



Stezzano, 20 March 2020

BREMBO: The Board of Directors proposes a dividend suspension

Motion for dividend suspension

The Board of Directors of Brembo met urgently today and resolved on the modification of the proposed dividend with regards to the 2019 profit of the Parent, Brembo S.p.A.

The Board acknowledged the significant change in the global economic scenario since the Board session of 9 March due to the spread of the COVID-19 viral pandemic. Taking a prudent approach, in order to support the Group's financial solidity and contain future impacts on its economic and financial performance, the Board decided to suspend the resolution authorising the distribution of dividends drawing on the 2019 profit approved on 9 March. A dividend distributing the 2019 profit may be proposed when the current situation relating to COVID-19 has been resolved.

Accordingly, at the next General Shareholders' Meeting called for 23 April 2020 it will be proposed that the 2019 profit of the Parent, Brembo S.p.A., be carried forward, net of the portion allocated to reserves.

Foreseeable impact of COVID-19 on the Group's 2020 results

As announced in recent days, Brembo is following developments relating to the spread of the COVID-19 very closely and has taken all necessary measures to monitor, prevent and contain the pandemic at all of its locations worldwide.

In the Bergamo and Brescia areas in particular — among the most severely affected by the COVID-19 pandemic, and where Brembo's Italian facilities are located — in accordance with the extraordinary measures adopted by the Italian government, and given the objective impossibility of maintaining continuity of operation (*force majeure*), the Company has ordered a suspension of production from 16 to 29 March, motivated by a strong sense of responsibility and in agreement with the trade unions involved.

At the global level, the effects of COVID-19 were felt exclusively in China until February, whereas Italy and Europe have been hit by the pandemic between late February and the first half of March. In China, as already mentioned, production has gradually resumed, while Italy and Europe are recording a sharp slowdown. The Group's global presence and its diversification of products and market segments have thus far partially mitigated the effects of COVID-19 on its production at the global level.

The measures being taken by both European countries and the United States to seek to contain the spread of the epidemic are public knowledge; the effects of these measures will only become clear in the coming weeks. Given the rapid development of the phenomenon, it is difficult to make quantitative forecasts regarding the impacts of COVID-19 on the Group's operating and financial performance, but it is presumed that they will be significant in the first quarters of 2020.

Brembo's Board of Directors approved the 2019 Financial Statements on 9 March 2020. However, in adopting the Recommendations issued by ESMA (European Securities and Markets Authority) on 11 March last, in today's meeting the Board of Directors resolved to supplement the information contained therein, including the above-mentioned details. More precise information will be disclosed in the subsequent interim reports.

The Company continues to monitor events very closely and is prepared to manage this situation with the utmost commitment and professionalism, maintaining the forward-looking perspective that has always set it apart.

Methods of participation in the General Shareholders' Meeting of 23 April 2020 – Obligation to grant proxy authorisation to the Designated Representative

In application of the recent measures on the conduct of shareholders' meetings of listed companies (Article 106 of Decree Law No. 18 of 17 March 2020), Brembo hereby gives notice that shareholders may only participate in the General Shareholders' Meeting by granting proxy authorisation to the Designated Representative, identified as **Computershare S.p.A.** pursuant to Article 135-*undecies* of the Consolidated Finance Law (TUF).

The instructions and form for granting this proxy authorisation will be available, free of charge, from the website www.brembo.com, Investors, For Shareholders, Shareholders' Meeting.

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