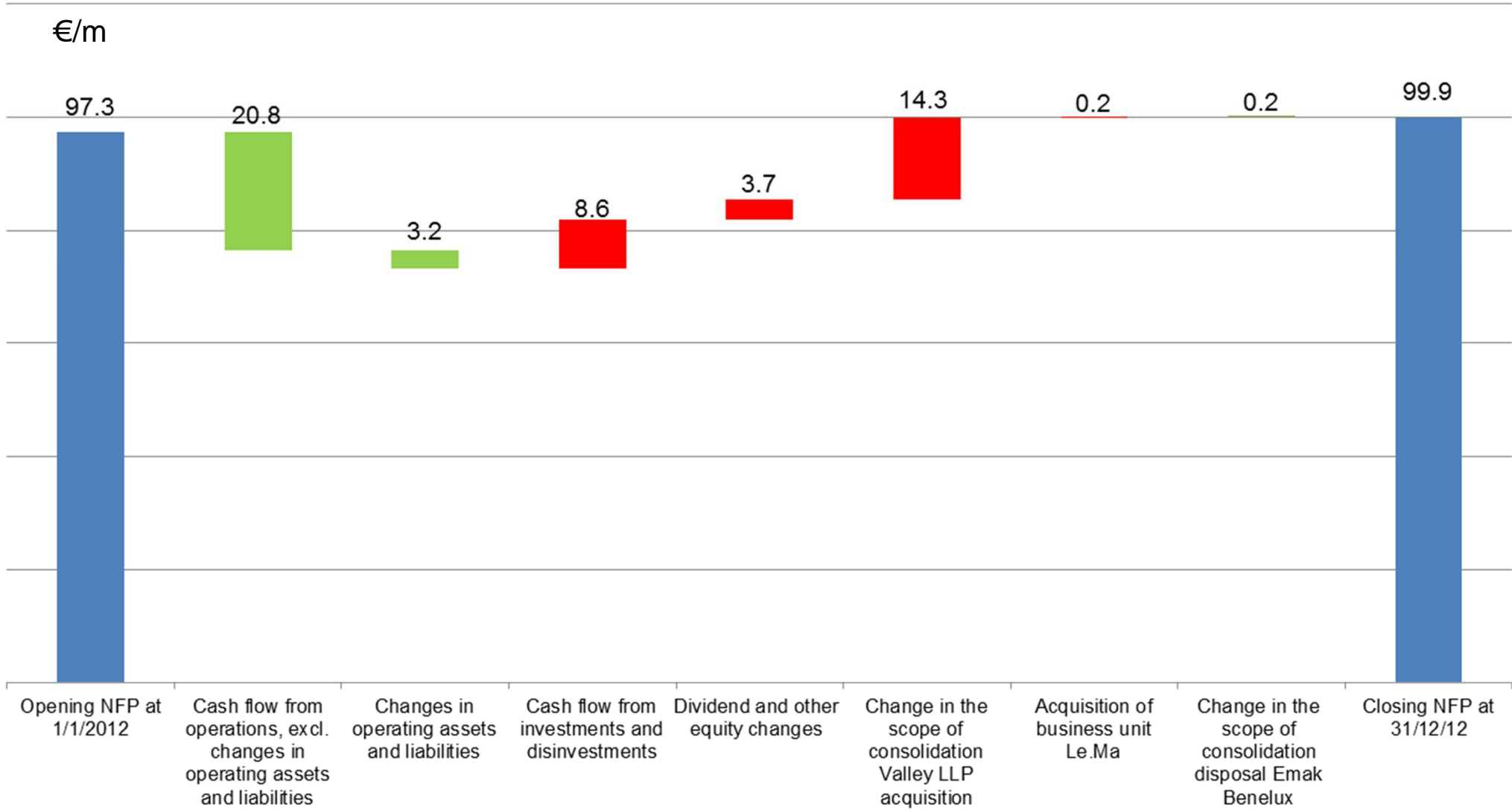
€66mIn
+41.5% vs pro forma FY11
18.6% of total sales

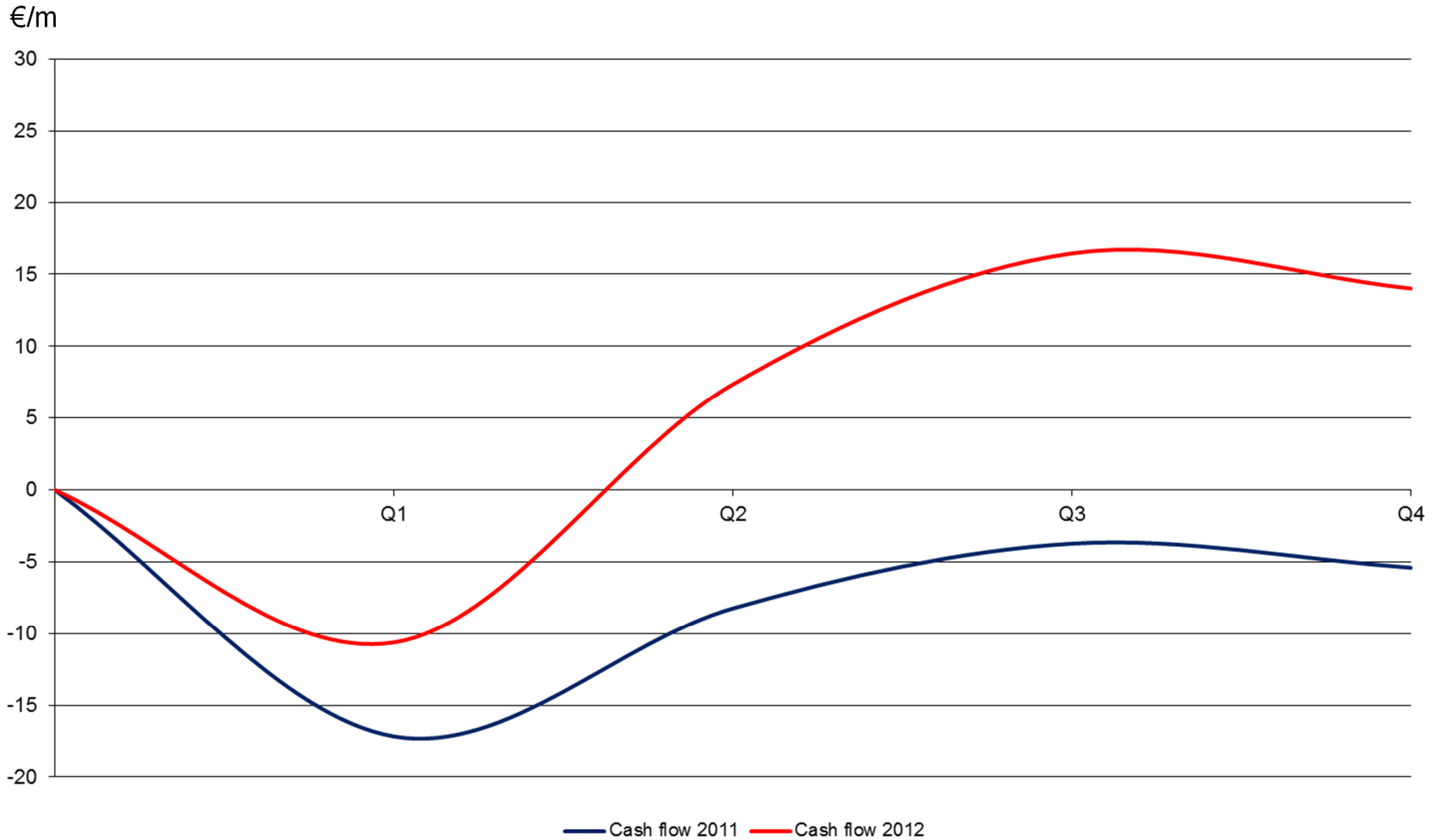
Asia, Africa, Oceania

€44.8mIn
-21.3% vs pro forma FY11
12.6% of total sales

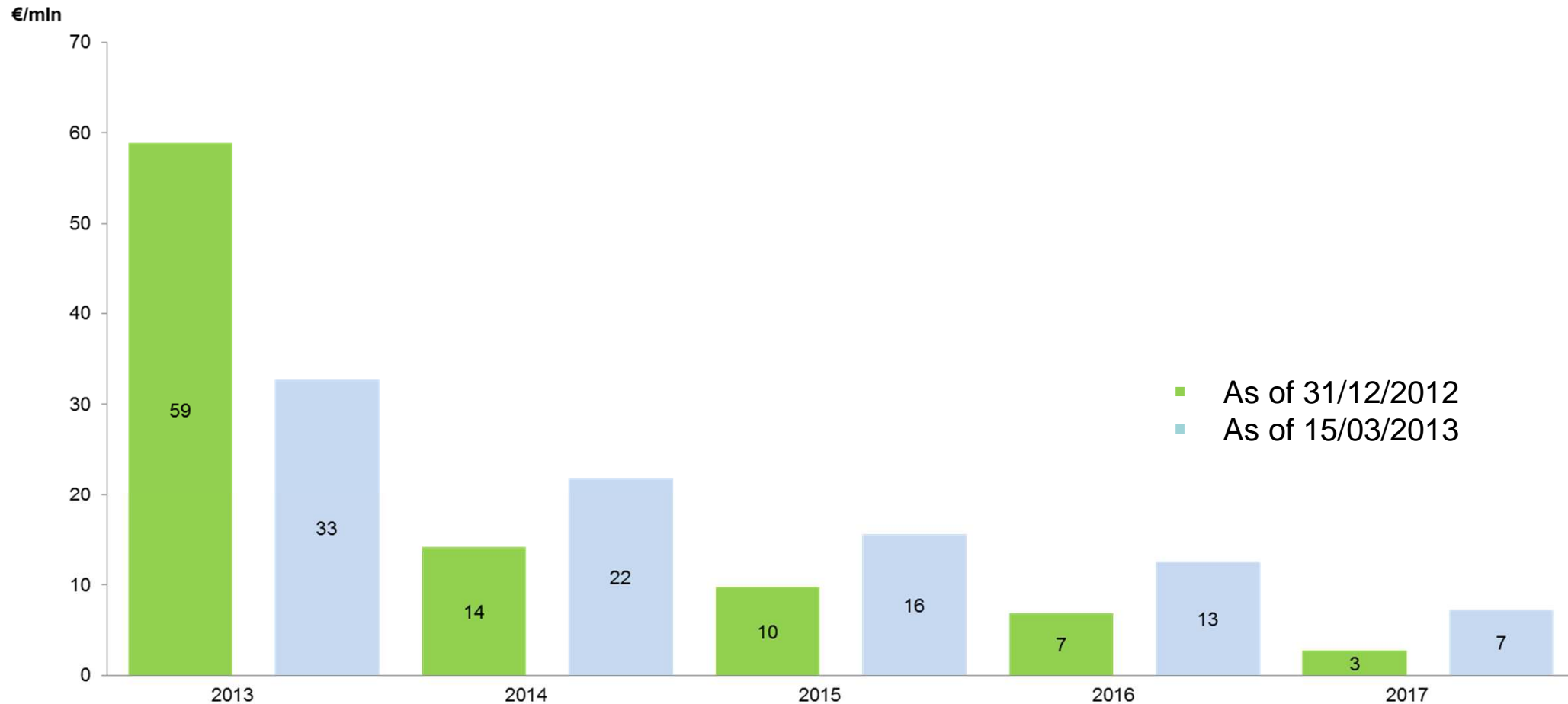
€/m	31.12.2012	31.12.2011
Net fixed assets	89.0	79.9
Net working capital	155.9	157.5
Net capital employed	244.9	237.4
Net equity	145.0	140.1
Net financial debt	99.9	97.3
Debt/Equity	0.69	0.69







So far the Group has switched a part of the short-term debt into long term



Sales growth

Cost reduction

Cash flow improvement

Sales growth 3%-5% to € 365-370mln

- Full contribution to sales of products launched in 2012
- Introduction of new products in 2013
- Consolidation of Emak do Brasil
- Commercial synergies

Cost reduction

Cash flow improvement

Sales growth

Cost reduction – EBITDA to € 38 -40 mln

- Gross margin improvement
- Operative cost reduction
- Containment of personnel costs

Cash flow improvement

Sales growth

Cost reduction

Cash flow improvement – net debt down to € 75-80mln

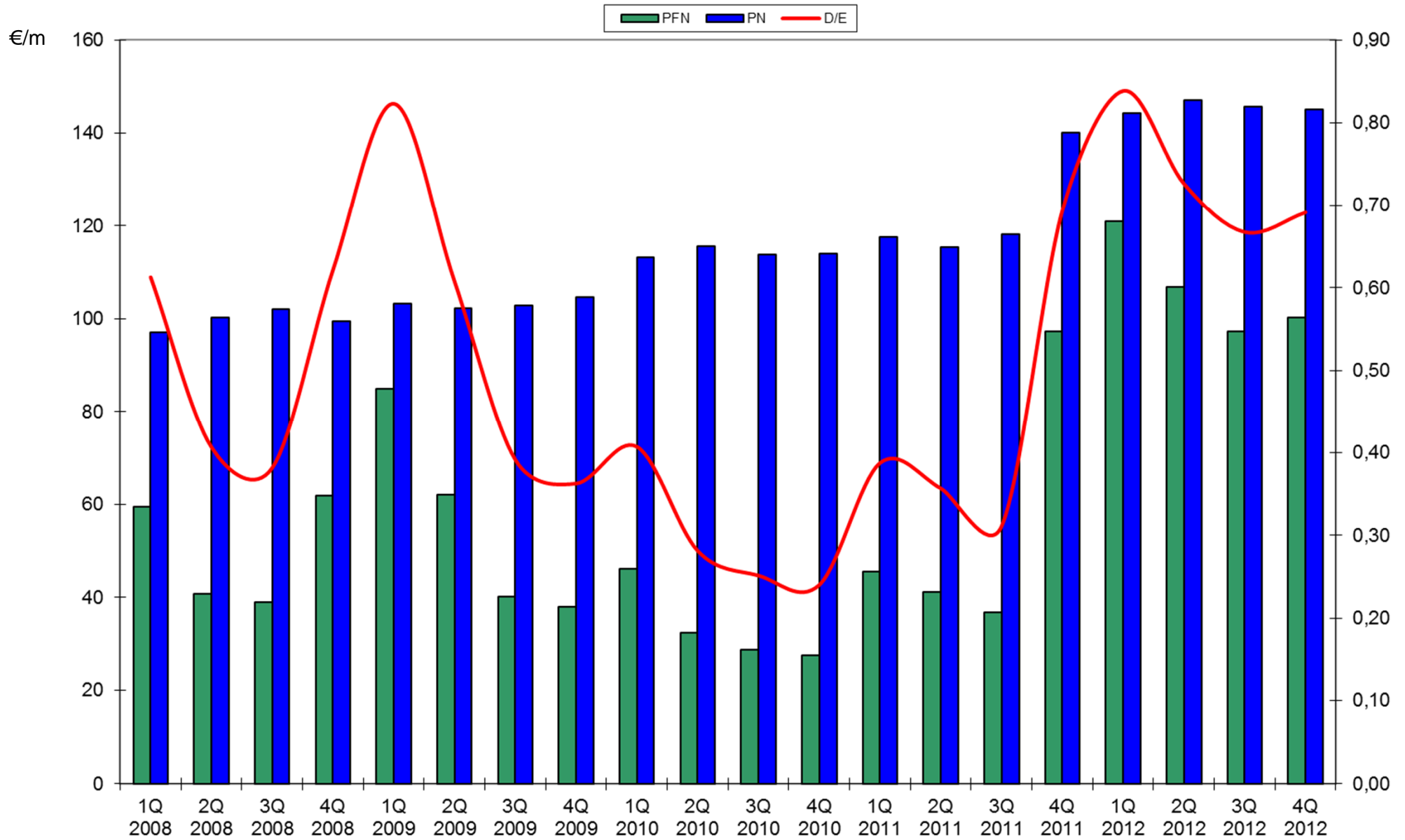
- Stock reduction through:
 - Segmentation & stock modeling
 - Supply & Operations planning redesign
 - Forecast improvement
 - Components lead time optimization
 - Product range management
- **Working capital reduction of approx. € 15-20mln**
- **Debt/Ebitda \leq 2**



✓ Appendix

FY 2011 rep	€/mln	FY 2012	FY 2011 PF
204.4	Sales	354.8	356.9
1.5	Other operating incomes	3.5	1.9
(1.2)	Change in inventories	(8.5)	2.8
(116.3)	Raw and consumable materials and goods	(193.0)	(197.1)
(32.3)	Salaries and employee benefits	(61.2)	(57.4)
(38.6)	Other operating costs	(66.8)	(71.4)
17.5	EBITDA	28.8	35.7
(7.1)	Amortization, depreciation and impairment losses	(12.2)	(12.0)
10.4	EBIT	16.6	23.7
0.8	Financial income	0.9	0.9
(1.8)	Financial expenses	(5.0)	(3.6)
(0.4)	Exchange gains and losses	(0.4)	(0.4)
9.0	EBT	12.1	20.7
(3.3)	Income taxes	(3.4)	(7.6)
5.8	Net profit	8.6	13.0

€/000	31.12.2012	31.12.2011
Non current assets	105.4	96.6
Inventories	121.0	125.5
Trade and other receivables	102.8	103.5
Cash and cash equivalents	16.2	10.9
Other current assets	6.1	4.3
Total assets	351.5	340.8
Total equity	145.0	140.1
Long term borrowings	34.3	41.4
Other non current liabilities	16.1	16.6
Short term borrowings	80.8	65.9
Trade and other payables	69.1	70.8
Other current liabilities	6.1	6.0
Total equity and liabilities	351.5	340.8





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Speakers

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