



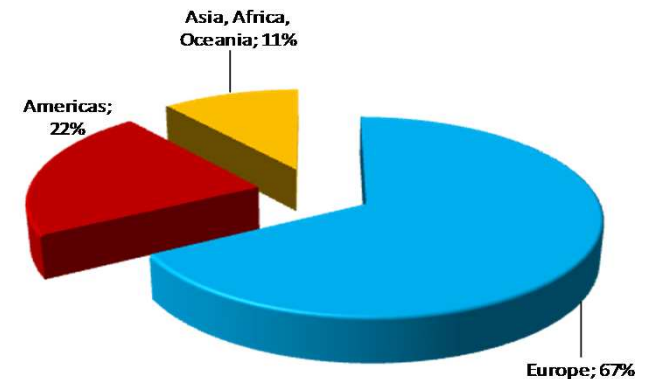
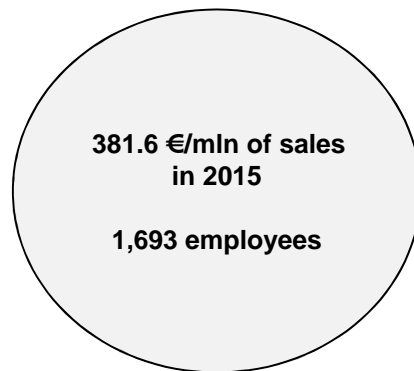
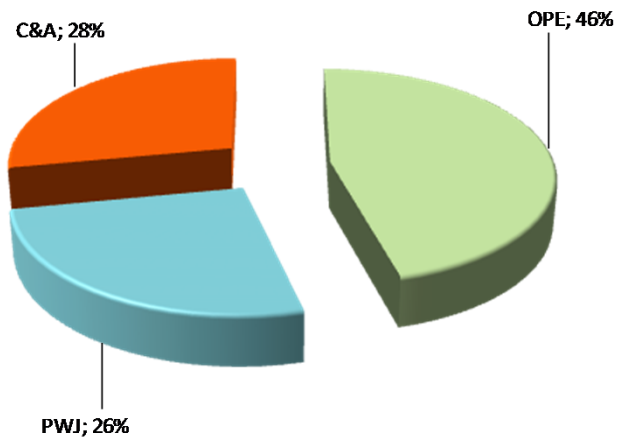
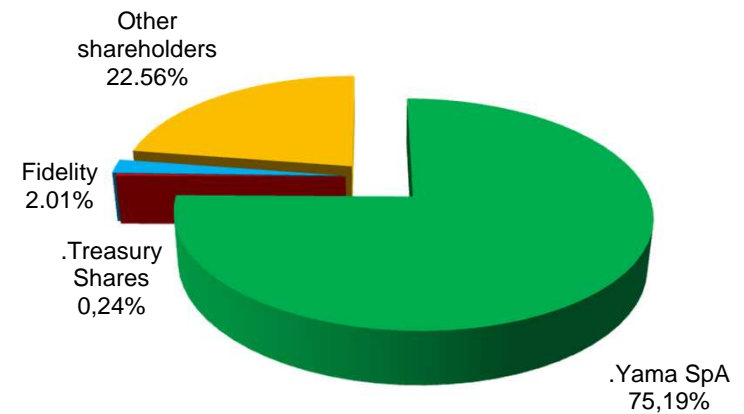
Star Conference, Milan 15-16 March 2016



Emak Group designs, manufactures and distributes a wide range of products in three different segments:

- (i) **Outdoor Power Equipment (OPE)**
- (ii) **Pumps and High Pressure Water Jetting (PWJ)**
- (iii) **Components and Accessories (C&A)**

**Group's shareholders**



- ✓ Gardening, forestry and small agricultural equipment.
- ✓ Sales through specialised dealer channel.
- ✓ Global distribution network.
- ✓ Target users: high demanding private and professionals.
- ✓ Continuous investments in product innovations.
- ✓ Broad and complete product range.
- ✓ Production plants: 2 in Italy, 2 in China.



Chainsaw



Trimmer



Rider



Lawnmower



Moto cultivator



Blower



Transporter



Tiller





✓ Leading position on the market of diaphragm pumps for agriculture. Products are sold mainly to manufacturers of spraying and weeding equipment.



Diaphragm pumps for agriculture



Piston pumps for industrial applications

✓ Industrial pumps are sold to OEM; high pressure washers and hydrodynamic units to specialised dealers and contractors.



Hydrodynamic units

✓ Focus on expanding in the high and very high pressure segments: among the most profitable level of the market.

✓ Production plants: 3 in Italy, 1 in Brasil.



High pressure washers



Urban cleaning systems

- ✓ Leading position in the market of nylon line for trimmers.
- ✓ Focus on the most professional segment.
- ✓ Focus on technological innovation: investments in electronic applications for agriculture (precision farming).
- ✓ Products sold to OEM and specialised dealers.
- ✓ Strong relationships with OEMs .
- ✓ Quality of service .
- ✓ Production plants: 1 in Italy, 1 in China; 1 in France; 1 in USA; 1 in South Africa, 1 in Chile.



Line and heads for trimmers



Precision farming



Accessories for chain saws

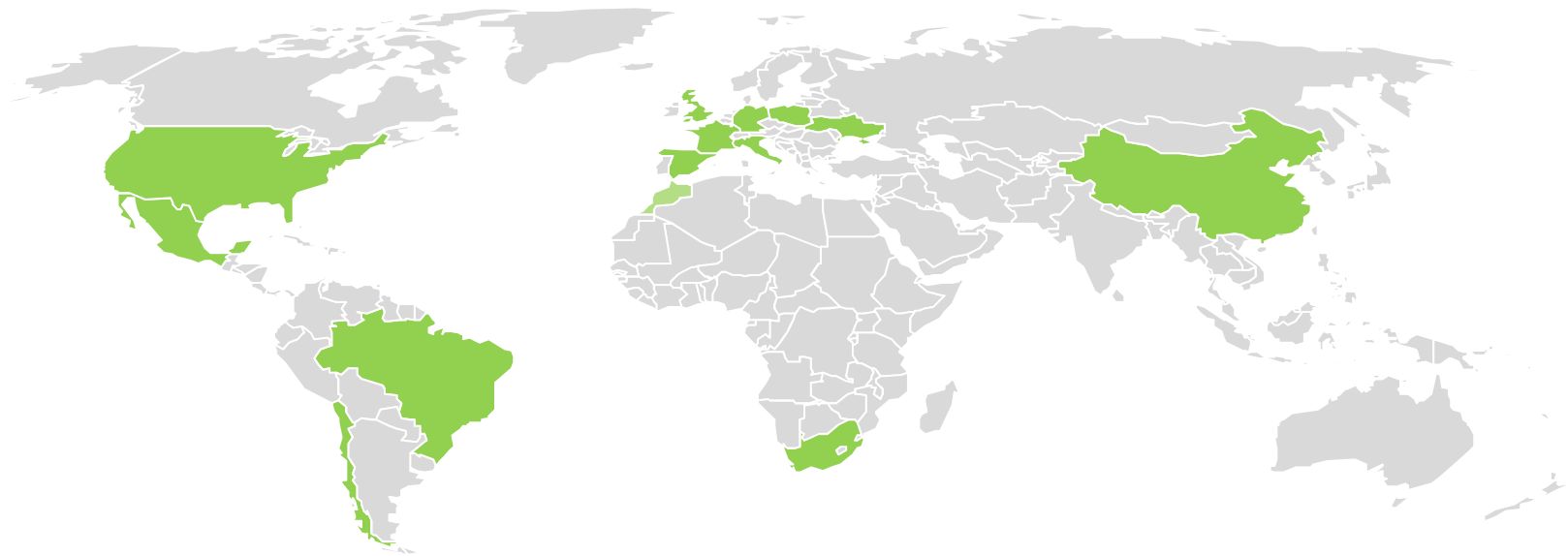


Guns, nozzles and valves for pressure washers and agricultural applications



Seats and technical spare parts for tractors





Group	Employees
Europe	1,106
Americas	221
Asia, Africa, Oceania	366
<b>Total</b>	<b>1,693</b>

### Industrial footprint

- ✓ 17 production plants
- ✓ Each plant has specific characteristics for the products manufactured
- ✓ Overall surface of 160,000 m<sup>2</sup>

### INNOVATION

- ✓ Continuous investments in product innovation, focusing on new technologies, safety, comfort, and emissions control

### DISTRIBUTION

- ✓ Consolidate the position in the markets with direct presence
- ✓ Expand distribution network in markets with high growth potential

### EFFICIENCY

- ✓ Improve lean manufacturing system
- ✓ Exploit supply chain efficiencies
- ✓ Cost reduction plan

### ACQUISITIONS

- ✓ Access new technologies
- ✓ Complete product range
- ✓ Penetrate new markets

Wide range of products

Commitment to innovation

Global distribution network

High level of service

Efficient production footprint

Strong cash generation

Stated dividend policy: 40% of net profit

*More than €65mIn distributed to shareholders since the listing*



€/mln	2015	2014	Δ
Sales	381.6	354.8	7.6%
EBITDA adj <i>margin</i>	37.5 9.8%	33.1 9.3%	13.2%
EBITDA <i>margin</i>	35.8 9.4%	31.5 8.9%	13.9%
EBIT <i>margin</i>	23.3 6.1%	20.0 5.6%	16.6%
Net profit <i>margin</i>	9.0 2.4%	10.2 2.9%	-11.7%
Free cash flow from operations	21.5	21.7	
Net Equity	168.5	160.1	
Net financial debt	99.4	79.0	
Net working capital	154.6	148.6	
Debt/Equity	0.6	0.5	
Debt/EBITDA	2.8	2.5	
Debt/EBITDA adj	2.7	2.4	

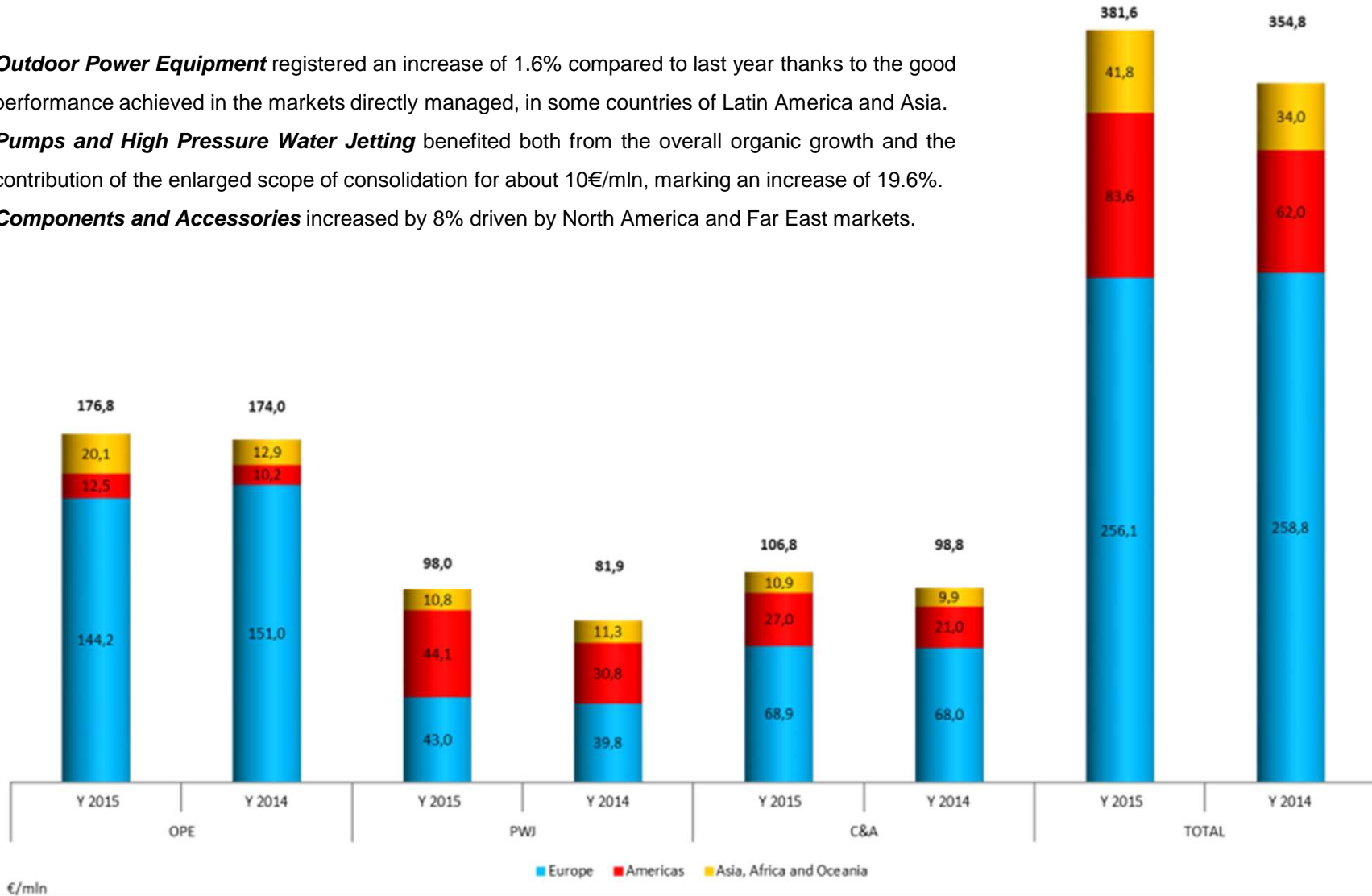
Sales: persistent organic growth and contribution of acquisitions.

EBITDA: positive contribution of higher sales volumes and product mix. Negative impact of non recurring expenses in the amount of 1.7€/mln.

Net Profit: higher financial expenses for the actualization of the debt toward the sellers of Lemasa amounting to 1.4€/mln; negative forex for 2.6€/mln due to the valuation of euro and dollar debt of Brazilian companies.

Net fin. Debt: increase mainly related to the change in the scope of consolidation, worth 29 €/mln.

- **Outdoor Power Equipment** registered an increase of 1.6% compared to last year thanks to the good performance achieved in the markets directly managed, in some countries of Latin America and Asia.
- **Pumps and High Pressure Water Jetting** benefited both from the overall organic growth and the contribution of the enlarged scope of consolidation for about 10€/mIn, marking an increase of 19.6%.
- **Components and Accessories** increased by 8% driven by North America and Far East markets.



Positive sales mix  
Contribution of enlarged scope of  
consolidation for 2€/mln  
Negative impact of currencies

€/mln	2015	2014	Δ
<b>EBITDA adj</b>	<b>37.5</b>	<b>33.1</b>	<b>13.2%</b>
<i>margin</i>	9.8%	9.3%	
<i>M&amp;A expenses</i>	-0.7	-0.4	
<i>Restructuring costs</i>	-0.4	-1.1	
<i>Litigation expenses</i>	-0.6		
<i>R&amp;D contributions</i>		0.7	
<i>Other non recurring expenses</i>		-0.9	
<b>EBITDA</b>	<b>35.8</b>	<b>31.5</b>	<b>13.9%</b>
<i>margin</i>	9.4%	8.9%	

Financial expenses include 1.4€/mln related to the actualization of the debt toward the sellers of Lemasa shareholding (deferred price and Put&Call option).

Exchange gains and losses includes:

- ✓ 1.8€/mln loss due to the valuation of the intercompany loan provided in euro to Comet do Brasil for the acquisition of Lemasa
- ✓ 0.7€/mln loss resulting from the conversion to Social Capital of the intercompany loan in dollar to Emak Do Brasil.

€/mln	2015	2014
<b>EBIT</b>	<b>23.3</b>	<b>20.0</b>
<i>margin</i>	6.1%	5.6%
<i>Financial income</i>	1.3	0.7
<i>Financial expenses</i>	-5.8	-3.9
<i>Exchange gains and losses</i>	-3.7	0.4
<b>EBT</b>	<b>15.1</b>	<b>17.2</b>
Income taxes	-6.1	-7.0
<b>Net profit</b>	<b>9.0</b>	<b>10.2</b>
<i>margin</i>	2.4%	2.9%

The tax rate for the period is 40.4% compared to 40.7%. Excluding non-recurring effects that influenced the dynamics, the tax rate would have been 33.1%.

€/mln	Y 2015	Y 2014
<b>NFP at 01/01/2015</b>	<b>-79.0</b>	<b>-76.4</b>
<i>Ebitda</i>	35.8	31.5
<i>Financial income and expenses</i>	-4.5	-3.2
<i>Exchange gains and losses</i>	-3.7	0.4
<i>Income taxes</i>	-6.1	-7.0
<b>Cash flow from operations</b>	<b>21.5</b>	<b>21.7</b>
<i>Changes in operating assets and liabilities</i>	-3.3	-4.4
<b>Cash flow from operations</b>	<b>18.2</b>	<b>17.3</b>
<b>Change in tangible and intangible assets</b>	<b>-8.9</b>	<b>-13.7</b>
<b>Other equity changes</b>	<b>-0.6</b>	<b>-1.6</b>
<b>Change in scope of consolidation</b>	<b>-29.0</b>	<b>-4.7</b>
<b>NFP at 31/12/2015</b>	<b>-99.4</b>	<b>-79.0</b>

Cash flow from operations negatively affected by higher financial expenses and exchange rate losses.

Scope of consolidation: investments for Lemasa acquisition.

Net financial position includes debt for commitments for the purchase of remaining minority shares for a total amount of 14.8 €/mln



€/mln	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Sales	84.4	89.5	133.0	146.7	147.0	152.7	163.2	183.4	208.4	217.8	243.4	194.9	206.8	204.4	354.8	355.0	354.8	381.6
EBITDA adj margin	12.9 15.3%	12.8 14.3%	16.0 12.0%	20.6 14.1%	22.9 15.6%	23.9 15.7%	22.6 13.9%	22.3 12.1%	25.1 12.1%	30.0 13.8%	31.7 13.0%	21.7 11.1%	21.3 10.3%	19.6 9.6%	31.7 8.9%	34.2 9.6%	33.1 9.3%	37.5 9.8%
EBITDA margin	12.9 15.3%	12.8 14.3%	16.0 12.0%	20.6 14.1%	22.9 15.6%	23.9 15.7%	22.6 13.9%	22.3 12.1%	25.1 12.1%	30.0 13.8%	31.7 13.0%	21.7 11.1%	23.5 11.4%	17.5 8.6%	28.8 8.1%	34.2 9.6%	31.5 8.9%	35.8 9.4%
EBIT adj margin	9.3 11.1%	8.1 9.0%	10.6 8.0%	14.8 10.1%	16.8 11.4%	17.5 11.5%	16.3 10.0%	17.0 9.3%	19.8 9.5%	24.5 11.2%	24.9 10.2%	14.9 7.6%	13.9 6.7%	12.5 6.1%	19.6 5.5%	22.4 6.3%	21.7 6.1%	25.0 6.5%
EBIT margin	9.3 11.1%	8.1 9.0%	10.6 8.0%	14.8 10.1%	16.8 11.4%	17.5 11.5%	16.3 10.0%	17.0 9.3%	19.8 9.5%	24.5 11.2%	24.9 10.2%	14.9 7.6%	16.1 7.8%	10.4 5.1%	16.6 4.7%	22.4 6.3%	20.0 5.6%	23.3 6.1%
Net profit margin	5.5 6.5%	3.9 4.4%	6.2 4.7%	7.9 5.4%	9.0 6.1%	9.6 6.3%	9.0 5.5%	9.6 5.2%	11.3 5.4%	15.2 7.0%	14.9 6.1%	9.4 4.8%	11.6 5.6%	5.8 2.8%	8.6 2.4%	10.5 3.0%	10.2 2.9%	9.0 2.4%
FCF from operations	9.1	8.6	11.6	13.7	15.1	16.0	15.3	14.8	16.7	20.8	21.6	16.2	19.0	12.9	20.8	22.4	21.7	21.5
Net Equity	42.1	44.8	48.8	53.8	59.3	65.1	69.8	75.4	81.9	91.4	99.4	104.6	114.0	140.1	145.0	150.8	160.1	168.5
Net financial debt	3.2	5.5	14.3	26.4	19.1	21.1	16.4	25.8	37.9	31.0	61.8	38.0	27.4	97.3	99.9	76.4	79.0	99.4
Net capital employed	45.3	50.3	63.1	80.3	78.5	86.2	86.3	101.2	119.7	122.5	161.2	142.6	141.4	237.4	244.9	227.2	239.1	267.9
Net working capital	27.5	32.1	43.7	55.6	54.2	60.2	59.3	66.4	81.8	81.1	103.2	82.9	83.7	157.5	155.9	142.2	148.6	154.6
Debt/Equity	0.1	0.1	0.3	0.5	0.3	0.3	0.2	0.3	0.5	0.3	0.6	0.4	0.2	0.7	0.7	0.5	0.5	0.6

**1998-1999:** Creation of 5 commercial branches in Western Europe. **2004:** Establishment of Emak Jiangmen, production plant in China. **2005:** Creation of Victus, commercial branch in Poland. **2006:** Creation of Emak U.S.A. commercial branch in USA. **2008:** Acquisition of Bertolini and Tailong (cylinder manufacturer) **2011:** Acquisition of Epicenter (Ukraine), Tecomet, Comet, Sabart and Raico **2012:** Start-up of Emak do Brazil, acquisition of Valley in USA **2014:** Acquisition of Speed Industrie Sarl (Marocco), S.I.Agro Mexico, Geoline Electronic, Master Fluid; Speed South America (Chile) **2015:** Acquisition of Lemasa (Brazil)

Aimone Burani, the executive responsible for the preparation of the corporate accounting documents, declares and certifies in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained in this presentation correspond to the underlying accounting documents, records and accounting entries.



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