



Stezzano, 8 May 2018

**BREMBO: Q1 REVENUES UP +4.0% TO €657.9 MILLION (+8.7% ON A LIKE-FOR-LIKE EXCHANGE RATE BASIS), EBITDA AT €126.6 MILLION (EBITDA MARGIN AT 19.2%)  
NET PROFIT AT €68.2 MILLION**

**Compared to Q1 2017:**

- **Revenues** grew by 4.0% to €657.9 million (+8.7% on a like-for-like exchange rate basis)
- **EBITDA** margin at 19.2% to €126.6 million; **EBIT** margin at 13.9% to €91.6 million
- **Net investments for the quarter** amounted to €45.9 million
- **Net financial debt** was €275.7 million, up €48.8 million compared to 31 March 2017

**Q1 2018 results:**

(€ million)	2018	2017	Change
Revenues	657.9	632.6	+4.0%
EBITDA	126.6	125.5	+0.9%
% on revenues	19.2%	19.8%	
EBIT	91.6	92.7	-1.3%
% on revenues	13.9%	14.7%	
Pre-tax profit	90.0	91.4	-1.5%
% on revenues	13.7%	14.4%	
Net profit	68.2	67.7	+0.8%
% on revenues	10.4%	10.7%	
	<b>31.3.18</b>	<b>31.3.17</b>	
Net financial debt	275.7	226.8	+21.5%

**Chairman Alberto Bombassei stated:** “The figures for Q1 2018, approved today by the Board of Directors, confirm that the Company kicked off the new year with dynamism and a strong order book, stimulated not only by the introduction of innovative products but above all by the production growth reported by our new plants located in strategic markets and geographical areas, such as the USA, Mexico, Europe and India. These promising results were accompanied by the first, significant signs of easing in commercial tensions between the United States and Europe as, a few days ago, U.S. President Donald Trump’s government decided to extend the exemption from steel and aluminium tariffs for EU, to the benefit of the whole automotive industry.”

Executive Deputy Chairman **Matteo Tiraboschi** commented: “The results for the first three months of 2018 are reassuring from the standpoint of the Group’s global growth and solidity in terms of acquisition of market shares and productivity of our plants, most of which are already fully operational, and with a production capacity that the recently built plants will meet by the end of the year. The promising performance of our industrial fundamentals was however impacted by a markedly negative exchange rate effect, which nearly halved our revenue growth and is expected to persist throughout the year.”

## Results for the First Quarter of 2018

Brembo's Board of Directors chaired by Alberto Bombassei examined and approved the Group's quarterly results at 31 March 2018.

Net consolidated revenues amounted to €657.9 million in Q1 2018, up 4.0% compared to Q1 2017 (+8.7% on a like-for-like exchange rate basis).

In the quarter under review, nearly all the market segments contributed to revenue growth, except for the racing sector, which declined by 8.2%. Car applications rose by 3.7%, motorbikes by 6.8% and commercial vehicles by 10.9%.

At geographical level, sales grew by 9.5% in Germany and by 10.9% in the United Kingdom; conversely, sales dropped by 5.3% in Italy and by 7.1% in France.

Asia continued to show a significant uptrend: India rose by 14.8% (+27.5% on a like-for-like exchange rate basis), China by 7.4% (+14.3% on a like-for-like exchange rate basis) and Japan by 11.1% (+12.4% on a like-for-like exchange rate basis).

The North American market (the United States, Mexico and Canada) decreased by 8.9%, but reported a 3.6% increase on a like-for-like exchange rate basis. South America (Brazil and Argentina) also performed well, up 1.7% (+25.4% on a like-for-like exchange rate basis).

In Q1 2018, the cost of sales and other net operating costs amounted to €420.1 million, with a 63.8% ratio to sales that remained virtually unchanged compared to the same period of the previous year (63.6% ratio to sales at €402.1 million).

Personnel expenses amounted to €115.5 million, with a 17.5% ratio to sales, slightly increasing compared to the same period of the previous year (17.0% of sales). At 31 March 2018, workforce numbered 10,154, compared to 9,837 at 31 December 2017 and 9,235 at 31 March 2017.

EBITDA for Q1 2018 amounted to €126.6 million (EBITDA margin: 19.2%), up 0.9% compared to the same period of 2017.

EBIT was €91.6 million (EBIT margin: 13.9%), down 1.3% compared to Q1 2017 as a result of the 7.0% increase in amortisation, depreciation and impairment losses.

Net interest expense for the quarter amounted to €1.5 million (€1.4 million in Q1 2017); this item includes interest expense amounting to €2.1 million (€2.0 million in Q1 2017) and exchange gains for €0.6 million (unchanged compared to Q1 2017).

Pre-tax profit was €90.0 million (13.7% of revenues), compared to €91.4 million for Q1 2017.

Based on the tax rates applicable under current tax regulations in force in each country, estimated taxes amounted to €21.1 million (€22.9 million in Q1 2017), with a tax rate of 23.4% compared to 25.0% for the same period of 2017.

The reporting period ended with a net profit of €68.2 million, up 0.8% compared to €67.7 million for the same period of the previous year.

Net financial debt at 31 March 2018 amounted to €275.7 million, increasing by €57.1 million compared to 31 December 2017.

## Significant Events After 31 March 2018

Brembo's General Shareholders' Meeting held on 20 April 2018 approved, *inter alia*, the Financial Statements of the Parent Brembo S.p.A. for the year ended 31 December 2017 and the distribution of a gross dividend of €0.22 per outstanding share. Payment date for the dividend will be 23 May 2018, ex coupon No. 1 (ISIN code IT0005252728) on 21 May (record date: 22 May).

## Foreseeable Evolution

The order backlog forecast confirms that sales will continue to rise in the remainder of the year, although the currency trends might curtail their growth also in the forthcoming months. Therefore, we will continue to carefully monitor the evolution of the global macroeconomic scenario.

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*The manager in charge of the Company's financial reports, Andrea Pazzi, declares, pursuant to paragraph 2 of Article 154-bis of Italy's Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.*

*Annexed hereto are the unaudited Statement of Income and Statement of Financial Position.*

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## CONSOLIDATED STATEMENT OF INCOME

<i>(euro million)</i>	31.03.2018	31.03.2017	Change	%
<b>Sales of goods and services</b>	<b>657.9</b>	<b>632.6</b>	<b>25.4</b>	<b>4.0%</b>
Other revenues and income	5.1	4.5	0.6	14.4%
Costs for capitalised internal works	6.3	6.6	(0.3)	-4.1%
Raw materials, consumables and goods	(312.5)	(308.3)	(4.2)	1.4%
Non-financial interest income (expense) from investments	4.2	2.8	1.4	50.9%
Other operating costs	(119.1)	(105.0)	(14.1)	13.5%
Personnel expenses	(115.5)	(107.7)	(7.8)	7.2%
<b>GROSS OPERATING INCOME</b>	<b>126.6</b>	<b>125.5</b>	<b>1.1</b>	<b>0.9%</b>
<b>% of sales of goods and services</b>	<b>19.2%</b>	<b>19.8%</b>		
Depreciation, amortisation and impairment losses	(35.1)	(32.8)	(2.3)	7.0%
<b>NET OPERATING INCOME</b>	<b>91.6</b>	<b>92.7</b>	<b>(1.2)</b>	<b>-1.3%</b>
<b>% of sales of goods and services</b>	<b>13.9%</b>	<b>14.7%</b>		
Net interest income (expense) and interest income (expense) from investments	(1.5)	(1.4)	(0.2)	11.1%
<b>RESULT BEFORE TAXES</b>	<b>90.0</b>	<b>91.4</b>	<b>(1.3)</b>	<b>-1.5%</b>
<b>% of sales of goods and services</b>	<b>13.7%</b>	<b>14.4%</b>		
Taxes	(21.1)	(22.9)	1.8	-8.0%
<b>RESULT BEFORE MINORITY INTERESTS</b>	<b>69.0</b>	<b>68.5</b>	<b>0.5</b>	<b>0.7%</b>
<b>% of sales of goods and services</b>	<b>10.5%</b>	<b>10.8%</b>		
Minority interests	(0.8)	(0.8)	0.0	-3.7%
<b>NET RESULT FOR THE PERIOD</b>	<b>68.2</b>	<b>67.7</b>	<b>0.5</b>	<b>0.8%</b>
<b>% of sales of goods and services</b>	<b>10.4%</b>	<b>10.7%</b>		
<b>BASIC/DILUTED EARNINGS PER SHARE (euro)</b>	<b>0.21</b>	<b>0.21*</b>		

\* Adjusted after the 5-for-1 stock split effective 29 May 2017.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(euro million)</i>	A 31.03.2018	B 31.12.2017	C 31.03.2017	A-B Change	A-C Change
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, plant, equipment and other equipment	933.6	933.8	777.6	(0.1)	156.0
Development costs	64.9	61.3	52.6	3.6	12.3
Goodwill and other indefinite useful life assets	82.5	82.8	88.7	(0.3)	(6.1)
Other intangible assets	49.5	50.4	50.3	(1.0)	(0.8)
Shareholdings valued using the equity method	38.5	34.3	29.8	4.2	8.7
Other financial assets (including investments in other companies and derivatives)	8.1	6.8	6.9	1.3	1.2
Receivables and other non-current assets	3.6	3.8	4.8	(0.2)	(1.2)
Deferred tax assets	62.3	57.8	63.8	4.4	(1.6)
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,242.9</b>	<b>1,231.1</b>	<b>1,074.4</b>	<b>11.9</b>	<b>168.5</b>
<b>CURRENT ASSETS</b>					
Inventories	340.2	311.1	299.7	29.1	40.5
Trade receivables	459.0	375.7	445.0	83.3	14.0
Other receivables and current assets	81.5	80.5	46.2	1.0	35.3
Current financial assets and derivatives	0.3	0.3	0.8	0.0	(0.5)
Cash and cash equivalents	215.7	300.8	318.2	(85.1)	(102.5)
<b>TOTAL CURRENT ASSETS</b>	<b>1,096.7</b>	<b>1,068.4</b>	<b>1,110.0</b>	<b>28.3</b>	<b>(13.3)</b>
<b>TOTAL ASSETS</b>	<b>2,339.6</b>	<b>2,299.5</b>	<b>2,184.4</b>	<b>40.1</b>	<b>155.3</b>
<b>EQUITY AND LIABILITIES</b>					
<b>GROUP EQUITY</b>					
Share capital	34.7	34.7	34.7	0.0	0.0
Other reserves	105.5	112.8	146.1	(7.4)	(40.6)
Retained earnings/(losses)	889.2	625.8	687.5	263.4	201.8
Net result for the period	68.2	263.4	67.7	(195.2)	0.5
<b>TOTAL GROUP EQUITY</b>	<b>1,097.6</b>	<b>1,036.8</b>	<b>935.9</b>	<b>60.8</b>	<b>161.7</b>
<b>TOTAL MINORITY INTERESTS</b>	<b>28.6</b>	<b>27.6</b>	<b>25.1</b>	<b>1.0</b>	<b>3.5</b>
<b>TOTAL EQUITY</b>	<b>1,126.2</b>	<b>1,064.4</b>	<b>961.0</b>	<b>61.8</b>	<b>165.2</b>
<b>NON-CURRENT LIABILITIES</b>					
Non-current payables to banks	307.5	319.3	349.0	(11.8)	(41.4)
Other non-current financial payables and derivatives	2.2	2.3	2.7	(0.1)	(0.5)
Other non-current liabilities	22.3	19.9	10.0	2.4	12.3
Provisions	40.4	39.6	24.0	0.8	16.4
Provisions for employee benefits	27.5	27.8	32.4	(0.2)	(4.9)
Deferred tax liabilities	24.3	24.7	31.4	(0.5)	(7.1)
<b>TOTAL NON -CURRENT LIABILITIES</b>	<b>424.3</b>	<b>433.7</b>	<b>449.5</b>	<b>(9.4)</b>	<b>(25.2)</b>
<b>CURRENT LIABILITIES</b>					
Current payables to banks	176.9	194.2	190.9	(17.3)	(14.0)
Other current financial payables and derivatives	4.9	3.8	3.3	1.1	1.6
Trade payables	465.6	470.4	442.6	(4.8)	23.0
Tax payables	11.2	9.7	24.4	1.5	(13.2)
Short term provisions	2.2	2.2	2.2	0.0	0.0
Other current payables	128.2	120.9	110.5	7.3	17.8
<b>TOTAL CURRENT LIABILITIES</b>	<b>789.1</b>	<b>801.4</b>	<b>773.8</b>	<b>(12.2)</b>	<b>15.3</b>
<b>TOTAL LIABILITIES</b>	<b>1,213.4</b>	<b>1,235.1</b>	<b>1,223.3</b>	<b>(21.6)</b>	<b>(9.9)</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,339.6</b>	<b>2,299.5</b>	<b>2,184.4</b>	<b>40.1</b>	<b>155.3</b>

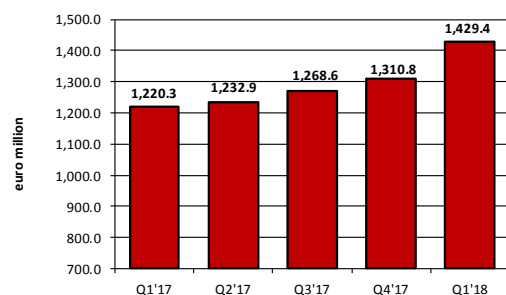
## NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	<b>31.03.2018</b>	<b>%</b>	<b>31.03.2017</b>	<b>%</b>	<b>Change</b>	<b>%</b>
<b>GEOGRAPHICAL AREA</b>						
Italy	74.1	11.3%	78.2	12.4%	(4.2)	-5.3%
Germany	153.7	23.4%	140.4	22.2%	13.3	9.5%
France	20.1	3.1%	21.6	3.4%	(1.5)	-7.1%
United Kingdom	57.7	8.8%	52.0	8.2%	5.7	10.9%
Other European countries	71.2	10.8%	57.0	9.0%	14.2	24.9%
India	19.5	3.0%	17.0	2.7%	2.5	14.8%
China	67.9	10.3%	63.2	10.0%	4.7	7.4%
Japan	9.2	1.4%	8.2	1.3%	0.9	11.1%
Other Asian Countries	11.0	1.7%	4.2	0.7%	6.8	162.4%
South America (Argentina and Brazil)	15.7	2.4%	15.5	2.4%	0.3	1.7%
North America (USA, Mexico & Canada)	155.8	23.7%	171.0	27.0%	(15.2)	-8.9%
Other Countries	2.0	0.1%	4.2	0.7%	(2.1)	-51.2%
<b>Total</b>	<b>657.9</b>	<b>100.0%</b>	<b>632.6</b>	<b>100.0%</b>	<b>25.4</b>	<b>4.0%</b>

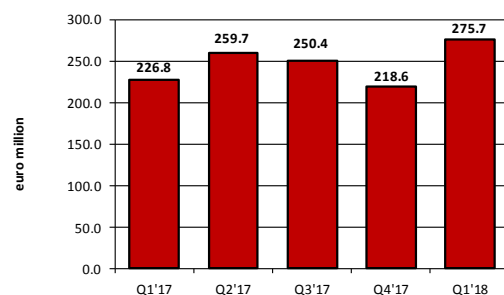
<i>(euro million)</i>	<b>31.03.2018</b>	<b>%</b>	<b>31.03.2017</b>	<b>%</b>	<b>Change</b>	<b>%</b>
<b>APPLICATION</b>						
Passenger Cars	494.2	75.1%	476.4	75.3%	17.8	3.7%
Motorbike	67.0	10.2%	62.7	9.9%	4.2	6.8%
Commercial Vehicle	63.9	9.7%	57.6	9.1%	6.3	10.9%
Racing	32.8	5.0%	35.7	5.7%	(2.9)	-8.2%
Miscellaneous	0.1	0.0%	0.1	0.0%	0.0	-25.9%
<b>Total</b>	<b>657.9</b>	<b>100.0%</b>	<b>632.6</b>	<b>100.0%</b>	<b>25.4</b>	<b>4.0%</b>

## MAIN RATIOS

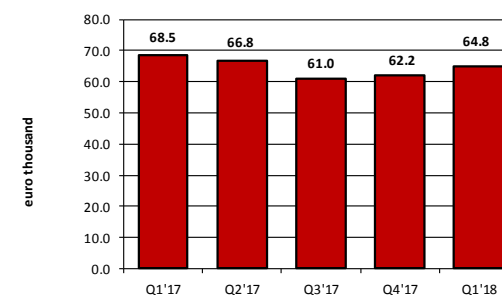
### Net invested capital



### Net financial debt



### Turnover per employee



	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18
Net operating income/Sales of goods and services	14.7%	15.4%	13.7%	12.4%	13.9%
Result before taxes/Sales of goods and services	14.4%	15.1%	13.2%	11.6%	13.7%
Investments/Sales of goods and services	9.7%	16.3%	15.7%	17.0%	7.0%
Net Financial debt/Equity	23.6%	27.5%	25.3%	20.5%	24.5%
Net interest expense(*)/Sales of goods and services	0.3%	0.4%	0.4%	0.4%	0.3%
Net interest expense(*)/Net operating income	2.1%	2.4%	3.0%	3.4%	2.3%
ROI	30.8%	31.5%	25.3%	23.0%	26.0%
ROE	28.9%	29.8%	24.5%	25.5%	24.8%

#### Notes:

ROI: Net operating income/ Net invested capital x annualisation factor(days in the year/days in the reporting period).

ROE: Result before minority interests/ Shareholders equity x annualisation factor(days in the year/days in the reporting period).

(\*) This item does not include exchange gains and losses.