

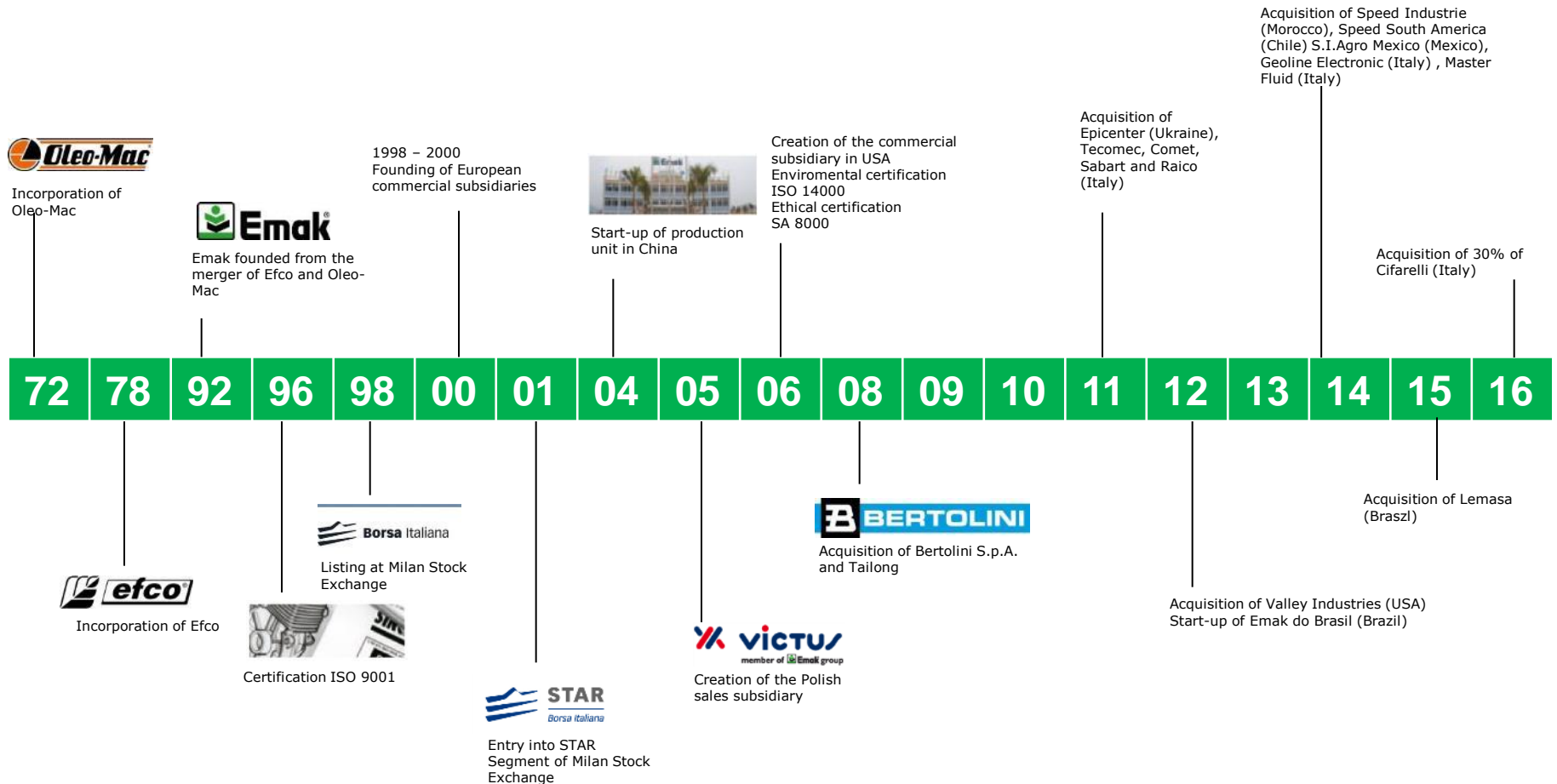


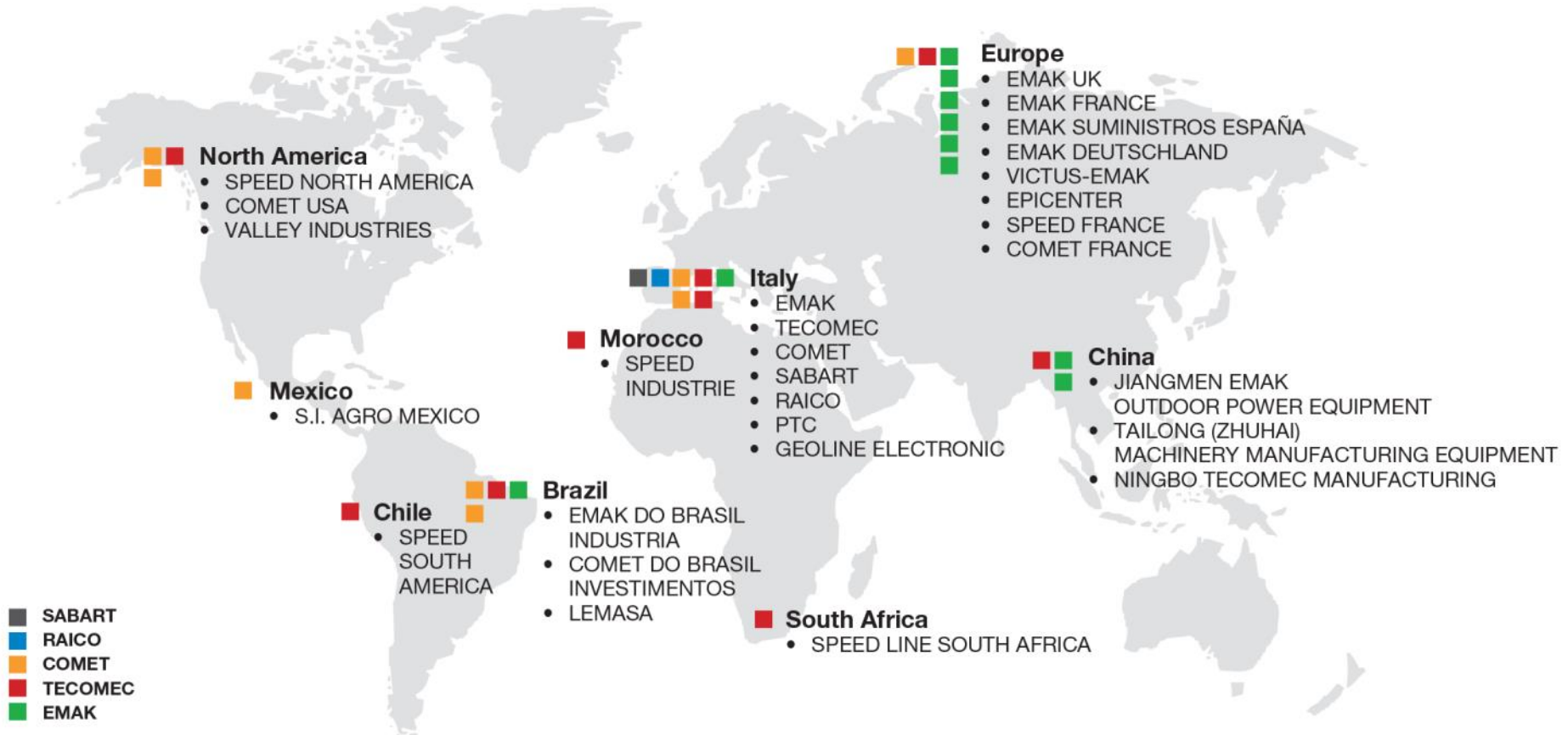
Star Conference 2017, Milan

Innovative solutions with the best value for the customer

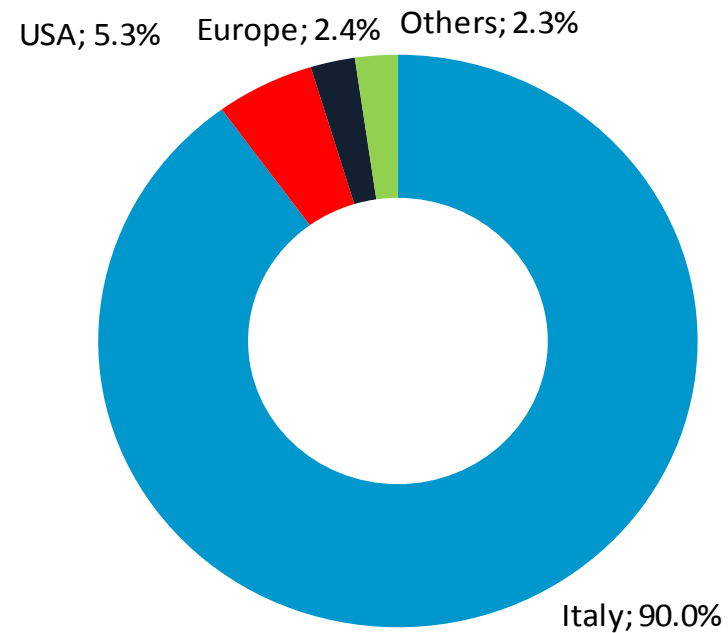
We intend to be, in the development, production and distribution of machines, components and accessories for gardening, agriculture, forestry and industry, one of the world's leading player in offering innovative products and services, that make efficient and enjoyable activity for our consumer and business customers, providing them with the best value





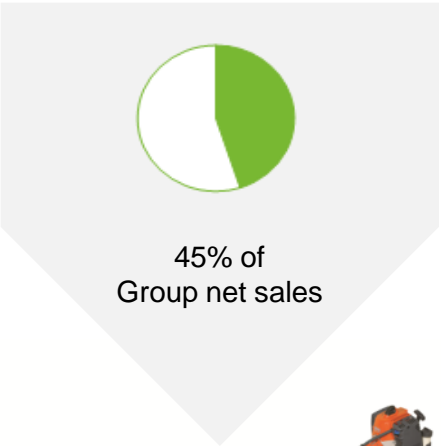


Main shareholders	Share of capital %
Yama S.p.A.	75.2%
FMR LLC	5.0%
Treasury shares	0.2%



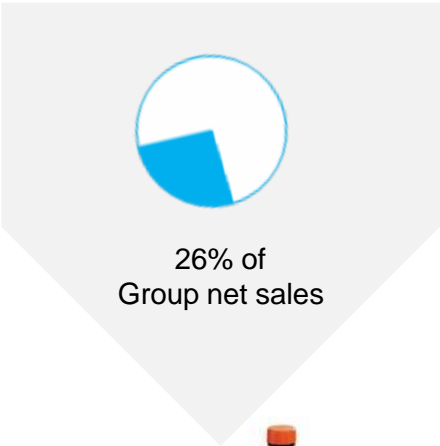
392 €m of net sales in 2016

Outdoor Power Equipment



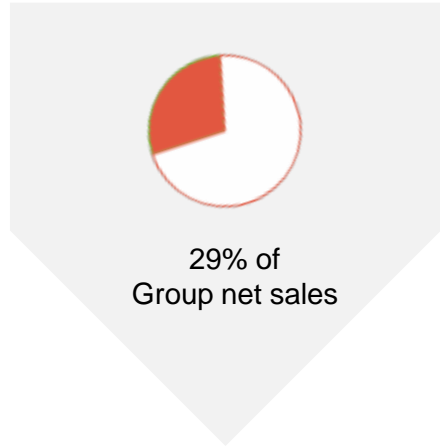
Sales 178 €m
EBITDA margin 6.2%

Pumps & High Pressure Water Jetting



Sales 104 €m
EBITDA margin 13.4%

Components & Accessories



Sales 119€m
EBITDA margin 14.3%

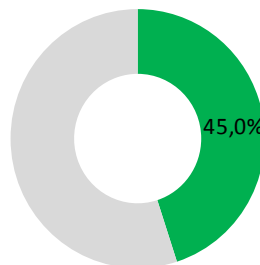


Product range



2016 net sales
177 €m

Share of Group
net sales



- ✓ Broad and complete range including: trimmers, lawnmowers, chainsaws , tillers, transporters
- ✓ Distribution channel: specialised dealers.
- ✓ Global distribution network.
- ✓ Target users: high demanding private and professionals.
- ✓ Continuous investments in product innovations.
- ✓ Production plants: 2 in Italy, 2 in China.



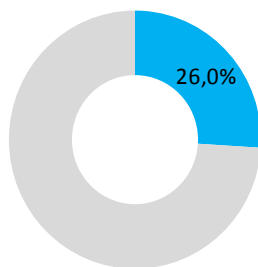


Product range



2016 net sales
103 €m

Share of Group net sales



- ✓ Diaphragm, centrifugal and piston pumps for agri OEM and dealers.
- ✓ Piston pumps for industrial OEM and high pressure washers for professional users.
- ✓ Hydrodynamic units and urban cleaning equipment for OEM and contractors.
- ✓ Continuous product and process innovation
- ✓ Internationalization of sales network.
- ✓ Production plants: 2 in Italy, 1 in Brasil. 1 in USA.



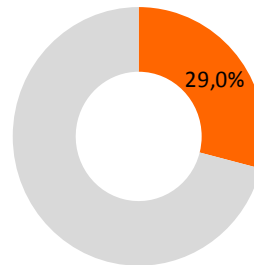


Product range



2016 net sales
112 €m

Share of Group net sales



- ✓ Broad and deep product range: nylon line and heads for trimmers, chain grinders, spray guns, nozzles, control systems, seats.
- ✓ Worldwide supplier for outdoor power equipment and cleaning OEM
- ✓ Strong aftermarket specialised dealers network.
- ✓ Production plants: 2 in Italy, 1 in China; 1 in France; 1 in USA; 1 in South Africa, 1 in Chile, 1 in Morocco.



Innovation

Continuous product and process innovation.

Focus on: new technologies, new applications, safety, comfort, emissions control

Distribution

Strengthen 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

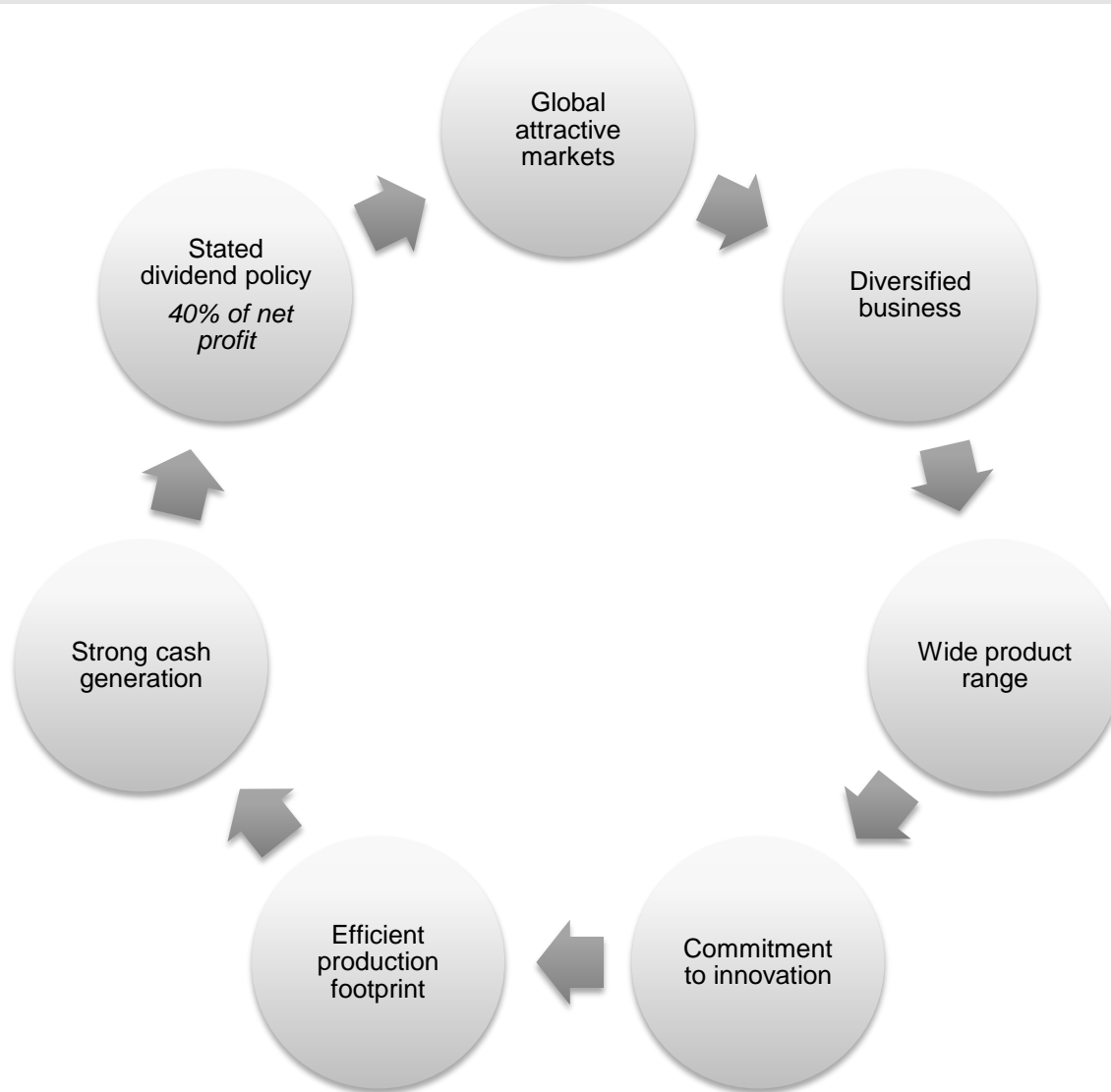
Acquisitions

Access new technologies

Complete product range

Penetrate new markets





€m	FY 2016	%	FY 2015	%	Δ %
Net sales	391.9	100	381.6	100	2.7
Ebitda Adj (*)	40.5	10.3	37.5	9.8	8.0
Ebitda	39.5	10.1	35.8	9.4	10.2
Ebit	21.9	5.6	23.3	6.1	(6.1)
Profit before taxes	26.5	6.8	15.1	4.0	75.8
Net profit	17.7	4.5	9.0	2.4	96.7

(*) Excluding items affecting comparability

€m	31.12.2016	31.12.2015
Net non-current assets	116.1	113.4
Net working capital	145.6	154.5
Net capital employed	261.8	267.9
Total Equity	181.7	168.5
Net debt	-80.1	-99.4

- ✓ Positive sales performance of all divisions.
- ✓ Favorable sales mix among businesses; efficiencies gained on service costs.
- ✓ Impairment test of goodwill of Lemasa for 4.8€m
- ✓ Reduction of debt for acquisition of minorities of Lemasa for 5.1€
- ✓ Positive forex
- ✓ Strong cash generation
- ✓ Efficient net working capital management

€m	2016	2015	Δ %
<i>Europe</i>	148.7	144.2	3.1
<i>Americas</i>	7.2	10.5	- 31.3
<i>Asia, Africa and Oceania</i>	21.1	20.1	4.9
Net sales external to the Group	177.0	174.8	1.3
<i>Sales between sectors</i>	1.5	4.8	
Total net sales	178.5	179.6	- 0.6
Ebitda*	11.0	12.5	- 12.0
<i>% on total net sales**</i>	6.2%	7.0%	

* Figure doesn't include common costs for shared functions of management and coordination.

** Total net sales also include sales to other Group companies, for the purposes of comparability the percentage is calculated on total sales.

SALES: increase in Europe due to the good performance achieved in the Italian and the Mediterranean market. Decrease of the Americas area because of Latin American markets, which in 2015 had benefited from an extraordinary provision. Asia, Africa and Oceania boosted by the good results obtained in Turkey and India.

EBITDA: the result is mainly due to unfavorable market mix of sales and higher costs for acquisitions, reorganization and disputes. These effects were partly limited by the reduction of operating costs.

€m	2016	2015	Δ %
<i>Europe</i>	44.5	43.0	3.5
<i>Americas</i>	47.8	46.1	3.6
<i>Asia, Africa and Oceania</i>	10.6	10.8	-2.3
Net sales external to the Group	102.9	100.0	2.9
<i>Sales between sectors</i>	1.4	1.5	
Total net sales	104.3	101.5	2.8
Ebitda*	14.0	12.8	9.6
<i>% on total net sales**</i>	13.4%	12.6%	

* Figure doesn't include common costs for shared functions of management and coordination.

** Total net sales also include sales to other Group companies, for the purposes of comparability the percentage is calculated on total sales.

SALES: Western Europe markets led growth in Europe. Strong performance in Mexico and contribution of sales in the first quarter of Lemasa, not included in the same period of 2015, were the main factor behind the growth in the Americas. In Asia, Africa and Oceania sales were overall in line compared to last year.

EBITDA: The increase is due to the growth in sales volumes, with concomitant reduction in direct production costs and a favorable product mix.

€m	2016	2015	Δ %
<i>Europe</i>	72.2	69.4	4.0
<i>Americas</i>	28.7	27.0	6.2
<i>Asia, Africa and Oceania</i>	11.1	10.4	7.0
Net sales external to the Group	112.0	106.8	4.8
<i>Sales between sectors</i>	6.6	6.7	
Total net sales	118.6	113.5	4.5
Ebitda*	17.0	13.1	29.6
<i>% on total net sales**</i>	14.3%	11.6%	

* Figure doesn't include common costs for shared functions of management and coordination.

** Total net sales also include sales to other Group companies, for the purposes of comparability the percentage is calculated on total sales.

SALES: Positive trend in Western European market. Increase in sales in the South American markets and good results obtained in the United States by the new gardening products. In Asia, Africa and Oceania positive performance especially in Japan, and to a lesser extent in Oceania.

EBITDA: The improvement is due mainly to a more favorable mix of revenues, both in terms of product and sales channels. Higher personnel expenses linked to the strengthening of the structure and the increased use of temporary workers.

€m	Y 2016	Y 2015
NFP at 01/01/2016	(99,4)	(79,0)
<i>Ebtida</i>	39,5	35,8
<i>Financial income and expenses</i>	1,3	(4,5)
<i>Exchange gains and losses</i>	3,4	(3,7)
<i>Income taxes</i>	(8,8)	(6,1)
Cash flow from operations, excluding changes in operating assets and liabilities	35,3	21,5
Changes in operating assets and liabilities	11,9	(3,5)
Cash flow from operations	47,2	18,0
Change in investments and disposals	(17,6)	(13,3)
Other equity changes	(4,3)	(3,4)
Changes from exchange rates and translation reserve	(5,5)	7,4
Change in scope of consolidation	(0,5)	(29,0)
NFP at 31/12/2016	(80,1)	(99,4)

- Financial income and expenses include the favorable effect of debt reduction for 5.1€m to purchase the minorities of Lemasa.
- Changes in investments and disposals include the consideration for the acquisition of 30% of Cifarelli for 3.8€m.

€/mln	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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	391.9
EBITDA adj <i>margin</i>	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%	40.5 10.3%
EBITDA <i>margin</i>	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%	39.5 10.1%
EBIT adj <i>margin</i>	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%	22.9 5.8%
EBIT <i>margin</i>	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%	21.9 5.6%
Net profit <i>margin</i>	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%	17.7 4.5%
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	35.3
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	181.7
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	80.1
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	261.8
NWC	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	145.6
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	0.4

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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Speakers

Mr. Fausto Bellamico – Chairman and CEO

Mr. Aimone Burani – Deputy Chairman and CFO

Mr. Andrea La Fata – Investor Relator

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