



Stezzano, 11 May 2022

BREMBO: Q1 REVENUES AT €857.6 MILLION, UP 27.0% OR +18.7% ON A LIKE-FOR-LIKE EXCHANGE RATE AND CONSOLIDATION BASIS. EBITDA AT €150.8 MILLION, NET PROFIT AT €71.7 MILLION.

Compared to Q1 2021:

- **Revenues** at €857.6 million (+27.0%); +18.7% on a like-for-like exchange rate and consolidation basis
- **EBITDA** margin at 17.6% to €150.8 million; **EBIT** margin at 10.8% to €92.9 million
- **Net investments for the quarter** at €59.9 million
- **Net financial debt** at €456.5 million (€229.2 million prior to the application of IFRS 16), up €17.6 million compared to 31 March 2021

Q1 2022 results

(€ million)	2022	2021	Change
Revenue	857.6	675.1	+27.0%
EBITDA % of sales	150.8 17.6%	135.6 20.1%	+11.2%
EBIT % of sales	92.9 10.8%	83.7 12.4%	+11.0%
Pre-tax profit % of sales	94.8 11.1%	81.1 12.0%	+17.0%
Net profit % of sales	71.7 8.4%	61.4 9.1%	+16.8%
	31.03.22	31.03.21	Change
Net financial debt	456.5	438.9	+17.6
Net financial debt excluding IFRS 16	229.2	229.2	-

Brembo Executive Chairman Matteo Tiraboschi stated: *"Brembo has kicked off the new year with positive results. The figures for the first quarter of 2022, approved today by the Board of Directors, show increased turnover and margins compared to the same period of 2021. This is a satisfying performance, above all considering the complex global scenario in which we operate, affected by the consequences of the conflict in Ukraine and the inflationary pressures on raw materials in supply chains. The first three months of the year saw a growth across all business segments, underscoring how our solid production footprint in the world's main automotive districts has protected us against slowdowns in some markets. We have been keeping abreast of the signs of change in our sector, and we are continuing with a strategic approach focused on developing innovative solutions for the mobility of tomorrow."*

Results for the First Quarter of 2022

Brembo's Board of Directors, chaired by Matteo Tiraboschi, met today and approved the Group's quarterly results at 31 March 2022.

In the first quarter of 2022, net consolidated revenues amounted to €857.6 million, up 27.0% (+22.7% on a like-for-like exchange rate basis) compared to the first quarter 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 23.0%. On a like-for-like exchange rate and consolidation basis, revenues rose by 18.7% compared to the same period of the previous year.

In the reporting quarter, all segments in which the Group operates grew: the car segment rose by 26.2%, motorbike applications by 39.9% (+8.0% on a like-for-like consolidation basis), applications for commercial vehicles by 16.6% and those for racing vehicles by 28.1% compared to the same quarter of 2021.

At geographical level, sales rose by 19.3% in Italy, by 27.3% in Germany and by 4.8% in France, whereas they declined by 6.9% in the United Kingdom (-8.1% on a like-for-like exchange rate basis). India grew by 6.1% (+2.0% on a like-for-like exchange rate basis) and China by 39.8% (+28.3% on a like-for-like exchange rate basis), while Japan decreased by 29.9% (-31.1% on a like-for-like exchange rate basis). The North American market (USA, Mexico and Canada) rose by 40.5% (+31.9% on a like-for-like exchange rate basis) and the South American market (Brazil and Argentina) grew by 28.2% (+15.3% on a like-for-like exchange rate basis).

In the first quarter of 2022, the cost of sales and other net operating costs amounted to €568.0 million, with a 66.2% ratio to sales, up in percentage terms compared to €419.7 million in the same period of the previous year (62.2% of sales).

Personnel expenses amounted to €143.3 million, with a 16.7% ratio to sales, decreasing compared to the same period of the previous year (18.4% of sales). At 31 March 2022, workforce numbered 12,656 (of which 604 from the Spanish company J.Juan) compared to 12,225 (of which 570 from the Spanish company J.Juan) at 31 December 2021 and 11,408 at 31 March 2021.

EBITDA for Q1 2022 amounted to €150.8 million (EBITDA margin: 17.6%), compared to €135.6 million for Q1 2021 (EBITDA margin: 20.1%).

EBIT was €92.9 million (EBIT margin: 10.8%) compared to €83.7 million (EBIT margin: 12.4%) for Q1 2021.

Net interest income for the quarter amounted to €1.9 million (net interest expense of €2.7 million in Q1 2021); this item includes interest expense amounting to €3.0 million (€2.8 million in Q1 2021) and net exchange gains of €4.9 million (net exchange gains of €0.1 million in Q1 2021).

Pre-tax profit was €94.8 million (11.1% of sales) compared to €81.1 million (12.0% of sales) for Q1 2021.

Based on the tax rates applicable under current tax regulations in force in each country, estimated taxes amounted to €23.4 million (€19.5 million in Q1 2021), with a tax rate of 24.7% compared to 24.0% for the same period of 2021.

The period ended with a net profit of €71.7 million (8.4% of sales) compared to €61.4 million for the same period of the previous year.

Net financial debt at 31 March 2022 amounted to €456.5 million, up by €17.6 million compared to 31 March 2021. Excluding the impact of IFRS 16, net financial debt would have been €229.2 million, unchanged compared to 31 December 2021.

Significant Events After 31 March 2022

The General Shareholders' Meeting of Brembo S.p.A., held on 21 April, approved the Financial Statements at 31 December 2021, allocating net profit for the year amounting to €111.2 million as follows:

- to the Shareholders, a gross ordinary dividend of €0.27 per each ordinary share outstanding with payment as of 25 May 2022, ex-coupon date No. 5 on 23 May 2022, and record date on 24 May 2022;
- the remaining amount carried forward.

Impacts of the Russia-Ukraine crisis

Brembo does not have any production plants in the areas affected by the crisis and has a limited exposure to aftermarket customers in the region. Accordingly, the direct impact on the Group is circumscribed.

The other effects mainly relate to increases in the prices of commodities and energy, which the Group is mitigating through hedging strategies and typical initiatives aimed at cost recovery from customers, along with a prudential increase in the levels of raw material inventories.

Foreseeable Evolution

In a scenario marked by the persistence of geopolitical tensions and supply complexities, as well as by the Covid-19 pandemic resurgence in some geographical areas, it is still difficult to make forecasts.

In this context, Brembo will continue to outperform its reference market, while remaining focused on its fundamentals and confirming the strategy it has undertaken, oriented towards providing technologically cutting-edge solutions.

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 and Statement of Financial Position.

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CONSOLIDATED STATEMENT OF INCOME

<i>(euro million)</i>	31.03.2022	31.03.2021	Change	%
Revenue from contracts with customers	857.6	675.1	182.5	27.0%
Other revenues and income	5.5	3.9	1.7	43.4%
Costs for capitalised internal works	6.2	6.7	(0.5)	-7.7%
Raw materials, consumables and goods	(411.5)	(307.8)	(103.8)	33.7%
Income (expenses) from non-financial investments	4.6	4.2	0.4	10.1%
Other operating costs	(168.2)	(122.5)	(45.7)	37.3%
Personnel expenses	(143.3)	(123.9)	(19.4)	15.7%
GROSS OPERATING INCOME	150.8	135.6	15.2	11.2%
<i>% of revenue from contracts with customer</i>	17.6%	20.1%		
Depreciation, amortisation and impairment losses	(57.9)	(52.0)	(6.0)	11.5%
NET OPERATING INCOME	92.9	83.7	9.2	11.0%
<i>% of revenue from contracts with customer</i>	10.8%	12.4%		
Net interest income (expense)	1.9	(2.7)	4.6	-170.9%
Interest income (expense) from investments	0.1	0.1	0.0	-32.5%
RESULT BEFORE TAXES	94.8	81.1	13.8	17.0%
<i>% of revenue from contracts with customer</i>	11.1%	12.0%		
Taxes	(23.4)	(19.5)	(3.9)	20.0%
Result from discontinued operations	(0.1)	0.0	(0.1)	263.2%
RESULT BEFORE MINORITY INTERESTS	71.4	61.6	9.8	15.9%
<i>% of revenue from contracts with customer</i>	8.3%	9.1%		
Minority interests	0.3	(0.2)	0.5	-247.0%
NET RESULT FOR THE PERIOD	71.7	61.4	10.3	16.8%
<i>% of revenue from contracts with customer</i>	8.4%	9.1%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.22	0.19		

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

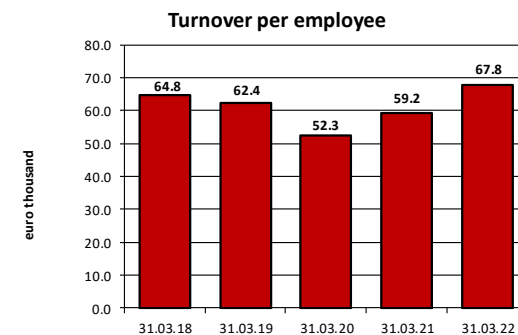
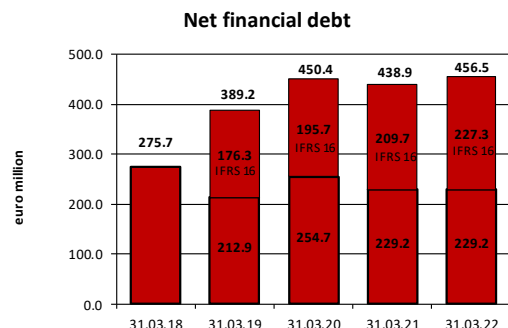
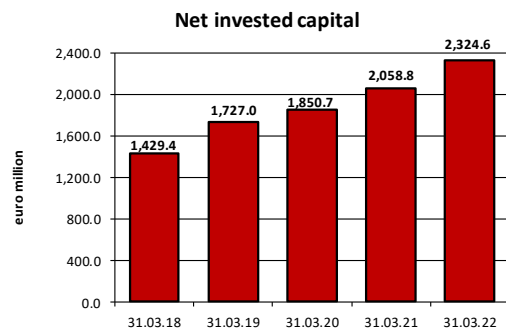
<i>(euro million)</i>	31.03.2022	31.12.2021	Change
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and other equipment	1,056.5	1,047.3	9.2
Right of use assets	229.5	227.5	2.0
Development costs	102.7	101.1	1.5
Goodwill and other indefinite useful life assets	120.1	118.8	1.3
Other intangible assets	75.4	77.4	(2.1)
Shareholding valued using the equity method	49.7	45.1	4.6
Other financial assets (including investments in other companies and derivatives)	276.8	320.3	(43.5)
Receivables and other non-current assets	23.7	23.2	0.5
Deferred tax assets	78.8	71.6	7.1
TOTAL NON-CURRENT ASSETS	2,012.9	2,032.3	(19.3)
CURRENT ASSETS			
Inventories	540.0	482.9	57.1
Trade receivables	610.2	468.2	142.0
Other receivables and current assets	130.4	136.2	(5.7)
Current financial assets and derivatives	17.6	5.6	12.0
Cash and cash equivalents	417.0	557.5	(140.5)
TOTAL CURRENT ASSETS	1,715.3	1,650.4	64.9
ASSETS FROM DISCONTINUED OPERATIONS	0.6	0.7	(0.1)
TOTAL ASSETS	3,728.8	3,683.3	45.5
EQUITY AND LIABILITIES			
GROUP EQUITY			
Share capital	34.7	34.7	0.0
Other reserves	156.6	124.1	32.5
Retained earnings/(losses)	1,548.2	1,388.2	160.0
Net result for the period	71.7	215.5	(143.9)
TOTAL GROUP EQUITY	1,811.2	1,762.6	48.6
TOTAL MINORITY INTERESTS	33.8	33.5	0.3
TOTAL EQUITY	1,845.0	1,796.1	48.9
NON-CURRENT LIABILITIES			
Non-current payables to banks	510.3	516.2	(5.9)
Long-term lease liabilities	202.3	202.3	0.0
Other non-current financial payables and derivatives	3.2	3.1	0.1
Other non-current liabilities	4.1	2.0	2.0
Non-current provisions	48.5	45.0	3.5
Provisions for employee benefits	23.7	24.0	(0.3)
Deferred tax liabilities	38.6	38.2	0.4
TOTAL NON-CURRENT LIABILITIES	830.7	830.8	(0.1)
CURRENT LIABILITIES			
Current payables to banks	148.5	225.3	(76.8)
Short-term lease liabilities	25.0	24.2	0.7
Other current financial payables and derivatives	1.8	3.8	(2.0)
Trade payables	659.4	590.8	68.5
Tax payables	14.1	13.0	1.1
Current provisions	1.0	1.0	0.0
Other current liabilities	203.4	198.2	5.2
TOTAL CURRENT LIABILITIES	1,053.0	1,056.3	(3.2)
LIABILITIES FROM DISCONTINUED OPERATIONS	0.1	0.1	0.0
TOTAL LIABILITIES	1,883.8	1,887.2	(3.4)
TOTAL EQUITY AND LIABILITIES	3,728.8	3,683.3	45.5

NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	31.03.2022	%	31.03.2021	%	Change	%
GEOGRAPHICAL AREA						
Italy	92.7	10.8%	77.7	11.5%	15.0	19.3%
Germany	154.2	18.0%	121.1	17.9%	33.1	27.3%
France	25.6	3.0%	24.5	3.6%	1.2	4.8%
United Kingdom	48.0	5.6%	51.5	7.6%	(3.6)	-6.9%
Other European countries	106.5	12.4%	79.5	11.8%	27.0	33.9%
India	28.6	3.3%	26.9	4.0%	1.6	6.1%
China	137.1	16.0%	98.1	14.5%	39.1	39.8%
Japan	6.4	0.7%	9.1	1.3%	(2.7)	-29.9%
Other Asian Countries	12.0	1.4%	11.9	1.8%	0.1	0.8%
South America (Argentina and Brazil)	11.9	1.4%	9.3	1.4%	2.6	28.2%
North America (USA, Mexico & Canada)	227.0	26.5%	161.5	24.0%	65.4	40.5%
Other Countries	7.6	0.9%	3.9	0.6%	3.7	95.5%
Total	857.6	100.0%	675.1	100.0%	182.5	27.0%

<i>(euro million)</i>	31.03.2022	%	31.03.2021	%	Change	%
APPLICATION						
Passenger Car	609.3	71.0%	482.7	71.5%	126.6	26.2%
Motorbike	119.7	14.0%	85.6	12.7%	34.2	39.9%
Commercial Vehicle	84.8	9.9%	72.7	10.8%	12.1	16.6%
Racing	43.7	5.1%	34.1	5.0%	9.6	28.1%
Miscellaneous	0.1	0.0%	0.0	0.0%	0.0	84.4%
Total	857.6	100.0%	675.1	100.0%	182.5	27.0%

MAIN RATIOS



	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
Net operating income/Revenue from contract with customers	13.9%	13.0%	8.7%	12.4%	10.8%
Result before taxes/Revenue from contract with customers	13.7%	12.6%	7.4%	12.0%	11.1%
Net investments/Revenue from contract with customers	7.0%	6.0%	6.9%	7.2%	7.0%
Net Financial indebtedness/Equity	24.5%	29.7%	32.7%	27.5%	24.7%
Adjusted net interest expense(*)/Revenue from contract with customers	0.3%	0.6%	0.5%	0.4%	0.1%
Adjusted net interest expense(*)/Net operating income	2.3%	4.4%	5.8%	3.3%	1.1%
ROI	24.1%	19.7%	15.2%	10.4%	12.8%
ROE	23.8%	18.1%	14.8%	10.7%	12.2%

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.