



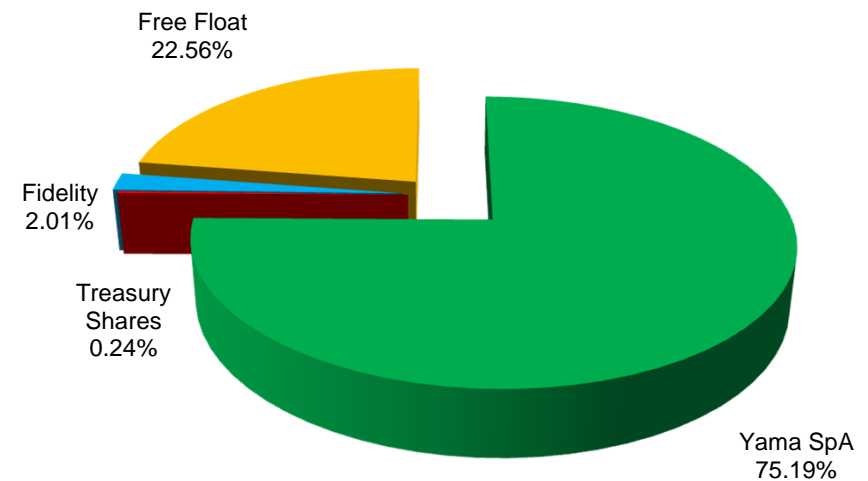
our power, your passion

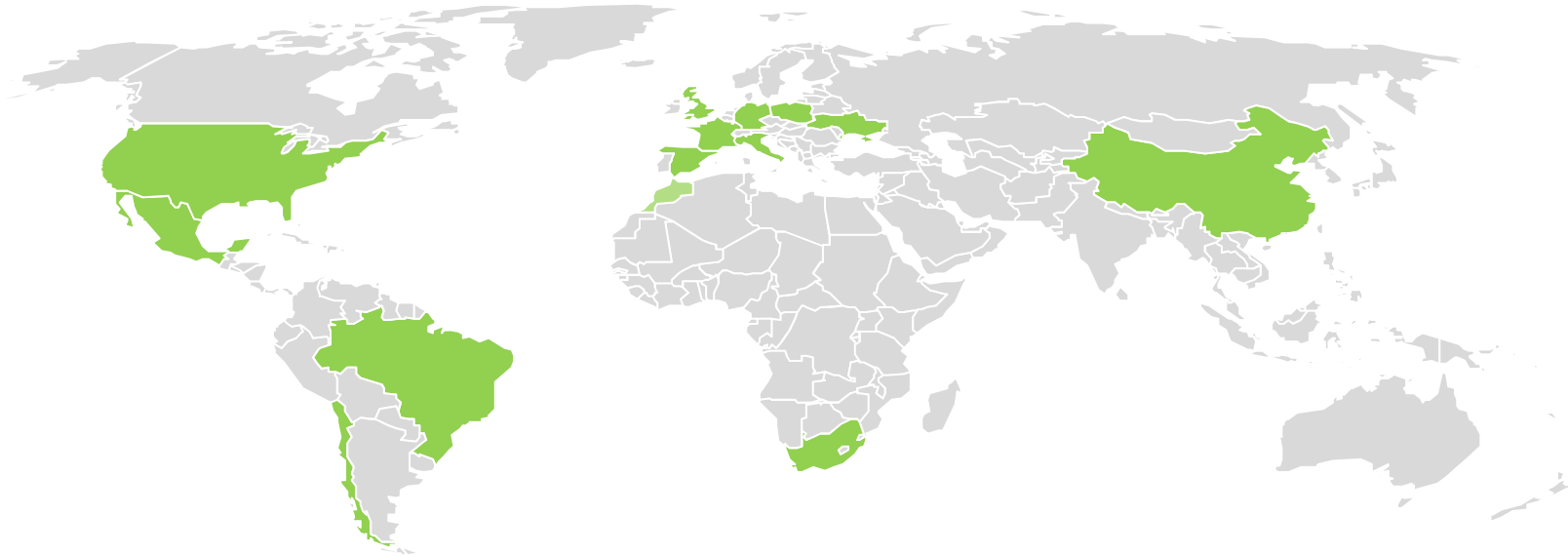
Investor Presentation – 9M 2014 results

Emak Group designs, manufactures and distributes a wide range of products in three different segments: (i) **Outdoor Power Equipment**; (ii) **Pumps and High Pressure Water Jetting**; (iii) **Componenti and Accessories**.

The Group distributes its products worldwide mainly through its commercial branches, independent distributors, specialized dealers and OEM clients. In 2013 Emak Group realized a total turnover of € 355 million and counted more than 1,500 employees.

Group's shareholders



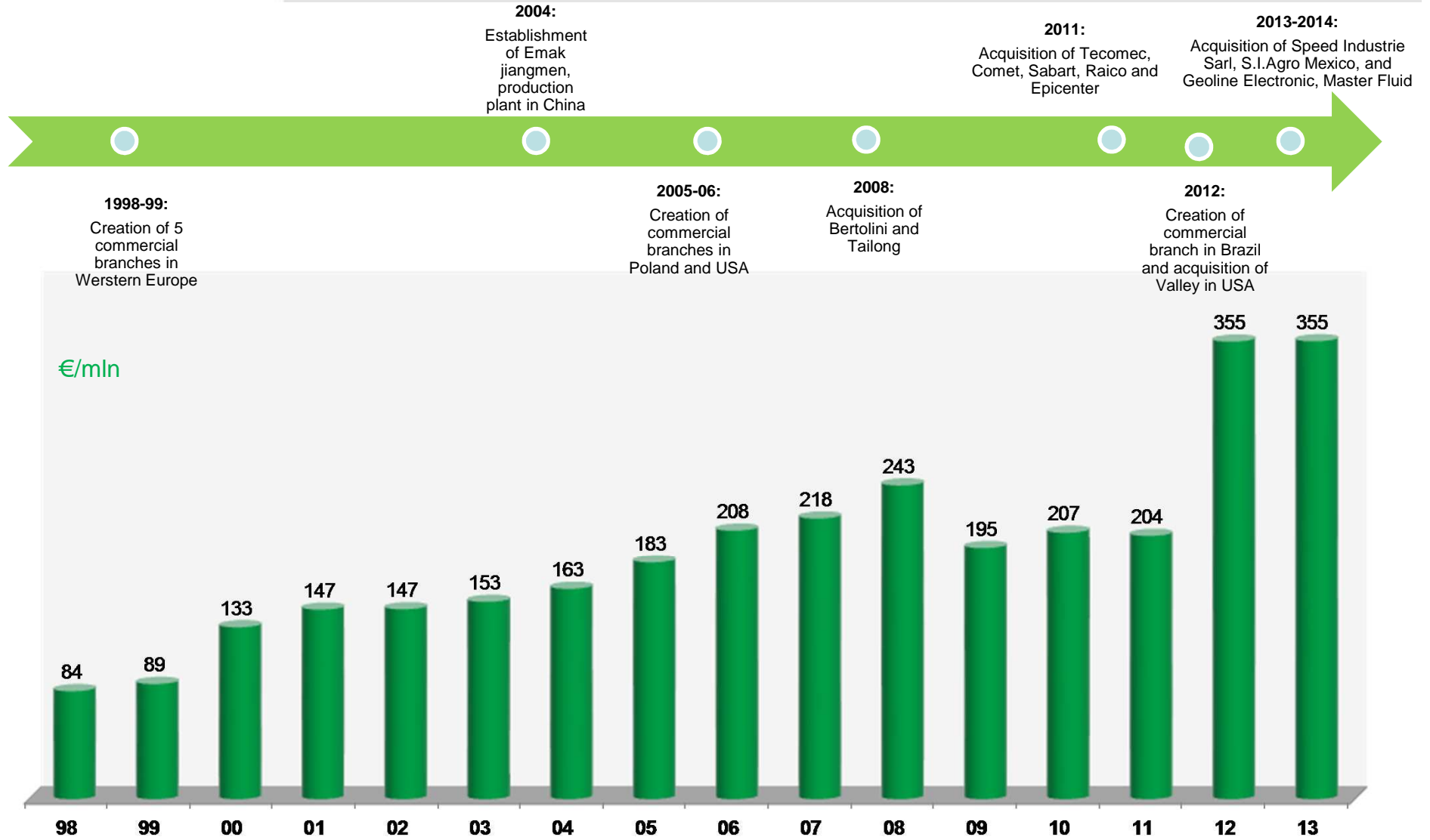


Group	Employees
Europe	1,285
Americas	102
Asia, Africa, Oceania	376
Total	1,763
Segment	
Outdoor power equipment	1,071
Pumps & High pressure water jetting	260
Components & Accessories	432

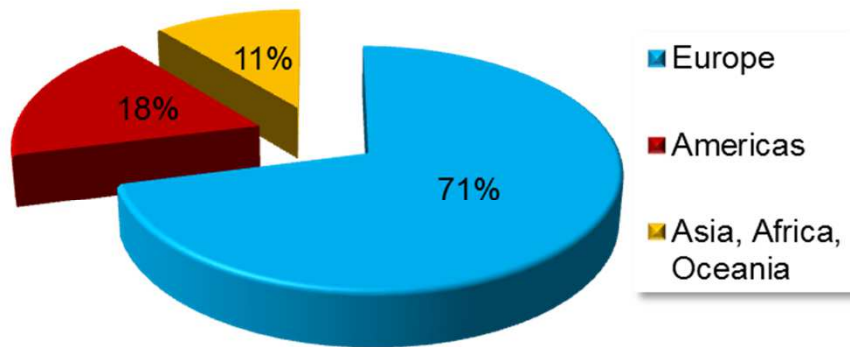
Average number at 30/9/14

Production

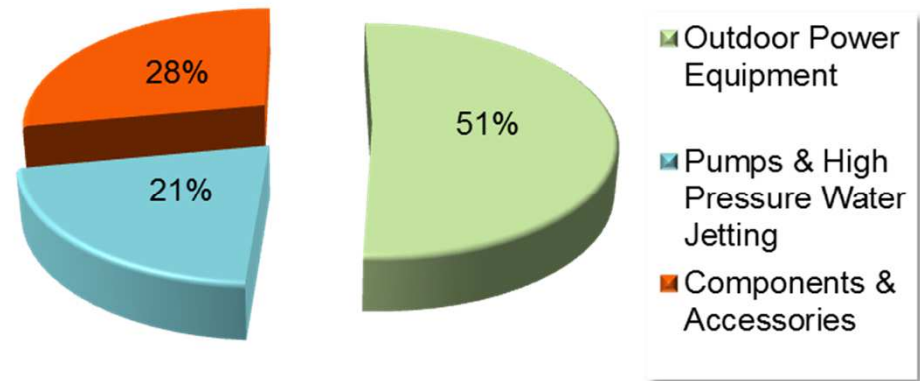
- ✓ 13 production plants
- ✓ Each plant has specific characteristics for the products manufactured
- ✓ Overall surface of 160,000 m²



Breakdown of sales by geography (FY13)



Breakdown of sales by segment (FY13)



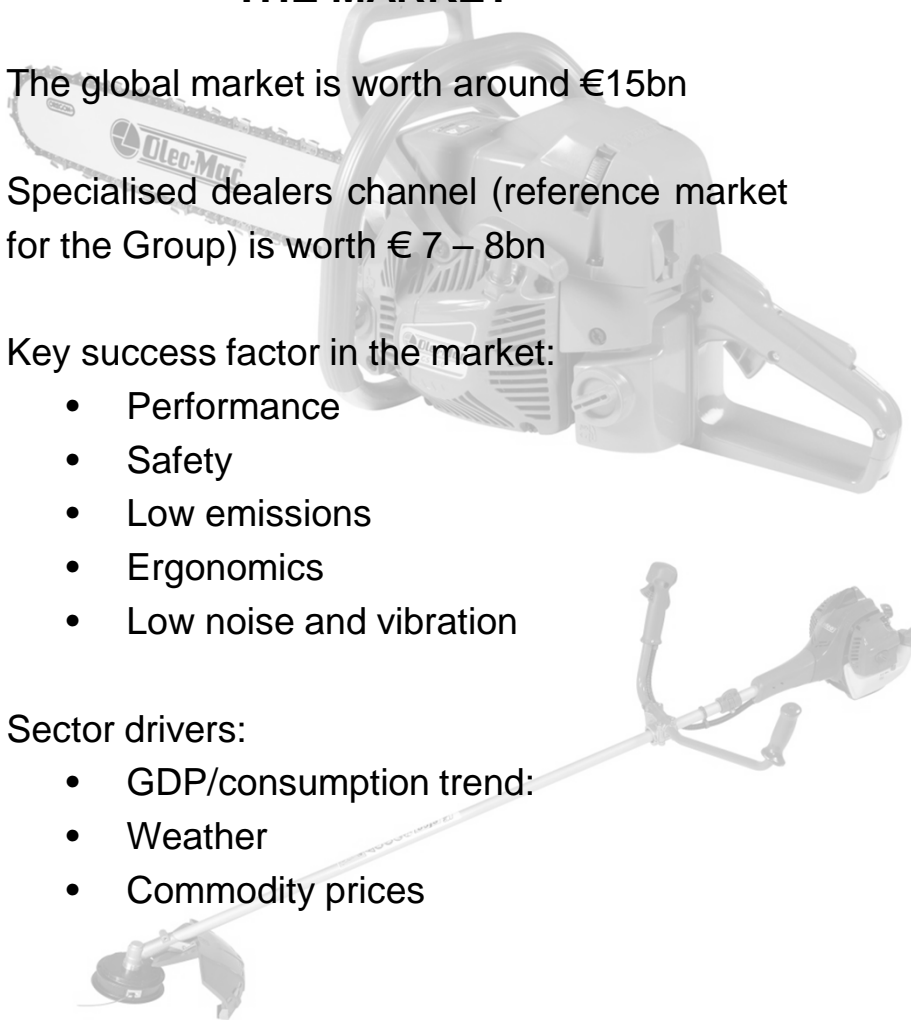
Outdoor Power Equipment (OPE)

- Equipment for gardening and forestry, as well as small agricultural equipment
- 51% of 2013 consolidated sales



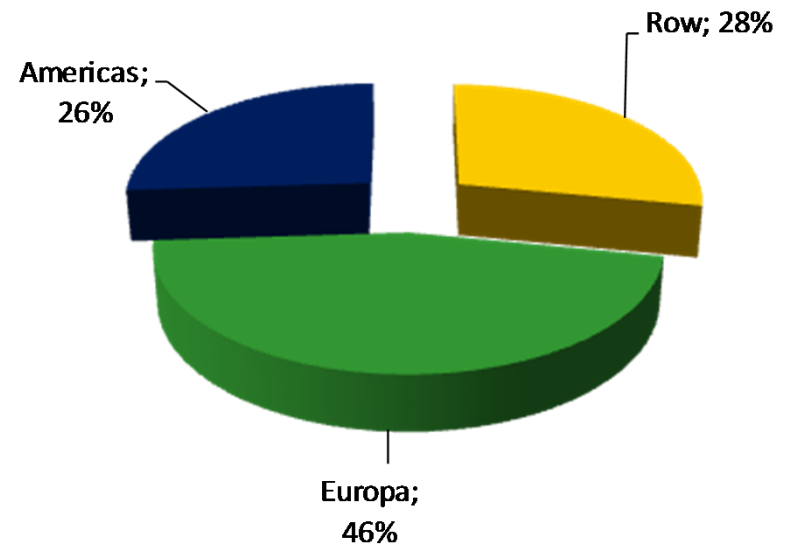
THE MARKET

- ✓ The global market is worth around €15bn
- ✓ Specialised dealers channel (reference market for the Group) is worth € 7 – 8bn
- ✓ Key success factor in the market:
 - Performance
 - Safety
 - Low emissions
 - Ergonomics
 - Low noise and vibration
- ✓ Sector drivers:
 - GDP/consumption trend:
 - Weather
 - Commodity prices



Specialised dealer market

€ 7 - 8 bn



THE GROUP

- ✓ Sales concentrated on specialised dealer channel
- ✓ Target users: high demanding private and professional users
- ✓ Continuous investments in product innovations
- ✓ Broad and complete product range
- ✓ Global distribution network
- ✓ Production plants: 2 in Italy, 2 in China



Pumps and High Pressure Water Jetting (PWJ)

Pumps and High Pressure Water Jetting (PWJ)

- Diaphragm pumps for agriculture, piston pumps for industrial applications, high pressure washers, hydrodynamic units and urban cleaning systems
- 21% of 2013 consolidated sales

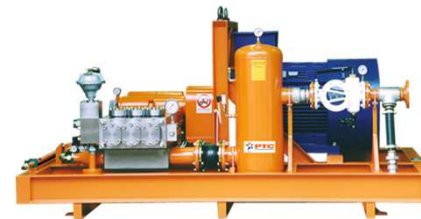


THE MARKET

- ✓ **Diaphragm pumps** for agricultural use: market is worth € 100mln worldwide
 - ✓ Sector drivers:
 - overall economic cycle
 - process of agricultural mechanisation in emerging countries.
 - ✓ **High pressure water jetting** segment is worth € 2.5-3bn
 - ✓ Sector drivers
 - Industrial pumps: market trends in hydrodynamic units and high pressure washers.
 - High pressure washers: general economic trends and adoption of higher hygienic standards worldwide.
 - Hydrodynamic units: trends in the fields of application such as hydro demolition, ship repair, refining, mining, the oil industry in general, foundries, chemical processing, energy production
 - Urban cleaning systems: public council budgets
- 

THE GROUP

- ✓ Diaphragm pumps for agriculture are sold mainly to manufacturers of spraying and weeding equipment. The Group has a leading position on the market.
- ✓ Industrial pumps are sold to OEM; high pressure washers and hydrodynamic units to specialised dealers and contractors.
- ✓ Focus on expanding in the high pressure water jetting towards the high and very high pressure segments, more profitable level of the market.
- ✓ Production plants: 3 in Italy, 1 in Brasil (from 2015)



Components and Accessories (C&A)

- Line and heads for trimmers, accessories for chain saws, guns, nozzles and valves for pressure washers and agricultural applications, precision farming, seats and technical spare parts for tractors
- 28% of 2013 consolidated sales



THE MARKET

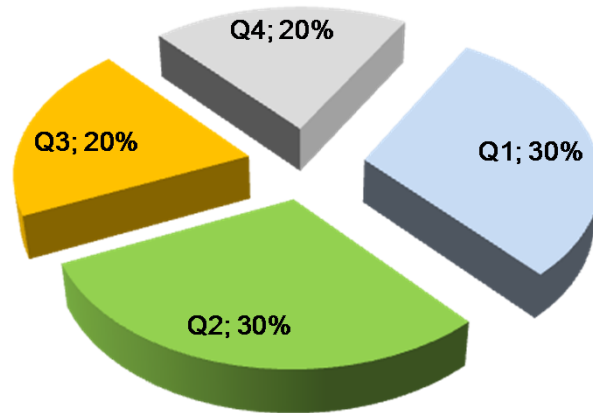
- ✓ The market is highly fragmented
- ✓ Competition is played out over technology, service and pricing.
- ✓ Sector drivers
 - general economic cycle (for OEMs)
 - intensity of equipment usage (for after-market)



THE GROUP

- ✓ Wide range of components and accessories for outdoor power equipment, pumps, high pressure water jetting and other agricultural equipment.
- ✓ Products sold to OEM and specialised dealers
- ✓ Focus on technological innovation: investments in electronic applications for agriculture (precision farming)
- ✓ Focus on the most professional segment
- ✓ Relationships with OEMs and the quality of services
- ✓ Production plants: 1 in Italy, 1 in China; 1 in France; 1 in USA; 1 in South Africa, 1 in Chile

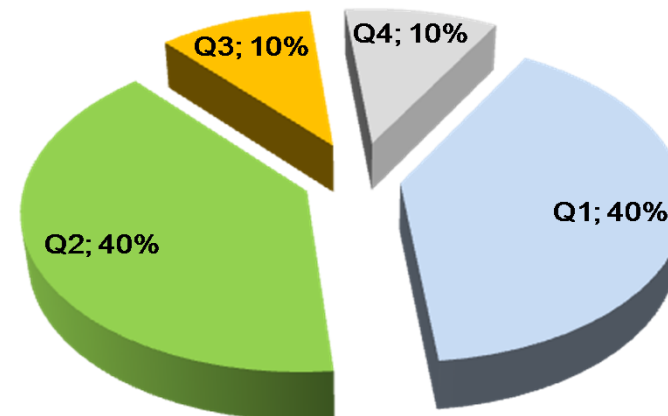
Sales



✓ Around 60% of annual sales are realized in Q1 and Q2

✓ EBITDA of Q1 and Q2 represents around 80% of annual result

EBITDA



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
- ✓ Constant control on costs

ACQUISITIONS

- ✓ Improve competitive position
- ✓ Access new technologies, complete product range, penetrate new markets

Geoline Electronic S.r.l. - January 2014

A company newly established, that develops and produces electronic control systems for applications in Agriculture.

Speed Industrie Sarl – January 2014

Moroccan company that carries out packaging for nylon line for trimmers.

S.I. Agro Mexico – January 2014

Mexican company that distributes products and accessories for Pumps and High Pressure Water Jetting segment.

Access to new technology

Production process optimization

Penetration of high potential market

Master Fluid – June 2014

The company develops and manufactures special equipment for Pumps and High Pressure Water Jetting segment.

Speed South America - October 2014

Establishment of a plant in Chile for the production of nylon line for trimmers

Lemasa – November 2014

Brazilian company, develops and manufactures pumps and high pressure water jetting systems.

Closing expected within April 2015

Complete product range

**Production process optimization
Penetration of high potential market**

**Complete product range
Penetration of high potential market**

Lemasa, based in Indaiatuba (Brazil), is one of the leading manufacturers in South America of pumps and systems for high and very high pressure for multiple industries, ranging from agriculture to construction, the oil and gas sector and the maritime industry.

Total acquisition price, for 70%, is BRL 75.6 mln (\approx € 25 mln).

The business and technology of Lemasa are highly complementary to those of the Group in the high pressure water jetting segment.

Expected sales synergies in the coming years.

Rationale of the deal: expansion in the profitable high pressure water jetting segment

Main 2013 figures

Sales	€ 13mln
EBITDA	€ 4.7mln
Net profit	€ 3.7mln
Net financial debt	€ 0.5mln



Wide range of products

Innovation

Global distribution network

Level of service

Efficient production footprint

Cash generation

Dividend policy: 40% of net profit, more than €60mIn distributed to
shareholders since the listing

A scenic mountain landscape featuring a river flowing through a rocky stream bed. A hiker is seen from behind, standing on a large rock in the foreground, looking towards the river. The background shows a valley with a forest of trees in autumn colors, leading up to snow-capped mountain peaks under a clear blue sky. A white banner with a green checkmark and the text '9M 2014 RESULTS' is overlaid on the right side of the image.

✓ 9M 2014 RESULTS

Sales: Increase of 2%, of which 0.4% coming from acquisitions.

EBITDA: higher sales volumes, positive product mix and efficiencies on direct materials partially offset by higher structure costs due to the widening of the scope of consolidation.

Net Profit: Positive currency management for €0.8mln (negative for €0.7mln in 9M 2013).

Free cash flow from operations after tax amounts to €22.7mln.

Net fin. Debt: Acquisitions had a negative impact of €5mln

€/mln	9M 2014	9M 2013	Δ	FY 2013
Sales	284.2	278.5	2.0%	355.0
EBITDA	32.3	30.8	4.7%	34.2
<i>margin</i>	11.4%	11.1%		9.6%
EBIT	23.9	22.1	8.3%	22.4
<i>margin</i>	8.4%	7.9%		6.3%
EBT	22.3	18.7	19.6%	17.4
<i>margin</i>	7.9%	6.7%		4.9%
Net profit	14.3	12.2	17.8%	10.5
Free cash flow from operations	22.7	20.9		22.3
Net working capital	158.0	152.6		142.2
Net Equity	163.7	153.2		150.8
Net financial debt	83.6	85.5		76.4
Debt/Equity	0.51	0.56		0.51

€/mln	OUTDOOR POWER EQUIPMENT			PUMPS AND HIGH PRESSURE WATER JETTING			COMPONENTS AND ACCESSORIES			TOTAL		
	9M2014	9M2013	Var. %	9M2014	9M2013	Var. %	9M2014	9M2013	Var. %	9M2014	9M2013	Var. %
Europe	123.4	119.9	2.9%	31.2	29.0	7.6%	55.8	51.6	8.2%	210.4	200.5	5.0%
Americas	7.4	10.7	-30.3%	23.7	22.4	6.2%	15.8	15.6	1.2%	47.0	48.6	-3.4%
Asia, Africa, Oceania	10.3	11.8	-12.2%	9.3	6.9	34.9%	7.1	10.7	-33.6%	26.8	29.4	-8.9%
Total	141.2	142.3	-0.8%	64.3	58.3	10.3%	78.7	77.9	1.0%	284.2	278.5	2.0%

- Outdoor Power Equipment

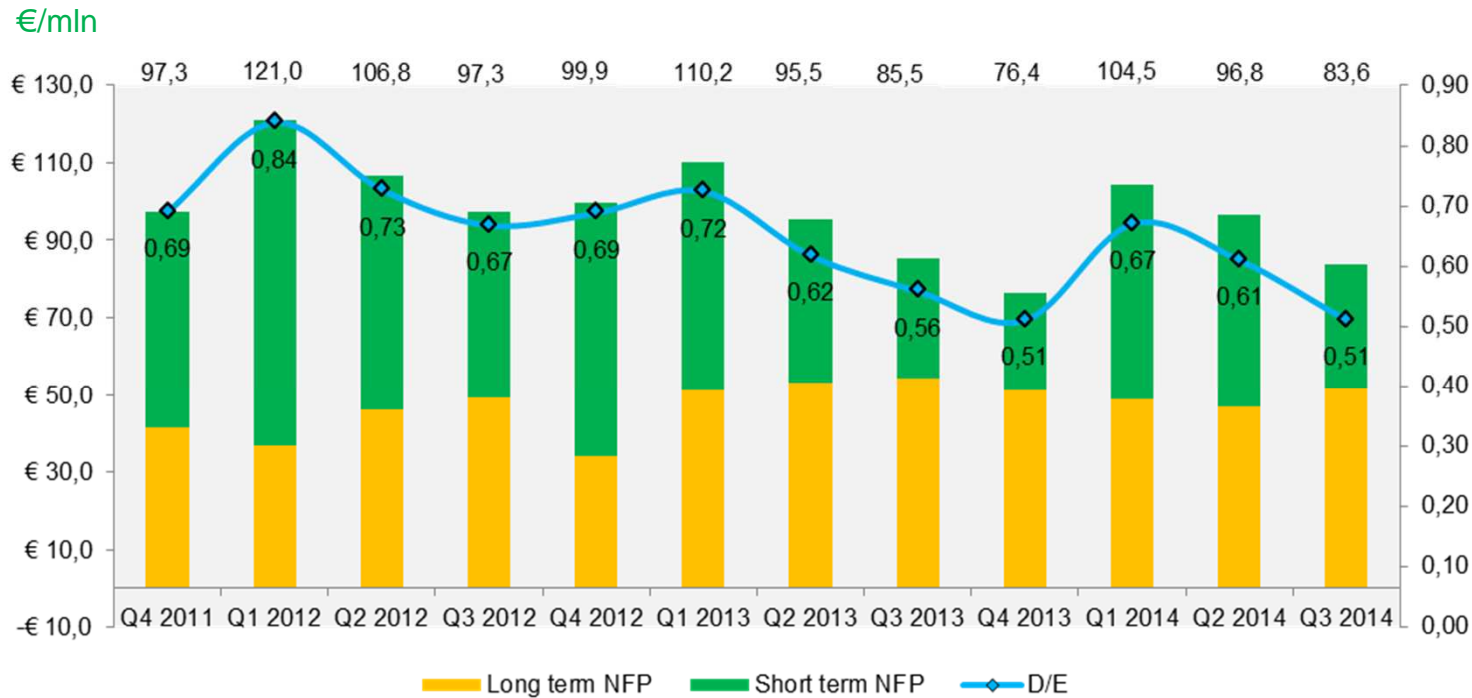
- ✓ Good performance in Western Europe, and in general where the Group has a direct presence
- ✓ Difficulties encountered in the Russian, South America (Venezuela) and Turkish market

- Pumps and High Pressure Water Jetting

- ✓ Growth driven by the markets of Western Europe, particularly Italy
- ✓ Increase in sales of industrial pumps in the Far East and hydrodynamic unit sales in the Middle East.
- ✓ Contribution from SiAgro and Master Fluid acquisition for a total amount of € 1.1mln.

- Components and Accessories

- ✓ Organic growth more than offset the loss of sales of the business unit discontinued in November 2013.
- ✓ Significant growth in the markets of Western Europe
- ✓ The area Americas has seen a positive trend for accessories for washing, which offset the decline in those for agriculture in the South American market.



- ✓ Net financial position varies substantially during the year due to the seasonality of the business
- ✓ Long and short term NFP are respectively around 65% and 35% of total position

€/mln	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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
EBITDA	12.9	12.8	16.0	20.6	22.9	23.9	22.6	22.3	25.1	30.0	31.7	21.7	23.5	17.5	28.8	34.2
<i>margin</i>	15.3%	14.3%	12.0%	14.1%	15.6%	15.7%	13.9%	12.1%	12.1%	13.8%	13.0%	11.1%	11.4%	8.6%	8.1%	9.6%
EBIT	9.3	8.1	10.6	14.8	16.8	17.5	16.3	17.0	19.8	24.5	24.9	14.9	16.1	10.4	16.6	22.4
<i>margin</i>	11.1%	9.0%	8.0%	10.1%	11.4%	11.5%	10.0%	9.3%	9.5%	11.2%	10.2%	7.6%	7.8%	5.1%	4.7%	6.3%
Net profit	5.5	3.9	6.2	7.9	9.0	9.6	9.0	9.6	11.3	15.2	14.9	9.4	11.6	5.8	8.6	10.5
<i>margin</i>	6.5%	4.4%	4.7%	5.4%	6.1%	6.3%	5.5%	5.2%	5.4%	7.0%	6.1%	4.8%	5.6%	2.8%	2.4%	3.0%
Free cash flow 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

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.



Emak S.p.A

Via E. Fermi, 4

42011 Bagnolo in Piano – RE [Italy]

info@emak.it

www.emak.it

Speakers

Mr. Fausto Bellamico – Chairman and CEO

Mr. Aimone Burani – Deputy Chairman and CFO

Mr. Andrea La Fata – Investor Relator

alafata@emak.it

0039-0522.956.332