



Stezzano, 10 May 2021

**BREMBO: RECORD Q1 REVENUES, UP 17.2% TO €675.1 MILLION
(+20.9% ON A LIKE-FOR-LIKE EXCHANGE RATE BASIS).
EBITDA AT €135.6 MILLION (EBITDA MARGIN: 20.1%),
NET PROFIT AT €61.4 MILLION**

Compared to Q1 2020:

- **Revenues** at €675.1 million (+17.2% or +20.9% on a like-for-like exchange rate basis); +1.2% compared to Q1 2019
- **EBITDA** margin at 20.1% to €135.6 million; **EBIT** margin at 12.4% to €83.7 million
- **Net investments for the quarter** at €48.3 million
- **Net financial debt** at €438.9 million (€229.2 million prior to the application of IFRS 16), up €54.2 million compared to 31 December 2020

Q1 2021 results

(€ million)	2021	2020	Change
Revenue	675.1	575.9	+17.2%
EBITDA % of sales	135.6 20.1%	102.0 17.7%	+32.9%
EBIT % of sales	83.7 12.4%	50.3 8.7%	+66.3%
Pre-tax profit % of sales	81.1 12.0%	42.5 7.4%	+90.9%
Net profit % of sales	61.4 9.1%	29.8 5.2%	+106.0%
	31.03.21	31.12.20	Change
Net financial debt	438.9	384.7	+54.2
Net financial debt prior to IFRS 16 FTA	229.2	175.8	+53.4

Brembo Chairman **Alberto Bombassei** stated: *"We have begun Brembo's 60th year with particularly encouraging results. The figures for the first quarter of 2021 approved by the Board of Directors today indicate a robust recovery and point to a continuation of the trend witnessed in the final three months of 2020. Never before in Brembo's history had we seen revenues this high in the first quarter, up not only on the same period of 2020 but also, and above all, on 2019. Our results were driven by the positive performance of all segments and geographical areas in which we operate. Although the market scenario continues to be marked by uncertainties, these results allow us to look to the coming months with confidence. We remain focused on the innovation of our solutions thanks to an increasingly integrated and sustainability-oriented product portfolio which has been expanded through the acquisition of SBS Friction in Denmark and will be further enhanced by the recently announced acquisition of J.Juan in Spain."*

Results for the First Quarter of 2021

Brembo's Board of Directors chaired by Alberto Bombassei examined and approved the Group's quarterly results at 31 March 2021.

In the first quarter of 2021, net consolidated revenues amounted to €675.1 million, up 17.2% (+20.9% on a like-for-like exchange rate basis) compared to the first quarter of the previous year.

On a like-for-like exchange rate and consolidation basis, as a result of the inclusion into the consolidation scope of the Danish company SBS Friction, acquired effective 1 January 2021 — the increase was 20.2%.

Compared to the first quarter of 2019 — a more homogeneous comparison in light of the effects of the Covid-19 pandemic — revenues for the first quarter of 2021 grew by 1.2%.

In the reporting quarter, all segments in which the Group operates reported growth: the car segment rose by 13.1%, motorbike applications by 40.5% (+33.4% on a like-for-like consolidation basis), applications for commercial vehicles by 31.6% and those for racing vehicles by 3.3% compared to the same quarter of 2020.

At geographical level, sales increased by 20.9% in Italy, by 6.1% in Germany, by 27.6% in France and by 6.2% in the United Kingdom (+8.0% on a like-for-like exchange rate basis).

India grew by 31.2% (+44.3% on a like-for-like exchange rate basis), China by 97.4% (+100.9% on a like-for-like exchange rate basis; +39.6% compared to the first quarter of 2019) and Japan by 20.0% (+20.9% on a like-for-like exchange rate basis). The North American market (USA, Mexico and Canada) rose by 5.9% (+14.4% on a like-for-like exchange rate basis), whereas the South American market (Brazil and Argentina) declined by 21.1%, but with a 3.3% increase on a like-for-like exchange rate basis.

In the first quarter of 2021, the cost of sales and other net operating costs amounted to €419.7 million, with a 62.2% ratio to sales, down slightly in percentage terms compared to €364.7 million (63.3% of sales) for the same period of the previous year.

Personnel expenses amounted to €123.9 million, with an 18.4% ratio to sales, decreasing compared to the same period of the previous year (19.2% of sales). At 31 March 2021, workforce numbered 11,408 (of which 98 from the newly acquired SBS Friction), compared to 11,039 at 31 December 2020 and 11,022 at 31 March 2020.

EBITDA for Q1 2021 amounted to €135.6 million (EBITDA margin: 20.1%), compared to €102.0 million for Q1 2020 (EBITDA margin: 17.7%).

EBIT was €83.7 million (EBIT margin: 12.4%) compared to €50.3 million (EBIT margin: 8.7%) for Q1 2020.

Net interest expense for the quarter amounted to €2.7 million (€7.8 million in Q1 2020); this item includes interest expense amounting to €2.8 million (€2.9 million in Q1 2020) and net exchange gains of €0.1 million (net exchange losses of €4.9 million in Q1 2020).

Pre-tax profit was €81.1 million (12.0% of sales) compared to €42.5 million (7.4% of sales) for Q1 2020.

Based on the tax rates applicable under current tax regulations in force in each country, estimated taxes amounted to €19.5 million (€13.0 million in Q1 2020), with a tax rate of 24.0% compared to 30.5% for the same period of 2020.

The period ended with a net profit of €61.4 million (9.1% of sales) compared to €29.8 million for the same period of the previous year.

Net financial debt at 31 March 2021 amounted to €438.9 million, up by €54.2 million compared to 31 December 2020. Without the impact of IFRS 16, net financial debt would have been €229.2 million, up €53.4 million compared to 31 December 2020.

Significant Events After 31 March 2021

On 28 April 2021, Brembo signed an agreement for the acquisition of a 100% stake in the J.Juan Group, a Spanish company specialising in the development and production of motorbike braking systems.

The consideration for the transaction is estimated at €70 million, to be paid using available cash. The final price will be subject to the usual adjustment mechanisms envisaged for similar transactions. The Enterprise Value is €73 million. The acquisition is subject to the approval of the Antitrust authorities, following which the closing is expected to occur in the second half of 2021.

This transaction will enable the Group to complete its range of solutions for the motorbike braking system and to expand its brand family for the growing motorbike sector.

Foreseeable Evolution

Order levels confirm that the year has begun on a positive note. The Group is closely monitoring the impacts of the shortage of electronic components on its clients' supply chains, although they are difficult to estimate at present.

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>	31.03.2021	31.03.2020	Change	%
Revenue from contracts with customers	675.1	575.9	99.2	17.2%
Other revenues and income	3.9	4.3	(0.4)	-10.2%
Costs for capitalised internal works	6.7	6.1	0.6	10.6%
Raw materials, consumables and goods	(307.8)	(266.5)	(41.2)	15.5%
Income (expenses) from non-financial investments	4.2	1.1	3.1	278.2%
Other operating costs	(122.5)	(108.5)	(14.0)	12.9%
Personnel expenses	(123.9)	(110.3)	(13.6)	12.3%
GROSS OPERATING INCOME	135.6	102.0	33.6	32.9%
% of revenue from contracts with customer	20.1%	17.7%		
Depreciation, amortisation and impairment losses	(52.0)	(51.7)	(0.2)	0.4%
NET OPERATING INCOME	83.7	50.3	33.4	66.3%
% of revenue from contracts with customer	12.4%	8.7%		
Net interest income (expense) and interest income (expense) from investments	(2.6)	(7.8)	5.2	-66.8%
RESULT BEFORE TAXES	81.1	42.5	38.6	90.9%
% of revenue from contracts with customer	12.0%	7.4%		
Taxes	(19.5)	(13.0)	(6.5)	50.3%
Result from discontinued operations	0.0	0.1	(0.1)	-116.1%
RESULT BEFORE MINORITY INTERESTS	61.6	29.6	32.0	108.1%
% of revenue from contracts with customer	9.1%	5.1%		
Minority interests	(0.2)	0.2	(0.4)	-225.0%
NET RESULT FOR THE PERIOD	61.4	29.8	31.6	106.0%
% of revenue from contracts with customer	9.1%	5.2%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.19	0.09		

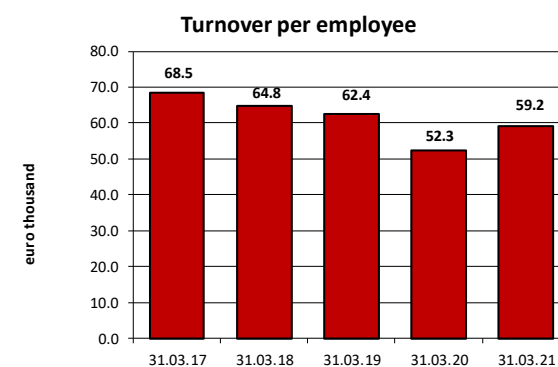
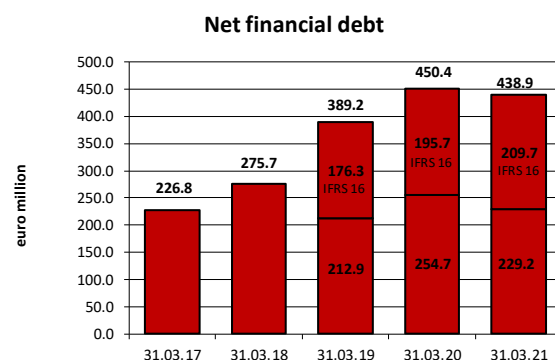
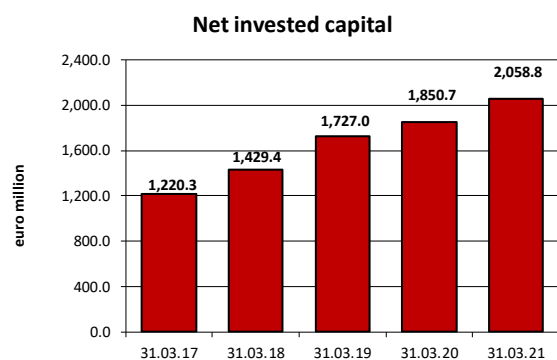
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(euro million)</i>	31.03.2021	31.12.2020	Change
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and other equipment	994.2	975.8	18.4
Right of use assets	208.2	207.5	0.8
Development costs	97.2	92.3	4.9
Goodwill and other indefinite useful life assets	104.8	79.9	24.9
Other intangible assets	50.5	47.4	3.1
Shareholding valued using the equity method	48.2	43.9	4.2
Other financial assets (including investments in other companies and derivatives)	241.7	217.3	24.4
Receivables and other non-current assets	18.1	18.2	(0.1)
Deferred tax assets	74.8	76.7	(2.0)
TOTAL NON-CURRENT ASSETS	1,837.8	1,759.0	78.8
CURRENT ASSETS			
Inventories	400.0	354.9	45.1
Trade receivables	472.5	385.4	87.0
Other receivables and current assets	114.8	119.3	(4.5)
Current financial assets and derivatives	4.2	1.9	2.3
Cash and cash equivalents	510.5	551.3	(40.8)
TOTAL CURRENT ASSETS	1,502.1	1,412.9	89.2
ASSETS FROM DISCONTINUED OPERATIONS	0.8	0.9	(0.1)
TOTAL ASSETS	3,340.7	3,172.7	167.9
EQUITY AND LIABILITIES			
GROUP EQUITY			
Share capital	34.7	34.7	0.0
Other reserves	61.7	37.4	24.3
Retained earnings/(losses)	1,404.8	1,241.4	163.4
Net result for the period	61.4	136.5	(75.2)
TOTAL GROUP EQUITY	1,562.5	1,450.1	112.5
TOTAL MINORITY INTERESTS	31.7	31.0	0.7
TOTAL EQUITY	1,594.2	1,481.0	113.2
NON-CURRENT LIABILITIES			
Non-current payables to banks	538.8	548.2	(9.4)
Long-term lease liabilities	187.9	187.4	0.5
Other non-current financial payables and derivatives	1.0	1.0	0.0
Other non-current liabilities	16.9	14.9	2.0
Non-current provisions	40.7	43.0	(2.3)
Provisions for employee benefits	26.4	26.6	(0.1)
Deferred tax liabilities	27.9	26.4	1.5
TOTAL NON-CURRENT LIABILITIES	839.6	847.5	(7.8)
CURRENT LIABILITIES			
Current payables to banks	201.1	176.0	25.1
Short-term lease liabilities	21.8	21.5	0.3
Other current financial payables and derivatives	3.0	3.8	(0.8)
Trade payables	511.4	474.9	36.5
Tax payables	9.5	7.4	2.1
Current provisions	0.3	1.9	(1.6)
Other current liabilities	159.7	158.6	1.1
TOTAL CURRENT LIABILITIES	906.7	844.1	62.6
LIABILITIES FROM DISCONTINUED OPERATIONS	0.1	0.1	(0.1)
TOTAL LIABILITIES	1,746.5	1,691.7	54.8
TOTAL EQUITY AND LIABILITIES	3,340.7	3,172.7	167.9

NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	31.03.2021	%	31.03.2020	%	Change	%
GEOGRAPHICAL AREA						
Italy	77.7	11.5%	64.3	11.2%	13.4	20.9%
Germany	121.1	17.9%	114.2	19.8%	6.9	6.1%
France	24.5	3.6%	19.2	3.3%	5.3	27.6%
United Kingdom	51.5	7.6%	48.5	8.4%	3.0	6.2%
Other European countries	79.5	11.8%	73.9	12.8%	5.6	7.6%
India	26.9	4.0%	20.5	3.6%	6.4	31.2%
China	98.1	14.5%	49.7	8.6%	48.4	97.4%
Japan	9.1	1.3%	7.6	1.3%	1.5	20.0%
Other Asian Countries	11.9	1.8%	7.9	1.4%	3.9	49.7%
South America (Argentina and Brazil)	9.3	1.4%	11.8	2.1%	(2.5)	-21.1%
North America (USA, Mexico & Canada)	161.5	24.0%	152.6	26.5%	8.9	5.9%
Other Countries	3.9	0.6%	5.8	1.0%	(1.9)	-32.6%
Total	675.1	100.0%	575.9	100.0%	99.2	17.2%

<i>(euro million)</i>	31.03.2021	%	31.03.2020	%	Change	%
APPLICATION						
Passenger Car	482.7	71.5%	426.7	74.1%	56.0	13.1%
Motorbike	85.6	12.7%	60.9	10.6%	24.7	40.5%
Commercial Vehicle	72.7	10.8%	55.3	9.6%	17.4	31.6%
Racing	34.1	5.0%	33.0	5.7%	1.1	3.3%
Miscellaneous	0.0	0.0%	0.0	0.0%	0.0	-34.7%
Total	675.1	100.0%	575.9	100.0%	99.2	17.2%



	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021
Net operating income/Revenue from contract with customers	14.7%	13.9%	13.0%	8.7%	12.4%
Result before taxes/Revenue from contract with customers	14.4%	13.7%	12.6%	7.4%	12.0%
Net investments/Revenue from contract with customers	9.6%	7.0%	6.0%	6.9%	7.2%
Net Financial indebtedness/Equity	23.6%	24.5%	29.7%	32.7%	27.5%
Adjusted net interest expense(*)/Revenue from contract with customers	0.3%	0.3%	0.6%	0.5%	0.4%
Adjusted net interest expense(*)/Net operating income	2.1%	2.3%	4.4%	5.8%	3.3%
ROI	27.6%	24.1%	19.7%	15.2%	10.4%
ROE	26.1%	23.8%	18.1%	14.8%	10.7%

Note:

ROI: Net operating income rolling 12 months/Net invested capital.

ROE: Result before minority interests rolling 12 months (net of Result from discontinued operations)/Equity.

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