



2007, Q1 Results

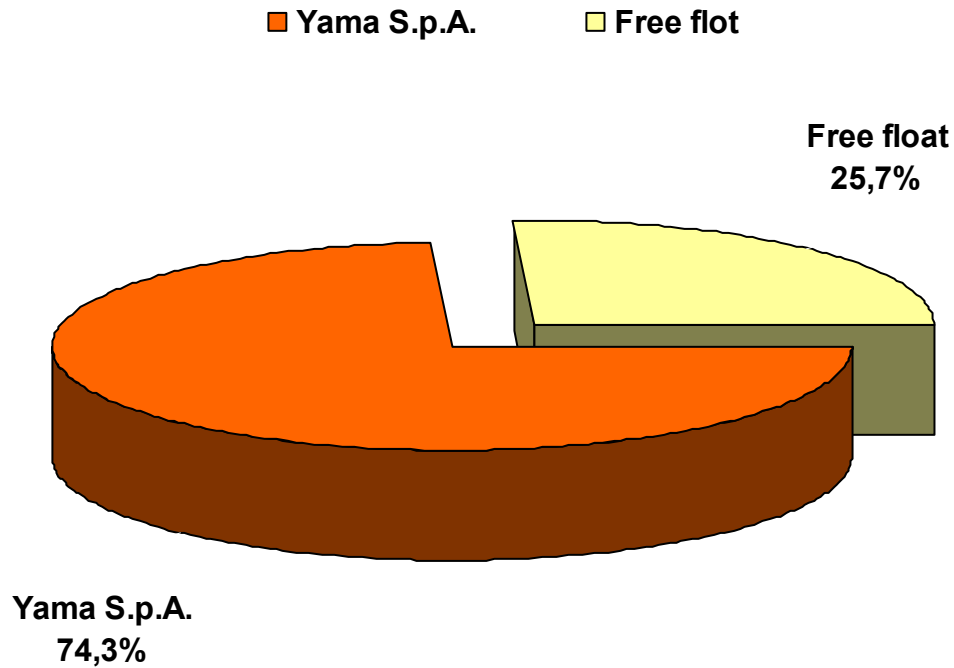
May 15, 2007



A wide range of products for gardening and forestry

One of the top five European Manufacturers of outdoor power equipment

Major Shareholders at 31st December 2006



Emak Overview

Organisation

3 plants (2 in Italy and 1 in China)
7 distribution branches
126 distributors in 70 Countries,
Over 20,000 dealers

2006 Sales

208 Mil. € of which:
20% → Domestic
80% → Export

Employees at 31.12.2006

902 EMAK Group of which:
489 → Italy
413 → Abroad

Brands

Oleo-Mac
Efco
Dynamac

Product Range

Chainsaws
Brushcutters
Trimmers
Lawnmowers
Garden Tractors
Power Tools

Outdoor Power Equipment Market

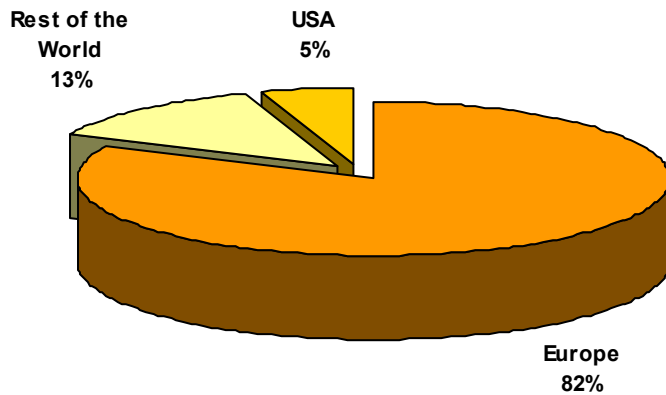
Volume

~ 45 Million

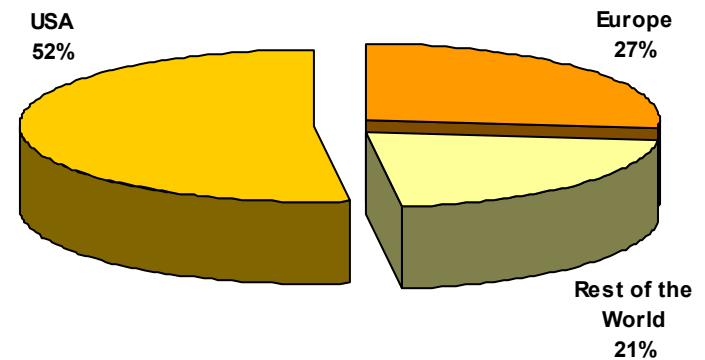
Value

~ 15-16 Billion €

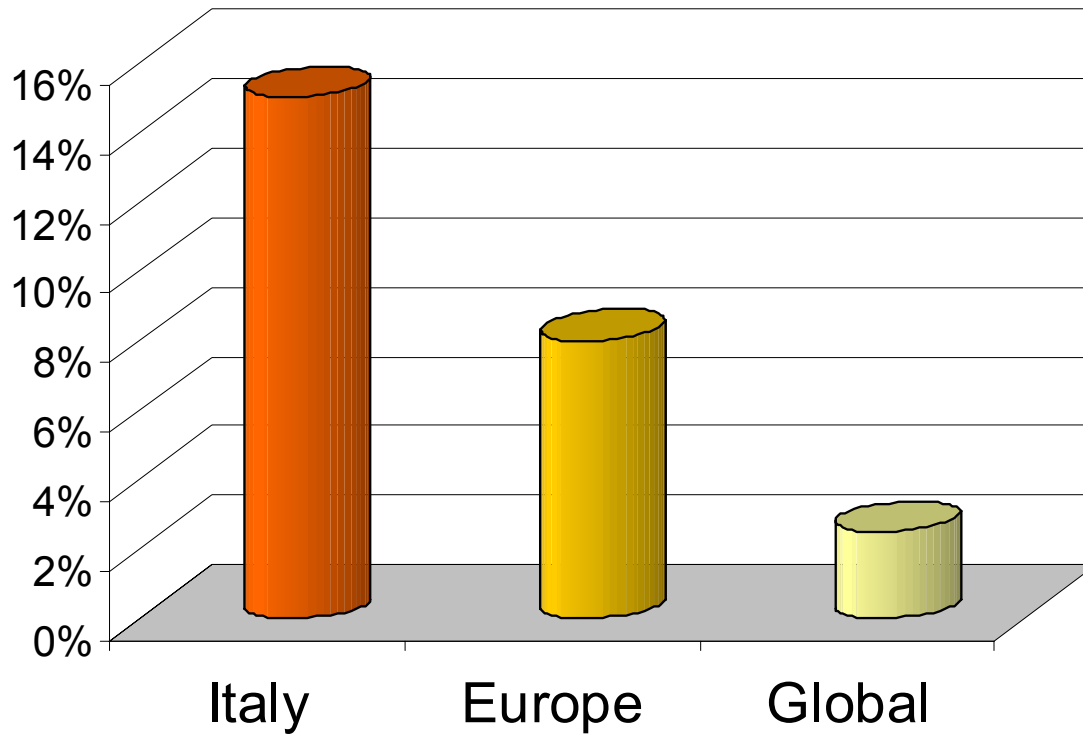
Emak Sales Breakdown



Global Demand



2006 Emak Market Share



Market Outlook

- ➔ More and more demanding end users
- ➔ Price Pressure
- ➔ Competitive pressure from Asian manufacturers
- ➔ Retailers consolidation
- ➔ Manufacturers consolidation
- ➔ More and more stringent emission regulations

Market Outlook

Key Drivers:

- ➔ GDP growth
- ➔ Increasing disposable income
- ➔ Growing number of householders
- ➔ Weather conditions

Emak Mission

“Leading edge solutions providing the best value for the Customer”

**Customer
Satisfaction**

**Value
Creation**

EMAK STRATEGY

Key Drivers:

- ➔ Product innovation
- ➔ Level of service
- ➔ Competitiveness
- ➔ Internationalisation
- ➔ Customer relationship

Product innovation

To offer our customers a leading edge and innovative range of products in terms of reliability, performance, design and comfort

- ➔ More than 50% of total investment devoted to product innovation
- ➔ 10% of total employees in R&D
- ➔ 28 new products launched in the next 3 years

Level of service

**To offer our customers an outstanding level of service
in terms of pre-sales and after sales support**

- ➔ Supply chain management to reduce lead time
- ➔ Investments on Logistic System to improve deliveries
- ➔ IT investments to improve customized support to sales network

Competitiveness

To offer the best value to our customers

- ➔ China Plant
- ➔ Outsourcing
- ➔ Logistic management
- ➔ Fixed Cost management

Internationalisation

To guarantee a wide spread presence in the global market

- ➔ Consolidation in EUROPE through investments on dealers network
- ➔ Development in USA through recently established distribution branch
- ➔ Development in fast growing markets (South America, Asia and Australia)

Customer relationship

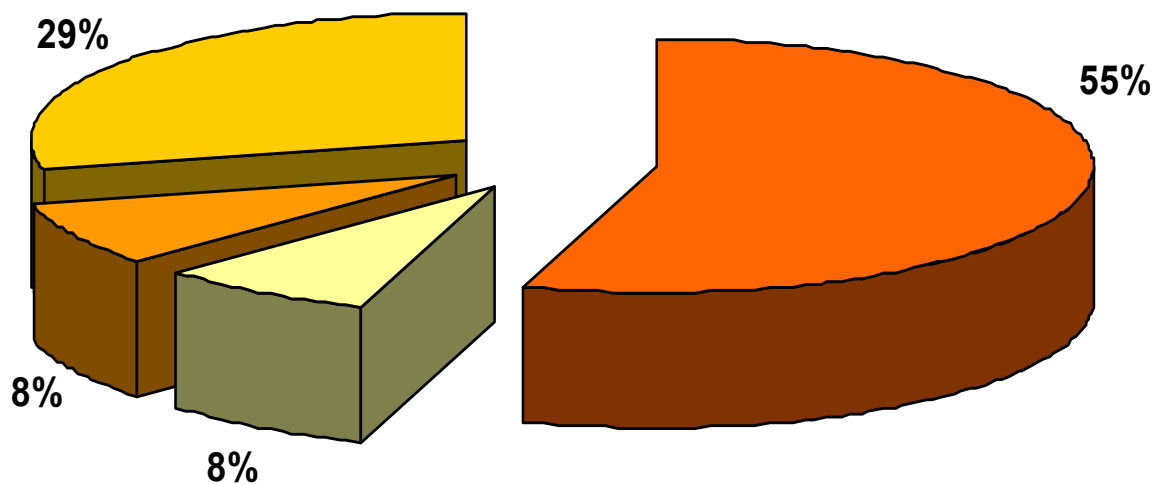
**To develop a highly customer-focused organisation
in order to have loyal and satisfied customers**

- ➔ Investments on employees training
- ➔ Talent management

Investment Policy

| | 2007/2009 |
|-----------------------|-----------|
| CAPEX | 32 mil € |
| Yearly Capex on sales | 4,3% |

- R&D/New Product
- ICT
- Production Equipments
- Buildings



Turnover Breakdown by Geographical Area

| Area | 2007Q1 | 2006Q1 | Change | 2006FY |
|-------------------|-------------|-------------|--------------|--------------|
| Italy | 13,4 | 12,3 | 8,9% | 40,9 |
| Europe | 41,9 | 41,7 | 0,6% | 134,8 |
| Rest of the World | 7,9 | 9,3 | -15,5% | 32,7 |
| Total | 63,2 | 63,3 | -0,2% | 208,4 |

Mil €

Turnover Incidence by Geographical Area

| Area | 2007Q1 | % | 2006Q1 | % |
|-------------------|--------|-------|--------|-------|
| Italy | 13,4 | 21,2% | 12,3 | 19,4% |
| Europe | 41,9 | 66,4% | 41,7 | 65,9% |
| Rest of the World | 7,9 | 12,5% | 9,3 | 14,7% |
| Total | 63,2 | 100% | 63,3 | 100% |

Mil €

Turnover Breakdown by Product Line

| Product | 2007Q1 | 2006Q1 | Change | 2006FY |
|--|-------------|-------------|--------------|--------------|
| Brushcutters | 13,4 | 12,9 | 3,6% | 39,9 |
| Chainsaws | 7,2 | 9,1 | -21,0% | 38,7 |
| Lawnmowers | 13,8 | 14,2 | -2,5% | 33,1 |
| Garden Tractors | 6,3 | 6,4 | -1,0% | 16,9 |
| Others (pumps, blowers, hedge trimmers, electric products, etc.) | 16,9 | 15,2 | 10,8% | 57,3 |
| Spare parts and accessories | 5,6 | 5,5 | 2,4% | 22,5 |
| Total | 63,2 | 63,3 | -0,2% | 208,4 |

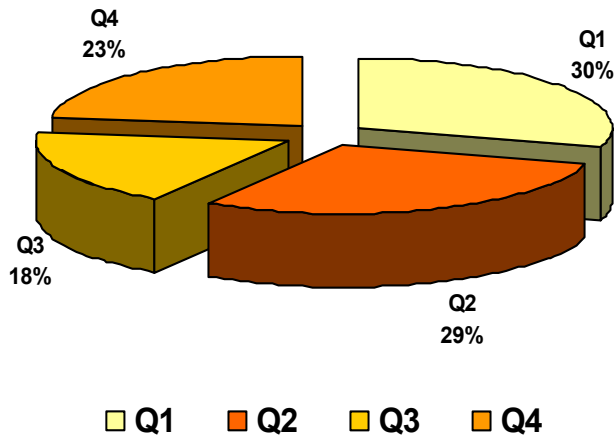
Mil €

Seasonality

First half normally represents approx. 58% of sales and 68% of Ebitda

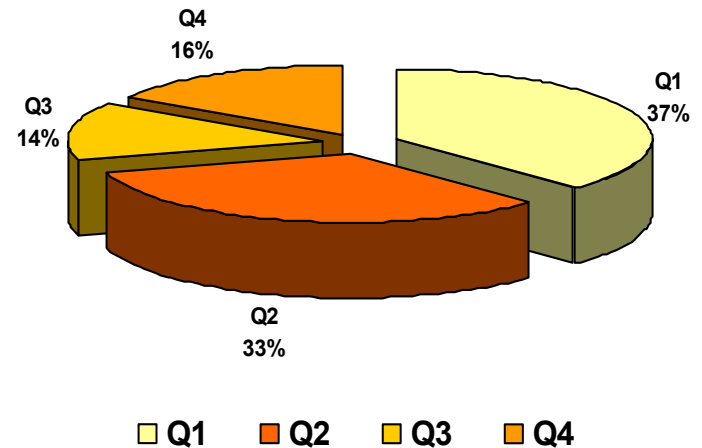
NET SALES

Average of total year (2004/2006)



EBITDA

Average of total year (2004/2006)





Economic and Financial Data

Consolidated P&L Accounts

| | 2007Q1 | % | 2006Q1 | % | 2006FY | % |
|------------------|--------|-------|--------|-------|--------|-------|
| Turnover | 63,2 | 100% | 63,3 | 100% | 208,4 | 100% |
| Ebitda | 10,4 | 16,5% | 10,1 | 16,0% | 25,1 | 12,1% |
| Ebit | 9,1 | 14,4% | 8,8 | 13,8% | 19,8 | 9,5% |
| Group Net Profit | 5,8 | 9,2% | 5,0 | 7,8% | 11,3 | 5,4% |
| EPS | 0,210 | | 0,179 | | 0,407 | |

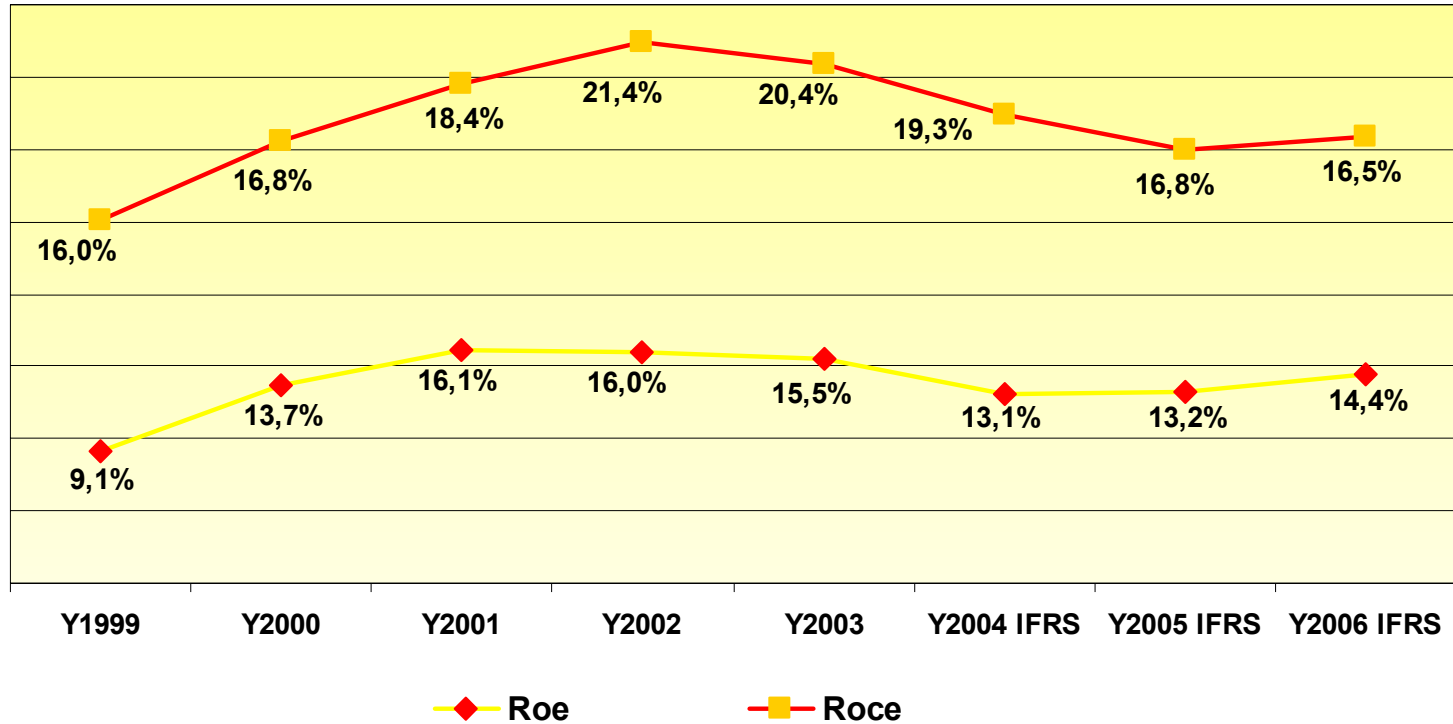
Mil €

Consolidated Assets and Liabilities

| Emak Group | 2007Q1 | 2006FY | 2006Q1 | 2005FY |
|----------------------|--------|--------|--------|--------|
| Net fixed assets | 38,6 | 38,0 | 35,0 | 34,8 |
| Net current assets | 97,3 | 81,7 | 83,5 | 66,4 |
| Net capital employed | 135,9 | 119,7 | 118,5 | 101,2 |
| Net Equity | 87,7 | 81,3 | 79,7 | 74,9 |
| Minority interests | 0,5 | 0,5 | 0,5 | 0,5 |
| Net financial debt | 47,7 | 37,9 | 38,3 | 25,8 |
| Debt/Equity | 0,54 | 0,46 | 0,48 | 0,34 |

Mil €

Roe and Roce Evolution



Shareholders Value Creation

| Total Return to Shareholders | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|
| Year | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| Share Performance Y/Y | 13,3% | 15,1% | 1,3% | 35,3% | 18,6% | 25,3% | 1,5% |
| Dividends | | | | | | | |
| Distributed dividend (€ mil) | 2,1 | 2,9 | 3,6 | 3,9 | 4,0 | 4,0 | 4,1 |
| Dividend (€) | 0,077 | 0,103 | 0,130 | 0,140 | 0,145 | 0,145 | 0,150 |
| Total Dividend distributed (2000-2006) | | | | | | € mil | 24,6 |
| Yield Y/Y (%) | 4,30% | 5,0% | 5,5% | 6,0% | 4,5% | 3,8% | 3,1% |

Historical Growth and Profitability

| CAGR 1999/2006 | |
|----------------|-------|
| Sales | 12,9% |
| Ebitda | 10,4% |
| Ebit | 13,9% |
| Net profit | 16,6% |
| Cash flow | 10,1% |

Estimated Growth Projections

| CAGR 2007/2009 | |
|----------------|-----|
| Sales | 10% |
| Ebitda | 19% |
| Ebit | 21% |



Corporate Social Responsibility

SA 8000 Ethical Certification

ISO 14000 Environmental Certification