



Stezzano, 11 May 2017

**BREMBO: Q1 REVENUES UP 12.2% TO €632.6 MILLION,
NET PROFIT AT €67.7 MILLION (+12.0%).**

Compared to Q1 2016:

- **Revenues** grew by 12.2% to €632.6 million (+7.9% on a like-for-like consolidation and exchange rate basis)
- **EBITDA** +14.5% to €125.5 million; **EBIT** +10.4% to €92.7 million
- **Net investments for the quarter** amounted to €60.7 million
- **Net financial debt** amounted to €226.8 million, up by €31.2 million compared to 31 December 2016

Q1 2017 results:

(€ million)	2017	2016	Change
Revenues	632.6	563.6	+12.2%
EBITDA % on revenues	125.5 19.8%	109.7 19.5%	+14.5%
EBIT % on revenues	92.7 14.7%	84.0 14.9%	+10.4%
Pre-tax profit % on revenues	91.4 14.4%	79.5 14.1%	+14.9%
Net profit % on revenues	67.7 10.7%	60.4 10.7%	+12.0%
	31.3.17	31.12.16	
Net financial debt	226.8	195.7	+15.9%

Chairman Alberto Bombassei stated: “I am satisfied with the results achieved by the Group in the first three months of the year, in spite of global economic growth that fell slightly short of expectations. Brembo has had a promising start to 2017, driven by contributions from across all of our main business lines. The quarterly figures examined and approved today by the Board of Directors allow us to look to the future with informed optimism and renewed determination. With reference to market performance, I would like to emphasise that in the first quarter of this year, as in the fourth quarter of 2016, we saw modest, yet promising signs of a recovery in the South American market, and particularly in the countries where Brembo operates, i.e. Argentina and Brazil. Although this growth has a marginal impact on results, and is thus to be viewed with the due caution, it nonetheless represents possible confirmation of the trend reversal in this area we had been waiting for in the past few years.”

Executive Deputy Chairman Matteo Tiraboschi stated: “The good results achieved in the first quarter have provided us with an ideal start to a year which will see us directing a large part of our efforts to bringing recent industrial investments to fruition. In fact, the most important challenge for the Group in 2017 will be to commission our new plants in Mexico, China and Europe. The building of these new production hubs in record times, as well as the fast-moving pace at which the installations and required preparatory works are proceeding, means that we can confirm all the targets set by us for the plants to enter into full production.”

Results for the First Quarter of 2017

Brembo's Board of Directors chaired by Alberto Bombassei examined and approved the Group's quarterly results at 31 March 2017.

Brembo Group's net consolidated revenues amounted to €632.6 million for Q1 2017, up by 12.2% compared to Q1 2016. On a like-for-like consolidation and exchange rate basis, i.e., excluding the contribution of the company Asimco Meilian Braking Systems (Langfang) Co. Ltd, consolidated as of 1 May 2016, revenues increased by 7.9%.

All the market segments where the Group operates contributed positively to the quarterly results, except for the commercial vehicles sector, which declined slightly (-0.8%) in comparison with a particularly favourable first quarter 2016. Car applications rose by 15.2%, the motorbike sector grew by 9.1% and the racing sector by 3.8%.

At geographical level, sales in Italy grew by 18.0%, and in Germany by 6.1%; by contrast, sales declined by 1.6% in the United Kingdom (-0.4% on a like-for-like exchange rate basis) and by 4.7% in France.

Asia continued to show an uptrend, with India improving by 22.2%, China by 104.4% (+48.5% on a like-for-like consolidation and exchange rate basis); only Japan decreased by 29.8%.

The North American market performed well, with sales onto the U.S., Mexican and Canadian markets up by 5.7% (+2.7% on a like-for-like exchange rate basis), and in South America (Brazil and Argentina) up by 28.4% (+10.9% on a like-for-like exchange rate basis).

In Q1 2017, the cost of sales and other net operating costs amounted to €402.1 million, with a 63.6% ratio to revenues, down in percentage terms compared to the same period of the previous year (64.7% ratio to revenues at €364.5 million).

Personnel expenses amounted to €107.7 million, with a 17.0% ratio to revenues, slightly increasing compared to the same period of the previous year (16.4% of revenues). At 31 March 2017, workforce numbered 9,235, increasing by 1,155 compared to Q1 2016 (671 of which refer to the newly acquired Asimco Meilian Braking Systems (Langfang) Co. Ltd.).

EBITDA for Q1 2017 amounted to €125.5 million (EBITDA margin: 19.8%), up by 14.5% compared to the same period of 2016.

EBIT amounted to €92.7 million (EBIT margin: 14.7%), up 10.4% compared to Q1 2016.

Net interest expense for the quarter amounted to €1.4 million (€4.5 million in Q1 2016); this item includes interest expense amounting to €2.0 million (€2.3 million in Q1 2016) and net exchange gains for €0.6 million (net exchange losses of €2.2 million in Q1 2016).

Pre-tax profit was €91.4 million (14.4% of revenues), compared to €79.5 million for Q1 2016.

Based on the tax rates applicable under current tax regulations in force in each country, estimated taxes amounted to €22.9 million (€19.0 million in Q1 2016), with a tax rate of 25.0% compared to 23.9% for the same period of 2016.

The reporting period ended with a net profit of €67.7 million, up 12.0% compared to €60.4 million for the same period of the previous year.

Net financial debt at 31 March 2017 was €226.8 million, up by €72.1 million compared to €154.8 million at 31 March 2016 and to €31.2 million at 31 December 2016.

Significant Events After 31 March 2017

The General Shareholders' Meeting held on 20 April 2017 approved, *inter alia*, the appointment of the new corporate boards, the five-for-one stock split (scheduled to take effect on 29 May), the Financial Statements of the Parent Brembo S.p.A. for the year ended 31 December 2016 and the distribution of a gross dividend of €1.00 per outstanding share. Payment date for the dividend will be 24 May 2017, ex-coupon No. 26 on 22 May and record date 23 May.

The General Shareholders' Meeting also approved the proposal to voluntarily withdraw Brembo's shares from the STAR segment of Borsa Italiana. This withdrawal has become effective on 3 May 2017, after the publication of Borsa Italiana's Notice No. 8025 on 24 April 2017.

Foreseeable Evolution

Order book projections allow us to look to the future with cautious optimism, despite the scenario of strong global volatility.

Policy for the management of periodic financial reporting on a voluntary basis

Even after its exit from the STAR segment, the Company will continue to publish interim financial reports, as previously announced, and in a manner consistent with the information made available until now, with effect from the approval of this interim financial report, and until otherwise decided by the Board of Directors.

Please refer to the Company's website (<http://www.brembo.com/en/investors/calendar>) for information about the content, timing and methods of disclosure.

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

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

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CONSOLIDATED STATEMENT OF INCOME

<i>(euro million)</i>	31.03.2017	31.03.2016	Change	%
Sales of goods and services	632.6	563.6	69.0	12.2%
Other revenues and income	4.5	3.2	1.3	42.1%
Costs for capitalised internal works	6.6	4.0	2.6	66.7%
Raw materials, consumables and goods	(308.3)	(283.4)	(24.8)	8.8%
Non-financial interest income (expense) from investments	2.8	2.9	(0.1)	-3.8%
Other operating costs	(105.0)	(88.3)	(16.7)	18.9%
Personnel expenses	(107.7)	(92.3)	(15.4)	16.7%
GROSS OPERATING INCOME	125.5	109.7	15.9	14.5%
<i>% of sales of goods and services</i>	19.8%	19.5%		
Depreciation, amortisation and impairment losses	(32.8)	(25.7)	(7.1)	27.7%
NET OPERATING INCOME	92.7	84.0	8.7	10.4%
<i>% of sales of goods and services</i>	14.7%	14.9%		
Net interest income (expense) and interest income (expense) from investments	(1.4)	(4.5)	3.1	-69.6%
RESULT BEFORE TAXES	91.4	79.5	11.9	14.9%
<i>% of sales of goods and services</i>	14.4%	14.1%		
Taxes	(22.9)	(19.0)	(3.9)	20.3%
RESULT BEFORE MINORITY INTERESTS	68.5	60.5	8.0	13.2%
<i>% of sales of goods and services</i>	10.8%	10.7%		
Minority interests	(0.8)	(0.1)	(0.7)	875.3%
NET RESULT FOR THE PERIOD	67.7	60.4	7.3	12.0%
<i>% of sales of goods and services</i>	10.7%	10.7%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	1.04	0.93		

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

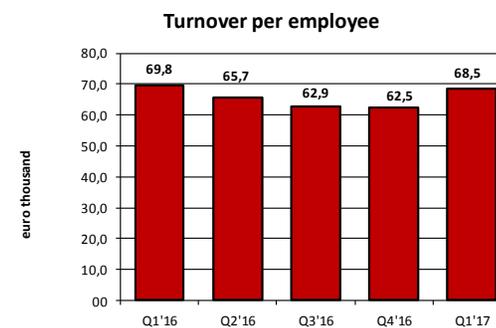
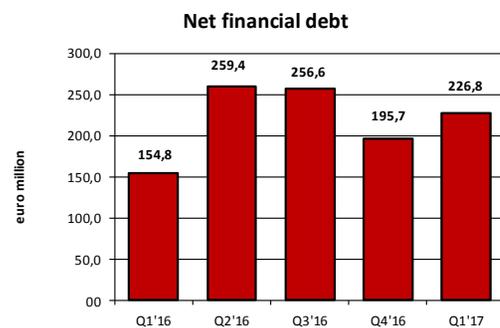
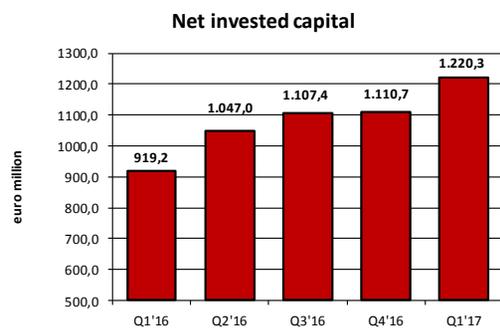
<i>(euro million)</i>	A	B	C	A-B	A-C
	31.03.2017	31.12.2016	31.03.2016	Change	Change
ASSETS					
NON-CURRENT ASSETS					
Property, plant, equipment and other equipment	777.6	746.9	604.1	30.7	173.5
Development costs	52.6	49.3	42.4	3.3	10.2
Goodwill and other indefinite useful life assets	88.7	88.9	41.7	(0.2)	46.9
Other intangible assets	50.3	52.1	15.2	(1.8)	35.1
Shareholdings valued using the equity method	29.8	27.0	24.9	2.8	4.9
Other financial assets (including investments in other companies and derivatives)	6.9	6.9	11.7	0.0	(4.8)
Receivables and other non-current assets	4.8	4.8	5.0	0.0	(0.2)
Deferred tax assets	63.8	57.7	59.8	6.1	4.0
TOTAL NON-CURRENT ASSETS	1,074.4	1,033.5	804.7	40.9	269.7
CURRENT ASSETS					
Inventories	299.7	283.2	255.4	16.5	44.3
Trade receivables	445.0	357.4	378.5	87.7	66.6
Other receivables and current assets	46.2	43.8	36.6	2.4	9.6
Current financial assets and derivatives	0.8	0.9	0.7	(0.1)	0.1
Cash and cash equivalents	318.2	245.7	245.2	72.5	72.9
TOTAL CURRENT ASSETS	1,110.0	931.0	916.4	179.0	193.5
TOTAL ASSETS	2,184.4	1,964.5	1,721.2	219.9	463.2
EQUITY AND LIABILITIES					
GROUP EQUITY					
Share capital	34.7	34.7	34.7	0.0	0.0
Other reserves	146.1	135.7	123.9	10.3	22.2
Retained earnings/(losses)	687.5	446.8	509.9	240.6	177.6
Net result for the period	67.7	240.6	60.4	(173.0)	7.3
TOTAL GROUP EQUITY	935.9	857.9	728.9	78.0	207.0
TOTAL MINORITY INTERESTS	25.1	24.4	5.8	0.7	19.3
TOTAL EQUITY	961.0	882.3	734.7	78.7	226.3
NON-CURRENT LIABILITIES					
Non-current payables to banks	349.0	210.7	235.1	138.3	113.9
Other non-current financial payables and derivatives	2.7	5.2	3.2	(2.5)	(0.5)
Other non-current liabilities	10.0	8.7	2.4	1.4	7.7
Provisions	24.0	21.7	15.2	2.3	8.9
Provisions for employee benefits	32.4	32.7	29.7	(0.3)	2.7
Deferred tax liabilities	31.4	31.6	11.8	(0.3)	19.5
TOTAL NON -CURRENT LIABILITIES	449.5	310.6	297.3	138.9	152.2
CURRENT LIABILITIES					
Current payables to banks	190.9	225.6	161.3	(34.7)	29.6
Other current financial payables and derivatives	3.3	0.8	1.1	2.5	2.2
Trade payables	442.6	428.5	379.1	14.1	63.5
Tax payables	24.4	11.8	33.6	12.5	(9.3)
Short term provisions	2.2	2.5	4.4	(0.3)	(2.2)
Other current payables	110.5	102.4	109.6	8.1	0.9
TOTAL CURRENT LIABILITIES	773.8	771.7	689.1	2.2	84.7
TOTAL LIABILITIES	1,223.3	1,082.2	986.5	141.1	236.9
TOTAL EQUITY AND LIABILITIES	2,184.4	1,964.5	1,721.2	219.9	463.2

NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	31.03.2017	%	31.03.2016	%	Change	%
GEOGRAPHICAL AREA						
Italy	78.2	12.4%	66.3	11.8%	11.9	18.0%
Germany	140.4	22.2%	132.3	23.5%	8.1	6.1%
France	21.6	3.4%	22.7	4.0%	(1.1)	-4.7%
United Kingdom	52.0	8.2%	52.8	9.4%	(0.8)	-1.6%
Other European countries	57.0	9.0%	51.5	9.1%	5.5	10.7%
India	17.0	2.7%	13.9	2.5%	3.1	22.2%
China	63.2	10.0%	30.9	5.5%	32.3	104.4%
Japan	8.2	1.3%	11.7	2.1%	(3.5)	-29.8%
Other Asian Countries	4.2	0.7%	3.3	0.6%	0.9	28.0%
South America (Argentina and Brazil)	15.5	2.4%	12.0	2.1%	3.4	28.4%
North America (USA, Mexico & Canada)	171.0	27.0%	161.8	28.8%	9.2	5.7%
Other Countries	4.2	0.7%	4.3	0.6%	(0.1)	-2.8%
Total	632.6	100.0%	563.6	100.0%	69.0	12.2%

<i>(euro million)</i>	31.03.2017	%	31.03.2016	%	Change	%
APPLICATION						
Passengers Car	476.4	75.3%	413.5	73.4%	62.9	15.2%
Motorbike	62.7	9.9%	57.5	10.2%	5.2	9.1%
Commercial Vehicle	57.6	9.1%	58.1	10.3%	(0.5)	-0.8%
Racing	35.7	5.7%	34.4	6.1%	1.3	3.8%
Miscellaneous	0.1	0.0%	0.1	0.0%	0.0	-21.6%
Total	632.6	100.0%	563.6	100.0%	69.0	12.2%

MAIN RATIOS



	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
Net operating income/Sales of goods and services	14.9%	15.3%	14.2%	13.0%	14.7%
Result before taxes/Sales of goods and services	14.1%	14.8%	13.5%	12.4%	14.4%
Investments/Sales of goods and services	9.2%	10.9%	11.1%	15.1%	9.7%
Net Financial debt/Equity	21.1%	34.3%	31.3%	22.2%	23.6%
Net interest expense(*)/Sales of goods and services	0.4%	0.4%	0.4%	0.5%	0.3%
Net interest expense(*)/Net operating income	2.7%	2.6%	3.1%	3.9%	2.1%
ROI	37.1%	34.2%	28.9%	26.2%	30.8%
ROE	33.4%	35.5%	29.1%	24.9%	28.9%

Notes:

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

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

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