

BREMBO
THIRD QUARTER
REPORT
2013



CONTENTS

Company Officers	3
Highlights	5

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement	8
Consolidated Statement of Comprehensive Income	9
Consolidated Balance Sheet	10
Consolidated Cash Flow Statement	11
Consolidated Net Financial Position	11
Consolidated Statement of Changes in Equity	12

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

Accounting Principles and Valuation Criteria	13
Consolidation Area	15
Notes on the Most Significant Changes in Items of the Consolidated Financial Statements	15
Sales Breakdown by Geographical Area and Application	17
Outlook	19

DIRECTORS' REPORT ON OPERATIONS AND SIGNIFICANT EVENTS

Macroeconomic Context	20
Currency Markets	23
Operating Structure and Reference Markets	24
Significant Events During the Quarter	26
Opt-out from the Obligations to Publish Disclosure Documents	26
Buy-back and Sale of Own Shares	26
Significant Events After 30 September 2013	26

STATEMENT PURSUANT TO ART. 154-*bis*, PARAGRAPH 2 – PART IV, TITLE III, CHAPTER II, SECTION V-*bis*, OF ITALIAN LEGISLATIVE DECREE No. 58/98

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 Board of Directors for the three-year period 2011-2013. Director Andrea Abbati Marescotti, who was co-opted on 6 June 2011, was confirmed in his position by the General Shareholders' Meeting of 20 April 2012 until the expiry of the current term of the Board of Directors, i.e., until the General Shareholders' Meeting called to approve the Financial Statements for the year ending 31 December 2013.

Upon motivated proposal of the Board of Statutory Auditors, the Shareholders' Meeting of 23 April 2013 appointed Reconta Ernst & Young S.p.A. independent auditors for the period 2013-2021.

At 30 September 2013, Company Officers included:

BOARD OF DIRECTORS

Chairman	Alberto Bombassei (1) (8)
Executive Deputy Chairman	Matteo Tiraboschi (2) (8)
Managing Director and General Manager	Andrea Abbati Marescotti (3) (8)
Directors	Cristina Bombassei (4) (8)
	Giovanni Cavallini (5)
	Giancarlo Dallera (5)
	Giovanna Dossena (6)
	Umberto Nicodano (7)
	Pasquale Pistorio (5) (9)
	Gianfelice Rocca (5)
	Pierfrancesco Saviotti (5)

BOARD OF STATUTORY AUDITORS ⁽¹⁰⁾

Chairman	Sergio Pivato
Auditors	Enrico Colombo
	Mario Tagliaferri
Alternate Auditors	Gerardo Gibellini
	Marco Salvatore

INDEPENDENT AUDITORS

Reconta Ernst & Young S.p.A. (11)

**MANAGER IN CHARGE OF THE
COMPANY'S FINANCIAL REPORTS**

Matteo Tiraboschi (12)

COMMITTEES**Audit & Risk Committee** (13)

Giovanni Cavallini (Chairman)

Giancarlo Dallera

Pasquale Pistorio

Remuneration & Appointments Committee Umberto Nicodano (Chairman)

Giovanni Cavallini

Pierfrancesco Saviotti

Supervisory Committee

Marco Bianchi (Chairman) (14)

Giancarlo Dallera

Alessandra Ramorino (15)

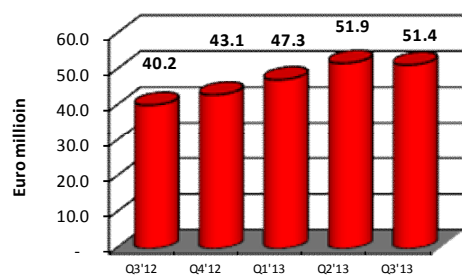
- (1) The Chairman is the Company's legal representative and has powers of ordinary management, within the limits of the law.
- (2) The Executive Deputy Chairman is the Company's legal representative; the Board of Directors granted him special powers to manage the Company.
- (3) The Board of Directors granted the Managing Director and General Manager special powers to manage the Company, as well as powers, pursuant to Article 2381 of the Italian Civil Code, with reference to occupational health and safety (provisions of Legislative Decree No. 81/2008, as amended by Legislative Decree No. 106/2009), environmental protection and waste management.
- (4) The Director also holds the position of Executive Director in charge of the Internal Control and Risk Management System.
- (5) Independent and Non-executive Directors pursuant to Article 148, paragraph 3, of TUF (as required by Articles 147-ter, paragraph 4, and 147-quater of the TUF) and Article 2.2.3, paragraph 3, of the Rules of Borsa Italiana S.p.A. and the Corporate Governance Code of Brembo S.p.A. (Article 3.C.1).
- (6) 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).
- (7) Non-executive Director.
- (8) Executive Directors.
- (9) This Director also holds the position of Lead Independent Director.
- (10) This Board holds the role of Audit Committee and Accounting Audit pursuant to Article 19 of Legislative Decree No. 39/2010.
- (11) The Shareholders' Meeting held on 23 April 2013 gave the mandate until the approval of the Financial Statements for financial year 2021.
- (12) Appointed by the Board of Directors on 29 April 2011. He also holds the position of Investor Relator.
- (13) This Committee also acts as the Related Party Transactions Committee.
- (14) Private practice lawyer - Studio Castaldi Mourre & Partners, Milan.
- (15) Internal Audit Director of the Brembo Group and Person in charge of Internal Control.

Brembo S.p.A. Registered offices: CURNO (Bergamo) - Via Brembo 25
Share capital: €34,727,914.00 – Bergamo Register of Companies:
Tax Code and VAT Code No. 00222620163

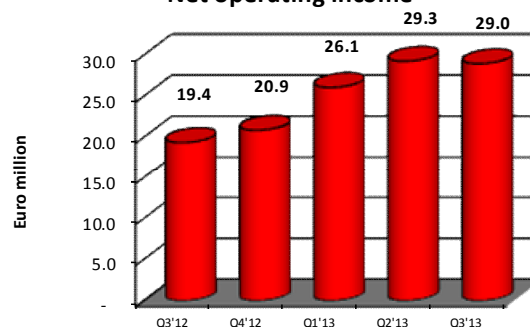
Highlights

For comparative purposes, it should be noted that certain values of the 2011 and 2012 Consolidated Financial Statements have been revised in accordance with the transitional provisions set forth in the IAS 19 amendment. For further information, reference is made to the section "Accounting Principles and Valuation Criteria."

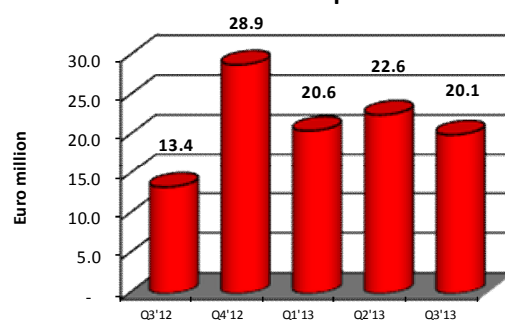
Gross operating income



Net operating income

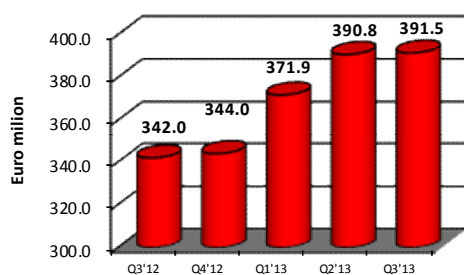


Net result for the period

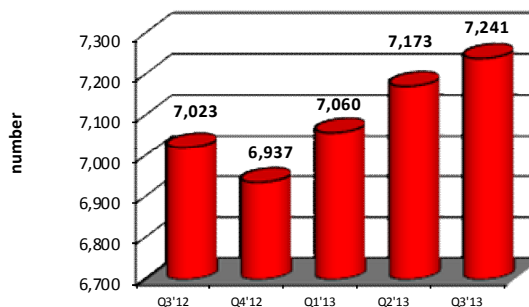


ECONOMIC RESULTS (euro million)	A				B		% B/A
	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13		
Sales of goods and services	342.0	344.0	371.9	390.8	391.5	14.5%	
Gross operating income	40.2	43.1	47.3	51.9	51.4	27.8%	
% of sales	11.8%	12.5%	12.7%	13.3%	13.1%		
Net operating income	19.4	20.9	26.1	29.3	29.0	49.9%	
% of sales	5.7%	6.1%	7.0%	7.5%	7.4%		
Result before taxes	17.5	21.2	22.0	25.0	23.8	36.6%	
% of sales	5.1%	6.2%	5.9%	6.4%	6.1%		
Net result for the period	13.4	28.9	20.6	22.6	20.1	50.4%	
% of sales	3.9%	8.4%	5.5%	5.8%	5.1%		

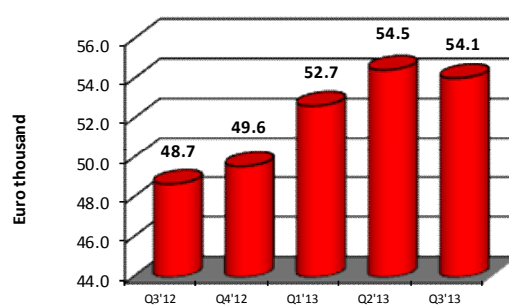
Sales of goods and services



Personnel at end of period

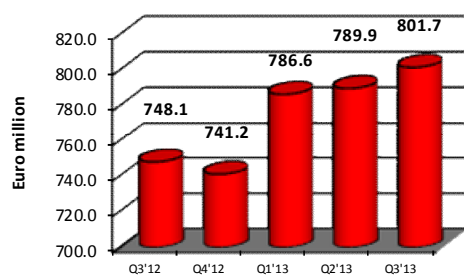


Turnover per employee

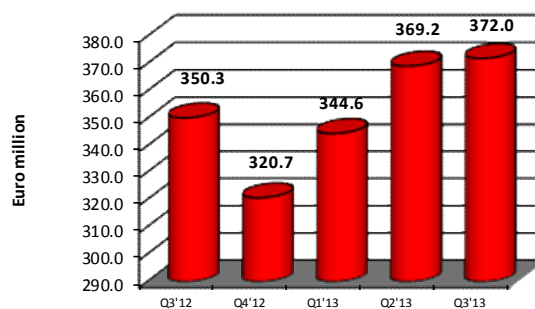


	A				B	
	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	% B/A
FINANCIAL RESULTS (euro million)						
Net invested capital	748.1	741.2	786.6	789.9	801.7	7.2%
Shareholders' equity	371.0	393.8	413.4	393.0	402.0	8.4%
Net financial indebtedness	350.3	320.7	344.6	369.2	372.0	6.2%
PERSONNEL AND CAPITAL EXPENDITURE						
Personnel at end of period (No.)	7,023	6,937	7,060	7,173	7,241	3.1%
Turnover per employee (euro thousand)	48.7	49.6	52.7	54.5	54.1	11.0%
Capital Expenditure (euro million)	26.8	44.8	37.8	34.6	30.1	12.3%

Net invested capital



Net financial indebtedness



MAIN RATIOS	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13
Net operating income/Sales of goods and services	5.7%	6.1%	7.0%	7.5%	7.4%
Result before taxes/Sales of goods and services	5.1%	6.2%	5.9%	6.4%	6.1%
Capital Expenditure/Sales of goods and services	7.8%	13.0%	10.2%	8.9%	7.7%
Net Financial indebtedness/Shareholders' equity	94.4%	81.4%	83.4%	93.9%	92.5%
Net financial charges(*)/Sales of goods and services	1.0%	0.8%	0.8%	1.0%	0.9%
Net financial charges(*)/Net Operating Income	17.5%	12.4%	11.5%	13.7%	12.8%
ROI	10.3%	11.2%	13.5%	14.9%	14.4%
ROE	14.3%	29.0%	20.1%	22.7%	20.4%

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.

(*) Net of exchange losses/gains

Consolidated Financial Statements

Consolidated Income Statement (Third Quarter 2013)

<i>(euro thousand)</i>	Q3'13	Q3'12	Change	%
Sales of goods and services	391,484	342,023	49,461	14.5%
Other revenues and income	3,328	3,706	(378)	-10.2%
Costs for capitalised internal works	2,147	2,383	(236)	-9.9%
Raw materials, consumables and goods	(205,913)	(179,067)	(26,846)	15.0%
Other operating costs	(69,608)	(61,580)	(8,028)	13.0%
Personnel expenses	(70,046)	(67,237)	(2,809)	4.2%
GROSS OPERATING INCOME	51,392	40,228	11,164	27.8%
% of sales of goods and services	13.1%	11.8%		
Depreciation, amortisation and impairment losses	(22,362)	(20,867)	(1,495)	7.2%
NET OPERATING INCOME	29,030	19,361	9,669	49.9%
% of sales of goods and services	7.4%	5.7%		
Net interest income (expense)	(5,746)	(1,619)	(4,127)	254.9%
Interest income (expense) from investments	555	(284)	839	-295.4%
RESULT BEFORE TAXES	23,839	17,458	6,381	36.6%
% of sales of goods and services	6.1%	5.1%		
Taxes	(3,152)	(4,020)	868	-21.6%
RESULT BEFORE MINORITY INTERESTS	20,687	13,438	7,249	53.9%
% of sales of goods and services	5.3%	3.9%		
Minority interests	(550)	(46)	(504)	1095.7%
NET RESULT FOR THE PERIOD	20,137	13,392	6,745	50.4%
% of sales of goods and services	5.1%	3.9%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.31	0.21		

Consolidated Income Statement (30 September 2013)

<i>(euro thousand)</i>	30.09.2013	30.09.2012	Change	%
Sales of goods and services	1,154,275	1,044,621	109,654	10.5%
Other revenues and income	9,725	8,858	867	9.8%
Costs for capitalised internal works	7,674	8,924	(1,250)	-14.0%
Raw materials, consumables and goods	(592,180)	(536,306)	(55,874)	10.4%
Other operating costs	(208,205)	(189,467)	(18,738)	9.9%
Personnel expenses	(220,751)	(208,028)	(12,723)	6.1%
GROSS OPERATING INCOME	150,538	128,602	21,936	17.1%
% of sales of goods and services	13.0%	12.3%		
Depreciation, amortisation and impairment losses	(66,059)	(59,969)	(6,090)	10.2%
NET OPERATING INCOME	84,479	68,633	15,846	23.1%
% of sales of goods and services	7.3%	6.6%		
Net interest income (expense)	(13,498)	(5,857)	(7,641)	130.5%
Interest income (expense) from investments	(186)	(1,082)	896	-82.8%
RESULT BEFORE TAXES	70,795	61,694	9,101	14.8%
% of sales of goods and services	6.1%	5.9%		
Taxes	(7,359)	(12,775)	5,416	-42.4%
RESULT BEFORE MINORITY INTERESTS	63,436	48,919	14,517	29.7%
% of sales of goods and services	5.5%	4.7%		
Minority interests	(63)	42	(105)	-250.0%
NET RESULT FOR THE PERIOD	63,373	48,961	14,412	29.4%
% of sales of goods and services	5.5%	4.7%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.97	0.75		

Consolidated Statement of Comprehensive Income (30 September 2013)

<i>(euro thousand)</i>	30.09.2013	30.09.2012	Change
RESULT BEFORE MINORITY INTERESTS	63,436	48,919	14,517
Other comprehensive gains/(losses) not to be reclassified under income/(loss) for the period:			
Effect (actuarial gain/loss) on defined-benefit plans	(1,026)	(2,290)	1,264
Fiscal effect	251	624	(373)
Effect (actuarial gain/loss) on defined-benefit plans regarding companies valued using the equity method	0	(42)	42
Total other comprehensive gains/(losses) not to be reclassified under income/(loss) for the period	(775)	(1,708)	933
Other comprehensive gains/(losses) to be reclassified under income/(loss) for the period:			
Effect of hedge accounting (cash flow hedge) of derivatives	356	(401)	757
Fiscal effect	(98)	110	(208)
Change in translation adjustment reserve	(17,072)	12,449	(29,521)
Total other comprehensive gains/(losses) to be reclassified under income/(loss) for the period	(16,814)	12,158	(28,972)
COMPREHENSIVE RESULT FOR THE PERIOD	45,847	59,369	(13,522)
Of which attributable to:			
– the Group	45,774	59,507	(13,733)
– Minority Interests	73	(138)	211

Consolidated Balance Sheet

<i>(euro thousand)</i>	30.09.2013	31.12.2012	Change
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and other equipment	500,159	475,390	24,769
Development costs	44,621	43,806	815
Goodwill and other indefinite useful life assets	39,855	41,793	(1,938)
Other intangible assets	15,393	17,616	(2,223)
Shareholdings valued using the equity method	20,330	20,500	(170)
Other financial assets (including investments in other companies and derivatives)	217	177	40
Receivables and other non-current assets	5,744	3,957	1,787
Deferred tax assets	46,021	37,333	8,688
TOTAL NON-CURRENT ASSETS	672,340	640,572	31,768
CURRENT ASSETS			
Inventories	221,226	207,087	14,139
Trade receivables	271,680	202,315	69,365
Other receivables and current assets	40,294	44,461	(4,167)
Current financial assets and derivatives	9,864	9,852	12
Cash and cash equivalents	98,204	115,602	(17,398)
TOTAL CURRENT ASSETS	641,268	579,317	61,951
TOTAL ASSETS	1,313,608	1,219,889	93,719
EQUITY AND LIABILITIES			
GROUP EQUITY			
Share capital	34,728	34,728	0
Other reserves	92,613	109,437	(16,824)
Retained earnings/(losses)	206,433	161,331	45,102
Net result for the period	63,373	77,846	(14,473)
TOTAL GROUP EQUITY	397,147	383,342	13,805
TOTAL MINORITY INTERESTS	4,835	10,482	(5,647)
TOTAL EQUITY	401,982	393,824	8,158
NON-CURRENT LIABILITIES			
Non-current payables to banks	283,512	255,320	28,192
Other non-current financial payables and derivatives	12,964	15,159	(2,195)
Other non-current liabilities	4,695	591	4,104
Provisions	5,874	8,082	(2,208)
Provisions for employee benefits	27,786	26,703	1,083
Deferred tax liabilities	9,591	8,303	1,288
TOTAL NON -CURRENT LIABILITIES	344,422	314,158	30,264
CURRENT LIABILITIES			
Current payables to banks	175,806	170,771	5,035
Other current financial payables and derivatives	7,755	4,898	2,857
Trade payables	290,870	247,263	43,607
Tax payables	6,678	4,849	1,829
Other current payables	86,095	84,126	1,969
TOTAL CURRENT LIABILITIES	567,204	511,907	55,297
TOTAL LIABILITIES	911,626	826,065	85,561
TOTAL EQUITY AND LIABILITIES	1,313,608	1,219,889	93,719

Consolidated Cash Flow Statement

<i>(euro thousand)</i>	30.09.2013	30.09.2012	III TR. '13	III TR. '12
Cash and cash equivalents at beginning of period	41,145	26,601	25,366	15,602
Result for the period before taxes	70,795	61,694	23,839	17,456
Depreciation, amortisation/impairment losses	66,059	59,969	22,361	20,867
Capital gains/losses	(318)	(1,859)	(115)	(1,578)
Write-ups/Write-downs of shareholdings	208	1,082	(553)	284
Financial portion of defined funds and payables for personnel	689	783	222	266
Long-term provisions for employee benefits	1,736	1,079	405	575
Other provisions net of utilisations	7,012	3,794	3,174	1,424
Net cash flow generated by operations	146,181	126,542	49,333	39,294
Paid current taxes	(10,529)	(14,587)	(2,197)	(3,589)
Uses of long-term provisions for employee benefits	(2,201)	(1,646)	(561)	(733)
<i>(Increase) reduction in current assets:</i>				
inventories	(22,852)	(5,498)	(6,298)	9,597
financial assets	(40)	(3)	(8)	(4)
trade receivables	(68,977)	(21,707)	(9,610)	890
receivables from others and other assets	(800)	(919)	5,945	1,510
<i>Increase (reduction) in current liabilities:</i>				
trade payables	43,607	(15,852)	(2,214)	(30,447)
payables to others and other liabilities	8,012	14,362	7,855	14,032
Translation differences on current assets	(3,917)	(1,545)	(1,308)	(185)
Net cash flows from/(for) operating activities	88,484	79,147	40,937	30,365
<i>Investments in:</i>				
intangible assets	(12,009)	(14,697)	(2,597)	(3,311)
property, plant and equipment	(90,543)	(81,081)	(27,526)	(23,498)
Business Combination La.Cam Srl.	0	(2,288)	0	(2,288)
Acquisition of 100% of Brembo Argentina S.A. and BNBS Co. Ltd. from third shareholders	(11,674)	0	(11,674)	0
Capital increase in consolidated companies by minority shareholders	0	435	0	0
Price for disposal, or reimbursement value of fixed assets	1,369	4,955	742	2,324
Net cash flows from/(for) investing activities	(112,857)	(92,676)	(41,055)	(26,773)
Dividends paid in the period	(26,015)	(19,511)	0	0
Change in fair value valuation	(209)	414	(167)	348
Loans and financing granted by banks and other financial institutions in the period	142,868	71,488	10,735	(266)
Repayment of long-term loans	(112,537)	(64,213)	(14,937)	(18,026)
Net cash flows from/(for) financing activities	4,107	(11,822)	(4,369)	(17,944)
Total cash flow	(20,266)	(25,351)	(4,487)	(14,352)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	20,879	1,250	20,879	1,250

Consolidated Net Financial Position

<i>(euro thousand)</i>	30.09.2013	31.12.2012
A Cash	129	127
B Other cash equivalents	98,075	115,475
C Derivatives and securities held for trading	252	132
D LIQUIDITY (A+B+C)	98,456	115,734
E Current financial receivables	9,612	9,720
F Current payables to banks	77,325	74,457
G Current portion of non-current debt	98,481	96,314
H Other current financial debts and derivatives	7,755	4,898
I CURRENT FINANCIAL DEBT (F+G+H)	183,561	175,669
J NET CURRENT FINANCIAL DEBT (I-E-D)	75,493	50,215
K Non-current payables to banks	283,512	255,320
L Bonds issued	0	0
M Other non-current financial debts and derivatives	12,964	15,159
N NON-CURRENT FINANCIAL DEBT (K+L+M)	296,476	270,479
O NET FINANCIAL DEBT (J+N)	371,969	320,694

Consolidated Statement of Changes in Equity

<i>(euro thousand)</i>	Share Capital	Other Reserves	Hedging reserve (*)	Retained earnings (losses)	Net result for the period	Group Equity	Result of minority interest	Share Capital and reserves of Minority Interests	Equity of Minority Interests	Equity
Balance at 1 January 2012 (approved data)	34,728	101,791	0	144,138	42,937	323,594	406	9,934	10,340	333,934
Effect of transitional provisions set forth in the IAS 19 amendments				(3,231)		(3,231)		(10)	(10)	(3,241)
Valuation of shareholding using the equity method				(4)		(4)			0	(4)
Balance at 1 January 2012	34,728	101,791	0	140,903	42,937	320,359	406	9,924	10,330	330,689
Allocation of result for the previous year		2,070		21,356	(23,426)	0	(406)	406	0	0
Payment of dividends					(19,511)	(19,511)			0	(19,511)
Capital increase of consolidated companies by minority shareholders						0		435	435	435
<i>Components of comprehensive income:</i>										
Effect of hedge accounting (cash flow hedge) of derivatives (*)			(291)			(291)			0	(291)
Effect of transitional provisions set forth in the IAS 19 amendments				(1,660)		(1,660)		(6)	(6)	(1,666)
Valuation of shareholding using the equity method				(42)		(42)			0	(42)
Change in translation adjustment reserve		12,539				12,539		(90)	(90)	12,449
Net result for the period					48,961	48,961	(42)		(42)	48,919
Balance at 30 September 2012	34,728	116,400	(291)	160,557	48,961	360,355	(42)	10,669	10,627	370,982
Balance at 1 January 2013 (approved data)	34,728	109,711	(274)	166,688	77,770	388,623	(80)	10,580	10,500	399,123
Effect of transitional provisions set forth in the IAS 19 amendments				(5,342)	76	(5,266)		(18)	(18)	(5,284)
Valuation of shareholding using the equity method				(15)		(15)			0	(15)
Balance at 1 January 2013	34,728	109,711	(274)	161,331	77,846	383,342	(80)	10,562	10,482	393,824
Allocation of result for the previous year				51,831	(51,831)	0	80	(80)	0	0
Payment of dividends					(26,015)	(26,015)			0	(26,015)
Acquisition of shares BNBS/Brembo Argentina from third shareholders				(5,954)		(5,954)		(5,720)	(5,720)	(11,674)
<i>Components of comprehensive income:</i>										
Change in translation adjustment reserve		(17,082)				(17,082)		10	10	(17,072)
Effect of transitional provisions set forth in the IAS 19 amendments				(775)		(775)			0	(775)
Effect of hedge accounting (cash flow hedge) of derivatives (*)			258			258			0	258
Net result for the period					63,373	63,373	63		63	63,436
Balance at 30 September 2013	34,728	92,629	(16)	206,433	63,373	397,147	63	4,772	4,835	401,982

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

Explanatory Notes to the Financial Statements

Accounting Principles and Valuation Criteria

The interim report for the third quarter of 2013 was prepared in accordance with Article 154-ter, paragraph 5, 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 Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and short Explanatory Notes.

Reference is made to the 2012 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. It should also be pointed out that the value of inventories has been calculated for Brembo S.p.A. by applying the cost of inventories as at 31 May 2013 to the inventory accounting results as at 30 September 2013.

Actuarial valuations necessary to determine employee benefits are also typically performed during preparation of the annual financial statements. As specified in the Notes to the Consolidated Financial Statements at 31 December 2012, following the (retrospective) application of the IAS 19 amendment effective 1 January 2013, data from the Income Statements and Cash Flow Statement for the third quarter of 2012 and the Balance Sheet at 31 December 2012, which are presented for comparison purposes, have been restated as set forth by IAS 1. In detail, the Group identified the following retrospective effects, arising from the application of the IAS 19 amendment:

<i>(euro thousand)</i>	31.12.2011 <i>reviewed</i>	31.12.2011	<i>Effects arising from the application of IAS 19</i>
EFFECTS ON THE BALANCE SHEET			
Shareholdings valued using the equity method	20,809	20,813	(4)
Deferred tax assets	24,495	23,474	1,021
Provisions for employee benefits	23,824	19,562	4,262
Total equity	330,689	333,934	(3,245)
Group equity	320,359	323,594	(3,235)
Equity of minority interests	10,330	10,340	(10)

<i>(euro thousand)</i>	30.09.2012 <i>reviewed</i>	30.09.2012	<i>Effects arising from the application of IAS 19</i>
EFFECTS ON THE BALANCE SHEET			
Shareholdings valued using the equity method	19,716	19,729	(13)
Deferred tax assets	29,742	28,100	1,642
Provisions for employee benefits	26,850	20,282	6,568
Total equity	370,982	375,921	(4,939)
Group equity	360,355	365,278	(4,923)
Equity of minority interests	10,627	10,643	(16)

<i>(euro thousand)</i>	31.12.2012 <i>reviewed</i>	31.12.2012	<i>Effects arising from the application of IAS 19 amendments</i>
EFFECTS ON THE BALANCE SHEET			
Shareholdings valued using the equity method	20,500	20,515	(15)
Deferred tax assets	37,333	35,533	1,800
Provisions for employee benefits	26,703	19,619	7,084
Total equity	393,824	399,123	(5,299)
Group equity	383,342	388,623	(5,281)
Equity of minority interests	10,482	10,500	(18)

<i>(euro thousand)</i>	30.09.2012 <i>reviewed</i>	30.09.2012	<i>Effects arising from the application of IAS 19</i>
EFFECTS ON THE INCOME STATEMENTS			
Net interest income (expense)	(5,857)	(5,842)	(15)
RESULT BEFORE TAXES	61,694	61,709	(15)
Taxes	(12,775)	(12,771)	(4)
RESULT BEFORE MINORITY INTERESTS	48,919	48,938	(19)
NET RESULT FOR THE PERIOD	48,961	48,980	(19)

This interim report has not been audited.

Consolidation Area

The financial statements for the third quarter of 2013 include the financial statements of the Parent Company Brembo S.p.A., and the financial statements of the companies that Brembo S.p.A. directly or indirectly controls as per IFRSs (IAS 27). Compared to the third quarter of 2012, the following corporate transactions were carried out:

- on 28 December 2012, the company La.Cam S.r.l. acquired the IRAL's business unit previously managed under a business lease agreement (on 13 July 2012 the same transaction was carried out on the IMMC's business unit);
- on 6 August 2013, Brembo S.p.A. acquired 30% of Brembo Nanjing Brake Systems Co. Ltd. from its Chinese partner Donghua Automotive Industrial Co. Ltd. for a total consideration of RMB 90 million (about €11.2 million); following that acquisition, the Brembo Group achieved full control of BNBS Co. Ltd., as the subsidiary Brembo China Brake Systems Co. Ltd. already held 42.25% of the company;
- on 16 September 2013, the Group acquired full control of Brembo Argentina S.A. through the acquisition of the residual 25% stake by Brembo S.p.A. (15%) and Brembo do Brasil Ltda (10%).

The above transactions did not impact the consolidation area, as the companies have already been fully consolidated.

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

The performance of the third quarter of 2013 again confirmed the Group's expectations, with an upward trend in sales performance. Net sales for the third quarter of 2013 amounted to €391,484 thousand, up 14.5% compared to the same period of 2012.

The car and motorbike applications sector reported a highly positive performance, closing the third quarter with growth of 16.4% and 20.9%, respectively, compared to the same period of 2012. The increase for the commercial vehicles and racing sector, though positive, was more moderate (4.4% and 9.1%, respectively).

At geographical level, the Group's two markets of reference, Germany and North America, yielded increases of 6.9% and 28.7%, respectively, compared to the third quarter of 2012. Sales also performed very well in France (+29.7%) and the United Kingdom (+27.3%), whereas growth in Italy, while positive, was more moderate (+7.1%). Compared to the third quarter of 2012, the Chinese market grew 14.6%, Japan 24.9% and India 7.7%. By contrast, sales declined in Brazil (-9.5%).

In the reporting quarter, the **cost of sales** and **other net operating costs** amounted to €270,046 thousand, with a ratio of 69% to sales, essentially in line with 68.6% for the same period of the previous year. Within this item, **costs for capitalised internal works** recognised as intangible assets amounted to €2,147 thousand compared to €2,383 thousand for the third quarter of 2012.

Personnel expenses in the third quarter of 2013 amounted to €70,046 thousand, with a 17.9% ratio to sales, decreasing compared to the same period of the previous year (19.7%). At 30 September 2013, **workforce** numbered 7,241 (6,937 at 31 December 2012 and 7,023 at 30 September 2012).

Gross operating income for the reporting quarter was €51,392 thousand compared to €40,228 thousand in the same period of the previous year, with a ratio to sales of 13.1% (11.8% in 2012).

Net operating income amounted to €29,030 thousand (7.4% of sales), compared to €19,361 thousand (5.7% of sales) for the third quarter of 2012, after depreciation, amortisation and impairment losses of property, plant, equipment and intangible assets for €22,362 thousand, compared to depreciation, amortisation and impairment losses amounting to €20,867 thousand for the third quarter of 2012.

Net interest expense amounted to approximately €5,746 thousand (€1,619 thousand in the third quarter of 2012), and consisted of net exchange losses of €2,045 thousand (net exchange gains of €1,744 thousand in 2012) and net interest expense of €3,701 thousand (€3,363 thousand in the same quarter of the previous year).

Income before taxes was €23,839 thousand (6.1% of sales), compared to €17,458 thousand (5.1% of sales) in the third quarter of 2012.

Based on tax rates applicable for the year under current tax regulations, estimated **taxes** amounted to €3,152 thousand (€4,020 thousand in the third quarter of 2012). The tax rate was 13.2%, compared to 23% for the third quarter of 2012.

Net income for the reporting quarter was €20,137 thousand, after minority interests of €550 thousand.

Net invested capital at the end of the period amounted to €801,737 thousand. At 31 December 2012, it amounted to €741,221 thousand, thus marking an increase of €60,516 thousand.

Net debt at 30 September 2013 was €371,969 thousand, compared to €320,694 thousand at 31 December 2012. The €51,275 thousand increase was mainly due to the combined effect of the following factors:

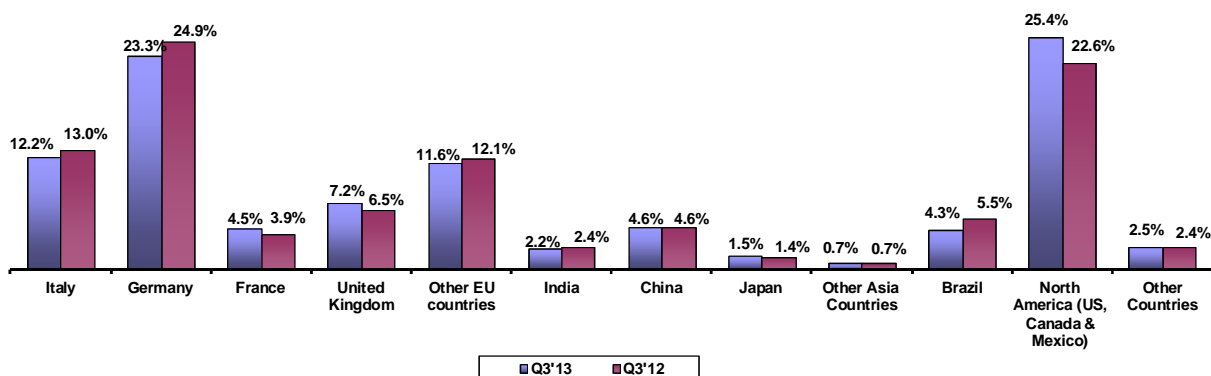
- positive effect of the gross operating income of €150,538 thousand;
- investments in property, plant and equipment and intangible assets totalling €102,552 thousand;
- a decrease in working capital due to the increased business for a total amount of €45,854 thousand;
- the Parent Company paid the approved dividends in May, in the amount of €26,015 thousand;
- payment of taxes for a total of €10,529 thousand.

Sales Breakdown by Geographical Area and Application

The following tables show net sales at 30 September 2013, broken down by geographical area and application.

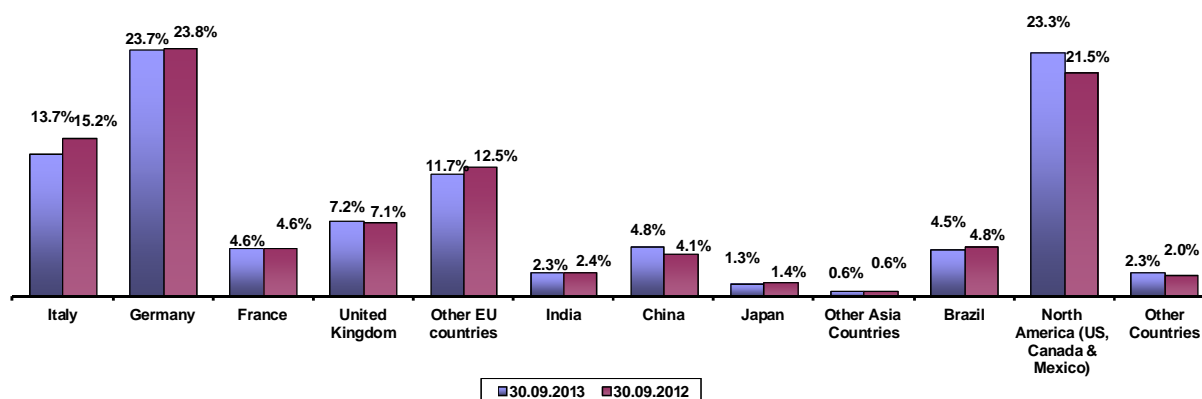
<i>(euro thousand)</i>	Q3'13	%	Q3'12	%	Change	%
GEOGRAPHICAL AREA						
Italy	47,726	12.2%	44,549	13.0%	3,177	7.1%
Germany	91,056	23.3%	85,176	24.9%	5,880	6.9%
France	17,521	4.5%	13,509	3.9%	4,012	29.7%
United Kingdom	28,249	7.2%	22,193	6.5%	6,056	27.3%
Other EU countries	45,419	11.6%	41,234	12.1%	4,185	10.1%
India	8,688	2.2%	8,068	2.4%	620	7.7%
China	17,974	4.6%	15,688	4.6%	2,286	14.6%
Japan	5,952	1.5%	4,765	1.4%	1,187	24.9%
Other Asia Countries	2,809	0.7%	2,288	0.7%	521	22.8%
Brazil	16,903	4.3%	18,668	5.5%	(1,765)	-9.5%
North America (US, Canada & Mexico)	99,547	25.4%	77,343	22.6%	22,204	28.7%
Other Countries	9,640	2.5%	8,542	2.4%	1,098	12.9%
Total	391,484	100.0%	342,023	100.0%	49,461	14.5%

The incidence of the overall turnover

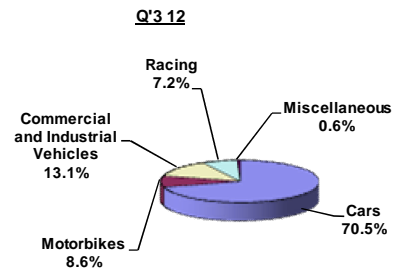
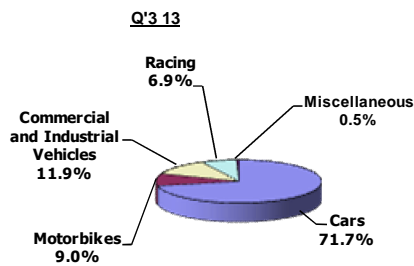


<i>(euro thousand)</i>	30.09.2013	%	30.09.2012	%	Change	%
GEOGRAPHICAL AREA						
Italy	158,688	13.7%	159,034	15.2%	(346)	-0.2%
Germany	273,665	23.7%	248,121	23.8%	25,544	10.3%
France	52,929	4.6%	48,163	4.6%	4,766	9.9%
United Kingdom	83,538	7.2%	74,652	7.1%	8,886	11.9%
Other EU countries	135,287	11.7%	130,430	12.5%	4,857	3.7%
India	26,271	2.3%	25,531	2.4%	740	2.9%
China	54,884	4.8%	42,480	4.1%	12,404	29.2%
Japan	15,475	1.3%	14,877	1.4%	598	4.0%
Other Asia Countries	6,969	0.6%	6,050	0.6%	919	15.2%
Brazil	51,497	4.5%	50,417	4.8%	1,080	2.1%
North America (US, Canada & Mexico)	268,722	23.3%	225,095	21.5%	43,627	19.4%
Other Countries	26,350	2.3%	19,771	2.0%	6,579	33.3%
Total	1,154,275	100.0%	1,044,621	100.0%	109,654	10.5%

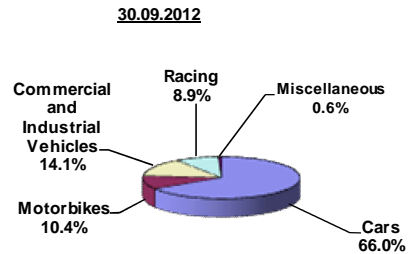
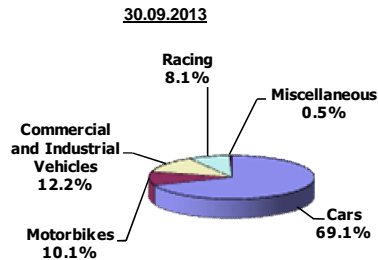
The incidence of the overall turnover



<i>(euro thousand)</i>	Q3'13	%	Q3'12	%	Change	%
APPLICATION						
Cars	280,750	71.7%	241,193	70.5%	39,557	16.4%
Motorbikes	35,404	9.0%	29,273	8.6%	6,131	20.9%
Commercial and Industrial Vehicles	46,661	11.9%	44,702	13.1%	1,959	4.4%
Racing	27,048	6.9%	24,789	7.2%	2,259	9.1%
Miscellaneous	1,621	0.5%	2,066	0.6%	(445)	-21.5%
Total	391,484	100.0%	342,023	100.0%	49,461	14.5%



<i>(euro thousand)</i>	30.09.2013	%	30.09.2012	%	Change	%
APPLICATION						
Cars	798,018	69.1%	689,176	66.0%	108,842	15.8%
Motorbikes	116,867	10.1%	108,889	10.4%	7,978	7.3%
Commercial and Industrial Vehicles	141,187	12.2%	147,030	14.1%	(5,843)	-4.0%
Racing	93,330	8.1%	92,951	8.9%	379	0.4%
Miscellaneous	4,873	0.5%	6,575	0.6%	(1,702)	-25.9%
Total	1,154,275	100.0%	1,044,621	100.0%	109,654	10.5%



Outlook

Order book projections confirm that revenues and margins will rise also in the remaining quarter of the year, in line with current trends.

Directors' Report on Operations and Significant Events

Macroeconomic Context

According to the data published by the International Monetary Fund (IMF) in October, global GDP is expected to increase by 2.9% in 2013. This is a slower growth rate than witnessed in 2012, a fact that indicates a further severe slowdown of the global economy.

Compared to the views published in the July *World Economic Outlook*, analysts lowered their forecast by as much as 0.3 points, primarily owing to the widespread weakening of internal demand in mature countries and slower-than-expected growth in many emerging countries, in addition to the already known crisis in the Eurozone.

The continuing risk of recession in mature countries in the third quarter of 2013 and the emergence of new risks relating to the slowdown of developing economies led the IMF to revise its growth estimates downwards for 2014 as well, forecasting a growth of 3.6% at the global level (-0.2 points compared to July estimates).

Global growth requires additional supporting measures that for advanced economies aim to achieve sustainable levels of debt in the medium/long term and, for emerging economies choose between policies in support of the weakest activities and actions aimed at preventing capital outflows.

As in the second quarter of the year, the scenario is one of a three-speed world, with a Europe that, despite having begun to show the first signs of a recovery, is struggling to emerge from the recessionary phase, United States and Japan capable of recovering and resuming growth, although there remains the risk of a further decline in economic activity or even a possible default, and emerging countries able to keep global economic trends in positive territory, although slowing to a greater degree than expected by analysts.

In the third quarter, the economic scenario in the Eurozone remained the cause of greatest concern. According to the IMF's most recent estimates, in 2013 this area's GDP is expected to decline by a further -0.4%, marking a slight recovery compared to the figure reported in 2012. Indeed, analysts expect the present recessionary phase to continue throughout the current year, although the first signs of a possible emergence from the crisis are beginning to be seen. In further detail, in 2013 the IMF estimated further decreases in GDP for Italy (-1.8%) and Spain (-1.3%) and slight growth for France (+0.2%) and Germany (+0.5%). Outside the Eurozone, one of the few positive notes relates to the United Kingdom, for which the IMF revised its GDP growth estimates for 2013 sharply upwards (+0.5 points), raising them to +1.4%. In addition, the IMF expects that the Eurozone will truly emerge from the recessionary phase only in the coming year, with slight GDP growth in 2014, estimated to reach +1.0%. In short, in the Eurozone the recovery will require more time and could widen the gap between Germany and the other countries, where growth will be slower, or there will even be a decline in the near term. According to Eurostat data, industrial production in the Eurozone increased by 1% in August (0.5% in the EU28), following a decrease on a monthly basis of -1% in July (-0.6% in the EU28). However, on an annual basis the figure is a decline of as much as 2.1 percentage points (-1.6% in the EU28). 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 in the Eurozone reached 12%. Among Member States, the lowest unemployment rates were reported in Austria (4.9%) and Germany (5.2%), whereas the highest were seen in Spain (26.2%) and Greece (27.6%). In Italy, the unemployment rate was 12.2%, above the Eurozone average. The PMI for the Eurozone's manufacturing sector, despite falling to 51.1 points in September from 51.4 points in the previous month, remained above the threshold of 50 points, which indicates an expansion of economic activity.

The economic crisis characterising Europe — Brembo's main market of operation — has certainly influenced the performance of the automotive industry. Registrations of motor vehicles in Europe (EU27) showed the first signs of a recovery, closing the third quarter of 2013 with slight growth of 2.7%. Despite the incipient turnaround, it must be considered that the decline during the same period of the previous year exceeded 9%. In Italy motor vehicle registrations presented a decline of 2.5% in the third quarter of 2013, closing the first nine months of 2013 at just one million vehicles registered. This figure is cause for even greater concern when compared with the 22.5% decline reported in the third quarter of 2012. Registrations also declined slightly in the third quarter in Germany (-1.4%), Europe's primary market, and France (-1.1%). Highly positive signs were seen in the United Kingdom, where registrations in the past three months rose by an impressive +12.1%, reaching a volume of nearly 1.8 million vehicles. This figure appears even more significant if it is considered that the United Kingdom had already shown an increase in registrations in the third quarter of 2012.

In the United States, according to the IMF's latest official estimates, GDP for 2013 is expected to grow by 1.6%. In this case as well, however, the estimates have been revised downwards by 0.1 points. According to the data published by the Federal Reserve, industrial production increased by 0.4%, the most rapid growth reported since February, whereas there had been zero growth in the previous months. In terms of production capacity, the utilisation rate grew from 77.6% to 77.8% in August. Inflation slowed in August, with an increase of 0.1%, compared to the previous 0.2%, thus falling short of analysts' estimates. The job market showed positive signs: in September the unemployment rate fell to 7.2% (from 7.3%). A total of 148,000 jobs were created in the third quarter, compared to 193,000 in August. Retail sales data, following an increase of 0.4% in July, showed growth of 0.2% in August compared to the previous month. The August figure fell short of analysts' projections, which called for +0.3%. It should also be noted that, net of the car component, the increase was just 0.1%. In fact, light vehicle sales closed the third quarter of 2013 with a growth rate of near 9%. Although the data support the conclusion that the United States will continue to enjoy growth, at the end of the third quarter of 2013, which coincides with the end of the U.S. fiscal year, the country suffered a very severe setback with potentially disastrous effects at a global level: at the end of fiscal year 2013, many public services provided by the U.S. government were left unfunded, forcing the federal government to order a temporary suspension of services deemed non-essential.

In Japan, following the 2.0% growth reported in 2012, the IMF's latest October estimates for 2013 now call for a similar increase in GDP. The estimate was revised slightly downwards (-0.1 points) compared to the figure published in July because Japan has been making dramatic changes to its economic policy since the end of the first quarter of the year. Thanks to the liquidity injection programme launched by the central bank, deflation has finally been stopped. This is in addition to other positive aspects, such as wages rising twice as fast as inflation, resulting in an increase in purchasing power, and an unemployment rate that has fallen to 3.7%. In a very brief period of time, Prime Minister Abe's expansionary economic policy permitted GDP growth of 3.8% in the second quarter. Industrial production declined by 0.9% in August compared to the previous month. Although this decline exceeded that forecast by analysts, it must be viewed in light of the +3.4% reported in July and analysts' positive projections for September, when the PMI reached its highest level since the 2011 earthquake. Despite these positive data, the greatest cause of concern remains the sustainability of the public debt and such an aggressive economic policy.

Whereas highly diverse economic and monetary policies are being implemented in "mature" economies, in the major emerging countries economic growth slowed decisively in the third quarter of 2013. According to the IMF, both mature and emerging economies will close 2013 with lower GDP growth than in the previous year (+1.2% and +4.5%, respectively). The sharp slowdown in emerging economies is borne out by IMF's October estimates, which have been revised downwards for the areas concerned by as much as 0.5 points for 2013 and 0.4 points for 2014, whereas the estimates for mature economies have remained unchanged.

In China, the economy seems to have acquired renewed vigour in the third quarter of 2013, as foreseen by analysts. In fact, from July to September Chinese GDP showed its greatest growth since the beginning of the

year, at +7.8%, following the +7.5% reported in the previous quarter and the +7.7% in the first quarter of the year. In line with analysts' projections, which forecast a further slowing of growth in the fourth quarter, the IMF's most recent estimates indicate a 7.6% increase in GDP in 2013, above the government's target of 7.5%. In September, industrial production growth outperformed expectations: +10.2% following on the +10.4% in August. A positive sign may also be seen in retail sales, which, although below expectations, increased by 13.3% in September compared to the same period of 2012, following the 13.4% reported in the previous month. Overall, in the third quarter light vehicle sales yielded growth of 13.6%, bringing the number of vehicles registered in the first nine months of the year to near 16 million.

In India, the IMF's latest estimates have been revised downwards and a 3.8% increase in GDP has been forecast for 2013. While faster than that reported in 2012, this growth rate is too modest for a developing economy such as that of India. In fact, the Indian economy underwent an abrupt slowdown in the third quarter of the year. At the end of August, the local currency reached an historical low against the U.S. dollar. Inflation continued, reaching a seven-month high in September, further complicating the Indian government's effort to combine monetary policy and growth.

Brazil's economic performance is particularly strong, and the country's prospects for the near future are not especially positive. The IMF estimates that its GDP will increase by 2.5% in 2013, following the modest +0.9% reported in 2012. The economic recovery continues to appear weak, although the third quarter showed some signs of a recovery that caused the IMF to maintain its estimates for 2013 unchanged. Nonetheless, the strong inflationary pressures, increased taxes, weak public services and widespread political corruption led analysts to revise their growth estimates for 2014 sharply downwards, thus outlining what seemed a real chance for a recovery. In July 2013 the inflation rate reached 6.27%, coming dangerously close to the maximum level that the Brazilian government had set for itself (6.5%) and reducing the purchase power of broad segments of consumers. Industrial production unexpectedly came to a halt in August, remaining at the same levels as the previous month, when it stood at +2.4%. On an annual basis, industrial production decreased by 1.2%, twice the level estimated by analysts (-0.6%). The government thus finds itself in a bind: on the one hand, inflation requires that measures be applied to halt price increases, while on the other the recession imposes the implementation of economic policies that stimulate growth. Negative signs are coming from the number of car registrations, which, according to the most recent figures published by Anfavea — the association that represents the country's carmakers — in the third quarter of 2013 reported a decrease of slightly over 13% compared to the same period of 2012, closing the first nine months of 2013 with a decline of 2.8%.

In the case of Russia, in October the IMF applied a considerable downwards revision of one percentage point to its 2013 GDP growth forecast, which now stands at +1.5%. The slowdown of the country's economy is tied to both internal factors, which show declining internal demand, and external factors, relating to the weak global demand for oil and gas, the exportation of which is one of the country's main growth factors. In the automotive sector, after having closed the first six months of 2013 with a decline of 5.8% compared to the same period of 2012, registrations of cars and light commercial vehicles underwent an even greater decrease of 7.9% in the third quarter of 2013, closing the first nine months of 2013 with an overall decline of 6.6%.

Turning to commodities trends, the average price of oil increased during the third quarter of the year owing to limited supply from North Africa and concerns relating to the deterioration of the situation in Syria. In the third quarter of 2013, the arithmetic mean of the quotations of the three qualities (WTI, Dubai and Brent) exceeded the threshold of 105 dollars a barrel (to 107.4), up by as much as 8.1 percentage points compared to the previous quarter and 4.4% compared to the same period of 2012. The most rapid growth took place in the first month of the quarter, when the increase compared to the previous month was 5.4%, thus bringing the price to 105.3 dollars a barrel in July. In the two following months growth was more moderate, amounting to +2.7% in August (108.2 dollars a barrel) and +0.7% in September (108.9 dollars a barrel). The prices for non-energy commodities shrank slightly in the third quarter of 2013 (-2.1%) compared to the previous quarter. The increase

in the price of metals (+0.3%) was offset by the decline in the prices of agricultural products.

Currency Markets

In the third quarter of 2013, the dollar depreciated against the euro overall. After initially appreciating to a high of 1.2813 (10 July), the U.S. currency then gave ground, falling to a low of 1.3545 (19 September) and closing slightly over 1.35 (1.3505).

Turning to the currencies of Brembo's main markets of operation at an industrial and commercial level, the English pound depreciated sharply in the first part of the quarter to reach 0.8735 (31 July), after which it underwent a sharp reversal, appreciating to above its opening level for the period to reach a high of 0.8358 on 18 September and then close at essentially the same value (0.83605).

The Polish zloty presented a well defined trend against the euro only in July. Indeed, during this phase it appreciated from its initial levels (it was at a low at the beginning of the period, 4.3365 on 3 September) to around 4.18. However, the currency reached a high in the two following months, when it presented lateral movement (4.1828 on 19 September), closing below the quarterly average (4.2288 on 30 September).

The Czech koruna followed an overall trend of appreciation against the euro, from a low of 26.05 at the beginning of the period (4 July) to a high of 25.626 (26 August). In September the trend was sharply reversed, going to below 25.9, but the currency then changed direction, closing not far from the high at 25.73 at the end of the period.

By contrast, the Swedish krona showed a lack of directionality in its performance against the euro, remaining solidly anchored to the quarterly average (8.6798). The sole peaks (low of 8.7898 on 8 July and high of 8.5521 on 24 July) promptly subsided into lateral movement. Closing rate: 8.6575.

In the Asian area, the Japanese yen continued its trend of appreciation against the euro at an essentially constant rate. The low of 134.57 was reached on 20 September. The Japanese currency then underwent an abrupt reversal in the final ten days of the quarter, recovering to close at 131.78, still above the quarterly average.

In contrast with the trend towards the appreciation of the Chinese yuan/renminbi against the major G10 currencies in the first six months of the year, the currency depreciated sharply against the euro in the third quarter. From a high of 7.8601 reached on 10 July, the Chinese currency lost over 5% of its value, falling to a low of 8.2887 on 19 September and then closing the period at essentially the same level (8.2645).

Like all emerging market currencies during this period of the year, the Indian rupee depreciated rapidly in July and August, reaching a low of 92.065 on 28 August. During that period, it lost over 18% of its value compared to its opening level for the third quarter. It then recovered part of the losses sustained, closing September with essentially lateral movement at 84.844.

In Central and South America, the Brazilian real, like the Indian rupee, lost ground to the major G10 currencies, depreciating from an initial 2.8916 on 8 July to 3.2513 on 22 August. However, in the second half of the quarter it recovered sharply, closing (3.0406) at around the quarterly average.

Following initial appreciation to 16.3309 on 18 July, the Mexican peso then depreciated severely against the

euro, closing the period at a low of 17.8462 on 30 September.

Finally, the Argentine peso continued to depreciate constantly against the euro, shedding an additional 11% of its value at the beginning of the period and reaching a low of 7.826594 on 27 September to close at 7.823580 on 30 September.

Operating Structure and Reference Markets

Cars

In the third quarter of 2013, the global light vehicles market reported a slight increase in sales of 4.0%, owing primarily to growth in China and the United States and a slight recovery in Europe.

In fact, on the whole the Western European car market presented a slight increase in registrations of 2.4% compared to the third quarter of 2012, which, however, was not enough to close the negative gap opened in the first half of the year, bringing the overall change for the first nine months to -4% compared to the same period of 2012. Of the top five markets, only Great Britain and Spain reported increases in car sales in the reporting quarter of 12.1% and 7.2%, respectively, compared to the same period of 2012, whereas sales declined in Italy (-2.5%), France (-1.1%) and Germany (-1.4%), which however remained the number-one country in Europe by car sales. Eastern Europe also presented an uptrend in car registrations of 5.8% in the third quarter compared to the previous year, but in this case as well, the growth was not sufficient to offset the decrease in the first half of the year, resulting in an overall decline for the first nine months of 2013 of 3.4% compared to the same period of 2012.

By contrast, Russia closed the reporting quarter of 2013 in negative territory, with an overall decline in light vehicle registrations of 7.9% compared to the third quarter of 2012.

The uptrend continued in the United States, with light vehicle sales increasing by 9.0% overall in the third quarter compared to the third quarter of 2012. By contrast, there were downtrends in Brazil and Argentina, which closed the third quarter with an overall decline in sales of 5.6%.

With reference to Asian markets, China closed the third quarter with a very positive performance and a +13.6% increase in sales of light vehicles compared to third quarter of 2012, confirming its position as the world's top market. The Japanese market showed a stable performance, closing the third quarter of 2013 with slight growth of 0.6% compared to the third quarter of 2012.

Within this scenario, in the third quarter of 2013 Brembo reported €280,750 thousand in net sales of car applications, accounting for 71.7% of the Group's turnover, up 16.4% compared to the same period of 2012.

Commercial and Industrial Vehicles

In the third quarter of 2013, the commercial vehicles market in Europe (EU27+EFTA), Brembo's market of reference, remained essentially unchanged (-0.5%) compared to the same period of 2012.

During that same period, in Europe sales of light commercial vehicles (up to 3.5 tonnes) decreased by 1.1 percentage points overall compared to 2012. Turning to the top five European markets by sales volumes, the

English and Spanish markets reported growth of 1.9% and 22%, respectively, compared to the third quarter of 2012; the French market was stable (-0.2%) and the German and Italian markets posted declines of 3.2% and 14%, respectively. In the reporting quarter, Eastern European countries presented slight growth of +1.7% compared to the same period of 2012.

The segment of light commercial vehicles over 3.5 tonnes showed a slight recovery, closing the third quarter at +1.4% compared to the same period of 2012. Registrations remained essentially unchanged (+0.7%) on the German market. In France and Italy, sales declined by 1.2% and 17.1%, respectively, whereas the British market increased by 18.2%. During the same period, sales of medium and heavy commercial vehicles in Eastern European countries closed the third quarter with growth of 3.1% compared to 2012. In the third quarter of 2013, Brembo's net sales of applications in this segment amounted to €46,661 thousand, up 4.4% compared to the same period of 2012.

Motorbikes

Motorbike registrations contracted further in the third quarter of 2013. Compared to the same period of 2012, sales decreased by 8% in the third quarter. All the main European reference markets reported losses, except Germany and Great Britain, where sales increased by 3% and 4%, respectively, in the third quarter of the year. Italy showed the most significant decrease (-23%), followed by Spain (-11%) and France (-7%). Overall, in the first nine months of the year, the number of registrations was 13% lower than in the same period of the previous year; the decline was more marked in Italy, France and Spain (-28%, -16.6% and -12%, respectively) and across all displacements.

The U.S. market for motorbikes with displacements in excess of 600cc grew by 16.3% in the third quarter of 2013 compared to the same period of 2012. In the first nine months of the year, the large-displacement motorbike market reported slight growth of nearly 0.3%, owing to the excellent results for the previous. In the U.S., Harley Davidson held a 54% share of the market for motorbikes with displacements over 600cc, closing the first nine months of the year with 6.6% growth.

The Japanese market for motorbikes with displacements in excess of 50cc grew by 35.5% in the third quarter of 2013 compared to the same period of 2012. Overall, in the first nine months of the year, registrations rose by 13.6% compared to 2012. This result was due to an increase evenly distributed amongst all motorbikes with displacements greater than 50cc.

Among emerging markets, the Indian market closed the first nine months of 2013 with overall stability (+0.2%). Considering the results for vehicles with displacements equal to or greater than 125cc, it may be noted that sales and production declined by 5% and 4%, respectively, compared to the same period of 2012.

In the third quarter of 2013, Brembo's net sales of motorbike applications amounted to €35,404 thousand, up 20.9% compared to the third quarter of 2012.

Racing

In the racing sector, where Brembo has maintained undisputed supremacy for years, the Group operates through four leading brands: Brembo Racing (braking systems for race cars and motorbikes), AP Racing (braking systems and clutches for race cars), Marchesini (magnesium and aluminium wheels for race motorbikes), and Sabelt (seats and seat belts).

In the third quarter of 2013, Brembo's net sales of racing applications amounted to €27,048 thousand,

increasing by 9.1% compared to the same period of 2012.

Significant Events During the Quarter

On 6 August 2013, Brembo S.p.A. acquired 30% of Brembo Nanjing Brake Systems Co. Ltd. from its Chinese partner Donghua Automotive Industrial Co. Ltd. for a total consideration of RMB 90 million (about €11.2 million); following that acquisition, Brembo Group achieved full control of BNBS Co. Ltd., as the subsidiary Brembo China Brake Systems Co. Ltd. already held 42.25% of the company.

On 16 September 2013, the Group acquired full control of Brembo Argentina S.A. through the acquisition of the residual 25% stake by Brembo S.p.A. (15%) and Brembo do Brasil Ltda. (10%).

Opt-out from the Obligations to Publish Disclosure Documents

On 17 December 2012, the Board of Directors resolved to adopt the opt-out system envisaged by Article 70, paragraph 8, and Article 71, paragraph 1-*bis*, of the Rules for Issuers, thus choosing to opt out from the obligation to publish the required disclosure documents in the case of significant mergers, de-mergers, capital increase by way of contributions in kind, acquisitions and disposals.

Buy-back and Sale of Own Shares

The General Shareholders' Meeting held on 23 April 2013 passed a new plan for the buy-back and sale of own shares with the following objectives:

- undertaking investments, with the possible aim of supporting the liquidity of Company's stock, so as to foster the regular conduct of trading beyond normal fluctuations related to market performance;
- giving effect to any share-based incentive plans for the directors, employees and collaborators of the company and/or its subsidiaries; and
- pursuing any swap transactions with equity investments as part of industrial projects.

The maximum number of shares that may be purchased is 2,680,000 which, together with 1,747,000 own shares already in Brembo's portfolio (2.616% of share capital), represents 6.63% of the Brembo S.p.A.'s share capital. The minimum and maximum purchase prices have been set at €0.52 (fifty-two euro cents) and €14.00 (fourteen euro), respectively, for a maximum expected outlay of €37,520,000. The authorisation to buy back own shares has a duration of 18 months from the date of the shareholders' resolution.

Brembo has neither bought nor sold own shares in the first nine months of 2013.

Significant Events After 30 September 2013

There were no significant events after 30 September 2013.

Statement Pursuant to Article 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 at 30 September 2013, approved on 12 November 2013.

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

DECLARE

in accordance with the second paragraph of Article 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 at 30 September 2013 corresponds with the documented results, books and accounting records.

A handwritten signature in black ink is written over a rectangular stamp. The stamp contains the text "Matteo Tiraboschi" on the top line and "BREMBO S.p.A." on the bottom line. The signature is a stylized, cursive script.

BREMBO S.p.A.

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

Share capital: € 34,727,914.00

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