



our power, your passion

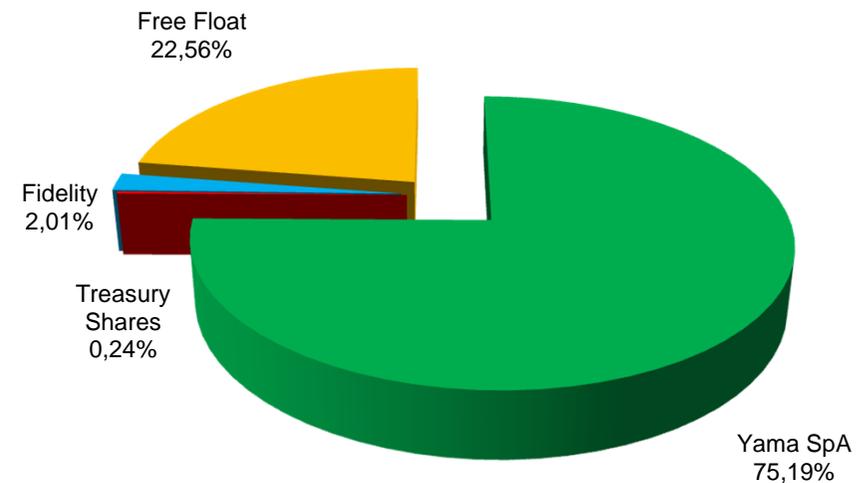
Star Conference – Milan 2015

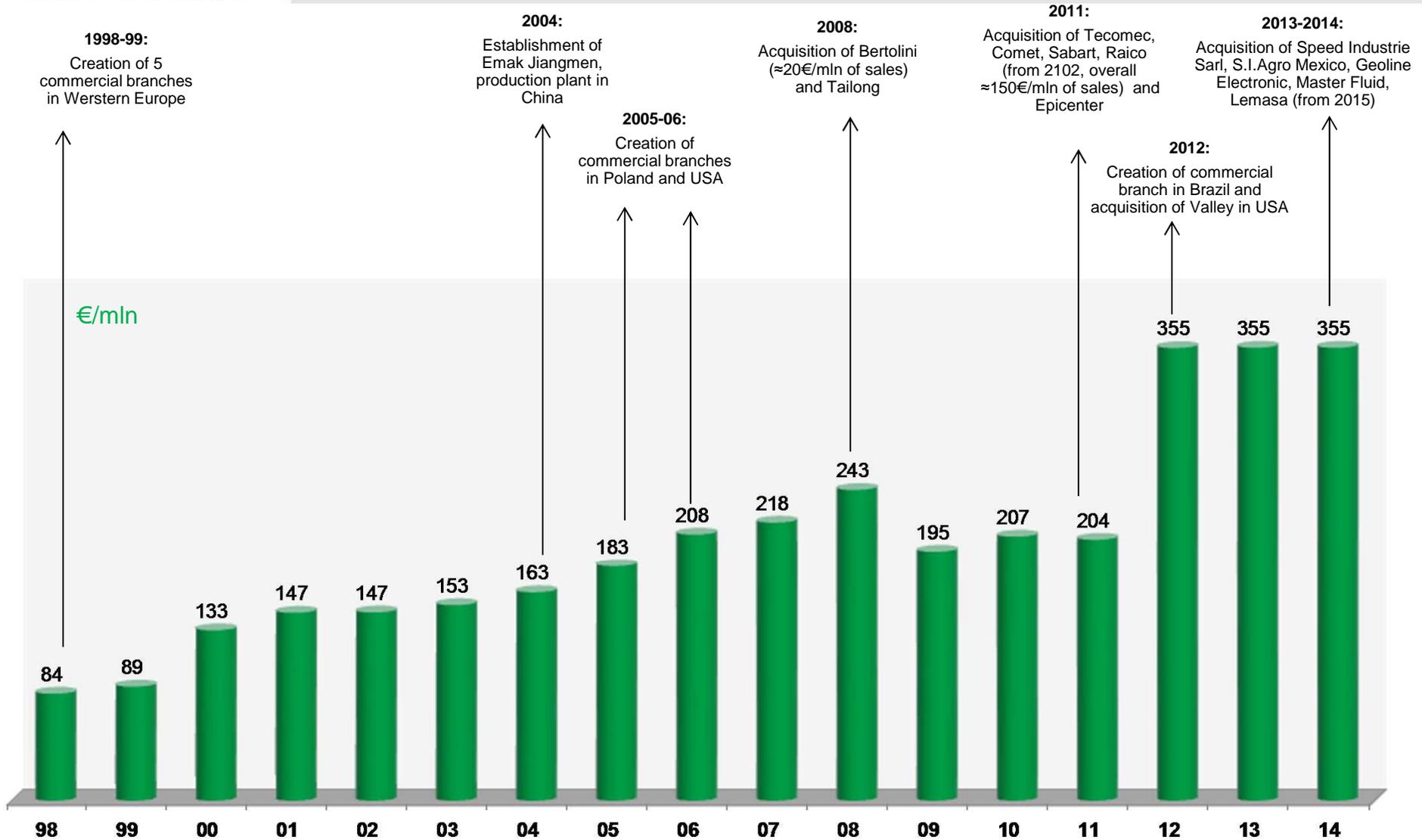
Group's shareholders

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

- (i) **Outdoor Power Equipment** 49% of sales;
- (ii) **Pumps and High Pressure Water Jetting** 23% of sales;
- (iii) **Components and Accessories** 28% of sales.

In 2014 Emak Group realized a total turnover of € 355 million and counted more than 1,500 employees.





- ✓ 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



Raider



Lawnmower



Moto cultivator



Blower



Transporter



Tiller



Pumps and High Pressure Water Jetting (PWJ)

- ✓ Leading position on the market of diaphragm pumps for agriculture. Products are sold mainly to manufacturers of spraying and weeding equipment.
- ✓ Industrial pumps are sold to OEM; high pressure washers and hydrodynamic units to specialised dealers and contractors.
- ✓ Focus on expanding in the high and very high pressure segments → more profitable level of the market.
- ✓ Production plants: 3 in Italy, 1 in Brasil (Lemasa).



Piston pumps for industrial applications



High pressure washers



Hydrodynamic units



Diaphragm pumps for agriculture



Urban cleaning systems



- ✓ Products sold to OEM and specialised dealers
- ✓ Leading position in the market of nylon line for trimmers
- ✓ Focus on technological innovation: investments in electronic applications for agriculture (precision farming)
- ✓ Focus on the most professional segment
- ✓ 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



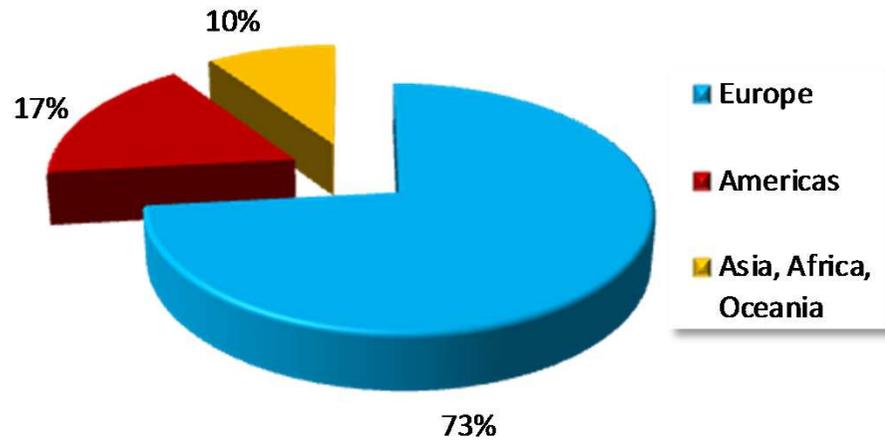
Guns, nozzles and valves for pressure washers and agricultural applications



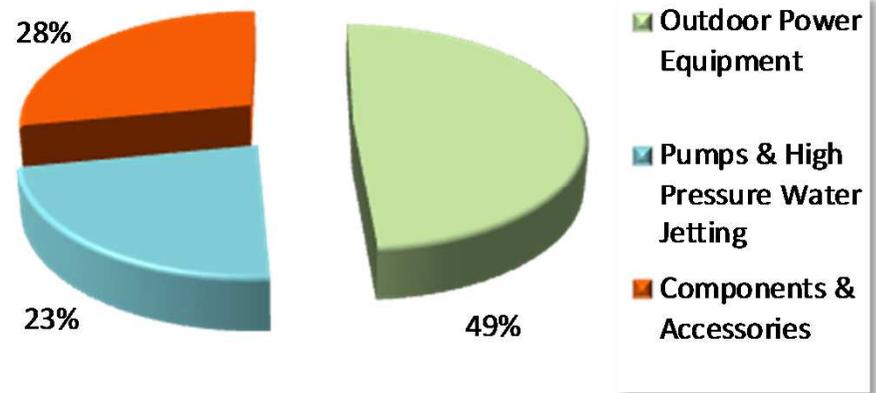
Seats and technical spare parts for tractors



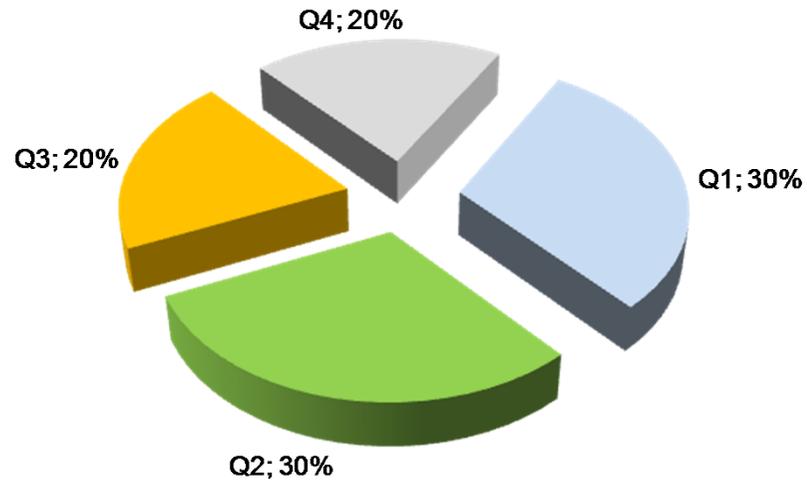
Breakdown of sales by geography (FY14)



Breakdown of sales by segment (FY14)



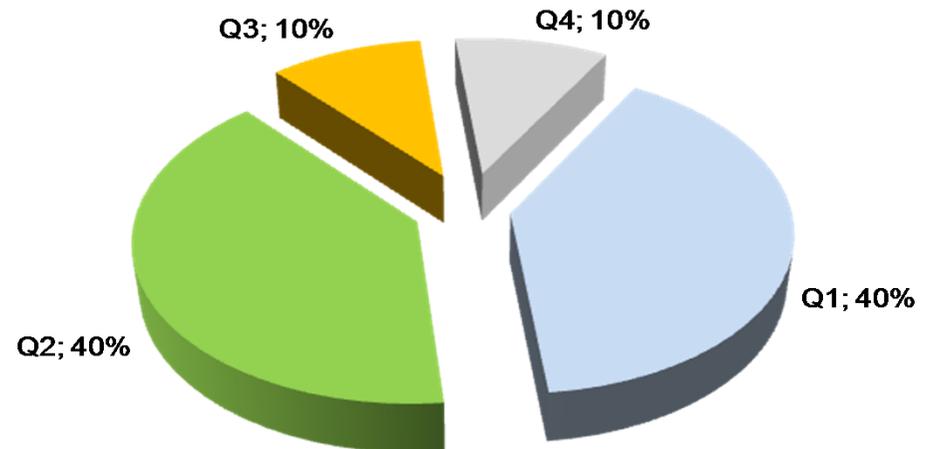
Sales



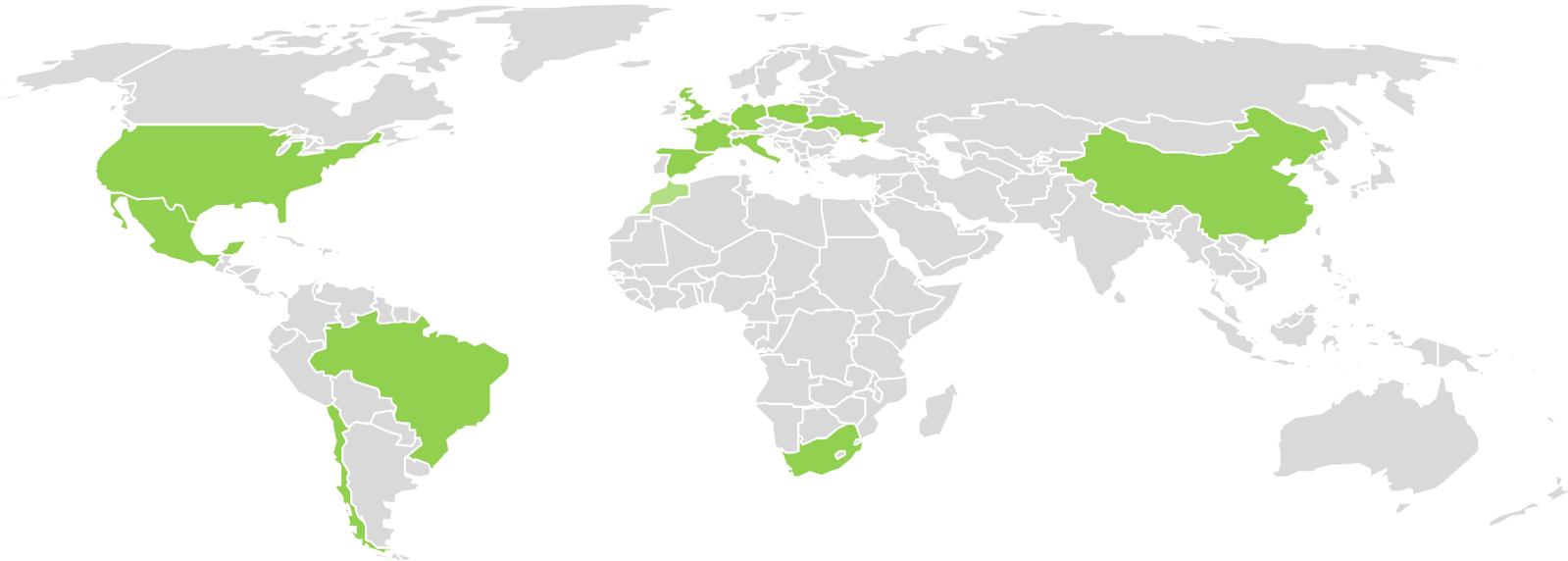
✓ Around 60% of annual sales are realized in Q1 and Q2

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

EBITDA



* Last 3 years average



Group	Employees
Europe	1,084
Americas	104
Asia, Africa, Oceania	386
Total	1,574
Segment	
Outdoor Power Equipment	869
Pumps & high pressure water jetting	266
Components & Accessories	439

Industrial footprint

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

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

Pumps and High Pressure Water Jetting (PWJ)

S.I. Agro Mexico – January 2014

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

Master Fluid – June 2014

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

Lemasa – November 2014

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

Closing expected within April 2015

Penetration of high potential market

Complete product range

**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 shipyard industry.

Total acquisition price, for 70%, is BRL 75.6 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



Components and Accessories (C&A)

Geoline Electronic S.r.l. - January 2014

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

Speed Industrie Sarl – January 2014

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

Speed South America - October 2014

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

Access to new technology

Production process optimization

Production process optimization
Penetration of high potential market

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 €60mIn distributed to shareholders since the listing

€/mIn	2014	2013
Sales	354.8	355.0
EBITDA	31.5	34.2
<i>margin</i>	8.9%	9.6%
EBITDA adj	33.2	34.2
<i>margin</i>	9.4%	9.6%
EBIT	20.1	22.4
<i>margin</i>	5.7%	6.3%
Net profit	10.3	10.5
<i>margin</i>	2.9%	3.0%
Free cash flow from operations	21.7	22.4
Net Equity	160.2	150.8
Net financial debt	79.0	76.4
Net working capital	148.6	142.2
Net fixed assets	90.6	85.0

Sales: Positive contribution from acquisitions. Decrease mainly due to Russian market.

EBITDA: positive product mix and efficiencies on direct materials. Negative impact of non-recurring items and higher structure costs due to the widening of the scope of consolidation.

Net Profit: Positive forex for €0.4mIn (negative for €1.4mIn in 2013).

Free cash flow from operations after tax amounts to €21.7mIn.

Net fin. Debt: Acquisitions had a negative impact of €4.7mIn

Net Working Capital: increase mainly due to higher inventories and the decrease in trade payables.

€/mln	OUTDOOR POWER EQUIPMENT			PUMPS AND HIGH PRESSURE WATER JETTING			COMPONENTS AND ACCESSORIES			TOTAL		
	2014	2013	Var. %	2014	2013	Var. %	2014	2013	Var. %	2014	2013	Var. %
Europe	150,9	152,3	-0,9%	39,8	37,3	6,8%	68,0	64,3	5,8%	258,7	253,9	1,9%
Americas	10,2	14,2	-28,2%	30,8	27,7	11,0%	21,0	21,2	-1,1%	62,0	63,1	-1,8%
Asia, Africa and Oceania	12,9	14,9	-14,0%	11,3	9,3	21,8%	9,8	13,8	-28,7%	34,0	38,0	-10,6%
Total	174,0	181,4	-4,1%	81,9	74,3	10,2%	98,8	99,3	-0,5%	354,7	355,0	-0,1%

- 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

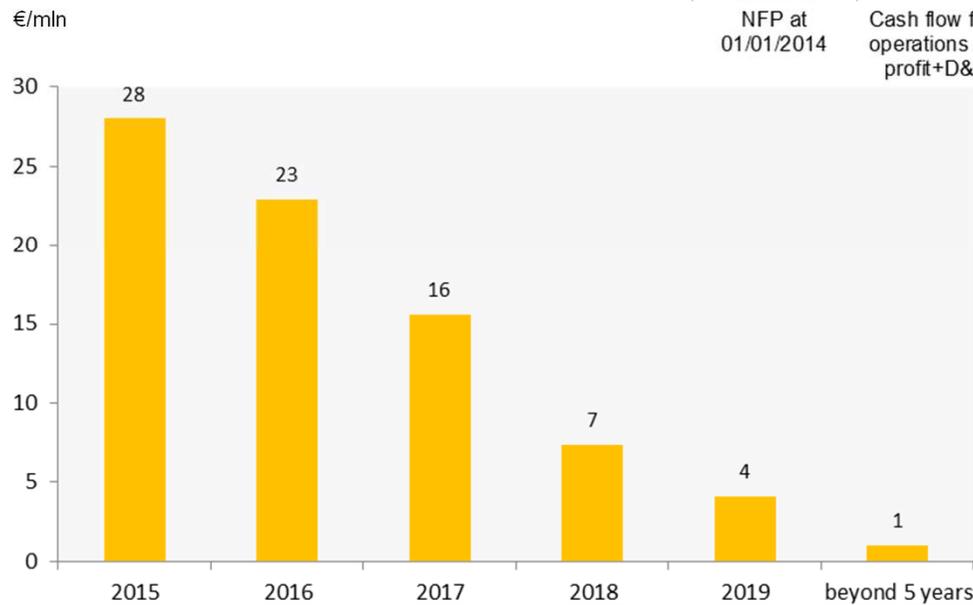
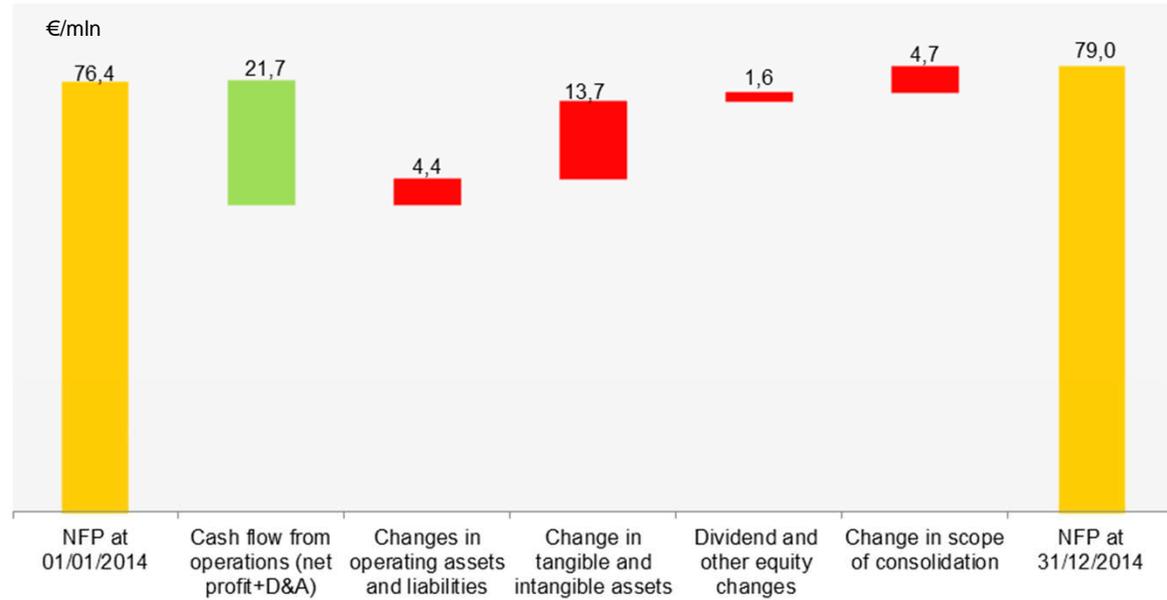
- Pumps and High Pressure Water Jetting

- ✓ 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 acquisitions for a total amount of € 3.2 mln.

- Components and Accessories

- ✓ Organic growth offset the dismissal of non-strategic business unit in November 2013 (with sales of about € 3.7 mln mostly concentrated in the markets of Asia).
- ✓ Significant growth in the markets of Western Europe
- ✓ The growth in sales of accessories for cleaning on the North American market has offset the delay in some South American markets of the products for the agricultural sector.

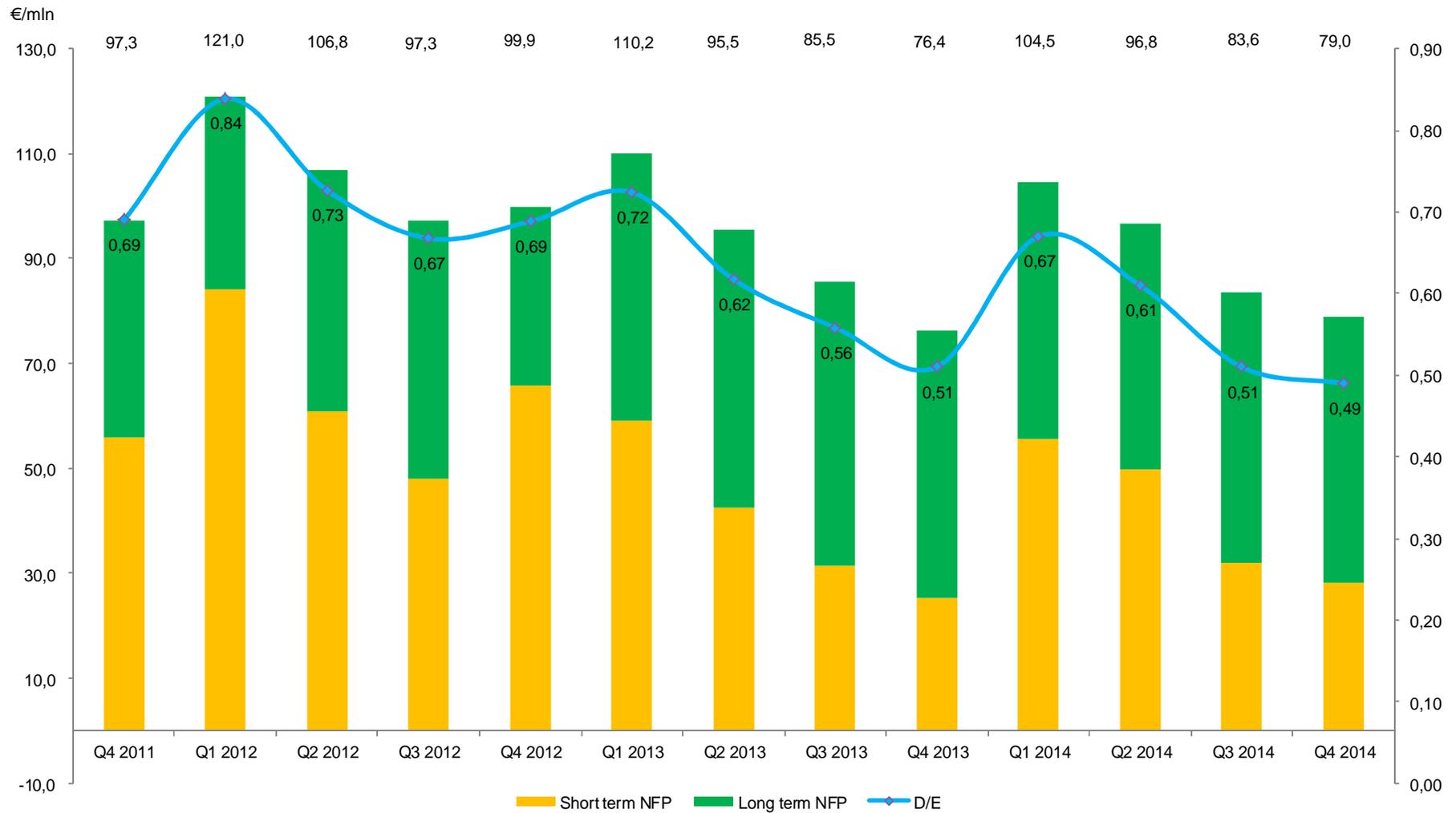
- Cash flow statement



- Debt maturity

Net financial position - seasonality

Net financial position varies substantially during the year due to the seasonality of the business



€/mln	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
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
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	31.5
<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%	8.9%
EBITDA adj	12.9	12.8	16.0	20.6	22.9	23.9	22.6	22.3	25.1	30.0	31.7	21.7	21.3	19.6	31.7	34.2	33.2
<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%	10.3%	9.6%	8.9%	9.6%	9.4%
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	20.1
<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%	5.7%
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	10.3
<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%	2.9%
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	21.7
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	160.2
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
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

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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