

Stezzano, 31 July 2014

**BREMBO: H1 2014 REVENUES +18.2% TO €901.7 MILLION
EBITDA AT €139.5 MILLION (+40.7%), EBIT AT €90.9 MILLION (+63.9%)**

Compared to H1 2013:

- **Revenues** grew by 18.2% to €901.7 million (+21.2% on a like-for-like exchange rate basis)
- Positive contribution by all market segments and all geographical areas in which the Group operates
- Good margin performance: **EBITDA** +40.7% to €139.5 million; **EBIT** +63.9% to €90.9 million
- **Net income** +48% to €64 million
- €60.4 million in **net investments**
- **Net financial debt** down by €43.8 million compared to 30 June 2013

Results at 30 June 2014:

(€ million)	2014	2013	Change
Revenues	901.7	762.8	18.2%
EBITDA	139.5	99.1	40.7%
% on revenues	15.5%	13.0%	
EBIT	90.9	55.4	63.9%
% on revenues	10.1%	7.3%	
Pre-tax profit	87.0	47.0	85.2%
% on revenues	9.6%	6.2%	
Net profit	64.0	43.2	48.0%
% on revenues	7.1%	5.7%	
	30/06/14	30/06/13	
Net financial debt	325.4	369.2	-43.8

Chairman Alberto Bombassei stated: *"I am deeply satisfied with the half-yearly results, which are the outcome of strategies and investments geared towards strengthening Brembo's industrial presence worldwide. Today, with almost all of our production sites in full operation, we are in a position to consider new investments aimed at further expanding our business. In particular, I am referring to the United States, where we will build a new foundry in the Homer hub, in Michigan, with a view to further enhance the services we offer to our customers in North America, an area that has now become the Group's main market of operation."*

H1 2014 Results

Brembo's Board of Directors chaired by Alberto Bombassei met today and approved the Brembo Group's half-year results at 30 June 2014.

Brembo Group's net consolidated revenues amounted to €901.7 million in H1 2014, up by 18.2% compared to the same period of the previous year. On a like-for-like exchange rate basis the increase was 21.2%.

All business segments in which the Group operates contributed to the results of the reporting period. In detail, the segment of car applications improved by 22.2%, motorbike applications by 16.8%, racing by 8.9% and commercial vehicles by 5.0%.

At geographical level, growth in the first half of 2014 was reported for all countries of operation, thus continuing the uptrend witnessed in the first quarter of the year. Sales showed a remarkable progress in Europe, with a growth of 19.4% in Germany, 17.1% in Italy, 31.2% in the United Kingdom and 26.3% in France.

In Asia, the Indian market expanded by 9.1% (+25.7% net of exchange rate differences). Japan and China also performed well, growing by 7.1% and 14.1%, respectively.

North America (the USA, Canada and Mexico) continued to grow, with a 29.6% increase in sales (34.3% on a like-for-like exchange rate basis), and became the first market for the Group. South America (Brazil and Argentina) was affected by currency trends, resulting in a decline of 16.0%, although on a like-for-like exchange rate basis it showed an increase of 6.7%.

In H1 2014, the cost of sales and other operating costs amounted to €596.2 million, with a ratio of 66.1% to revenues, essentially in line with the same period of the previous year.

Personnel costs amounted to €166.0 million or 18.4% of revenues, decreasing compared to 19.8% in the same period of the previous year. Workforce at 30 June 2014 numbered 7,672, increasing by 499 compared to H1 2013 and by 431 compared to 31 December 2013.

EBITDA amounted to €139.5 million (15.5% of revenues), up by 40.7% compared to the same period of 2013.

EBIT amounted to €90.9 million (10.1% of revenues), up by 63.9% compared to the first half of 2013.

Depreciation, amortisation and impairment losses amounted to €48.6 million, thus marking a 11.3% increase due to the significant investments of the previous periods.

In the reporting period, net interest expense totalled €6.5 million (€7.8 million in H1 2013). This item includes interest expense amounting to €5.8 million (€6.9 million in H1 2013) and exchange losses amounting to €0.7 million (€0.8 million in the same period of the previous year). It should be noted that exchange gains and losses are accounting items chiefly generated by the translation into local currency of euro-denominated loans taken out by some foreign subsidiaries.

Pre-tax profit was €87.0 million (9.6% of revenues), compared to €47.0 million for H1 2013.

Based on the tax rates applicable under current tax regulations, estimated taxes amounted to €23.1 million (€4.2 million in H1 2013), with a tax rate of 26.5% compared to 9.0% for the same period of 2013, when it included extraordinary items.

The reporting period ended with a net profit of €64.0 million, up 48.0% compared to €43.2 million for the same period of the previous year.

Net financial debt at 30 June 2014 was €325.4 million, compared to €369.2 million at 30 June 2013 and €320.5 million at 31 December 2013.

The second quarter of 2014

Net consolidated revenues for Q2 2014 amounted to €454.8 million, up by 16.4% compared to the same period of 2013.

EBITDA amounted to €70.4 million, with a ratio of 15.5% to revenues.

EBIT was €45.0 million, with a ratio of 9.9% to revenues. The quarter ended with a net profit of €28.1 million, up 24.1% compared to Q2 2013.

Significant Events After 30 June 2014

On 23 July 2014, Brembo announced an €74 million investment plan to build a cast-iron foundry in Michigan (USA), near the new Homer plant.

Works will begin in 2015 and are scheduled to be completed in 2017. As a result, all production phases will be concentrated in a single site, thus establishing a more efficient production process.

The investment will be funded through the cash generated by the Group and will benefit from the incentives granted by the State of Michigan.

The building of an integrated hub in Michigan confirms and strengthens the company's interest towards the North American market, which has recorded a very strong increase over the past five years and has become Brembo's main market of reference.

Foreseeable Evolution

Order book projections confirm a good growth of revenues and margins also for the remainder of the year.

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 Income Statement, Balance Sheet and Cash Flow Statement for which the auditing process by the independent auditors is currently underway.

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CONSOLIDATED STATEMENT OF INCOME

<i>(euro million)</i>	30.06.2014	30.06.2013	Change	%	Q2'14	Q2'13	Change	%
Sales of goods and services	901.7	762.8	138.9	18.2%	454.8	390.8	63.9	16.4%
Other revenues and income	6.1	6.4	(0.3)	-5.3%	3.2	2.8	0.4	13.4%
Costs for capitalised internal works	5.7	5.5	0.2	2.8%	2.6	2.7	0.0	-1.2%
Raw materials, consumables and goods	(464.8)	(386.3)	(78.6)	20.3%	(234.5)	(198.1)	(36.4)	18.4%
Other operating costs	(143.1)	(138.6)	(4.5)	3.3%	(71.8)	(72.1)	0.3	-0.4%
Personnel expenses	(166.0)	(150.7)	(15.3)	10.2%	(83.9)	(74.3)	(9.6)	12.9%
GROSS OPERATING INCOME	139.5	99.1	40.4	40.7%	70.4	51.9	18.5	35.7%
% of sales of goods and services	15.5%	13.0%			15.5%	13.3%		
Depreciation, amortisation and impairment losses	(48.6)	(43.7)	(4.9)	11.3%	(25.5)	(22.6)	(2.9)	12.8%
NET OPERATING INCOME	90.9	55.4	35.4	63.9%	45.0	29.3	15.6	53.4%
% of sales of goods and services	10.1%	7.3%			9.9%	7.5%		
Net interest income (expense)	(6.5)	(7.8)	1.3	-16.3%	(2.6)	(3.7)	1.1	-30.5%
Interest income (expense) from investments	2.6	(0.7)	3.3	-450.8%	1.3	(0.6)	1.9	-306.9%
RESULT BEFORE TAXES	87.0	47.0	40.0	85.2%	43.7	25.0	18.7	74.8%
% of sales of goods and services	9.6%	6.2%			9.6%	6.4%		
Taxes	(23.1)	(4.2)	(18.9)	448.8%	(15.7)	(2.8)	(13.0)	471.8%
RESULT BEFORE MINORITY INTERESTS	63.9	42.7	21.1	49.5%	27.9	22.2	5.7	25.6%
% of sales of goods and services	7.1%	5.6%			6.1%	5.7%		
Minority interests	0.1	0.5	(0.4)	-77.6%	0.1	0.4	(0.3)	-64.8%
NET RESULT FOR THE PERIOD	64.0	43.2	20.8	48.0%	28.1	22.6	5.4	24.1%
% of sales of goods and services	7.1%	5.7%			6.2%	5.8%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.98	0.66			0.43	0.35		

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(euro million)</i>	A 30.06.2014	B 31.12.2013	C 30.06.2013	A-B Change	A-C Change
ASSETS					
NON-CURRENT ASSETS					
Property, plant, equipment and other equipment	516.4	503.1	491.1	13.2	25.3
Development costs	44.6	45.3	44.9	(0.8)	(0.3)
Goodwill and other indefinite useful life assets	40.5	39.6	40.7	0.9	(0.3)
Other intangible assets	15.3	15.5	17.2	(0.2)	(1.9)
Shareholdings valued using the equity method	24.5	21.9	19.8	2.6	4.8
Other financial assets (including investments in other companies and derivatives)	0.2	0.2	0.2	0.0	0.0
Receivables and other non-current assets	6.4	7.0	5.2	(0.6)	1.2
Deferred tax assets	48.7	46.9	43.3	1.7	5.4
TOTAL NON-CURRENT ASSETS	696.5	679.6	662.3	16.9	34.3
CURRENT ASSETS					
Inventories	235.4	209.0	218.4	26.5	17.1
Trade receivables	303.7	251.5	262.1	52.2	41.6
Other receivables and current assets	41.6	42.9	45.5	(1.2)	(3.8)
Current financial assets and derivatives	9.8	10.0	13.1	(0.2)	(3.3)
Cash and cash equivalents	183.7	106.1	114.2	77.6	69.5
TOTAL CURRENT ASSETS	774.3	619.4	653.3	154.9	121.0
TOTAL ASSETS	1,470.8	1,299.0	1,315.6	171.8	155.3
EQUITY AND LIABILITIES					
GROUP EQUITY					
Share capital	34.7	34.7	34.7	0.0	0.0
Other reserves	96.7	93.4	92.6	3.3	4.2
Retained earnings/(losses)	261.6	207.2	212.4	54.4	49.2
Net result for the period	64.0	89.0	43.2	(25.0)	20.8
TOTAL GROUP EQUITY	457.1	424.4	382.9	32.7	74.2
TOTAL MINORITY INTERESTS	5.1	4.9	10.1	0.3	(5.0)
TOTAL EQUITY	462.2	429.2	393.0	33.0	69.2
NON-CURRENT LIABILITIES					
Non-current payables to banks	298.6	250.3	290.7	48.2	7.8
Other non-current financial payables and derivatives	6.8	8.9	13.9	(2.0)	(7.0)
Other non-current liabilities	8.9	5.0	3.6	3.9	5.3
Provisions	7.8	6.2	6.3	1.6	1.5
Provisions for employee benefits	29.3	27.0	27.7	2.2	1.6
Deferred tax liabilities	10.1	12.5	9.9	(2.4)	0.2
TOTAL NON-CURRENT LIABILITIES	361.5	309.9	352.0	51.5	9.4
CURRENT LIABILITIES					
Current payables to banks	208.0	171.5	187.5	36.4	20.5
Other current financial payables and derivatives	5.4	5.8	4.4	(0.3)	1.0
Trade payables	338.5	301.6	293.1	36.9	45.4
Tax payables	15.1	4.1	5.7	11.0	9.4
Other current payables	80.1	76.9	79.8	3.2	0.3
TOTAL CURRENT LIABILITIES	647.1	559.9	570.5	87.2	76.6
TOTAL LIABILITIES	1,008.6	869.8	922.6	138.8	86.0
TOTAL EQUITY AND LIABILITIES	1,470.8	1,299.0	1,315.6	171.8	155.3

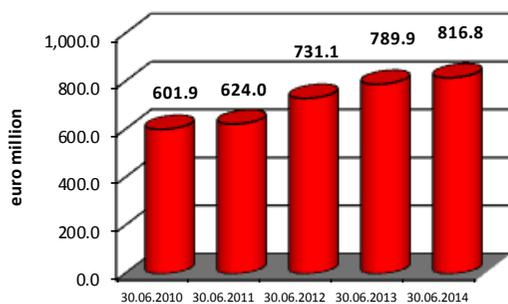
CONSOLIDATED CASH-FLOW STATEMENT

<i>(euro million)</i>	30.06.2014	30.06.2013
Cash and cash equivalents at beginning of period	42.5	41.1
Result for the period before taxes	87.0	47.0
Depreciation, amortisation/Impairment losses	48.6	43.7
Capital gains/losses	(0.2)	(0.2)
Write-ups/Write-downs of shareholdings	(2.6)	0.8
Financial portion of defined funds and payables for personnel	0.5	0.5
Long-term provisions for employee benefits	0.5	1.3
Other provisions net of utilisations	7.8	3.8
Net cash flow generated by operations	141.6	96.8
Paid current taxes	(15.0)	(8.3)
Uses of long-term provisions for employee benefits	(1.7)	(1.6)
<i>(Increase) reduction in current assets:</i>		
inventories	(32.2)	(16.6)
trade receivables	(52.6)	(59.4)
receivables from others and other assets	1.0	(6.7)
<i>Increase (reduction) in current liabilities:</i>		
trade payables	36.9	45.8
payables to others and other liabilities	6.5	0.2
Translation differences on current assets	2.8	(2.6)
Net cash flows from/(for) operating activities	87.3	47.5
<i>Investments in:</i>		
intangible assets	(9.0)	(9.4)
property, plant and equipment	(52.0)	(63.0)
Price for disposal, or reimbursement value of fixed assets	0.8	0.6
Net cash flows from/(for) investing activities	(60.3)	(71.8)
Dividends paid in the period	(32.5)	(26.0)
Capital increase in consolidated companies by minority shareholders	0.4	0.0
Change in fair value valuation	0.4	0.0
Loans and financing granted by banks and other financial institutions in the period	105.3	132.1
Repayment of long-term loans	(53.3)	(97.6)
Net cash flows from/(for) financing activities	20.2	8.5
Total cash flow	47.2	(15.8)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	89.7	25.4

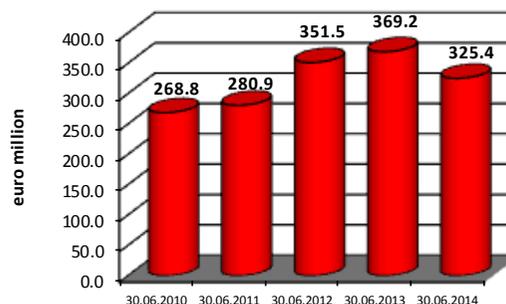
NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	30.06.2014	%	30.06.2013	%	Change	%	Q2'14	%	Q2'13	%	Change	%
GEOGRAPHICAL AREA												
Italy	130.0	14.4%	111.0	14.5%	19.0	17.1%	66.6	14.6%	54.4	13.9%	12.2	22.3%
Germany	218.0	24.2%	182.6	23.9%	35.4	19.4%	105.8	23.3%	91.5	23.4%	14.2	15.5%
France	44.7	5.0%	35.4	4.6%	9.3	26.3%	22.7	5.0%	19.6	5.0%	3.1	15.7%
United Kingdom	72.5	8.0%	55.3	7.2%	17.2	31.2%	34.1	7.5%	27.3	7.0%	6.7	24.7%
Other EU countries	96.1	10.7%	89.9	11.8%	6.3	7.0%	51.0	11.2%	48.7	12.5%	2.3	4.6%
India	19.2	2.1%	17.6	2.3%	1.6	9.1%	10.3	2.3%	8.5	2.2%	1.9	22.1%
China	42.1	4.7%	36.9	4.8%	5.2	14.1%	21.8	4.8%	20.3	5.2%	1.5	7.6%
Japan	10.2	1.1%	9.5	1.2%	0.7	7.1%	4.5	1.0%	4.5	1.2%	0.0	0.4%
Other Asia Countries	4.5	0.5%	4.2	0.5%	0.4	8.6%	2.3	0.5%	2.1	0.5%	0.2	7.9%
South America (Argentina and Brazil)	39.4	4.4%	46.9	6.2%	(7.5)	-16.0%	20.4	4.5%	25.8	6.6%	(5.4)	-21.0%
North America (US, Canada & Mexico)	219.2	24.3%	169.2	22.2%	50.1	29.6%	113.1	24.9%	86.0	22.0%	27.1	31.5%
Other Countries	5.7	0.6%	4.4	0.8%	1.3	28.9%	2.4	0.5%	2.2	0.6%	0.2	8.9%
Total	901.7	100.0%	762.8	100.0%	138.9	18.2%	454.8	100.0%	390.8	100.0%	63.9	16.4%
<i>(euro million)</i>	30.06.2014	%	30.06.2013	%	Change	%	Q2'14	%	Q2'13	%	Change	%
APPLICATION												
Cars	632.1	70.1%	517.3	67.8%	114.8	22.2%	322.9	71.0%	270.2	69.1%	52.7	19.5%
Motorbikes	95.1	10.6%	81.5	10.7%	13.7	16.8%	48.0	10.5%	39.8	10.2%	8.2	20.6%
Commercial and Industrial Vehicles	99.2	11.0%	94.5	12.4%	4.7	5.0%	49.0	10.8%	49.2	12.6%	(0.2)	-0.4%
Racing	72.2	8.0%	66.3	8.7%	5.9	8.9%	33.3	7.3%	30.6	7.8%	2.6	8.5%
Miscellaneous	3.1	0.3%	3.3	0.4%	(0.2)	-5.0%	1.6	0.4%	1.0	0.3%	0.6	59.8%
Total	901.7	100.0%	762.8	100.0%	138.9	18.2%	454.8	100.0%	390.8	100.0%	63.9	16.4%

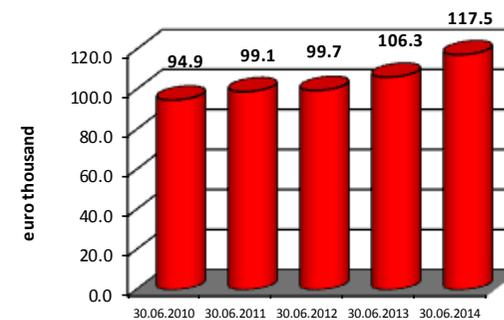
Net invested capital



Net financial indebtedness



Turnover per employee



MAIN RATIOS

	30.06.2010	30.06.2011	30.06.2012	30.06.2013	30.06.2014
Net operating income/Sales of goods and services	6.0%	6.8%	7.0%	7.3%	10.1%
Result before taxes/Sales of goods and services	5.0%	6.0%	6.3%	6.2%	9.6%
Capital Expenditure/Sales of goods and services	6.4%	12.2%	9.8%	9.5%	6.8%
Net Financial indebtedness/Shareholders' equity	86.1%	86.9%	99.2%	94.0%	70.4%
Financial charges (*)/Sales of goods and services	0.8%	0.7%	0.8%	0.9%	0.6%
Financial charges (*)/Net Operating Income	12.9%	10.2%	11.5%	12.5%	6.4%
ROI	10.7%	13.9%	13.6%	14.2%	22.4%
ROE	11.9%	15.7%	20.2%	21.9%	27.9%

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