

2004 EMAK COMPANY RESULTS



March 2nd, 2005



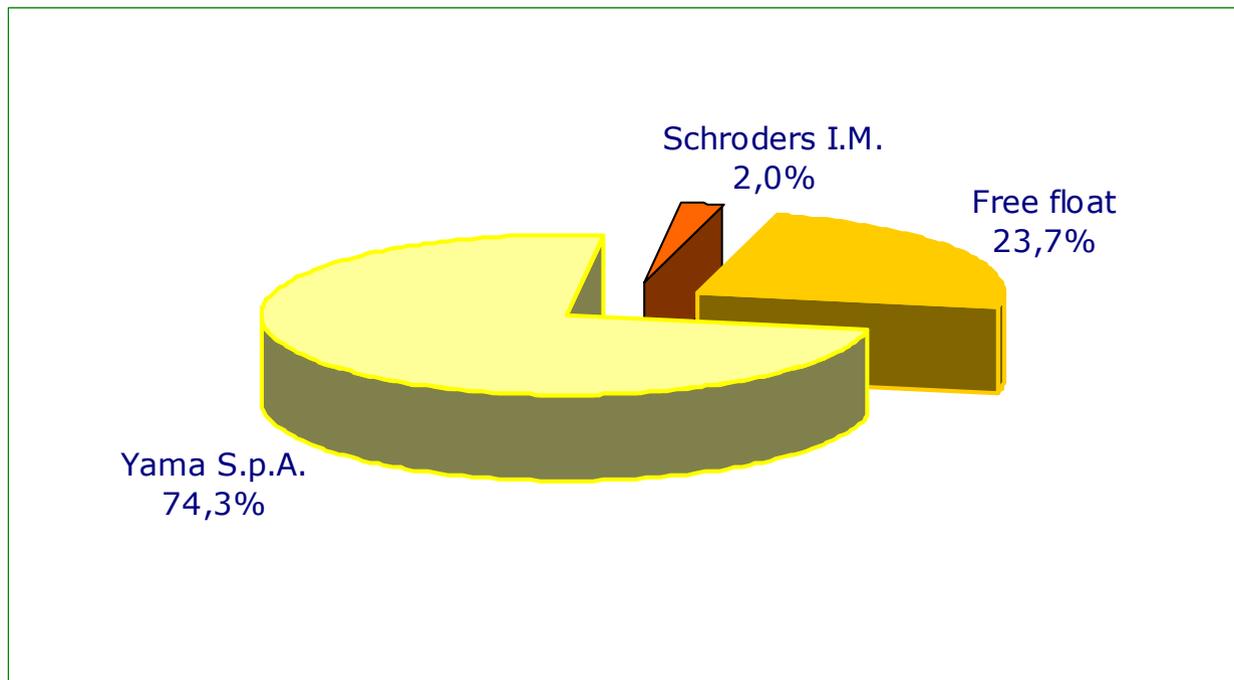


**Emak is one of the top five
European leaders
in
Design, Engineering,
Manufacturing and Marketing
of
outdoor power equipment**





SHAREHOLDERS





DATA

Euro 163 million of sales in 2004
(over 80% in Europe)
634 employees

BRANDS

Oleo-Mac and **Efco**
for dealer network
Dynamac/private labels
for retail chains

POSITION

Among top five
in Europe

CORE BUSINESS

Focused on
gardening, landscaping and forestry
equipment

PRODUCTS

17 families and over 110 models
for each brand
Wide range and well balanced
product mix

STRUCTURE

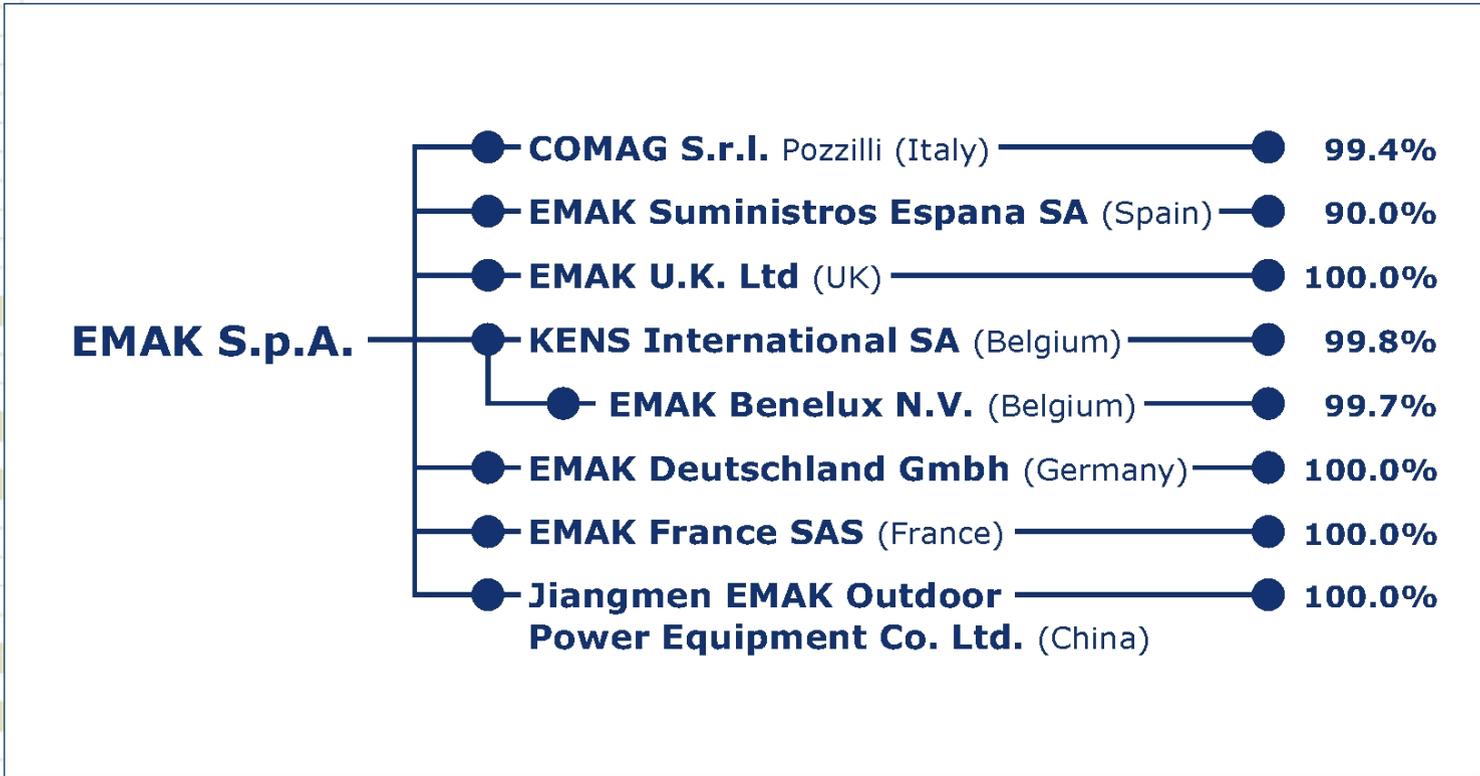
2 facilities in Italy and 1 in China
5 commercial branches in Europe
120 distributors in 70 countries
17,000 dealers





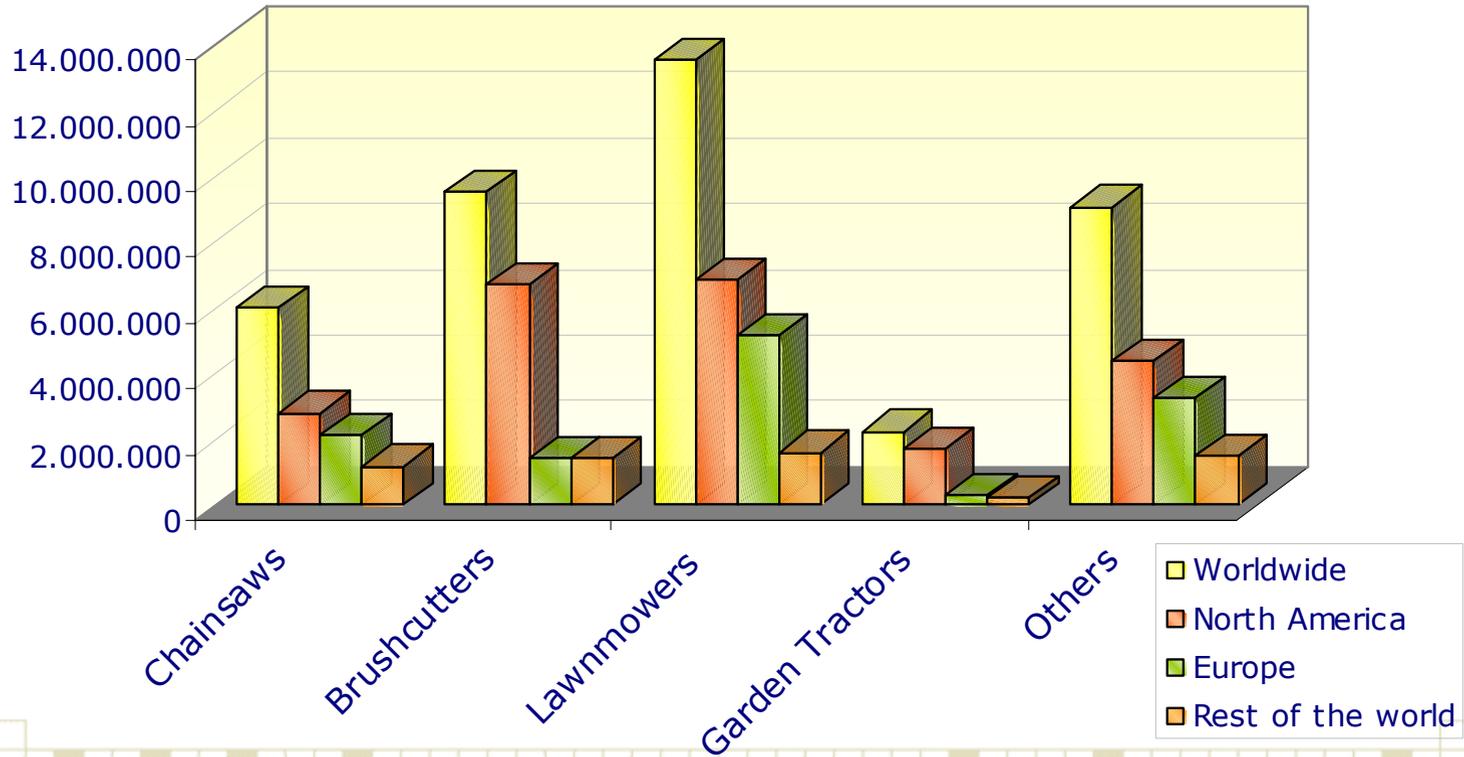
EMAK GROUP STRUCTURE

As of December 31st, 2004



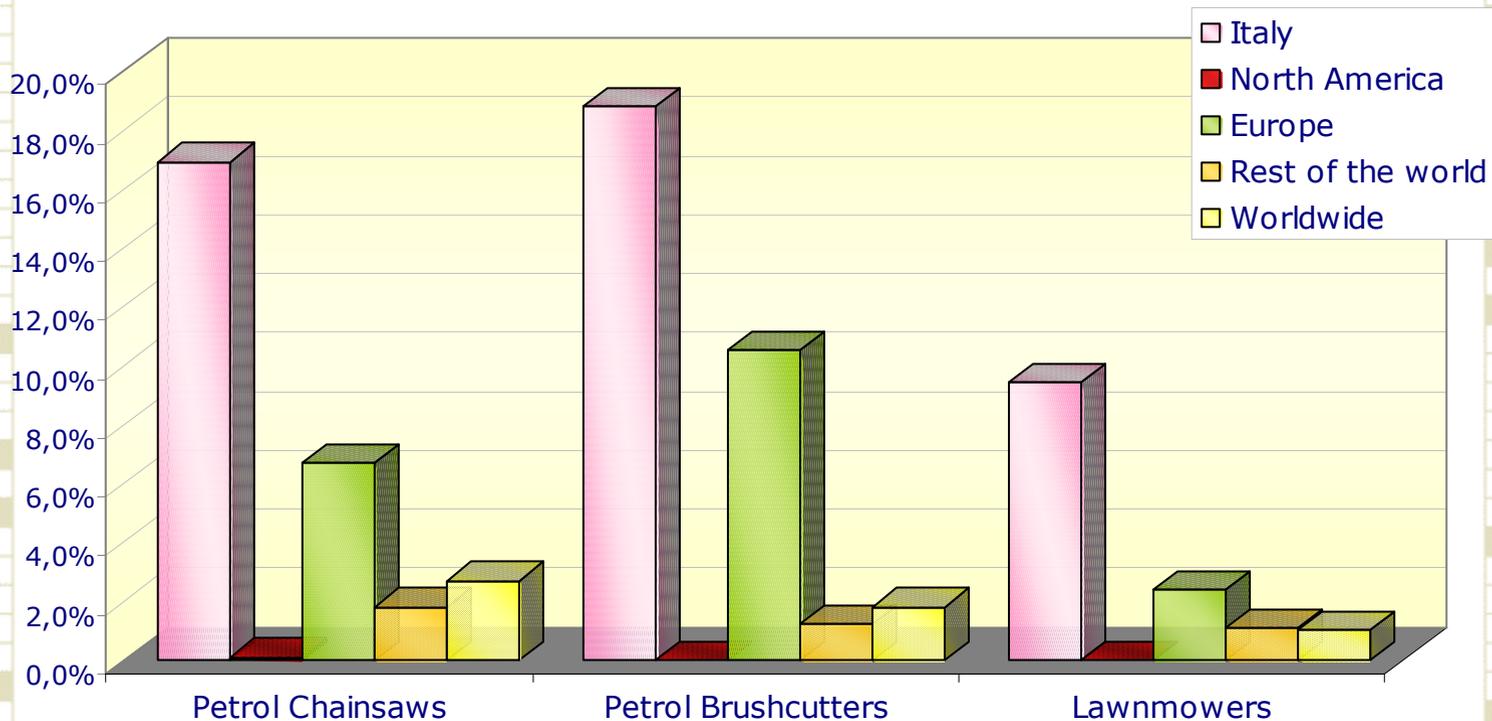


OUTDOOR POWER EQUIPMENT DEMAND





EMAK MARKET SHARE



MARKET CHALLENGE

- Increasing importance of DIY channel
- More and more demanding end users
- Tougher and tougher competition by consolidated group
- Competition for premium price products by new manufacturers from China
- More and more stringent emission regulations in USA and Europe

MARKET OUTLOOK

Growth driven by:

- GDP growth
- Increasing disposable income
- Growing number of householders

Demand:

- Mostly for replacement in Europe and North America
- Fast-growing demand in East Europe and Far East

SWOT ANALYSIS

Strength:

- Technologic know how
- High value-added products.
- Premium performance combined with high quality at a good price
- Global presence with an international network
- EBITDA and EBIT margins higher than peers
- Investing capabilities

Weaknesses:

- Group dimension
- Brand awareness

SWOT ANALYSIS

Opportunities:

- Growth on markets where Emak deals through its commercial branches
- Development on North American market (50% of the global market) through OEM business and strengthening of the distribution network
- Development on fast growing markets with possibility of direct presence
- Sales increase in DIY channel in Europe and price sensitive markets thanks to the introduction of more competitive products (Emak China plant)

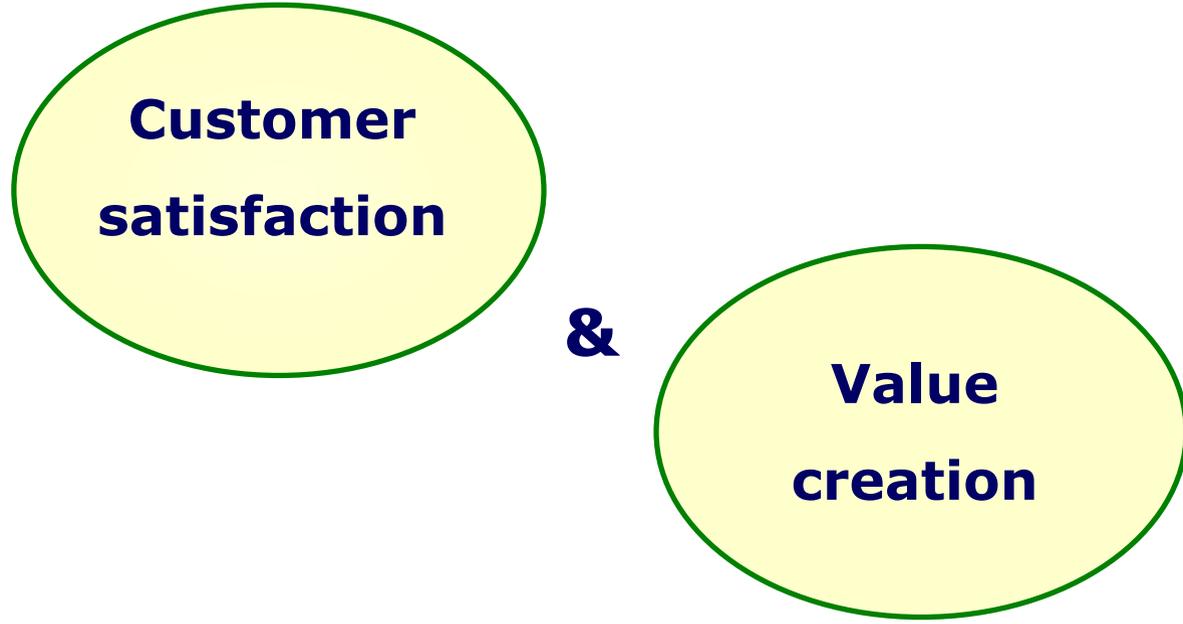
SWOT ANALYSIS

Threats:

- Dimensional gap vs leader competitors
- Entry of new competitors
- Revenues partly affected by weather conditions
- Evolution of emission regulations



EMAK STRATEGY





Customer satisfaction through:

- Product innovation
- Quality and service improvement
- Competitiveness increase

Value creation through:

- Business development
- Improvement of efficiency and containment of costs
- Resources optimisation

STRONG PRODUCT DEVELOPMENT AND INNOVATION

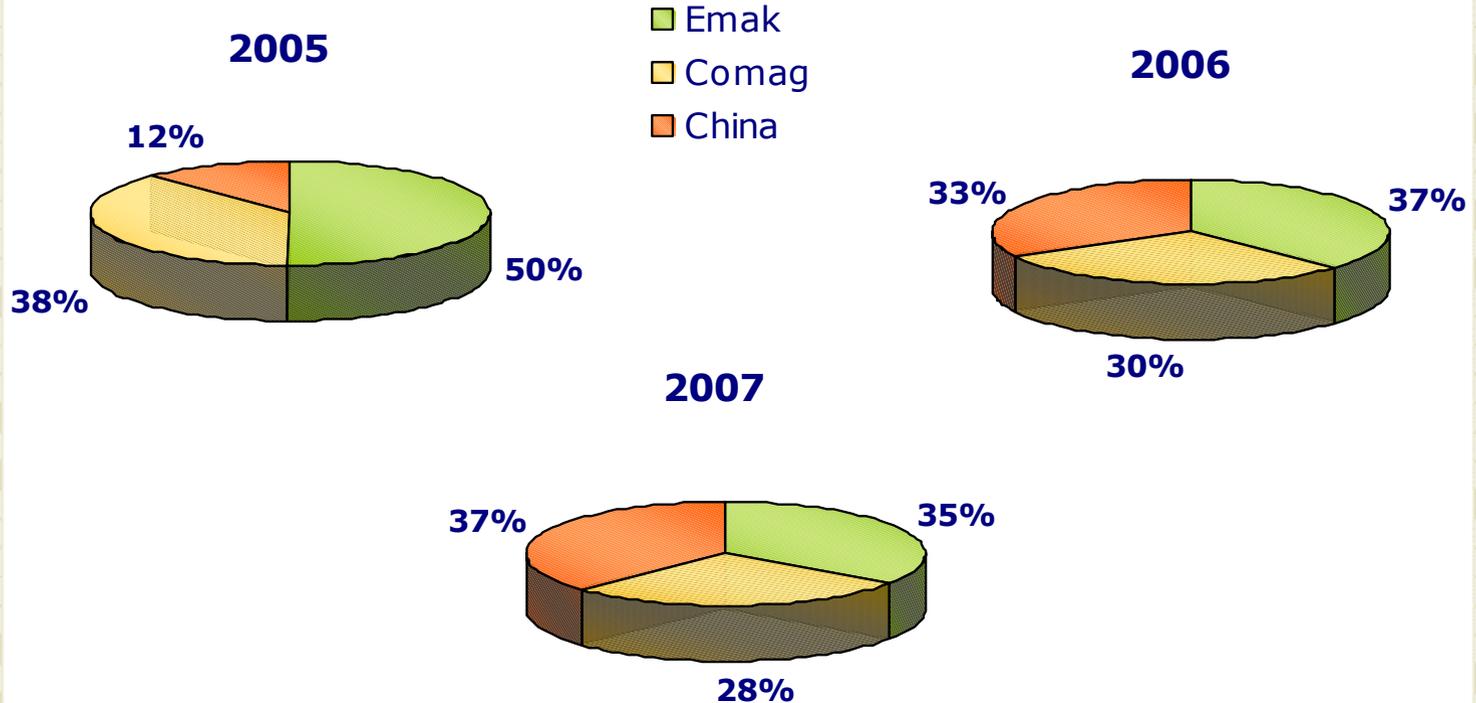
- 10 ÷ 12 new products/year from 2005 through 2007
- Launch of the new EPA 2 products during 2005
- Launch of 5 new products manufactured at EMAK Jiangmen (China)
- Renewal of products range in accordance to EURO 2 regulations (in force from 2007)
- Renewal of brush cutters range

COMPETITIVE STRENGTH: LOWER COSTS IN PRODUCTION

- Completion of the new plant in China (Jiangmen)
- Capacity expansion in COMAG plant (Isernia)
- Strengthening of the logistic structure in Bagnolo (Reggio Emilia)



EVOLUTION OF PRODUCTION VOLUME IN THE DIFFERENT PLANTS



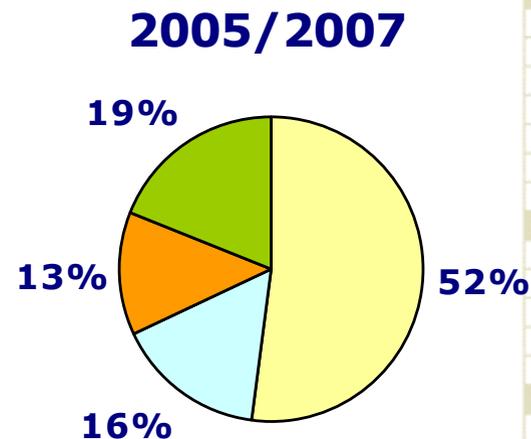
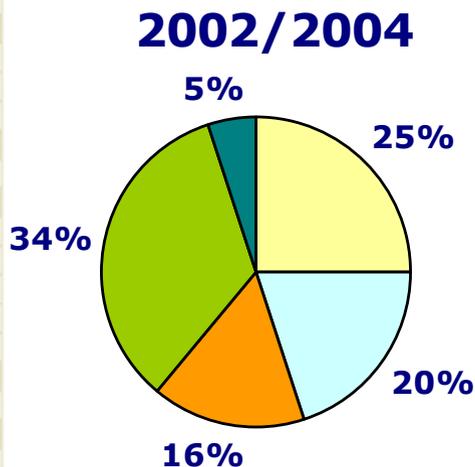
GROWTH OPPORTUNITIES 2005-2007

- Over 60% of volume increase driven from production at EMAK Jiangmen
- Growth in domestic and Western Europe (Branches) markets thanks to higher investments on the distribution network:
 - East Europe: driven by fast growing demand
 - Far East: price sensitive market – growth driven by more competitive products
 - Increase in DIY channel due to introduction of more and more competitive products
 - OEM's: agreements with important players



INVESTMENT POLICY

	2002/2004	2005/2007
Investments	20 mil €	31 mil €
% on Turnover/yearly	4,4%	5,2%





TURNOVER BREAKDOWN

Sales distribution by geographical area

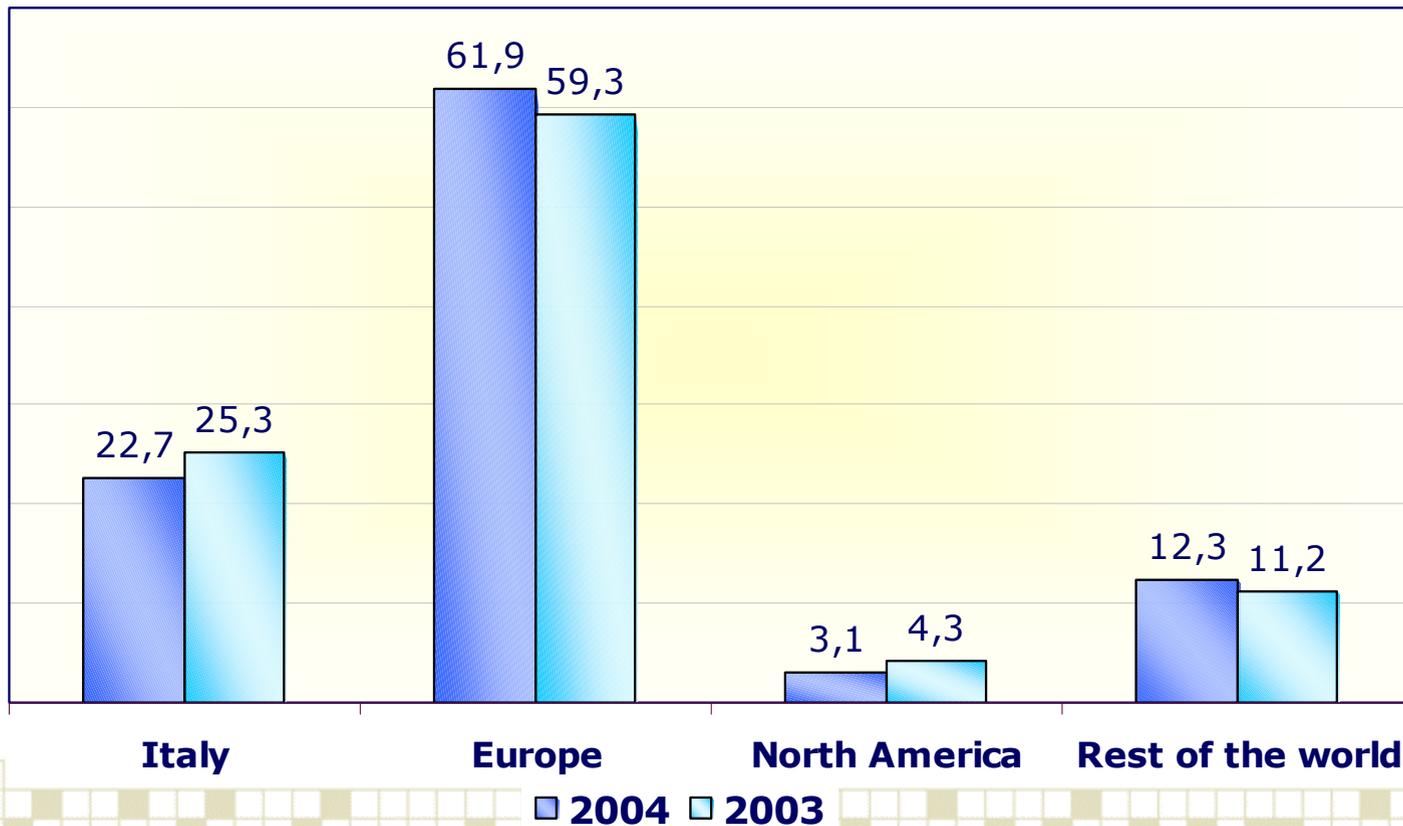
Area	2004Y	%	2003Y	%
Italy	37,1	22,7%	38,6	25,3%
Europe	101,0	61,9%	90,5	59,3%
- Western Europe	75,8	46,5%	66,9	43,8%
- Other European Countries	25,2	15,4%	23,6	15,5%
North America	5,1	3,1%	6,5	4,3%
Rest of the world	20,0	12,3%	17,1	11,2%
- South America	7,8	4,8%	6,0	3,9%
- Far East	1,9	1,2%	1,7	1,1%
- Others	10,3	6,3%	9,4	6,2%
Total	163,2	100%	152,7	100%

Million €



TURNOVER BREAKDOWN

Average sales distribution by geographical area





TURNOVER BREAKDOWN

Sales distribution by product line

Product	2004Y	%	2003Y	%
Brushcutters	31,4	19,2%	31,8	20,9%
Chainsaws	34,9	21,4%	33,2	21,7%
Lawnmowers	21,7	13,3%	22,9	15,0%
Garden Tractors	12,6	7,7%	12,7	8,3%
Others (pumps, blowers, hedge trimmers, electric products)	41,9	25,7%	35,1	23,0%
Spare parts and accessories	20,8	12,7%	17,1	11,2%
Total	163,2	100%	152,7	100%

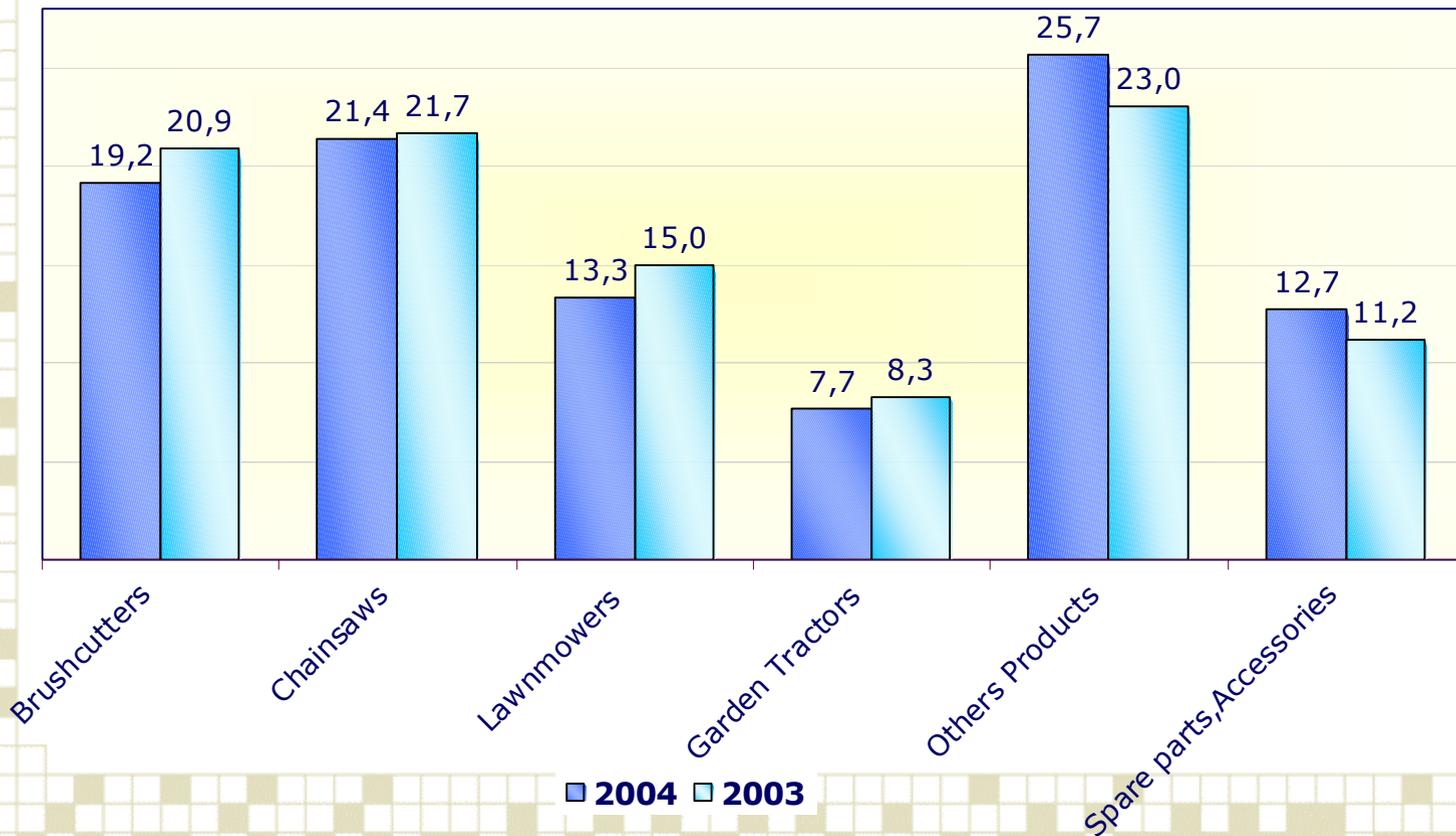
Million €





TURNOVER BREAKDOWN

Average sales distribution by product line





Financial Data



ECONOMIC AND FINANCIAL DATA

Consolidated P&L Accounts

	2004Y	%	2003Y	%
Turnover	163,2	100%	152,7	100%
Ebitda	22,8	14,0%	23,9	15,7%
Ebit	16,5	10,1%	17,6	11,5%
Income before taxes	15,9	9,8%	16,4	10,7%
Taxes	(6,6)*	4%	6,7	4,4%
Net profit	9,3*	6%	9,6	6,3%

* Estimated value

Million €

ECONOMIC AND FINANCIAL DATA

Consolidated assets and liabilities

Emak Group	2004Y	2003Y
Net fixed assets	27,3	26,0
Net current assets	59,3*	60,2
Net capital employed	86,6	86,2
Net Equity	69,7*	64,5
Minority interests	0,5*	0,6
Net financial debt	16,4	21,1
Debt/Equity	0,23	0,32

* Estimated value

Million €

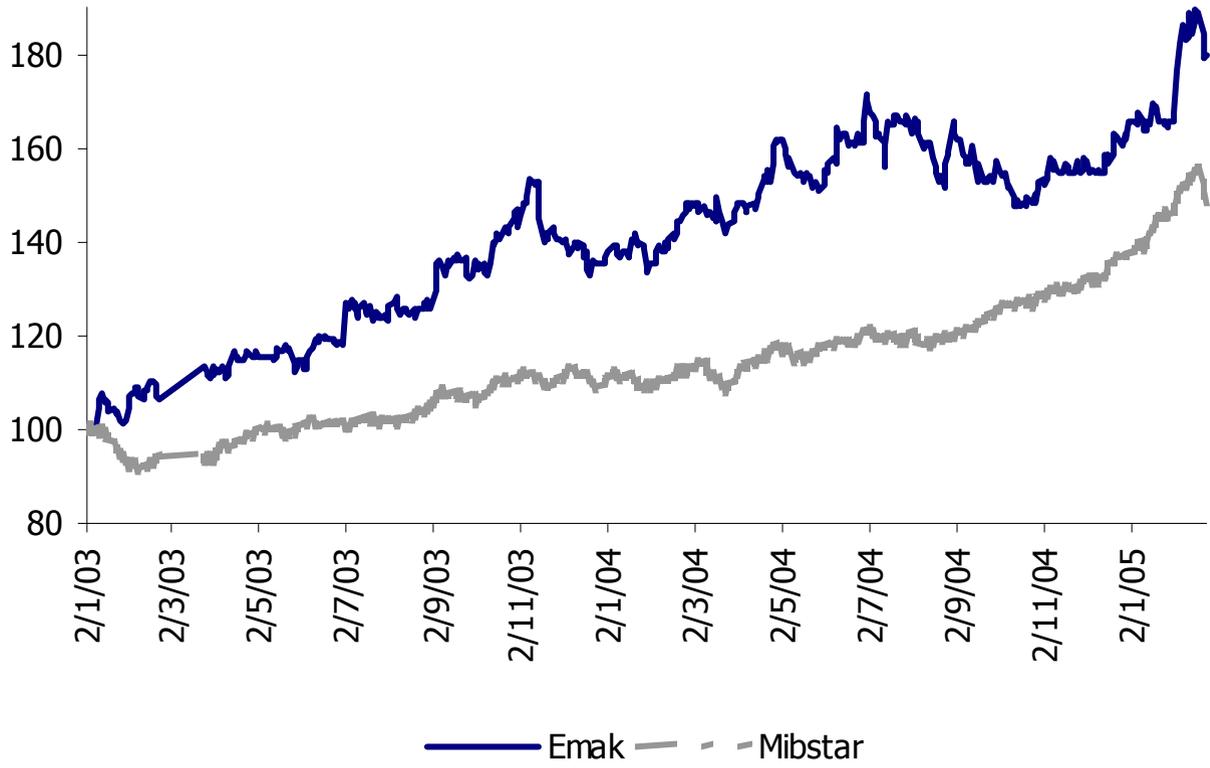
SHAREHOLDERS TOTAL RETURN

Total Return to Shareholders					
Year	2000	2001	2002	2003	2004
Share Performance Y/Y	13,3%	15,1%	1,3%	35,3%	18,6%
Dividends					
Distributed dividend (€ mil)	2,1	2,9	3,6	3,9	4,0
Dividend per share (€)	0,077	0,103	0,130	0,140	0,145
Total Dividend distributed (2000-2004)	16,5 € mil				
Yield Y/Y (%)	4,3%	5,0%	5,5%	6,0%	4,5%



SHAREHOLDERS VALUE CREATION

Consistency of results over last five years



ECONOMIC AND FINANCIAL DATA

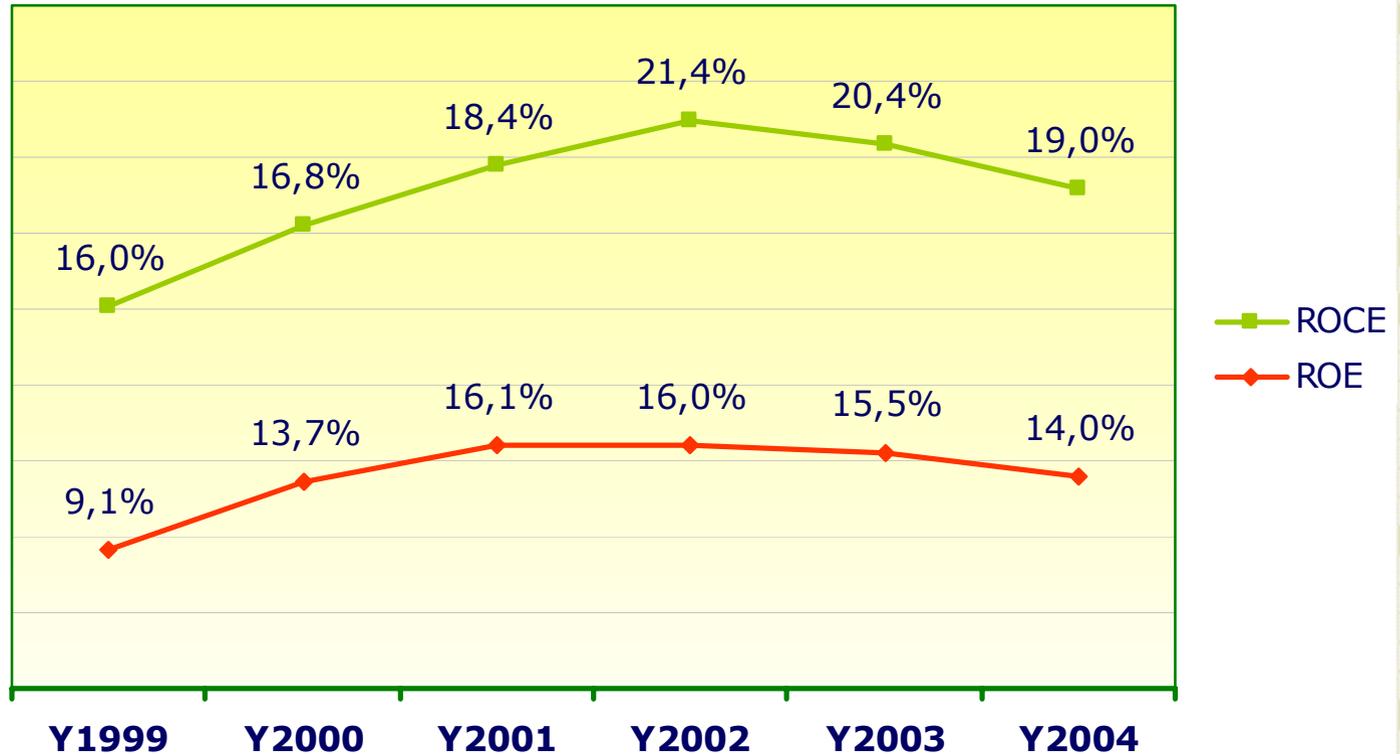
Historical growth and profitability

GAGR 1999/2004

Sales	12,9%
Ebitda	12,4%
Ebit	15,4%
Net profit	19,0%
Cash flow	12,9%

ECONOMIC AND FINANCIAL DATA

Roe and Roce Evolution



ECONOMIC AND FINANCIAL DATA
Estimated Growth Projections

GAGR 2005/2007

Turnover	10%
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Ebitda	19%
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Ebit	22%
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