



50 YEARS
1961-2011



Third Quarter Report
2011



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Company Officers

Based on the one sole list submitted by the main shareholder Nuova FourB S.r.l., the General Shareholders' Meeting of the parent company Brembo S.p.A., held on 29 April 2011, appointed the new Board of Directors, which will remain in office until the approval of the financial statements for the year ending at 31 December 2013. The outgoing Director Giuseppe Roma did not stand for re-election, inasmuch as he had served as an Independent Director and Chairman of the Company's Audit Committee for over ten years, since 3 May 2000; Gianfelice Rocca was appointed to replace him.

On 6 June 2011, the Director Andrea Abbati Marescotti was co-opted to replace the Director Bruno Saita following the latter's resignation and was appointed Managing Director and General Manager, after revocation of the powers attributed to the Chairman for that function. Since 6 June 2011, Matteo Tiraboschi has served as Executive Deputy Chairman. Within the revamped management structure, Chairman Alberto Bombassei will gradually take on a more strategic and less operational role.

At 30 September 2011, Company Officers included:

Board of Directors

Chairman

Alberto Bombassei ^{(1) (6)}

Executive Deputy Chairman

Matteo Tiraboschi ^{(2) (6)}

Managing Director and General Manager

Andrea Abbati Marescotti ^{(3) (6)}

Directors

Cristina Bombassei ^{(6) (8)}

Giovanni Cavallini ⁽⁴⁾

Giancarlo Dallerà ⁽⁴⁾

Giovanna Dossena ⁽¹¹⁾

Umberto Nicodano ⁽⁵⁾

Pasquale Pistorio ^{(4) (7)}

Gianfelice Rocca ⁽⁴⁾

Pierfrancesco Saviotti ⁽⁴⁾

Board of Statutory Auditors ⁽¹⁴⁾

Chairman

Sergio Pivato

Auditors

Enrico Colombo

Mario Tagliaferri

Alternate Auditors

Gerardo Gibellini

Marco Salvatore

Independent Auditors

PricewaterhouseCoopers S.p.A. ⁽⁹⁾

Manager in Charge of the Company's Financial Reports

Matteo Tiraboschi ⁽¹⁰⁾

Committees:

Audit Committee ⁽¹⁵⁾

Giovanni Cavallini (Chairman)

Giancarlo Dallerà

Pasquale Pistorio

Remuneration Committee

Umberto Nicodano (Chairman)

Giovanni Cavallini

Pierfrancesco Saviotti

Supervisory Committee

Marco Bianchi (Chairman) ⁽¹²⁾

Giancarlo Dallerà

Alessandra Ramorino ⁽¹³⁾

(1) The Chairman is the Company's legal representative and has powers of ordinary management, within the limits of the law.

(2) The Executive Deputy Chairman is the Company's legal representative. The Board of Directors granted him special powers to manage the Company.

(3) The Board of Directors granted the Managing Director and General Manager special powers to manage the Company.

(4) Independent and non-executive Directors pursuant to Article 148, paragraph 3 of the TUF (as required by Articles 147-ter, paragraph 4, and 147-quater of TUF) and Article 2.2.3, paragraph 3, of Borsa Italiana S.p.A. Regulations and the Corporate Governance Manual of Brembo S.p.A. (Article 3).

(5) Non-executive Directors.

(6) Executive Directors.

(7) This Director also holds the position of Lead Independent Director.

(8) This Director also holds the position of Executive Director in charge of overseeing the functioning of the Internal Control System.

(9) The Shareholders' Meeting held on 27 April 2007 extended the mandate until financial year 2012.

(10) Appointed by the Board of Directors on 29 April 2011. He also holds the position of Investor Relator.

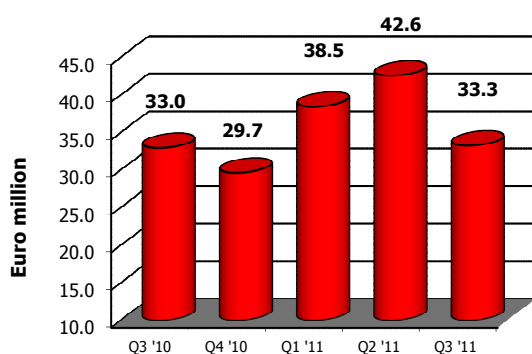
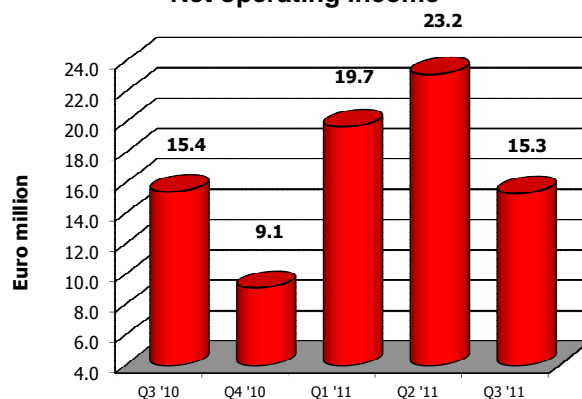
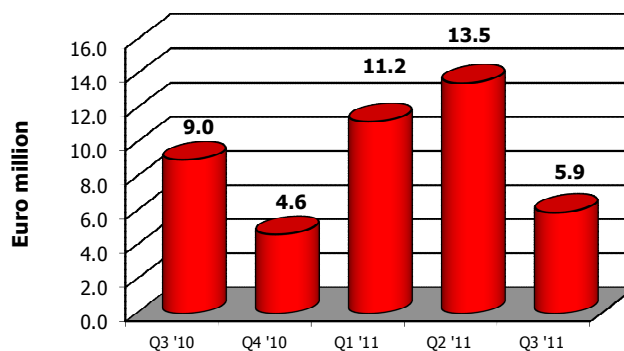
(11) Independent and non-executive Director pursuant to Article 148, paragraph 3, of TUF (as required by Articles 147-ter, paragraph 4, and 147-quater of TUF).

(12) Private practice lawyer - Studio Castaldi Moure & Partners, Milan.

(13) Internal Auditor and Internal Audit Director of the Brembo Group.

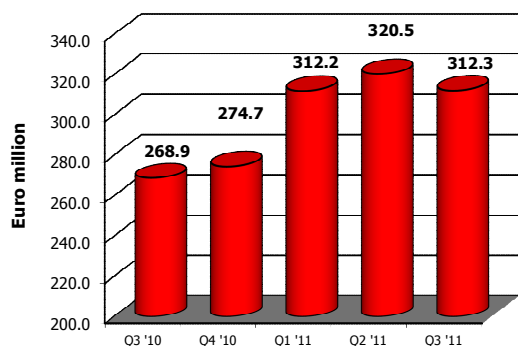
(14) Holds the role of Audit Committee and Accounting Audit pursuant to Article 19 of Legislative Decree 39/2010.

(15) Also acts as the Related Party Transactions Committee.

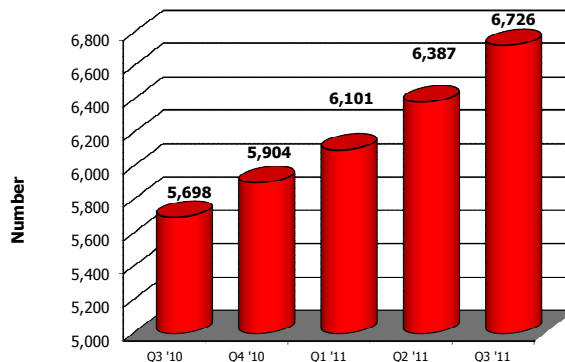
Gross operating income

Net operating income

Net result


ECONOMIC RESULTS (euro million)	A				B		% B/A
	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11		
Sales of goods and services	268.9	274.7	312.2	320.5	312.3		16.1%
Gross operating income	33.0	29.7	38.5	42.6	33.3		0.9%
% of sales	12.3%	10.8%	12.3%	13.3%	10.7%		
Net operating income	15.4	9.1	19.7	23.2	15.3		-0.7%
% of sales	5.7%	3.3%	6.3%	7.2%	4.9%		
Result before taxes	12.8	6.0	16.9	20.9	9.3		-26.9%
% of sales	4.8%	2.2%	5.4%	6.5%	3.0%		
Net result	9.0	4.6	11.2	13.5	5.9		-34.1%
% of sales	3.3%	1.7%	3.6%	4.2%	1.9%		

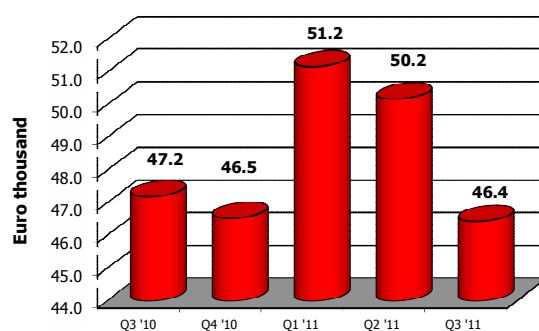
Sales of goods and services



Personnel at end of period (No.)

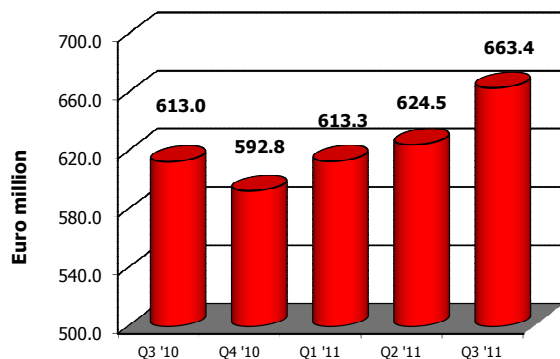


Turnover per employee

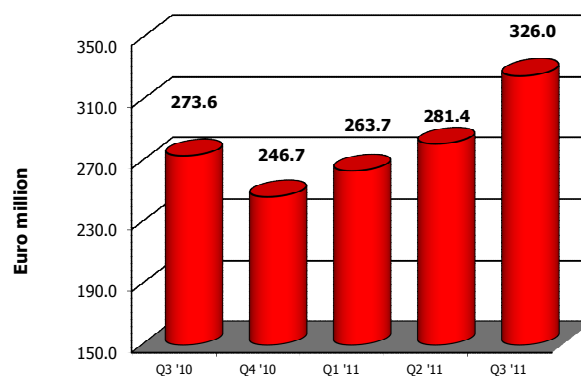


	A				B	
FINANCIAL RESULTS (euro million)	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11	% B/A
Net invested capital	613.0	592.8	613.3	624.5	663.4	8.2%
Shareholders' equity	318.5	325.9	329.7	323.4	317.5	-0.3%
Net financial indebtedness	273.6	246.7	263.7	281.4	326.0	19.2%
PERSONNEL AND CAPITAL EXPENDITURE						
Personnel at end of period (No.)	5,698	5,904	6,101	6,387	6,726	18.0%
Turnover per employee (euro thousand)	47.2	46.5	51.2	50.2	46.4	-1.6%
Capital Expenditure (euro million)	19.2	24.1	28.3	49.0	42.8	122.5%

Net invested capital



Net financial indebtedness



MAIN RATIOS

	III TR. '10	IV TR. '10	I TR '11	II TR. '11	III TR. '11
Net operating income/Sales	5.7%	3.3%	6.3%	7.2%	4.9%
Result before taxes/Sales	4.8%	2.2%	5.4%	6.5%	3.0%
Capital Expenditure/Sales	7.2%	8.8%	9.1%	15.3%	13.7%
Net Financial indebtedness/Shareholders' equity	85.9%	75.7%	80.0%	87.0%	102.7%
Financial charges/Sales	1.0%	0.8%	0.8%	0.6%	2.0%
Financial charges/Net Operating Income	17.9%	22.9%	13.0%	8.5%	40.5%
ROI	10.0%	6.1%	13.0%	14.9%	9.2%
ROE	11.2%	5.3%	14.0%	17.1%	7.1%

Notes:

ROI: Net operating income/ Net invested capital multiply by year days/period days.

ROE: Result before minority interests/ Shareholders equity multiply by year days/period days.

Consolidated Financial Statements

Consolidated Income Statement (Third Quarter 2011)

<i>(euro thousand)</i>	Q3 '11	Q3 '10	(A-B) CHANGE	%
Sales of good and services	312,329	268,924	43,405	16.1%
Other revenues and income	2,478	(121)	2,599	-2147.9%
Costs for capitalised internal works	2,703	2,455	248	10.1%
Cost of raw materials, consumables, goods and change in inventories	(162,615)	(138,913)	(23,702)	17.1%
Other operating costs for production	(62,607)	(49,141)	(13,466)	27.4%
Personnel expenses	(59,018)	(50,242)	(8,776)	17.5%
GROSS OPERATING INCOME	33,270	32,962	308	0.9%
% of sales	10.7%	12.3%		
Depreciation, amortization and other write-downs	(17,941)	(17,527)	(414)	2.4%
NET OPERATING INCOME	15,329	15,435	(106)	-0.7%
% of sales	4.9%	5.7%		
Net financial income (charges)	(6,213)	(2,756)	(3,457)	125.4%
Net financial income (charges) from investments	226	98	128	130.6%
INCOME (LOSS) BEFORE TAXES	9,342	12,777	(3,435)	-26.9%
% of sales	3.0%	4.8%		
Taxes	(3,639)	(3,806)	167	-4.4%
INCOME (LOSS) BEFORE MINORITY INTERESTS	5,703	8,971	(3,268)	-36.4%
% of sales	1.8%	3.3%		
Minority interests	216	10	206	2060.0%
NET INCOME (LOSS) FOR THE PERIOD	5,919	8,981	(3,062)	-34.1%
% of sales	1.9%	3.3%		
Basic earning per Share/diluted earnings per share (in euro)	0.09	0.14		

Consolidated Income Statement (30 September 2011)

<i>(euro thousand)</i>	C 30.09.2011	D 30.09.2010	(C-D) CHANGE	%
Sales of good and services	945,023	800,511	144,512	18.1%
Other revenues and income	8,153	5,361	2,792	52.1%
Costs for capitalised internal works	8,563	8,288	275	3.3%
Cost of raw materials, consumables, goods and change in inventories	(480,223)	(408,868)	(71,355)	17.5%
Other operating costs for production	(181,894)	(146,607)	(35,287)	24.1%
Personnel expenses	(185,292)	(157,806)	(27,486)	17.4%
GROSS OPERATING INCOME	114,330	100,879	13,451	13.3%
% of sales	12.1%	12.6%		
Depreciation, amortization and other write-downs	(56,121)	(53,601)	(2,520)	4.7%
NET OPERATING INCOME	58,209	47,278	10,931	23.1%
% of sales	6.2%	5.9%		
Net financial income (charges)	(10,747)	(6,863)	(3,884)	56.6%
Net financial income (charges) from investments	(273)	(1,026)	753	-73.4%
INCOME (LOSS) BEFORE TAXES	47,189	39,389	7,800	19.8%
% of sales	5.0%	4.9%		
Taxes	(16,278)	(11,926)	(4,352)	36.5%
INCOME (LOSS) BEFORE MINORITY INTERESTS	30,911	27,463	3,448	12.6%
% of sales	3.3%	3.4%		
Minority interests	(257)	168	(425)	-253.0%
NET INCOME (LOSS) FOR THE PERIOD	30,654	27,631	3,023	10.9%
% of sales	3.2%	3.5%		
Basic earning per Share/diluted earnings per share (in euro)	0.47	0.42		

Consolidated Statement of Comprehensive Income (30 September 2011)

<i>(euro thousand)</i>	30.09.2011	30.09.2010	Change
RESULT BEFORE MINORITY INTERESTS	30,911	27,463	3,448
Effect of hedge accounting (cash flow hedge) of derivatives	0	517	(517)
Change in translation adjustment reserve	(19,235)	10,998	(30,233)
Tax effects on other components of comprehensive income	0	(132)	132
COMPREHENSIVE RESULT FOR THE PERIOD	11,676	38,846	(27,170)
Of which attributable to:			
- the Group	11,215	38,809	(27,594)
- Minority Interests	461	37	424

Consolidated Balance Sheet

<i>(euro thousand)</i>	A 30.09.2011	B 31.12.2010	C 30.09.2010	A-B CHANGE	A-C CHANGE
ASSETS					
NON-CURRENT ASSETS					
Property, plant, equipment and other equipment	380,799	322,951	314,709	57,848	66,090
Development costs	40,438	39,194	41,055	1,244	(617)
Goodwill and other undefined useful life assets	41,581	44,751	42,865	(3,170)	(1,284)
Other intangible assets	18,961	20,248	21,992	(1,287)	(3,031)
Investments accounted for using the equity method	22,002	22,515	23,500	(513)	(1,498)
Other financial assets (investments in other companies and derivatives)	153	150	152	3	1
Other non-current assets	405	548	236	(143)	169
Deferred tax assets	20,158	20,834	16,346	(676)	3,812
TOTAL NON-CURRENT ASSETS	524,497	471,191	460,855	53,306	63,642
				11.3%	13.8%
CURRENT ASSETS					
Inventories	215,580	181,650	163,415	33,930	52,165
Trade receivables and receivables from other Group companies	230,276	201,297	224,142	28,979	6,134
Other receivables and current assets	38,254	36,513	41,079	1,741	(2,825)
Financial current assets and derivatives	9,592	449	707	9,143	8,885
Cash and cash equivalents	94,880	76,292	45,163	18,588	49,717
TOTAL CURRENT ASSETS	588,582	496,201	474,506	92,381	114,076
				18.6%	24.0%
NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	0	0	0	0	0
				0.0%	0.0%
TOTAL ASSETS	1,113,079	967,392	935,361	145,687	177,718
EQUITY AND LIABILITIES					
GROUP EQUITY					
Share capital	34,728	34,728	34,728	0	0
Other reserves	93,521	120,892	124,074	(27,371)	(30,553)
Retained earnings	148,688	130,128	124,029	18,560	24,659
Profit / (loss) for the period	30,654	32,271	27,631	(1,617)	3,023
TOTAL GROUP EQUITY	307,591	318,019	310,462	(10,428)	(2,871)
				(3.3%)	(0.9%)
MINORITY INTERESTS	9,902	7,840	8,010	2,062	1,892
				26.3%	23.6%
TOTAL EQUITY	317,493	325,859	318,472	(8,366)	(979)
NON-CURRENT LIABILITIES					
Non-current payables to banks	243,287	199,732	157,874	43,555	85,413
Other non-current financial payables	21,657	25,729	24,274	(4,072)	(2,617)
Other non-current payables	5,125	2,435	1,489	2,690	3,636
Provisions for contingencies and charges	6,411	4,977	5,400	1,434	1,011
Long term provisions for employee benefits	19,886	20,210	20,906	(324)	(1,020)
Deferred tax liabilities	9,946	11,167	7,925	(1,221)	2,021
TOTAL NON-CURRENT LIABILITIES	306,312	264,250	217,868	42,062	88,444
				15.9%	40.6%
CURRENT LIABILITIES					
Current payables to banks	159,975	89,487	79,599	70,488	80,376
Other current financial payables	5,073	8,110	57,012	(3,037)	(51,939)
Trade payables and payables to other Group companies	253,744	224,010	197,373	29,734	56,371
Tax payables	10,182	2,538	5,586	7,644	4,596
Other current payables	60,300	53,138	59,451	7,162	849
TOTAL CURRENT LIABILITIES	489,274	377,283	399,021	111,991	90,253
				29.7%	22.6%
TOTAL EQUITY AND LIABILITIES	1,113,079	967,392	935,361	145,687	177,718

Consolidated Cash-Flow Statement

	30.09.2011	30.09.2010	Q3 '11	Q3 '10
<i>(euro thousand)</i>				
Cash and cash equivalents at beginning of period	40,584	(34,376)	45,859	15,285
Consolidated result for the period before taxes	47,189	39,389	9,342	12,777
Depreciation, amortisation/Impairment losses	56,121	53,601	17,941	17,527
Capital gains/losses	(756)	47	(347)	145
Write-ups/Write-downs of shareholdings	273	1,026	(226)	(98)
Gain from the disposal of 50% of BSCCB S.p.A.	566	765	202	251
Income from shareholdings	1,000	62	221	398
Financial portion of provisions for defined benefits and payables for personnel	1,552	1,809	758	306
Long-term provisions for employee benefits	105,945	96,699	27,891	31,306
Paid current taxes	(9,255)	(6,006)	(2,770)	(508)
Uses of long-term provisions for employee benefits	(1,910)	(1,937)	(349)	(357)
<i>Cash flow generated by operations</i>				
inventories	(32,966)	(21,232)	(7,634)	(4,271)
financial assets	(112)	(634)	(68)	(56)
trade receivables and receivables from companies valued using the equity method	(27,472)	(62,905)	(6,770)	2,066
receivables from others and other assets	(2,013)	(14,960)	(870)	(8,483)
<i>Increase (reduction) in current liabilities:</i>				
financial assets	27,284	38,012	(7,072)	(10,440)
trade receivables and receivables from companies valued using the equity method	16,836	12,085	11,572	1,816
Translation differences on current assets	(6,889)	4,621	(4,164)	(2,712)
Net cash flows from/(for) operating activities	69,448	43,743	9,766	8,361
<i>Investments in:</i>				
intangible assets	(13,383)	(12,299)	(3,332)	(2,762)
property, plant and equipment	(106,680)	(33,106)	(39,482)	(17,230)
financial assets (shareholdings)	(30)	(45)	0	(15)
Business Combinations: acquisition of foundry in China from DAI Co. Ltd.	0	(9,112)	0	888
Business Combination Brembo Argentina S.A.	(3,300)	0	(3,300)	0
Disposal of 40% Softia S.r.l.	290	0	290	0
Capital increase in consolidated companies by minority shareholders	501	5,000	349	5,000
Price for disposal, or reimbursement value of fixed assets	1,445	2,373	344	1,112
Net cash flows from/(for) investing activities	(121,157)	(47,189)	(45,131)	(13,007)
Acquisition of assets from Sawen Industrial Ltda.	(19,603)	(14,703)	0	0
Acquisition of own shares	(2,040)	0	(2,040)	0
Loan disbursement	(9,000)	0	(9,000)	0
Change in fair value valuation	(18)	0	(49)	0
Capital increase in consolidated companies by minority shareholders	84,926	98,467	13,180	12,679
Repayment of long-term loans	(45,214)	(33,588)	(14,659)	(10,964)
Net cash flows from/(for) financing activities	9,051	50,176	(12,568)	1,715
Total cash flow	(42,658)	46,730	(47,933)	(2,931)
Cash and cash equivalents of the purchased companies at the acquisition date	2,513	0	2,513	0
CASH AND CASH EQUIVALENTS AT END OF YEAR	439	12,354	439	12,354

Consolidated Net Financial Position

<i>(euro thousand)</i>	30.09.2011	31.12.2010	30.09.2010
A Cash	92	88	85
B Other cash equivalents	94,787	76,204	45,078
C Derivatives and securities held for trading	65	31	8
D LIQUIDITY (A+B+C)	94,944	76,323	45,171
E Current financial receivables	9,059	0	0
F Current payables to banks	94,439	35,708	32,809
G Current portion of non-current debt	65,536	53,779	46,791
H Other current financial debts	5,073	8,110	57,012
I CURRENT FINANCIAL INDEBTEDNESS (F+G+H)	165,048	97,597	136,612
J NET CURRENT FINANCIAL INDEBTEDNESS (I-E-D)	61,045	21,274	91,441
K Non-current payables to banks	243,287	199,732	157,874
L Bonds issued	0	0	0
M Other non-current payables	21,657	25,729	24,274
N NON-CURRENT FINANCIAL INDEBTEDNESS (K+L+M)	264,944	225,461	182,148
O NET FINANCIAL INDEBTEDNESS (J+N)	325,989	246,735	273,589

Consolidated Statement of Changes in Equity

	Share Capital	Other Reserves	Retained earnings	Hedging reserve	Result for the period	Group Equity	Result of minority interest	Share Capital and reserves of Minority	Equity of Minority Interests	Equity
<i>(euro thousand)</i>										
Balance at 1 January 2010	34,728	106,834	132,407	(490)	10,528	284,007	(1,006)	8,464	7,458	291,465
Allocation of result for the previous year		6,442	(10,617)		4,175	0	1,006	(1,006)	0	0
Payable to minority shareholders of Sabelt S.p.A.			(2,136)			(2,136)			0	(2,136)
Effects of the changes in ownership structure of Brembo Performance Sp.A./Sabelt S.p.A.			4,485			4,485		515	515	5,000
Payment of dividends					(14,703)	(14,703)			0	(14,703)
<i>Components of comprehensive income:</i>										
Effect of hedge accounting (cash flow hedge) of derivatives (*)		5	10	370		385			0	385
Change in translation adjustment reserve		10,793				10,793		205	205	10,998
Net result for the period					27,631	27,631	(168)		(168)	27,463
										0
Balance at 30 September 2010	34,728	124,074	124,149	(120)	27,631	310,462	(168)	8,178	8,010	318,472
Balance at 1 January 2011	34,728	120,892	130,128	0	32,271	318,019	(458)	8,298	7,840	325,859
Allocation of result for the previous year		1,604	11,064		(12,668)	0	458	(458)	0	0
Payment of dividends					(19,603)	(19,603)			0	(19,603)
Capital increase of consolidated companies by minority shareholders						0		501	501	501
Reclassification after merger		(7,499)	7,499			0			0	0
Business Combination Brembo Argentina S.A.						0		1,100	1,100	1,100
Purchase of own shares		(2,040)				(2,040)			0	(2,040)
Rounding off		3	(3)			0			0	0
<i>Components of comprehensive income:</i>										
Change in translation adjustment reserve		(19,439)				(19,439)		204	204	(19,235)
Net result for the period					30,654	30,654	257		257	30,911
Balance at 30 September 2011	34,728	93,521	148,688	0	30,654	307,591	257	9,645	9,902	317,493

(*) Hedging reserves are net of the related tax effect.

Explanatory Notes to the Financial Statements

Accounting Principles and Valuation Criteria

The interim report on operations for the third quarter of 2011 was prepared in accordance with paragraph 5 of Article 154-ter of Italy's Consolidated Finance Law (TUF), regarding financial disclosures, and the guidelines provided in CONSOB Communication No. DEM/8041082 issued on 30 April 2008.

The interim report includes the Balance Sheet, Income Statement, Statement of Comprehensive Income, Cash Flow Statement, Statement of Changes in Equity and Explanatory Notes.

Reference is made to the 2010 Financial Statements for the relevant international accounting standards and principles adopted by the Group when preparing the above-mentioned financial statements.

The preparation of the interim report on operations requires that the management make use of estimates and assumptions that have an effect on the amounts of recognised revenues, costs, assets and liabilities and the disclosure of contingent assets and liabilities as of the reporting date. If in the future such estimates and assumptions, which are based upon the management's best assessment, diverge from actual circumstances, they will be modified accordingly during the period in which such circumstances change.

It should also be noted that certain measurement processes, such as the determination of impairment for non-current assets, are typically carried out only during preparation of the annual financial statements when all necessary information is available, unless impairment indicators require immediate analysis. Actuarial valuations necessary to determine employee benefits are also typically performed during preparation of the annual financial statements. Moreover, it is noted that:

- the value of inventories has been calculated for Brembo S.p.A. by applying the cost of inventories as at 31 May 2011 to the inventory accounting results as at 30 September 2011;
- the amounts reported below and commented on in these notes are given as thousands of Euro.

This interim report has not been audited.

Consolidation Area

The financial statements for the third quarter of 2011 include the financial statements of Brembo S.p.A., the Parent Company, and the financial statements of the companies that Brembo S.p.A. directly or indirectly controls as per IFRS (IAS 27).

The consolidation area changed with respect to the third quarter of 2010 as follows:

- on 4 October 2010, the fully owned company La.Cam (Lavorazioni Camune) S.r.l. was formed;
- the corporate streamlining led to the mergers between Brembo S.p.A. and Marchesini S.p.A., Brembo S.p.A. and Brembo Performance S.p.A., Brembo Japan Co. Ltd. and Brembo Performance Japan Co. Ltd., as well as Brembo North America Inc. and Brembo Performance North America Inc., effective as of January 2011. These transactions have had no effect on the consolidated financial statements, as they have been accounted for in the individual financial statements prepared by the merging companies retaining the book values reflected in the consolidated financial statements. The consolidation area was hence only formally changed after these mergers.
- in May 2011, the stake held in Softia S.r.l. by Brembo S.p.A. was sold;
- on 1 August 2011, 75% of Perdriel S.A., an Argentinean manufacturer of brake discs located in the Buenos Aires area, was acquired. At the same time of the acquisition, the Argentinean company also changed its name to Brembo Argentina S.A.

Notes on the Most Significant Changes in Items of the Consolidated Financial Statements

The current quarter confirmed the good results achieved by the Group in the first half of 2011.

Net sales for the third quarter of 2011 amounted to €312,329, marking an increase compared to the same period of 2010 (+16.1%). Due to the change in the consolidation area the two periods do not offer a consistent basis of comparison since La.Cam S.r.l. was formed in the fourth quarter of 2010 and Brembo Czech S.r.o. started its production and commercial activity in the first half of 2011 and Brembo Argentina S.A. was included in the consolidation area only as of August 2011; on a like-for-like basis, growth would have been +13.2%. Car applications benefited from this change, whereas in terms of geographical area, the United Kingdom and South American market benefited the most.

In general, in the quarter all sectors recorded a positive performance, except that of passive safety which dropped 11% in the period; the racing sector (+35.6%) and applications for commercial vehicles (+20.9%) showed a significant growth; the car (+14.9%) and motorbike (+11.2%) sectors also performed well.

At geographical level, the recovery was concentrated both in mature markets and in emerging countries: Germany confirmed its position as the Group's top market, with 21.5% of total sales and a 14.1% growth; the UK and France showed an excellent growth (respectively +54.6% and +32.5%). The market of NAFTA countries, which continues to be among the most important for the Group, showed a 13.2% growth; China increased by 29.4% and India by 22.9%, while growth was modest in Brazil (+3.6%) and the Japanese market declined (-3.6%) following the March 2011 earthquake.

Italy accounted for 16.4% of total turnover, with a slight increase (+1.9%).

During the quarter, the **cost of sales** and **other net operating costs** amounted to €220,041, with a ratio of 70.5% to sales, as against 69.1% for the same period in the previous year, despite the recovery in sales while also continuing to implement a strict cost-control policy.

The amount of **development costs capitalised** as intangible assets was €2,703, compared to €2,455 for the third quarter of 2010.

Personnel expenses in the third quarter of 2011 amounted to €59,018 or 18.9% of sales, slightly increasing compared to the same period of the previous year (18.7%).

At 30 September 2011, Brembo's workforce was 6,726 (5,904 at 31 December 2010 and 5,698 at 30 September 2010). The increase compared to the end of 2010 is partly due to changes in the consolidation area, and in particular the acquisition of Brembo Argentina S.A. (143 employees) and the beginning of production activities in Brembo Czech S.r.o. (149 employees). On a like-for-like basis the increase was 9%.

Gross operating income in the quarter was €33,270 (10.7% of sales) compared to €32,962 in the third quarter of 2010 (12.3% of sales).

Net operating income amounted to €15,329 (4.9% of sales), compared to €15,435 (5.7% of sales) reported for the third quarter of 2010, after depreciation, amortisation and impairment losses of property, plant, equipment and intangible assets for €17,941, compared to depreciation, amortisation and impairment losses for the third quarter of 2010 amounting to €17,527.

Net interest expense, which amounted to €6,213 (€2,756 for the third quarter of 2010), included an exchange rate net loss of €3,734 (€548 for the third quarter of 2010) and net interest expense of €2,479 (€2,208 for the same quarter of 2010), an increase related to the higher level of average indebtedness.

Income before taxes amounted to €9,342 compared to €12,777 in the third quarter of 2010.

Based on tax rates applicable for the year under current tax regulations, estimated taxes amounted to €3,639 (€3,806 in the third quarter of 2010). The tax rate for the period was 39%.

Net income for the quarter was €5,919, after €216 in losses of minority interests.

Net Invested Capital at the end of the quarter stood at €663,368. At 31 December 2010, it amounted to €592,804, with an increase of €70,564.

The company's **net debt** at 30 September 2011 was €325,989, compared to €246,735 at 31 December 2010 and €273,589 at 30 September 2010.

During the quarter, net financial position increased mainly owing to the completion of investment activities launched in the first half of 2011. At 1 August, the acquisition of Brembo Argentina S.A. was finalised, with a total outlay of €3.3 million. In this regard, it should be noted that in preparing the interim report at 30 September 2011, Brembo made an initial purchase price allocation process.

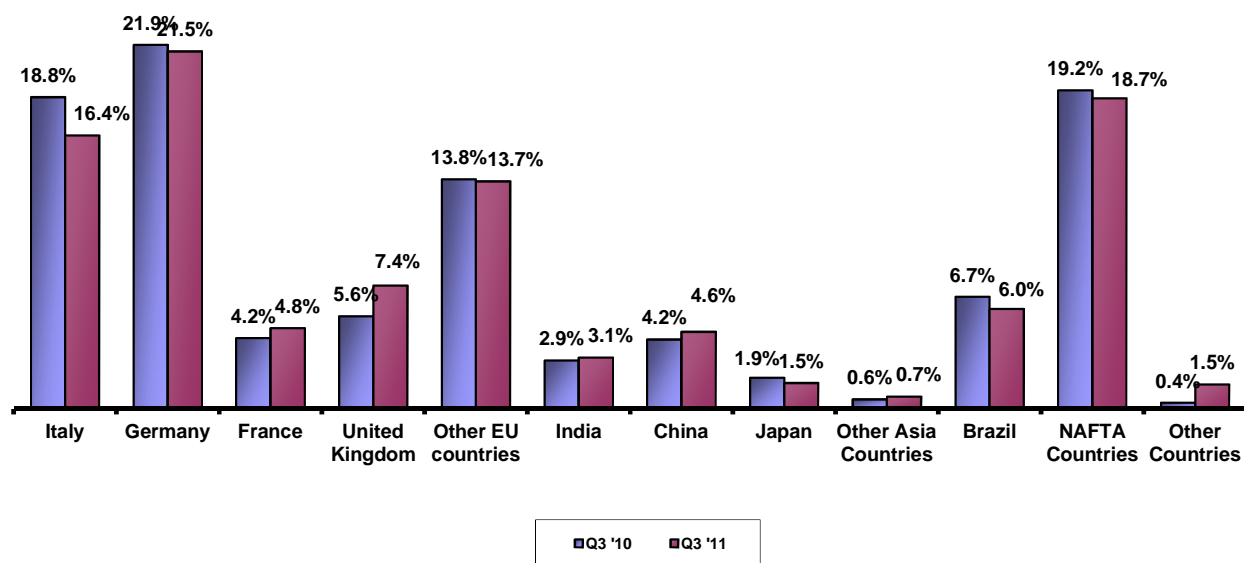
During the third quarter, Brembo S.p.A. bought back €2,040 own shares, as more thoroughly explained below.

Sales Breakdown by Application and Geographical Area

The following tables list net sales for the third quarter of 2011 and cumulative sales until 30 September 2011, broken down by application and geographical area.

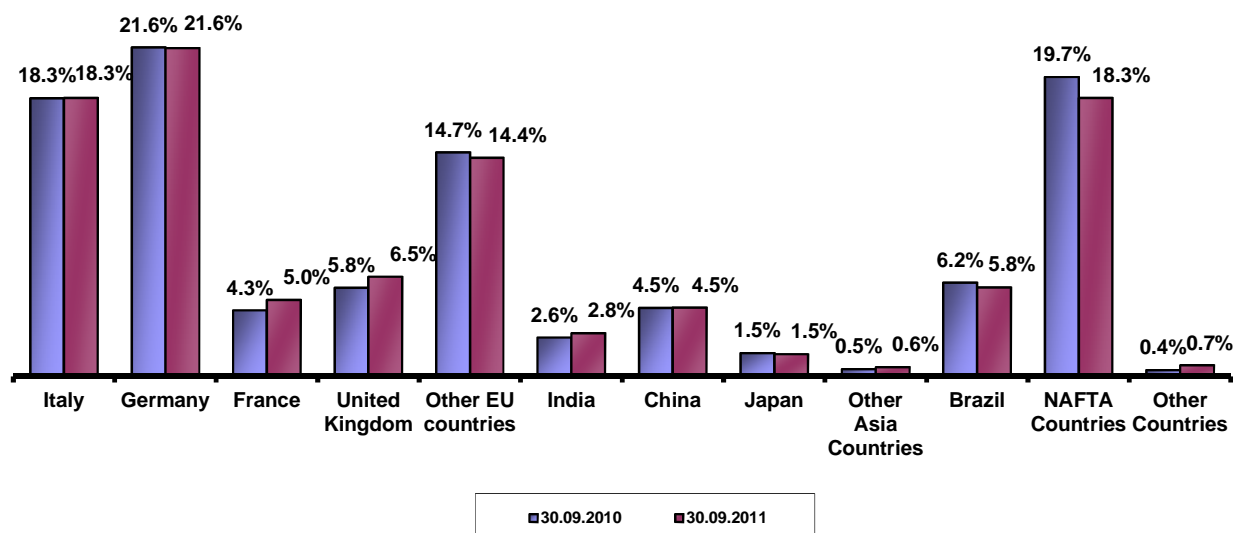
GEOGRAPHICAL AREA	A		B			
	Q3 '11	%	Q3 '10	%	A-B	%
<i>(euro thousand)</i>						
Italy	51,376	16.4%	50,432	18.8%	944	1.9%
Germany	67,195	21.5%	58,883	21.9%	8,312	14.1%
France	15,130	4.8%	11,423	4.2%	3,707	32.5%
United Kingdom	23,132	7.4%	14,964	5.6%	8,168	54.6%
Other EU countries	42,726	13.7%	37,124	13.8%	5,602	15.1%
India	9,580	3.1%	7,796	2.9%	1,784	22.9%
China	14,468	4.6%	11,177	4.2%	3,291	29.4%
Japan	4,819	1.5%	4,997	1.9%	(178)	-3.6%
Other Asia Countries	2,242	0.7%	1,501	0.6%	741	49.4%
Brazil	18,764	6.0%	18,111	6.7%	653	3.6%
NAFTA Countries	58,352	18.7%	51,540	19.2%	6,812	13.2%
Other Countries	4,545	1.5%	976	0.4%	3,569	365.7%
Total	312,329	100.0%	268,924	100.0%	43,405	16.1%

The incidence of the overall turnover

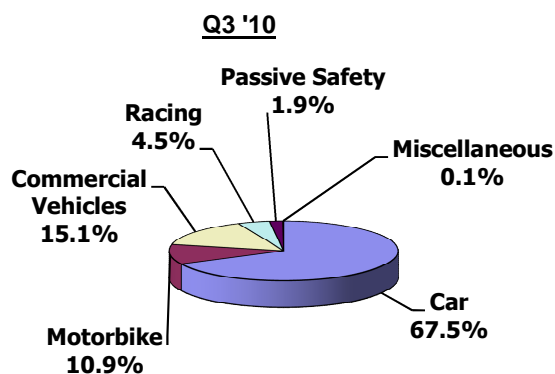
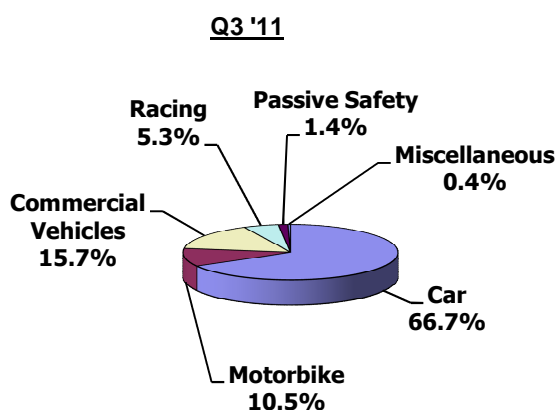


GEOGRAPHICAL AREA	C		D			
	30.09.2011	%	30.09.2010	%	C-D	%
<i>(euro thousand)</i>						
Italy	172,712	18.3%	146,265	18.3%	26,447	18.1%
Germany	203,735	21.6%	172,956	21.6%	30,779	17.8%
France	47,501	5.0%	34,598	4.3%	12,903	37.3%
United Kingdom	61,850	6.5%	46,482	5.8%	15,368	33.1%
Other EU countries	135,657	14.4%	117,775	14.7%	17,882	15.2%
India	26,794	2.8%	20,455	2.6%	6,339	31.0%
China	42,719	4.5%	35,914	4.5%	6,805	18.9%
Japan	13,729	1.5%	12,211	1.5%	1,518	12.4%
Other Asia Countries	5,667	0.6%	3,899	0.5%	1,768	45.3%
Brazil	55,198	5.8%	49,320	6.2%	5,878	11.9%
NAFTA Countries	172,727	18.3%	157,359	19.7%	15,368	9.8%
Other Countries	6,734	0.7%	3,277	0.4%	3,457	105.5%
Total	945,023	100.0%	800,511	100.0%	144,512	18.1%

The incidence of the overall turnover



APPLICATION	A		B			
	Q3 '11	%	Q3 '10	%	A-B	%
<i>(euro thousand)</i>						
Car	208,428	66.7%	181,473	67.5%	26,955	14.9%
Motorbike	32,640	10.5%	29,343	10.9%	3,297	11.2%
Commercial Vehicles	49,177	15.7%	40,680	15.1%	8,497	20.9%
Racing	16,420	5.3%	12,110	4.5%	4,310	35.6%
Passive Safety	4,439	1.4%	4,987	1.9%	(548)	-11.0%
Miscellaneous	1,225	0.4%	331	0.1%	894	270.1%
Total	312,329	100.0%	268,924	100.0%	43,405	16.1%



APPLICATION	C		D			
	30.09.2011	%	30.09.2010	%	C-D	%
<i>(euro thousand)</i>						
Car	610,680	64.6%	529,511	66.1%	81,169	15.3%
Motorbike	106,041	11.2%	89,259	11.2%	16,782	18.8%
Commercial Vehicles	146,324	15.5%	114,554	14.3%	31,770	27.7%
Racing	60,221	6.4%	46,063	5.8%	14,158	30.7%
Passive Safety	17,777	1.9%	16,101	2.0%	1,676	10.4%
Miscellaneous	3,980	0.4%	5,023	0.6%	(1,043)	-20.8%
Total	945,023	100.0%	800,511	100.0%	144,512	18.1%

Outlook

As the end of the year draws near, expectations of good sales growth have been confirmed, with margins essentially stable, despite the significant start-up costs incurred in the second half of the year to launch new production facilities.

At the reporting date, the order backlog forecasts confirm that sales will continue to grow in the first months of 2012. The new production facilities will contribute positively to an improvement in margins as of the second half of next year, as they gradually become fully operational.

Directors' Report on Operations and Significant Events

Macroeconomic Context

In order to draw up an assessment of Brembo performance in the third quarter of the year, it is essential to consider the world macroeconomic scenario, specifically for the markets in which Brembo operates.

During the third quarter of 2011, the world economy slowed down, inevitably causing instability in the financial markets. During the summer months, the growth forecasts for the global economy worsened significantly. The slowdown is mainly attributable to the mature economies, where there are still concerns related to high unemployment rates; however, the emerging countries are also showing signs of gradual slowdown in economic activity, albeit still growing at high rates. The latest September 2011 estimates, surveyed by the International Monetary Fund, predict that global GDP will grow by 4% in 2011, down (-0.3) compared to those published in June 2011. The estimates for 2012 were also revised downward compared to those published at the end of the first half of 2011.

In the Eurozone, the latest September 2011 estimates, surveyed by the International Monetary Fund, project GDP to grow by 1.6% in 2011, compared to 2010. These forecasts are lower (-0.4) compared to those published in the month of June. Industrial output in August grew by 5.3% in the Eurozone and by 4.3% in EU27 area over the same month last year. The European economy however slowed down significantly in the third quarter. The recovery of the main Euro Area countries continued to be slowed by the climate of uncertainty that is severely conditioning the job market. The unemployment rate of this area (16 countries) remained constant at 10% in July and August. In Italy, this figure remains below the European average registering 7.9% during August. Spain was cause for greater concerns, with a global unemployment rate exceeding 21%.

According to the latest figures released by Eurostat, the Eurozone annual inflation rose in September reaching 3%, while in July and August it had remained steady at 2.5% . The figure for the whole of Europe in September reached 3.3% .

The macroeconomic European scenario, Brembo's primary market of operation, is certainly influenced by the performance of the automotive industry. Car registrations in Europe (EU27+EFTA) for the third quarter increased nearly 2%, ending the first nine months of the year at a virtually unchanged level compared to the same period of the previous year. Market trends showed varied evolutions. The German market grew more than 11% over the past three months. In Italy, car registrations for the same period decreased by about 6% compared to the same period of 2010. In early October, the president of ANFIA, Italy's automobile manufacturer's association, commented on the performance of the automotive market in Italy: "Even assuming, without any supporting evidence, a fourth quarter performance in line with that of the same period of 2010, the year would end with 1,788,000 registered vehicles, down 8.8% from 2010, and the worst result since 1996 . At any rate, there are no elements that could suggest a revival of the market over the next three months."

The United States economy is also slowing down. According to the latest IMF estimates, GDP for the current year is expected to increase by 1.5%, down from the previous June estimates. Similarly, estimates for 2012 were revised downward to 1.8%. The market is still struggling to recover from the 2008 financial markets crisis, mainly because of high unemployment. Signs of mitigation are coming from industrial production, which grew by 0.2% in September (the same as in August), in line with analysts expectations. However, contradictory signs persist that are even causing anxiety over another possible recession in the Country: retail sales, for example, have increased beyond expectations over the last month of the third quarter, but there are still fears of rising inflation. In the last two months of the third quarter, sales of cars and pick-ups showed new signs of growth. In the last three months, sales grew by about 6%, and the first nine months of the year closed with an overall growth exceeding 10%.

In Japan, after the tsunami of last March, growth was supported by reconstruction spending and the IMF slightly revised its GDP estimates for 2011 upward compared to the 0.7% contraction expected in the month of June. According to the latest

September estimates, GDP is expected to decline by 0.5% in 2011. Estimates for 2012 were instead revised downwards (2.3%). The automotive market is among the most popular indicators to assess monthly trends in consumption. Car sales in Japan dropped by over 16% in the third quarter of 2011. However, the month of September showed encouraging signs as sales reduction was much smaller than in previous months. This bodes well for the next three months of 2011.

In the major emerging countries, growth rates remained high, although decelerating. China and India proved once again the leading countries for international recovery and through their domestic demand they were able to counter the decreasing growth rates of the advanced economies.

The International Monetary Fund's latest June estimates predict a 9.5% growth in GDP for the Chinese market. This strong growth rate, albeit lower than the 10.3% posted in 2010, is supported by industrial production, which in September grew by 13.8% compared to the same month in 2010, thus bringing growth for first nine months of the year to 14.2%. Despite the general satisfaction linked to these results, there was a slight slowdown in the rise of the Chinese market over the third quarter of the year. In the third quarter alone, growth was 9.1%, down compared to 9.5% in the second quarter. A major challenge for the Chinese government is inflation which, after reaching the three years high in July (6.5%), slightly eased off in September (6.1%). In order to curb these inflationary pressures, China chose the path of rising bank reserves and interest rates. The automotive market reflects the general slowdown in the Chinese economy. Sales of light vehicles in the third quarter posted more moderate growth rates. Despite this, the growth rates of the main European premium players remained very high.

In India, although the economy is still characterised by an expansionary trend, GDP growth in the second quarter stood at 7.7%, the most modest rate in the last eighteen months. The International Monetary Fund's most recent September 2011 estimates call for GDP to increase 7.8% in 2011. The restrictive monetary policy implemented by the Reserve Bank of India primarily affected the sectors that are most exposed to interest rate trends, such as, for example, the automotive industry, which, after years of record sales recorded a sharp slowdown during the third quarter of 2011. Car sales declined in September as well, after the negative results already recorded in first two months of the quarter.

For Brazil, the latest September IMF's 2011 GDP forecasts were revised downwards to 3.8% (-0.3) compared to the June estimates. According to the latest figures published by Fenabrave, the Brazilian association of dealers, during the third quarter of the year sales of light vehicles in Brazil increased by about 2%, closing the first nine months of the year with a growth of over 6%.

In Russia, according to the International Monetary Fund's June forecasts, GDP in 2011 is expected to grow by 4.3%, after the 4% growth in 2010. Sales of cars and light commercial vehicles rose by more than 28% in the third quarter of 2011, bringing growth during the first nine months of 2011 to over 45%.

Regarding trends in commodities, the average price per barrel (the arithmetic average of the prices of the three grades of crude considered) in the third quarter was steadily over USD 100 a barrel, reaching USD 103.1, up 36.5% over the same period last year. In particular, in July, the average monthly price stood at USD 107.9 per barrel, up 1.9% compared to the price of June. The price per barrel of oil then fell by 6.9% in the following month to USD 100.5, remaining stable during the last month of the third quarter (in September the average price per barrel was USD 100.8). The fall in prices (the average price in April exceeded USD 116 a barrel) mainly reflects worsening expectations concerning the recovery of the global economy. Non-energy commodity prices also fell during the third quarter.

Currency Markets

In the third quarter of 2011 the dollar appreciated against the euro; starting from an initial high of 1.45 (4 July) and then hitting a low for the single currency on 23 September at 1.343. The euro lost more than 7% of its value in the third quarter of 2011.

Turning to the other currencies of Brembo's main markets of operation at the industrial and commercial level, the pound sterling also showed a trend of overall appreciation during the quarter, except in two stages (in August and in the last twenty days of September) during which the exchange rate remained fairly constant (the so-called lateral movement).

The Polish zloty instead depreciated rather consistently in the quarter, losing over 14% of its value (maximum depreciation at 4.513 reached on 23 September) before correcting in the last week, under pressure from the Polish central bank's macro-economic interventions.

The Czech koruna had a fluctuating trend, with an initial appreciation reaching 24.088 (10 August) and a subsequent depreciation hitting 24.93 on 21 September.

The Swedish krona performance can also be seen as a lateral movement of the currency with a high degree of volatility (hitting a low on 9 September at 8.8945 and a high of 9.3127 just 15 days later) and ending up with a slight depreciation compared to the beginning of the quarter.

In the East, the Japanese yen appreciated steadily, reaching a low of 102.32 on 23 September and not deviating much from this value until the end of the reporting period.

The Chinese yuan/renminbi followed the trend of the yen, constantly appreciating against the euro up to 8.5803 on 23 September.

In contrast with the other Asian currencies, on the whole the Indian rupee depreciated against the euro, hitting maximum depreciation at 66.754 on 26 September (this was also the maximum depreciation in the year).

In the Americas, the Brazilian real showed a fairly steady depreciation, reaching maximum depreciation at the end of September (2.5666 on 23 September).

The Mexican peso exchange rate showed a trend similar to that of the Brazilian currency. The peso in fact depreciated by about 15%, reaching maximum depreciation (annual) on 23 September (18.8894).

Finally, the Argentine peso exchange rate, which for the first time materially impacted the financial statements of the Brembo Group, exhibited a high degree of volatility, with a first initial phase of rapid appreciation (first 15 days of July), a second period of depreciation culminated on 31 August (6.064183) and a third phase of renewed appreciation hitting the low at the end of September (5.640091 on 22 September).

Operating Structure and Reference Markets

Operating Structure

Brembo is the world leader and acknowledged innovator of the brake disc technology for automotive vehicles. It operates in 15 countries on 3 continents, with 35 production and business sites and employs over 6,700 people worldwide. The Group's operations are conducted from ten industrial-commercial facilities in Italy and 25 in other countries. Manufacturing plants are located in Italy, Spain (Zaragoza), Poland (Czestochowa and Dabrowa Gornicza), the United Kingdom (Coventry), the Czech Republic (Ostrava-Hrabová), the Slovak Republic (Zilina), Germany (Meitingen), Mexico (Puebla and Apodaca), Brazil (Betim and São Paulo), China (Nanjing), India (Pune), the United States (Homer) and Argentina (Buenos Aires). Other companies located in Sweden (Göteborg), Germany (Leinfelden-Echterdingen), the United Kingdom (London), China (Beijing and Qingdao) and Japan (Tokyo) carry out distribution and sales activities.

The year 2011 marks a historic milestone for Brembo, which accomplishes 50 years of activity punctuated by great technical, sport and business achievements.

Reference Markets

Brembo's reference market is represented by the most important manufacturers of cars, motorbikes, commercial vehicles and racing cars and motorbikes. Constant focus on innovation, as well as technological and process development, factors that have always been fundamental to Brembo's philosophy, have earned the Group a strong international leadership position in the research, design and production of high-performance braking systems for a wide range of road and racing vehicles. Brembo operates in both the original equipment market and the aftermarket. Brembo's range of products for the car application and the commercial vehicle application includes brake discs, brake callipers, the side-wheel module and increasingly often the complete braking system, including integrated engineering services. All of these back the development of new models produced by vehicle manufacturers. Manufacturers of motorbikes are also offered brake discs, brake callipers, brake master cylinders, light-alloy wheels and complete braking systems.

In the car aftermarket, Brembo offers in particular a vast range of brake discs: over 1,600 product codes allow the company to meet the needs of nearly all European vehicles. The Group also specialises in the design and manufacture of clutch systems for racing vehicles and recently entered the passive safety segment (seats, seat belts and accessories).

In the third quarter of 2011, Brembo's consolidated net sales amounted to €312,329, up by 16.1% compared to the same period of 2010. Consolidated sales at 30 September 2011 totalled €945,023, up 18.1% compared to 30 September 2010.

Information on the performance of the separate applications and their related markets is provided under the following headings.

Applications

Cars

In the third quarter of 2011, the global light vehicles market showed a 3.1% increase in sales over the third quarter of 2010, with a 4.5% growth for the first nine months of the year compared to the prior year. This positive performance was primarily attributable to the United States and the emerging markets.

In this quarter the Western European car market showed a 1.5% increase over the same period last year, which however was not sufficient to recoup the gap of the first two quarters. The first nine months actually closed with a 1.1% decline compared to the previous year. Among the top five European markets, Germany is the only one that closed the quarter with a positive result compared to the same quarter of the previous year (+11.6%). France and Italy posted a negative result for the quarter, respectively of -2.1% and -6.1%, whilst Spain and the UK, after a first half with significant decreases compared to the previous year, closed the third quarter with a slight reduction compared to the previous year (-0.7% for both countries).

The Eastern European markets continued to perform well and for the third consecutive quarter they recorded strong sales compared to the previous year (+19%), although in this last quarter the growth rate slowed down compared to the first two quarters. Of particular note is the result of the Russian market, which grew 28.3% in the third quarter of 2011 compared to the same period in 2010.

In the United States the positive trend continued, with light vehicle sales in the reporting period increasing 5.9% overall, compared to the same quarter in 2010.

The trend was also positive for the Brazilian and Argentinean markets, which closed the third quarter of 2011 with an overall increase in sales of 9.9% over the prior year.

On Asian markets, China continued to grow also in this quarter, although at a more moderate pace than in the past and closed the third quarter with car sales increasing 6.7% compared to the same quarter of 2010, thus closing the first nine months with a 6.1% growth. After a first half marked by positive growth, the Indian light vehicles market closed the third quarter in line with last year (+0.3%), while maintaining a 10.7 % growth in the first nine months compared to the same period of 2010. The Japanese market continued to

be severely affected by the tragic earthquake that struck the country on 11 March and closed the third quarter with a 16.4% decline in sales compared to the same period of 2010.

In the third quarter of 2011, Brembo's net sales of applications for this segment amounted to €208,428, up by 14.9% compared to €181,473 for the same period of the previous year.

Motorbikes

During the third quarter of 2011, overall motorbike registrations in Europe fell 10.8% compared to the same period of 2010, and all of the major European markets of operation reported declines. Italy in particular yielded the most significant decrease (-18.8%), followed by France (-16.4%) and Spain (-6.9%). More moderate reduction was reported in Germany (-4%) and Great Britain (-0.5%). Considering the whole nine-month period, registrations dropped 8.5% compared to the same period of 2010. This decrease was spread over all displacements up to 750CC, whilst greater displacements were in line with last year.

The U.S. market for motorbikes, scooters and ATVs (All Terrain Vehicles) in the third quarter of 2011 declined by about 6% compared to the same period of 2010, primarily as a result of the sharp decrease in ATV registrations (-13.6%).

Considering motorbikes only, the decline in the quarter was 2.1%, while considering the first nine months of the year motorbikes showed a 0.5% increase over the same period of 2010. By contrast, considering ATVs and motorbikes together showed a 5% decline in the first nine months of 2011 compared to the same period of 2010.

The Japanese motorbikes market with displacements exceeding 50CC grew 11% in the third quarter of 2011 over the same period in 2010. Considering the first nine months of the year, registrations were stable (+0.2%) compared to 2010. This result was achieved owing to the motorbikes with small displacement (under 250CC), while motorbikes with displacement over 250CC decreased by 22%.

Positive signs were seen in emerging markets, and especially the Indian market, which showed an 18% increase in registrations of two-wheeled vehicles in the first nine months of 2011 compared to the same period of 2010.

In this scenario, Brembo's net sales of motorbike applications in the third quarter of 2011 amounted to €32,640, up 11.2% compared to the same period of the previous year.

Commercial and Industrial Vehicles

In the third quarter of 2011, the European commercial vehicles market, Brembo's reference market, showed a 6.4% increase in overall registrations. This positive performance, however, when compared to previous quarters, is more moderate and is a sign that the market is beginning to slow down.

In the reporting period, European sales of light commercial vehicles (up to 3.5 tons) increased by 4.1% overall, compared to the same period of 2010, recording a rise of 8% for the first nine months of the year. Amongst the main markets of operation in Western Europe, the German market showed the greatest growth in registrations in the third quarter of 2011 (17.6%), followed by the UK (+8.4%) and Spain (+3.8%). In contrast, registrations decreased in the French market (-5.9%) and in Italy (-3.6%). Eastern European countries recorded an overall 24.6% increase in sales, confirming the positive trend that marked the first six months of 2011.

The commercial vehicle segment over 3.5 tonnes also continued to grow during the third quarter of 2011, with sales increasing 19.5% compared to the same period of 2010, and closing the first nine months with a 34.5% rise. All of the main markets of operation in Western Europe grew compared to the third quarter of 2010, with the exception of Italy, where sales slightly decreased by 1.3%. Registrations rose by 32.3% in France, 22.6% in the UK, 11.6% in Germany and 6.6% in Spain. In Eastern Europe, sales of medium and heavy commercial vehicles (over 3.5 tonnes) grew by 51.9% for the third quarter compared to the same period of 2010.

In the third quarter of 2011, Brembo's net sales of applications for this segment amounted to €49,177, up by 20.9% compared to €40,680 in the same period of the previous year.

Racing Applications

Brembo serves this sector with three leading brands: Brembo Racing, with braking systems for race cars and motorbikes; AP Racing, with braking systems and clutches for race cars; Marchesini, with magnesium and aluminium wheels for racing motorbikes. Brembo is the long-time leader in this segment, claiming more than 200 world championships won to date. The racing market is undergoing a further contraction at the global level in 2011. This aspect is mainly related to regulations implemented by official entities. The primary objective that has led in this direction is cutting costs by limiting not only aspects of aerodynamics and engine power in the name of safety, but also the number of tests and replacement parts authorised during the season.

Brembo's results for the third quarter of 2011 were however positive, with net sales of €16,420, up 35.6% compared to the same period of 2010.

Passive Safety

Brembo began operating in the passive safety segment with the acquisition of Sabelt S.p.A in 2008. The company operates in three different segments: the racing segment, the OEM seatbelt and racing seat market and the children's segment with retention systems for children's car seats.

For the third quarter of 2011, net sales amounted to €4,439 in this sector, down by 11% compared to the same period of the previous year.

Significant Events During the Quarter

The agreement signed on 23 May 2011 by Brembo S.p.A. for the acquisition of the 75% of the share capital of Perdriel S.A., an Argentinean manufacturer of brake discs located in the Buenos Aires area, was executed on 1 August 2011. The newly acquired company has a workforce of about 150 and expects to achieve approximately €20 million revenues for 2011. Based on the agreement, Brembo has option rights on the remaining 25% of the share capital — currently held by the Argentinean group which has a significant presence in the domestic car component market — exercisable after three years from the acquisition date. Overall outlay will amount to €3.3 million. On the same date of the acquisition, the Argentinean company also changed its name to Brembo Argentina S.A.

Brembo, which has a share of almost 60% of the Brazilian market in the production of brake discs and drums, deemed it strategic to maintain and reinforce its presence in South America, also by taking advantage of the opportunities offered by current and prospective growth of the Argentinean production and sale market. The South American uptrend in vehicle manufacturing over the past five years has been mostly driven by growing demand from Brazil, which fuelled a sizeable growth in volumes produced by car plants in South America, particularly in Argentina.

Buy-back and Sale of Own Shares

Within the framework of the authorisation to acquire own shares given by the General Shareholders' Meeting of 29 April 2011, in the period from 5 August to 22 September Brembo S.p.A. bought back 307,000 own shares, equal to 0.46% of share capital, at an average weighted price of €6.6452, for a total amount of €2,040,086.

At 10 November 2011, the company held a total of 1,747,000 own shares, representing 2.616% of the share capital, for an overall value of €13,475,897 at an average weighted price of €7.7137 per share.

Significant Events After 30 September 2011

On 5 October 2011 with deed drawn up by notary Giovanni Vacirca of Bergamo, Brembo International S.p.A. was merged into Brembo S.p.A.; the deed was registered in the Companies' Register of Bergamo on 10 October 2011 and the merger became effective on such date. This transaction will have no effect on the consolidated financial statements, as the consolidation area will only be formally changed as a result of this transaction.

On 14 October 2011, the new production facility at the Dabrowa Gornicza plant in Poland was inaugurated. The new production facility will enable Brembo to better serve the plants of its German, French and UK customers throughout Central and Eastern Europe. This facility required investments of over €100 million and was designed to integrate all the production phases of the value chain, from the arrival of raw materials to the shipment of finished products. This new production centre, which extends over a covered area of 90 thousand square meters (twice the previous one), and will employ 1200 people, with 39 production lines and two foundries, will double production capacity. The new plants have been constructed according to the most advanced criteria to ensure quality, efficiency and environmental protection, in order to minimise waste and maximise energy recovery.

No other significant events occurred after the close of the third quarter of 2011 and until 10 November 2011.

Statement Pursuant to Art. 154-bis, Paragraph 2, Part IV, Title III, Chapter II, Section V-bis, of Italian Legislative Decree No. 58 of 24 February 1998: “Consolidation Act on Financial Brokerage Pursuant to Articles 8 and 21 of Italian Law No. 52 of 6 February 1996”

Re: Interim Report on Operations at 30 September 2011, approved on 10 November 2011.

I, the undersigned, Matteo Tiraboschi, the Executive Officer in charge of the financial reports of BREMBO S.p.A. hereby

DECLARE

in accordance with the second paragraph of Art. 154-bis, Part IV, Title III, Chapter II, Section V-bis of Italian Legislative Decree No. 58 of 24 February 1998, that to the best of my knowledge, the Interim Report on Operations at 30 September 2011 corresponds with the documented results, books and accounting records.



Matteo Tiraboschi
BREMBO S.p.A.

BREMBO S.p.A.

Registered offices: CURNO (Bergamo) - Via Brembo, 25

Share capital: €34,727,914

Tax Code (VAT Code) - Bergamo Register of Companies No. 00222620163