

Stezzano (BG), 9 November 2022

BREMBO: SHARP REVENUE GROWTH TO €2,728.2 MILLION FOR 9M 2022, +33.6% COMPARED TO 2021; EBITDA UP BY 26.4%; NET PROFIT AT +39.2%

Compared to 30 September 2021:

- **Revenues** at €2,728.2 million (+33.6%): +23.7% on a like-for-like exchange rate and consolidation basis
- **EBITDA** at €482.3 million (EBITDA margin: 17.7%); **EBIT** at €303.1 million (EBIT margin: 11.1%)
- **Net investments for the period** amounted to €210.8 million
- **Net financial debt** at €630.7 million (€405.6 million prior to the application of IFRS 16), up €147.4 million compared to 30 September 2021

Results at 30 September 2022:

(€ million)	2022	2021	Change
Revenue	2,728.2	2,041.8	+33.6%
EBITDA % of sales	482.3 17.7%	381.7 18.7%	+26.4%
EBIT % of sales	303.1 11.1%	224.1 11.0%	+35.3%
Pre-tax profit % of sales	312.4 11.4%	223.5 10.9%	+39.8%
Net profit % of sales	234.8 8.6%	168.7 8.3%	+39.2%
	30.09.22	30.09.21	Change
Net financial debt	630.7	483.3	+147.4
Net financial debt excluding IFRS 16	405.6	277.5	+128.1

Brembo Chairman **Matteo Tiraboschi** stated: “The third quarter of 2022 closed very well for Brembo. In a persistently difficult macroeconomic scenario, the Company continued to record sharp growth in all geographical areas and segments of reference. Brembo’s revenues for the first nine months of the year neared the 2021 FY amount. Our strategies remain focused on Brembo’s medium and long-term development. This has led to the recent formation of Brembo Ventures, the Company’s venture capital unit specialising in more focused investments on technology startups that are able to accelerate the innovation of our solutions. Looking to the future, the very uncertain context which we are facing requires a necessary degree of caution. However, we are confident that Brembo’s capital and financial solidity will enable us to best face the challenges ahead.”

Results at 30 September 2022

Brembo's Board of Directors, chaired by Matteo Tiraboschi, met today and approved the Group's results at 30 September 2022.

In the reporting period, net consolidated revenues amounted to €2,728.2 million, up 33.6% (+27.5% on a like-for-like exchange rate basis) compared to the first nine months of the previous year.

Following the acquisition of the Spanish J.Juan Group, effective 1 November 2021, the consolidation scope changed; on a like-for-like consolidation basis, the increase was 29.8%. On a like-for-like exchange rate and consolidation basis, revenues rose by 23.7% compared to the same period of the previous year.

In the reporting period, the Group reported a very positive performance across all sectors in which it operates: the car segment rose by 33.3%, motorbike applications by 49.9% (+17.5% on a like-for-like consolidation basis), applications for commercial vehicles by 20.4% and those for racing vehicles by 28.3% compared to the first nine months of 2021.

At geographical level, sales rose 14.1% in Italy, 35.2% in Germany, 17.8% in France and 0.6% in the United Kingdom (+0.3% on a like-for-like exchange rate basis).

The North American market (USA, Mexico and Canada) grew by 53.0% (+38.0% on a like-for-like exchange rate basis) and the South American market (Brazil and Argentina) increased by 60.4% (+38.7% on a like-for-like exchange rate basis).

India grew by 44.7% (+35.4% on a like-for-like exchange rate basis) and China by 36.1% (+24.3% on a like-for-like exchange rate basis), while Japan decreased by 12.3% (-13.3% on a like-for-like exchange rate basis).

At 30 September 2022, the cost of sales and other net operating costs amounted to €1,807.9 million, with a 66.3% ratio to sales, up in percentage terms compared to 63.4% for the same period of the previous year (€1,294.8 million).

Personnel expenses amounted to €451.7 million, with a 16.6% ratio to sales, decreasing compared to the same period of the previous year (18.4% of sales, equal to €376.6 million).

At 30 September 2022, workforce numbered 12,897, compared to 12,225 at 31 December 2021 and 11,539 at 30 September 2021.

EBITDA amounted to €482.3 million (EBITDA margin: 17.7%) at 30 September 2022 compared to €381.7 million (EBITDA margin: 18.7%) for the same period of 2021.

EBIT amounted to €303.1 million (EBIT margin: 11.1%) compared to €224.1 million (EBIT margin: 11.0%) for the same period of 2021.

Net interest income for the period amounted to €1.4 million (net interest expense of €4.5 million at 30 September 2021) and included interest expense amounting to €9.6 million (€8.0 million at 30 September 2021) and net exchange gains of €11.0 million (€3.4 million at 30 September 2021). Income from investments was €7.8 million compared to €4.0 million at 30 September 2021.

Pre-tax profit was €312.4 million compared to €223.5 million at 30 September 2021.

Based on the tax rates applicable under current tax regulations in force in each country, estimated taxes amounted to €76.7 million (€54.6 million at 30 September 2021), with a tax rate of 24.6% compared to 24.4% for the same period of the previous year.

The reporting period ended with a net profit of €234.8 million, up 39.2% compared to the same period of the previous year.

Net financial debt at 30 September 2022 amounted to €630.7 million, up €147.4 million compared to 30 September 2021. Excluding the impact of IFRS 16, net financial debt would have been €405.6 million, up €128.1 million compared to 30 September 2021.

Foreseeable Evolution

Our orders backlog for the coming months remains robust at global level. Barring extraordinary changes in the geopolitical situation and the macro-economic context, Brembo expects a 30% growth in revenues for FY 2022 compared to 2021 — an improvement on previous projections — and margins in line with the first nine months of 2022.

The manager in charge of the Company's financial reports Andrea Pazzi, 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, the Statement of Financial Position and the Statement of Cash Flows.

About Brembo S.p.A.

Brembo S.p.A. is the world leader and acknowledged innovator of the brake disc technology for automotive vehicles. Brembo supplies high performance brake systems for the most important manufacturers of cars, commercial vehicles and motorbikes worldwide, as well as clutches and other components for racing. Brembo is also a leader in the racing sector and has won more than 500 championships. Today the company operates in 15 countries on 3 continents, with 29 production and business sites, and a pool of over 12,200 employees, about 10% of whom are engineers and product specialists active in R&D. 2021 turnover was €2,777.6 million (31.12.2021). Brembo is the owner of the Brembo, AP, AP Racing, Breco, Bybre, J.Juan, Marchesini and SBS Friction brands.

For information:

<p>Laura Panseri Head of Investor Relations Ph. +39 035 605 2145 e-mail: laura_panseri@brembo.it</p> <p>www.brembo.com</p>	<p>Roberto Cattaneo Chief Communication Officer Ph. +39 035 605 2347 e-mail: press@brembo.it</p> <p>Daniele Zibetti Corporate Media Relations Ph. +39 035 605 3138 e-mail: daniele_zibetti@brembo.it</p> <p>www.brembo.com</p>
---	--

CONSOLIDATED STATEMENT OF INCOME

(euro million)	30.09.2022	30.09.2021	Change	%	Q3 '22	Q3 '21	Change	%
Revenue from contracts with customers	2,728.2	2,041.8	686.5	33.6%	981.8	681.0	300.8	44.2%
Other revenues and income	19.3	17.6	1.7	9.5%	5.4	7.3	(1.9)	-25.6%
Costs for capitalised internal works	16.8	16.3	0.6	3.4%	5.5	4.7	0.8	16.2%
Raw materials, consumables and goods	(1,317.7)	(944.1)	(373.6)	39.6%	(484.3)	(335.3)	(149.0)	44.5%
Income (expenses) from non-financial investments	13.7	11.3	2.3	20.5%	4.5	3.7	0.8	22.5%
Other operating costs	(526.3)	(384.6)	(141.7)	36.8%	(185.9)	(127.6)	(58.3)	45.7%
Personnel expenses	(451.7)	(376.6)	(75.1)	19.9%	(149.9)	(122.3)	(27.7)	22.6%
GROSS OPERATING INCOME	482.3	381.7	100.7	26.4%	177.0	111.4	65.5	58.8%
<i>% of revenue from contracts with customer</i>	17.7%	18.7%			18.0%	16.4%		
Depreciation, amortisation and impairment losses	(179.2)	(157.6)	(21.6)	13.7%	(61.4)	(53.2)	(8.2)	15.5%
NET OPERATING INCOME	303.1	224.1	79.0	35.3%	115.6	58.3	57.3	98.3%
<i>% of revenue from contracts with customer</i>	11.1%	11.0%			11.8%	8.6%		
Net interest income (expense)	1.4	(4.5)	6.0	-131.4%	(1.5)	(3.1)	1.6	-50.7%
Interest income (expense) from investments	7.8	4.0	3.9	97.2%	0.0	0.1	0.0	-50.0%
RESULT BEFORE TAXES	312.4	223.5	88.9	39.8%	114.1	55.3	58.8	106.4%
<i>% of revenue from contracts with customer</i>	11.4%	10.9%			11.6%	8.1%		
Taxes	(76.7)	(54.6)	(22.1)	40.5%	(27.8)	(13.3)	(14.5)	109.2%
Result from discontinued operations	(0.3)	(0.1)	(0.2)	130.8%	(0.1)	0.0	(0.1)	408.0%
RESULT BEFORE MINORITY INTERESTS	235.4	168.8	66.6	39.5%	86.2	42.0	44.2	105.4%
<i>% of revenue from contracts with customer</i>	8.6%	8.3%			8.8%	6.2%		
Minority interests	(0.5)	(0.1)	(0.4)	397.2%	(0.3)	(0.3)	(0.1)	25.7%
NET RESULT FOR THE PERIOD	234.8	168.7	66.2	39.2%	85.9	41.7	44.2	105.9%
<i>% of revenue from contracts with customer</i>	8.6%	8.3%			8.7%	6.1%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.73	0.52			0.27	0.13		

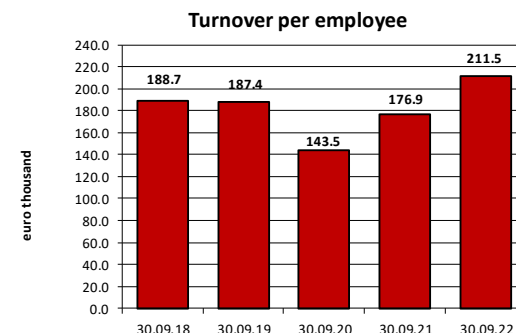
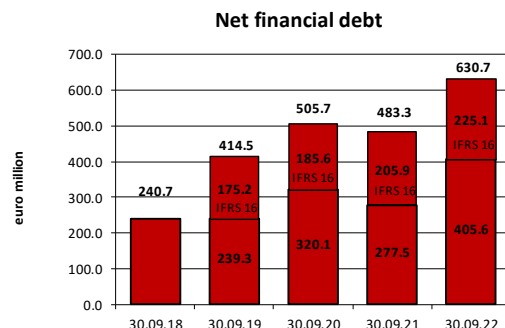
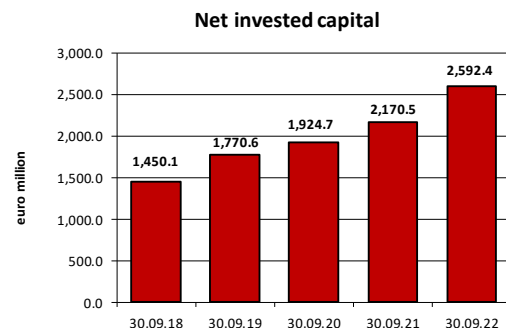
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(euro million)	30.09.2022	31.12.2021	Change
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and other equipment	1,130.7	1,047.3	83.4
Right of use assets	224.8	227.5	(2.7)
Development costs	103.3	101.1	2.1
Goodwill and other indefinite useful life assets	128.6	118.8	9.8
Other intangible assets	75.5	77.4	(1.9)
Shareholding valued using the equity method	58.8	45.1	13.7
Other financial assets (including investments in other companies and derivatives)	241.6	320.3	(78.6)
Receivables and other non-current assets	24.0	23.2	0.8
Deferred tax assets	67.4	71.6	(4.2)
TOTAL NON-CURRENT ASSETS	2,054.7	2,032.3	22.4
CURRENT ASSETS			
Inventories	635.9	482.9	153.0
Trade receivables	752.0	468.2	283.8
Other receivables and current assets	129.7	136.2	(6.5)
Current financial assets and derivatives	34.2	5.6	28.6
Cash and cash equivalents	286.8	557.5	(270.7)
TOTAL CURRENT ASSETS	1,838.5	1,650.4	188.1
ASSETS FROM DISCONTINUED OPERATIONS	0.5	0.7	(0.2)
TOTAL ASSETS	3,893.6	3,683.3	210.3
EQUITY AND LIABILITIES			
GROUP EQUITY			
Share capital	34.7	34.7	0.0
Other reserves	249.9	124.1	125.9
Retained earnings/(losses)	1,389.8	1,388.2	1.6
Net result for the period	234.8	215.5	19.3
TOTAL GROUP EQUITY	1,909.3	1,762.6	146.7
TOTAL MINORITY INTERESTS	34.3	33.5	0.7
TOTAL EQUITY	1,943.6	1,796.1	147.5
NON-CURRENT LIABILITIES			
Non-current payables to banks	471.3	516.2	(44.9)
Long-term lease liabilities	199.3	202.3	(3.0)
Other non-current financial payables and derivatives	1.3	3.1	(1.8)
Other non-current liabilities	7.0	2.0	4.9
Non-current provisions	22.1	45.0	(22.9)
Provisions for employee benefits	18.6	24.0	(5.4)
Deferred tax liabilities	42.8	38.2	4.6
TOTAL NON-CURRENT LIABILITIES	762.4	830.8	(68.4)
CURRENT LIABILITIES			
Current payables to banks	250.6	225.3	25.3
Short-term lease liabilities	25.8	24.2	1.5
Other current financial payables and derivatives	3.4	3.8	(0.4)
Trade payables	705.4	590.8	114.6
Tax payables	20.6	13.0	7.6
Current provisions	0.4	1.0	(0.6)
Other current liabilities	181.4	198.2	(16.8)
TOTAL CURRENT LIABILITIES	1,187.5	1,056.3	131.2
LIABILITIES FROM DISCONTINUED OPERATIONS	0.1	0.1	0.0
TOTAL LIABILITIES	1,950.0	1,887.2	62.8
TOTAL EQUITY AND LIABILITIES	3,893.6	3,683.3	210.3

NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

(euro million)	30.09.2022	%	30.09.2021	%	Change	%	Q3 '22	%	Q3 '21	%	Change	%
GEOGRAPHICAL AREA												
Italy	271.0	9.9%	237.6	11.7%	33.4	14.1%	81.6	8.3%	74.1	10.9%	7.5	10.1%
Germany	506.4	18.6%	374.4	18.3%	131.9	35.2%	179.7	18.3%	118.2	17.4%	61.6	52.1%
France	85.7	3.1%	72.7	3.6%	13.0	17.8%	33.7	3.4%	25.5	3.7%	8.2	32.1%
United Kingdom	135.8	5.0%	134.9	6.6%	0.9	0.6%	43.3	4.4%	39.1	5.7%	4.2	10.7%
Other European countries	333.4	12.2%	256.7	12.6%	76.7	29.9%	113.7	11.6%	89.5	13.1%	24.2	27.0%
India	96.8	3.5%	66.9	3.3%	29.9	44.7%	35.8	3.6%	20.3	3.0%	15.5	76.5%
China	417.4	15.3%	306.7	15.0%	110.7	36.1%	164.1	16.7%	103.3	15.2%	60.8	58.8%
Japan	18.3	0.7%	20.9	1.0%	(2.6)	-12.3%	6.6	0.7%	5.2	0.8%	1.5	27.9%
Other Asian Countries	40.8	1.5%	33.7	1.7%	7.1	21.1%	14.4	1.5%	11.5	1.7%	2.9	25.2%
South America (Argentina and Brazil)	47.2	1.7%	29.4	1.4%	17.8	60.4%	19.7	2.0%	10.4	1.5%	9.2	88.4%
North America (USA, Mexico & Canada)	754.0	27.7%	492.8	24.1%	261.3	53.0%	282.2	28.8%	177.8	26.1%	104.4	58.7%
Other Countries	21.4	0.8%	15.1	0.7%	6.3	42.0%	7.0	0.7%	6.1	0.9%	0.9	15.3%
Total	2,728.2	100.0%	2,041.8	100.0%	686.5	33.6%	981.8	100.0%	681.0	100.0%	300.8	44.2%
APPLICATION												
Passenger Car	1,974.2	72.3%	1,481.4	72.6%	492.8	33.3%	723.0	73.7%	500.8	73.5%	222.2	44.4%
Motorbike	362.4	13.3%	241.7	11.8%	120.7	49.9%	124.0	12.6%	76.5	11.2%	47.5	62.1%
Commercial Vehicle	266.2	9.8%	221.1	10.8%	45.1	20.4%	92.1	9.4%	72.7	10.7%	19.4	26.6%
Racing	125.1	4.6%	97.5	4.8%	27.6	28.3%	42.6	4.3%	31.1	4.6%	11.5	37.0%
Miscellaneous	0.2	0.0%	0.0	0.0%	0.2	2544.4%	0.1	0.0%	(0.2)	0.0%	0.3	-147.4%
Total	2,728.2	100.0%	2,041.8	100.0%	686.5	33.6%	981.8	100.0%	681.0	100.0%	300.8	44.2%

MAIN RATIOS



	30.09.2018	30.09.2019	30.09.2020	30.09.2021	30.09.2022
Net operating income/Revenue from contract with customers	13.3%	12.6%	7.1%	11.0%	11.1%
Result before taxes/Revenue from contract with customers	12.8%	12.0%	5.9%	10.9%	11.4%
Net investments/Revenue from contract with customers	9.2%	7.7%	7.2%	7.4%	7.7%
Net Financial debt/Equity	20.4%	31.1%	36.3%	29.0%	32.4%
Adjusted net interest expense(*)/Revenue from contract with customers	0.4%	0.6%	0.7%	0.4%	0.4%
Adjusted net interest expense(*)/Net operating income	2.7%	4.5%	9.3%	3.6%	3.2%
ROI	23.6%	18.5%	9.3%	13.6%	14.2%
ROE	22.6%	17.0%	9.2%	14.1%	14.5%

Note:

ROI: Net operating income rolling 12 months/Net invested capital.

ROE: Result before minority interests rolling 12 months (net of Result from discontinued operations)/Equity.

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