



Stezzano, 27 July 2017

**BREMBO: H1 2017 REVENUES +10.1% TO €1,262.4 MILLION,
EBITDA €255.5 MILLION (+12.8%; EBITDA MARGIN: 20.2%)
NET PROFIT AT €136.7 MILLION (+7.6%).**

Compared to H1 2016:

- **Revenues** increased by 10.1% to €1,262.4 million
- **EBITDA** +12.8% to €255.5 million; **EBIT** +9.3% to €189.5 million
- **Net investments** amounted to €161.5 million
- **Net financial debt** was €259.7 million, in line with the first half of the previous year

H1 2017 results:

(€ million)	2017	2016	Change
Revenues	1,262.4	1,146.8	+10.1%
EBITDA	255.5	226.5	+12.8%
% on revenues	20.2%	19.8%	
EBIT	189.5	173.3	+9.3%
% on revenues	15.0%	15.1%	
Pre-tax profit	186.5	166.0	+12.3%
% on revenues	14.8%	14.5%	
Net profit	136.7	127.1	+7.6%
% on revenues	10.8%	11.1%	
Net financial debt	259.7	259.4	+0.10%

Chairman Alberto Bombassei stated: “I believe that the good results reported for the first half of 2017 and approved today by the Board of Directors are particularly satisfying because they were achieved thanks to a dynamic across-the-board performance of the market segments and geographical areas. Beside the excellent performance of motorbike applications — a business that is growing sharply at global level, driven particularly by India, but back to healthy growth in Europe as well — mention should also be made of the results of the car applications sector, supported by a particularly innovative product portfolio and effective sales and production strategies. In geographical terms, the sustained growth in the Indian and Chinese markets is accompanied by growth in the United States, which still ranks as Brembo’s top world market, good progress in Italy and renewed signs of recovery in South America.”

Executive Deputy Chairman Matteo Tiraboschi stated: “In the first half of 2017, we achieved a very healthy set of objectives, including the strengthening of our industrial footprint secured by the rapid progress of works on the new plants in China, Mexico and Poland. An analysis of the results confirms, on the one hand, a two-digit percentage increase in revenues. On the other hand, it is important to note the extraordinary EBITDA margin, above 20%, also achieved thanks to the rapid start-up of plants in the USA and Mexico. Net financial debt remained in line with the first half of 2016, despite the substantial investments in production capacity. All this confirms once again the Company’s excellent state of health and the effectiveness of our medium- and long-term strategies.”

H1 2017 Results

Brembo's Board of Directors chaired by Alberto Bombassei examined and approved the Group's half-year results at 30 June 2017.

Brembo Group's net consolidated revenues amounted to €1,262.4 million in the first half of 2017, up by 10.1% compared to the same period of the previous year. On a like-for-like consolidation basis, excluding the contribution of Asimco Meilian Braking Systems (Langfang) Co. Ltd., consolidated as of 1 May 2016, revenues increased by 8.0%.

Almost all market segments in which the Group operates positively contributed to the results of the reporting period. Car applications rose by 11.6%, motorbike applications by 15.6% and the racing sector by 4.6%. The commercial vehicles sector closed the first half of the year with a slight decrease, at -2.6%.

At geographical level, sales in Italy grew by 15.6% and in Germany by 3.3%, while France and the United Kingdom recorded a decrease of 13.1% and 1.2%, respectively.

The positive trend of Asian countries continued in the period: India grew by 31.7% (+24.9% on a like-for-like exchange rate basis), and China by 63.2%, also thanks to the contribution of Asimco Meilian Braking System. By contrast, Japan declined by 10.5%.

American countries also performed well, with the NAFTA area (United States, Mexico and Canada) up by 6.0% and the South America (Brazil and Argentina) increasing by 25.2% (+13.9% on a like-for-like exchange rate basis), confirming the signs of a possible market recovery that had started to emerge in late 2016.

In H1 2017, the cost of sales and other net operating costs amounted to €797.3 million, with a 63.2% ratio to revenues, down in percentage terms compared to the same period of the previous year (H1 2016: 64.0%).

Personnel expenses amounted to €215.8 million, with a 17.1% ratio to revenues, compared to €192.2 million (16.8% ratio to revenues) for the first half of 2016. Workforce at 30 June 2017 numbered 9,429, an increase of 387 employees compared to 31 December 2016 (total workforce: 9,042) and of 546 employees compared to 30 June 2016 (total workforce: 8,883).

EBITDA for H1 2017 amounted to €255.5 million (EBITDA margin: 20.2%), up by 12.8% compared to the same period of 2016.

Depreciation and amortisation for the reporting period grew by 24.2% to €66.0 million, due to the significant investments made in previous periods.

EBIT amounted to €189.5 million (EBIT margin: 15.0%), up 9.3% compared to H1 2016.

Net interest expense for the period amounted to €3.1 million (€7.3 million at 30 June 2016); this item included interest expense for €4.3 million (€4.6 million in H1 2016) and net exchange gains for €1.1 million (net exchange losses of €2.8 million in the same period of the previous year).

Pre-tax profit was €186.5 million (14.8% of revenues), compared to €166.0 million for H1 2016.

Based on the tax rates applicable under current tax regulations, estimated taxes amounted to €48.0 million (€38.6 million in H1 2016), with a tax rate of 25.7% (23.2% in the same period of the previous year).

The reporting period ended with a net profit of €136.7 million, up 7.6% compared to €127.1 million for the same period of the previous year.

Net financial debt at 30 June 2017 was €259.7 million, essentially in line with the figure at 30 June 2016, but increasing compared to 30 December 2016 (+€64.0 million), chiefly due to the considerable investments undertaken in the first half of the year (€161.5 million) in order to achieve the previously announced increase in production capacity.

Foreseeable Evolution

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

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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 audited Statement of Income, the Statement of Financial Position and the Cash Flow Statement.

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CONSOLIDATED STATEMENT OF INCOME

<i>(euro million)</i>	30.06.2017	30.06.2016	Change	%	Q2'17	Q2'16	Change	%
Sales of goods and services	1,262.4	1,146.8	115.6	10.1%	629.9	583.3	46.6	8.0%
Other revenues and income	10.7	15.6	(4.8)	-31.0%	6.2	12.4	(6.1)	-49.6%
Costs for capitalised internal works	12.9	8.3	4.6	55.9%	6.3	4.3	2.0	46.0%
Raw materials, consumables and goods	(607.6)	(574.3)	(33.3)	5.8%	(299.3)	(290.9)	(8.4)	2.9%
Non-financial interest income (expense) from investments	6.2	5.9	0.3	4.6%	3.4	3.0	0.4	12.6%
Other operating costs	(213.4)	(183.6)	(29.8)	16.3%	(108.5)	(95.3)	(13.1)	13.8%
Personnel expenses	(215.8)	(192.2)	(23.6)	12.3%	(108.1)	(100.0)	(8.1)	8.1%
GROSS OPERATING INCOME	255.5	226.5	29.0	12.8%	130.0	116.8	13.2	11.3%
<i>% of sales of goods and services</i>	20.2%	19.8%			20.6%	20.0%		
Depreciation, amortisation and impairment losses	(66.0)	(53.2)	(12.9)	24.2%	(33.3)	(27.5)	(5.8)	21.0%
NET OPERATING INCOME	189.5	173.3	16.2	9.3%	96.8	89.3	7.4	8.3%
<i>% of sales of goods and services</i>	15.0%	15.1%			15.4%	15.3%		
Net interest income (expense) and interest income (expense) from investments	(3.0)	(7.3)	4.3	-58.7%	(1.7)	(2.9)	1.2	-41.8%
RESULT BEFORE TAXES	186.5	166.0	20.5	12.3%	95.1	86.5	8.6	10.0%
<i>% of sales of goods and services</i>	14.8%	14.5%			15.1%	14.8%		
Taxes	(48.0)	(38.6)	(9.4)	24.4%	(25.1)	(19.5)	(5.6)	28.5%
RESULT BEFORE MINORITY INTERESTS	138.5	127.5	11.0	8.7%	70.0	67.0	3.1	4.6%
<i>% of sales of goods and services</i>	11.0%	11.1%			11.1%	11.5%		
Minority interests	(1.8)	(0.4)	(1.4)	369.7%	(1.0)	(0.3)	(0.7)	228.6%
NET RESULT FOR THE PERIOD	136.7	127.1	9.6	7.6%	69.0	66.7	2.4	3.5%
<i>% of sales of goods and services</i>	10.8%	11.1%			11.0%	11.4%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.42	0,39*			0.21	0,20*		

* Adjusted after the 5-for-1 stock split effective 29 May 2017.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(euro million)</i>	A	B	C	A-B	A-C
	30.06.2017	31.12.2016	30.06.2016	Change	Change
ASSETS					
NON-CURRENT ASSETS					
Property, plant, equipment and other equipment	820.0	746.9	662.6	73.1	157.4
Development costs	55.8	49.3	44.2	6.5	11.6
Goodwill and other indefinite useful life assets	84.4	88.9	92.5	(4.5)	(8.1)
Other intangible assets	51.4	52.1	46.7	(0.7)	4.7
Shareholdings valued using the equity method	27.2	27.0	27.9	0.2	(0.7)
Other financial assets (including investments in other companies and derivatives)	6.8	6.9	7.7	(0.1)	(0.8)
Receivables and other non-current assets	4.3	4.8	4.6	(0.5)	(0.3)
Deferred tax assets	65.8	57.7	56.7	8.1	9.0
TOTAL NON-CURRENT ASSETS	1,115.8	1,033.5	943.0	82.2	172.8
CURRENT ASSETS					
Inventories	309.6	283.2	271.1	26.4	38.5
Trade receivables	423.5	357.4	397.5	66.1	26.0
Other receivables and current assets	50.9	43.8	41.2	7.1	9.7
Current financial assets and derivatives	0.5	0.9	1.3	(0.4)	(0.9)
Cash and cash equivalents	286.2	245.7	188.0	40.5	98.2
TOTAL CURRENT ASSETS	1,070.7	931.0	899.1	139.7	171.6
TOTAL ASSETS	2,186.5	1,964.5	1,842.1	222.0	344.4
EQUITY AND LIABILITIES					
GROUP EQUITY					
Share capital	34.7	34.7	34.7	0.0	0.0
Other reserves	122.2	135.7	148.2	(13.5)	(26.0)
Retained earnings/(losses)	624.3	446.8	425.7	177.4	198.6
Net result for the period	136.7	240.6	127.1	(103.9)	9.6
TOTAL GROUP EQUITY	917.9	857.9	735.7	60.0	182.2
TOTAL MINORITY INTERESTS	25.2	24.4	20.4	0.8	4.8
TOTAL EQUITY	943.1	882.3	756.1	60.7	187.0
NON-CURRENT LIABILITIES					
Non-current payables to banks	345.4	210.7	229.5	134.8	116.0
Other non-current financial payables and derivatives	2.5	5.2	3.0	(2.7)	(0.5)
Other non-current liabilities	12.2	8.7	4.3	3.5	7.9
Provisions	38.0	21.7	17.3	16.4	20.8
Provisions for employee benefits	30.1	32.7	31.5	(2.6)	(1.3)
Deferred tax liabilities	30.1	31.6	18.6	(1.5)	11.5
TOTAL NON -CURRENT LIABILITIES	458.4	310.6	304.1	147.8	154.3
CURRENT LIABILITIES					
Current payables to banks	195.4	225.6	212.6	(30.2)	(17.3)
Other current financial payables and derivatives	3.1	0.8	3.7	2.3	(0.6)
Trade payables	462.2	428.5	430.3	33.6	31.9
Tax payables	20.7	11.8	22.0	8.9	(1.3)
Short term provisions	2.2	2.5	2.3	(0.3)	(0.1)
Other current payables	101.5	102.4	111.1	(0.9)	(9.5)
TOTAL CURRENT LIABILITIES	785.1	771.7	781.9	13.4	3.1
TOTAL LIABILITIES	1,243.4	1,082.2	1,086.0	161.2	157.4
TOTAL EQUITY AND LIABILITIES	2,186.5	1,964.5	1,842.1	222.0	344.4

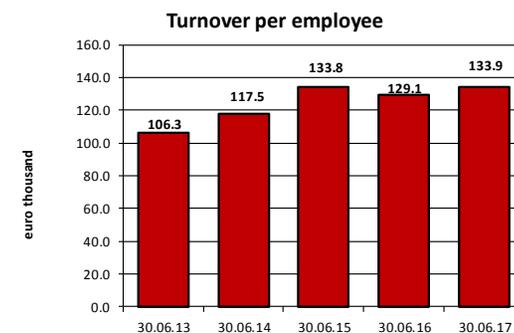
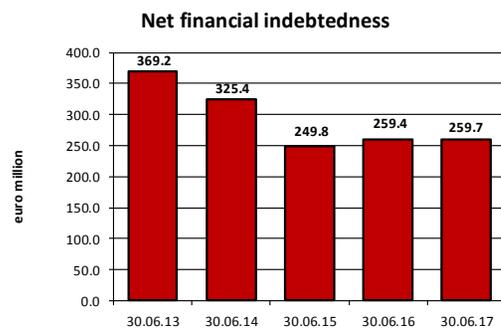
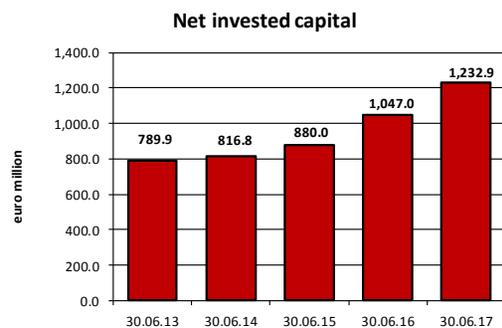
CONSOLIDATED STATEMENT OF CASH-FLOW

<i>(euro million)</i>	30.06.2017	30.06.2016
Cash and cash equivalents at beginning of period	63.9	111.8
Result before taxes	186.5	166.0
Depreciation, amortisation/Impairment losses	66.0	53.2
Capital gains/losses	0.0	(0.7)
Income/expense from investments, net of dividends received	(0.2)	(2.9)
Financial portion of provisions for defined benefits and payables for personnel	0.3	0.4
Long-term provisions for employee benefits	0.5	0.4
Other provisions net of utilisations	19.8	15.7
Cash flows generated by operating activities	272.9	232.0
Paid current taxes	(35.4)	(37.0)
Uses of long-term provisions for employee benefits	(1.6)	(1.1)
<i>(Increase) reduction in current assets:</i>		
inventories	(31.9)	(25.1)
trade receivables	(65.8)	(65.5)
receivables from others and other assets	(15.4)	1.5
<i>Increase (reduction) in current liabilities:</i>		
trade payables	33.6	55.8
payables to others and other liabilities	2.6	(14.3)
Translation differences on current assets	(6.4)	(0.9)
Net cash flows from/(for) operating activities	152.7	145.4
<i>Investments in:</i>		
intangible assets	(19.0)	(13.3)
property, plant and equipment	(145.2)	(102.2)
Price for disposal or reimbursement value of fixed assets	2.6	3.1
Amounts (paid)/received for the acquisition/disposal of subsidiaries, net of the associated cash and cash equivalents	0.0	(68.7)
Net cash flows from/(for) investing activities	(161.5)	(181.2)
Dividends paid in the period	(65.0)	(52.0)
Change in fair value of derivatives	0.4	(0.4)
Loans and financing granted by banks and other financial institutions in the period	155.1	50.0
Repayment of long-term loans	(24.9)	(36.9)
Net cash flows from/(for) financing activities	65.6	(39.4)
Total cash flows	56.8	(75.1)
Translation differences on cash and cash equivalents	8.1	(7.1)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	128.8	29.5

NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	30.06.2017	%	30.06.2016	%	Change	%	Q2'17	%	Q2'16	%	Change	%
GEOGRAPHICAL AREA												
Italy	157.0	12.4%	135.7	11.8%	21.2	15.6%	78.7	12.5%	69.5	11.9%	9.3	13.4%
Germany	281.2	22.3%	272.3	23.7%	8.9	3.3%	140.8	22.4%	140.0	24.0%	0.8	0.5%
France	41.0	3.2%	47.2	4.1%	(6.2)	-13.1%	19.4	3.1%	24.5	4.2%	(5.1)	-20.9%
United Kingdom	98.7	7.8%	99.8	8.7%	(1.2)	-1.2%	46.7	7.4%	47.1	8.1%	(0.3)	-0.7%
Other European countries	115.5	9.2%	108.0	9.4%	7.5	7.0%	58.5	9.3%	56.5	9.7%	2.0	3.6%
India	35.2	2.8%	26.8	2.3%	8.5	31.7%	18.2	2.9%	12.8	2.2%	5.4	42.0%
China	125.4	9.9%	76.8	6.7%	48.5	63.2%	62.1	9.9%	45.9	7.9%	16.2	35.4%
Japan	17.1	1.4%	19.1	1.7%	(2.0)	-10.5%	8.9	1.4%	7.4	1.3%	1.5	20.3%
Other Asian Countries	9.4	0.7%	6.7	0.6%	2.8	41.2%	5.2	0.8%	3.4	0.6%	1.8	53.8%
South America (Argentina and Brazil)	33.2	2.6%	26.5	2.3%	6.7	25.2%	17.7	2.8%	14.4	2.5%	3.3	22.5%
North America (USA, Mexico & Canada)	338.9	26.8%	319.7	27.9%	19.2	6.0%	167.8	26.7%	157.9	27.1%	9.9	6.3%
Other Countries	9.9	0.9%	8.2	0.8%	1.7	21.3%	5.8	0.8%	3.9	0.5%	1.9	47.7%
Total	1,262.4	100.0%	1,146.8	100.0%	115.6	10.1%	629.9	100.0%	583.3	100.0%	46.6	8.0%
<i>(euro million)</i>	30.06.2017	%	30.06.2016	%	Change	%	Q2'17	%	Q2'16	%	Change	%
APPLICATION												
Passengers Car	954.6	75.6%	855.7	74.6%	98.9	11.6%	478.2	75.9%	442.2	75.8%	36.0	8.1%
Motorbike	126.4	10.0%	109.3	9.5%	17.1	15.6%	63.7	10.1%	51.8	8.9%	11.8	22.8%
Commercial Vehicle	114.3	9.1%	117.4	10.2%	(3.1)	-2.6%	56.7	9.0%	59.3	10.2%	(2.6)	-4.5%
Racing	67.0	5.3%	64.1	5.7%	3.0	4.6%	31.3	5.0%	29.7	5.1%	1.6	5.5%
Miscellaneous	0.1	0.0%	0.4	0.0%	(0.3)	-65.6%	0.0	0.0%	0.3	0.0%	(0.2)	-90.2%
Total	1,262.4	100.0%	1,146.8	100.0%	115.6	10.1%	629.9	100.0%	583.3	100.0%	46.6	8.0%

MAIN RATIOS



	30.06.2013	30.06.2014	30.06.2015	30.06.2016	30.06.2017
Net operating income/Sales of goods and services	7.3%	10.4%	11.7%	15.1%	15.0%
Result before taxes/Sales of goods and services	6.2%	9.6%	11.3%	14.5%	14.8%
Investments/Sales of goods and services	9.5%	6.8%	6.2%	10.1%	13.0%
Net Financial indebtedness/Equity	94.0%	70.4%	41.9%	34.3%	27.5%
Net interest expense(*)/Sales of goods and services	0.9%	0.6%	0.7%	0.4%	0.3%
Net interest expense(*)/Net operating income	12.5%	6.2%	5.7%	2.6%	2.3%
ROI	14.2%	23.1%	27.8%	33.4%	31.0%
ROE	21.9%	27.9%	30.6%	34.0%	29.6%

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.

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