

Stezzano (BG), 2 March 2023

**BREMBO: RECORD 2022 REVENUES AT €3,629 MILLION,
UP 30.7% COMPARED TO THE PREVIOUS YEAR;
NET PROFIT AT +35.9% TO €292.8 MILLION.
NET FINANCIAL POSITION IMPROVED BY €128.6 MILLION COMPARED TO
30 SEPTEMBER.**

DIVIDEND PROPOSAL: €0.28 PER SHARE.

Results at 31 December 2022:

- **Revenues** at €3,629 million, +30.7% compared to the previous year (+25.1% on a like-for-like exchange rate basis; +22.0% on a like-for-like consolidation and exchange rate basis)
- **EBITDA** at €625.2 million (EBITDA margin: 17.2%); **EBIT** at €382.8 million (EBIT margin: 10.5%)
- **Net investments and increases in leased assets** at €319.6 million
- **Net financial debt** decreased by €128.6 million compared to 30 September 2022

(€million)	2022 FY	2021 FY	Change
Revenue	3,629.0	2,777.6	+30.7%
EBITDA % of sales	625.2 17.2%	502.7 18.1%	+24.4%
EBIT % of sales	382.8 10.5%	288.0 10.4%	+32.9%
Pre-tax profit % of sales	382.2 10.5%	286.8 10.3%	+33.3%
Net profit % of sales	292.8 8.1%	215.5 7.8%	+35.9%
	31.12.2022	30.09.2022	Change
Net financial debt excluding IFRS 16	260.8	405.6	-144.7
Net financial debt	502.0	630.7	-128.6

Executive Chairman Matteo Tiraboschi stated: “*Brembo closed 2022 on a satisfactory note. In terms of revenues, margins and net profit, we reported the highest figures ever in the Company’s history. All the main segments in which we operate contributed to this result. This milestone was reached in spite of the complexities of a year especially marked by the consequences of the war in Ukraine and persistent inflation pressures on the raw material markets. The strategy that has been outlined in the past few years has proven capable to effectively maintain Brembo’s competitiveness at the highest levels, in a context that remains challenging. The innovation of our solutions continues to be focussed on digitalisation and sustainability — two key elements for the Brembo of tomorrow. The development of our innovative smart braking system Sensify, as well as the frontier research of the California-based Brembo Inspiration Lab, is heading in this direction. To further support this path, in October 2022 we announced the incorporation of Brembo Ventures, our new venture capital unit tasked with investing in the best technological start-ups. We have entered the new year aware that the results achieved in 2022 will be the foundation for continuing to invest in our future.*”

Results at 31 December 2022

Brembo S.p.A.'s Board of Directors, chaired by Matteo Tiraboschi, met today and approved the Group's annual results at 31 December 2022.

Brembo Group's consolidated net revenues amounted to €3,629.0 million, up 30.7% compared to the previous year (+25.1% on a like-for-like exchange rate basis).

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 27.6%. On a like-for-like exchange rate and consolidation basis, revenues rose by 22.0% compared to the previous year.

At geographical level, all the main markets in which the Group operates grew in the reporting period compared to the previous year.

Sales increased by 10.5% in Italy, by 33.8% in Germany and by 18.5% in France, whereas the United Kingdom declined slightly (-1.8%).

As far as non-EU countries are concerned, India grew by 40.4% (+32.9% on a like-for-like exchange rate basis), China by 30.4% (+21.5% on a like-for-like exchange rate basis), while Japan closed at -9.6% (-9.9% on a like-for-like exchange rate basis).

South America grew by 66.1% (+43.0% on a like-for-like exchange rate basis) and North America (USA, Canada and Mexico) rose by 48.8% (+34.3% on a like-for-like exchange rate basis).

With regard to the market segments, car applications increased by 30.5%, motorbike applications by 44.3% (+18.2% on a like-for-like consolidation basis), applications for commercial vehicles by 19.2% and racing applications by 23.7%.

In 2022, the cost of sales and other net operating expenses amounted to €2,404.6 million, with a 66.3% ratio to sales, slightly up in percentage terms compared to 64.2% for the previous year.

Personnel expenses amounted to €616.2 million, with a 17.0% ratio to sales, down compared to the previous year (18.2% of sales).

At 31 December 2022, Brembo people, including agency workers, numbered 14,966, increasing by 1,369 compared to 13,597 the previous year.

EBITDA for 2022 totalled €625.2 million (EBITDA margin: 17.2%), compared to €502.7 million (EBITDA margin: 18.1%) for 2021.

Net interest expense amounted to €8.5 million for the year ended 31 December 2022 (€5.2 million in 2021) and consisted of net exchange gains of €4.6 million (€4.4 million for 2021) and other net interest expense of €13.1 million (€9.7 million for the previous year).

Based on tax rates applicable under current tax regulations, estimated taxes amounted to €88.2 million, with a tax rate of 23.1%.

The period ended with a net profit of €292.8 million, up 35.9% compared to the previous year.

Net financial debt at 31 December 2022 was €502.0 million, down €128.6 million compared to 30 September 2022. Excluding the IFRS 16 impact, net financial debt amounted to €260.8 million, down €144.7 million compared to 30 September 2022.

Approval of the Consolidated Disclosure of Non-Financial Information for 2022

Brembo's Board of Directors examined and approved the Consolidated Disclosure of Non-Financial Information for 2022 pursuant to Legislative Decree No. 254/2016.

This Disclosure, drawn up in compliance with the Guidelines of the Global Reporting Initiative (GRI Universal Standards), describes the Company's business model, the Group's strategies and policies, the actions implemented and the results achieved in pursuing sustainable development, while taking account of the expectations of the stakeholders involved and seeking constant improvement of the corporate activities' environmental and social impacts.

In the materiality analysis process, Brembo has applied the GRI 3 standards assessing the Company's significant impacts on economy, the environment and people, including with regard to human rights. Brembo has also applied, in advance and on a voluntary basis, the double materiality assessment, which will become mandatory in 2025 with the entry into force of the new Corporate Sustainability Reporting Directive.

The Disclosure will be made available to the public on the Group's website within the terms established by applicable laws and will be submitted to the forthcoming General Shareholders' Meeting.

Calling of General Shareholders' Meeting – 20 April 2023

Today, the Board of Directors called the General Shareholders' Meeting on 20 April 2023 at 10:30 a.m. (CET).

In light of the extension of the emergency measures on the holding of general meetings, as per Italian Law No. 14 of 24 February 2023, shareholders' attendance and exercise of the voting rights shall take place solely by **granting a proxy to the Designated Representative**, i.e., Computershare S.p.A., appointed pursuant to Article 135-*undecies* of TUF.

Accordingly, individual shareholders will not be allowed to attend in physical presence. The instructions and form for granting, at no charge, the proxy and the documentation related to General Shareholders' Meeting will be available, within the terms established by applicable laws, on the website www.brembo.com, Investors, For Shareholders, Shareholders' Meeting.

Among the items on the Agenda, the Board of Directors resolved to submit the following matters to the forthcoming General Shareholders' Meeting:

- Examination and approval of the Financial Statements for the year ended 31 December 2022.
- The following proposal for the distribution of profit of the Parent Brembo S.p.A.:
 - a gross ordinary dividend of €0.28 per ordinary share outstanding at ex-coupon date;
 - the remaining amount carried forward.It will also be proposed that dividends should be paid as of 24 May 2023, ex-coupon No. 6 on 22 May 2023 (record date: 23 May 2023).
- Appointment of the Board of Directors and Board of Statutory Auditors. The guidelines of the outgoing Board of Directors on the selection of candidates for the new Board are available on the website www.brembo.com, Investors, For Shareholders, Shareholders' Meeting.
- Report on Remuneration Policy for 2023 and Remuneration Paid in 2022.
- Plan for the buy-back and sale of own shares with the following objectives:
 - undertaking any investments, directly or through intermediaries, including aimed at containing abnormal movements in stock prices, stabilising stock trading and prices, supporting the liquidity of the Company's stock on the market, so as to foster the regular

- conduct of trading beyond normal fluctuations related to market performance, without prejudice in any case to compliance with applicable statutory provisions;
- carrying out, in accordance with the Company's strategic guidelines, share capital transactions or other transactions which make it necessary or appropriate to swap or transfer share packages through exchange, contribution, or any other available methods; and
 - buying back own shares as a medium-/long-term investment.

The proposal envisages that the Board of Directors may purchase, in one or more tranches, up to a maximum of 8,000,000 ordinary shares, for a minimum price not lower than the closing price of the shares during the trading session on the day before each transaction is undertaken, reduced by 10%, and for a maximum price not higher than the closing price of the shares during the trading session on the day before each transaction is undertaken, increased by 10%.

With reference to the disposal of own shares, the Board of Directors will define, from time to time, in accordance with applicable legislation and/or allowed market practices, the criteria to set the relevant consideration and/or methods, terms and conditions to use own shares in portfolio, taking due account of the realisation methods applied, the price trend of the stock in the period before the transaction and the best interest of the Company.

The authorisation is requested for a period of 18 months from the date of the resolution by the General Shareholders' Meeting and for a maximum purchasing amount of €144,000,000, which is adequately covered by the available net reserves recognised in the balance sheet. At present, the Company holds 10,035,000 own shares representing 3.005% of share capital.

Foreseeable Evolution

The first months of 2023 saw a positive performance in terms of volumes and utilisation of the production capacity; barring significant changes in the current macro-economic and geopolitical context, Brembo expects an increase in revenues in the mid-single digit range for the current year compared to the previous year.

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 Statement of Income, Statement of Financial Position and Statement of Cash Flows, which are currently being audited.

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CONSOLIDATED STATEMENT OF INCOME

<i>(euro million)</i>	31.12.2022	31.12.2021	Change	%
Revenue from contracts with customers	3,629.0	2,777.6	851.5	30.7%
Other revenues and income	33.3	23.5	9.8	41.5%
Costs for capitalised internal works	23.1	23.2	(0.1)	-0.6%
Raw materials, consumables and goods	(1,758.8)	(1,310.3)	(448.5)	34.2%
Income (expenses) from non-financial investments	16.9	15.3	1.6	10.5%
Other operating costs	(702.1)	(520.0)	(182.2)	35.0%
Personnel expenses	(616.2)	(506.6)	(109.6)	21.6%
GROSS OPERATING INCOME	625.2	502.7	122.5	24.4%
% of revenue from contracts with customer	17.2%	18.1%		
Depreciation, amortisation and impairment losses	(242.4)	(214.7)	(27.6)	12.9%
NET OPERATING INCOME	382.8	288.0	94.9	32.9%
% of revenue from contracts with customer	10.5%	10.4%		
Net interest income (expense)	(8.5)	(5.2)	(3.3)	63.1%
Interest income (expense) from investments	7.9	4.0	3.9	96.1%
RESULT BEFORE TAXES	382.2	286.8	95.4	33.3%
% of revenue from contracts with customer	10.5%	10.3%		
Taxes	(88.2)	(70.8)	(17.4)	24.7%
Result from discontinued operations	(0.2)	(0.2)	0.0	17.6%
RESULT BEFORE MINORITY INTERESTS	293.9	215.9	78.0	36.1%
% of revenue from contracts with customer	8.1%	7.8%		
Minority interests	(1.0)	(0.3)	(0.7)	194.6%
NET RESULT FOR THE PERIOD	292.8	215.5	77.3	35.9%
% of revenue from contracts with customer	8.1%	7.8%		
BASIC/DILUTED EARNINGS PER SHARE (euro)	0.90	0.67		

<i>(euro million)</i>	31.12.2022	31.12.2021	Change
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and other equipment	1,125.7	1,047.3	78.5
Right of use assets	242.1	227.5	14.6
Development costs	101.7	101.1	0.5
Goodwill and other indefinite useful life assets	123.2	118.8	4.5
Other intangible assets	75.5	77.4	(1.9)
Shareholding valued using the equity method	50.7	45.1	5.6
Investments in other companies	228.1	293.9	(65.8)
Financial instruments	65.9	24.4	41.5
Other non-current financial assets	2.7	2.0	0.8
Receivables and other non-current assets	23.8	23.2	0.6
Deferred tax assets	66.3	71.6	(5.4)
TOTAL NON-CURRENT ASSETS	2,105.7	2,032.3	73.5
CURRENT ASSETS			
Inventories	586.0	482.9	103.1
Trade receivables	594.3	468.2	126.0
Other receivables and current assets	130.3	136.2	(5.8)
Financial instruments	10.7	4.3	6.3
Other current financial assets	1.9	1.2	0.6
Cash and cash equivalents	415.9	557.5	(141.6)
TOTAL CURRENT ASSETS	1,739.1	1,650.4	88.7
Non-current assets held for sale	0.3	0.7	(0.4)
TOTAL ASSETS	3,845.1	3,683.3	161.8
EQUITY AND LIABILITIES			
GROUP EQUITY			
Share capital	34.7	34.7	0.0
Other reserves	158.7	124.1	34.6
Retained earnings/(losses)	1,427.6	1,388.2	39.4
Net result for the period	292.8	215.5	77.3
TOTAL GROUP EQUITY	1,913.9	1,762.6	151.3
TOTAL MINORITY INTERESTS	33.1	33.5	(0.4)
TOTAL EQUITY	1,947.0	1,796.1	150.9
NON-CURRENT LIABILITIES			
Non-current payables to banks	464.5	516.2	(51.7)
Long-term lease liabilities	153.0	202.3	(49.4)
Financial instruments	0.0	0.0	0.0
Other non-current financial payables	1.2	3.1	(1.9)
Other non-current liabilities	2.4	2.0	0.3
Non-current provisions	24.0	45.0	(21.0)
Provisions for employee benefits	24.1	24.0	0.1
Deferred tax liabilities	33.6	38.2	(4.5)
TOTAL NON-CURRENT LIABILITIES	702.8	830.8	(128.0)
NON-CURRENT LIABILITIES			
Current payables to banks	241.2	225.3	15.9
Short-term lease liabilities	88.2	24.2	64.0
Financial instruments	3.6	3.0	0.6
Other current financial payables	0.6	0.8	(0.2)
Trade payables	653.2	590.8	62.3
Tax payables	16.1	13.0	3.2
Current provisions	1.6	1.0	0.6
Contract liabilities	56.5	48.8	7.8
Other current liabilities	134.2	149.5	(15.2)
TOTAL CURRENT LIABILITIES	1,195.3	1,056.3	139.1
LIABILITIES FROM DISCONTINUED OPERATIONS	0.0	0.1	(0.1)
TOTAL LIABILITIES	1,898.1	1,887.2	10.9
TOTAL EQUITY AND LIABILITIES	3,845.1	3,683.3	161.8

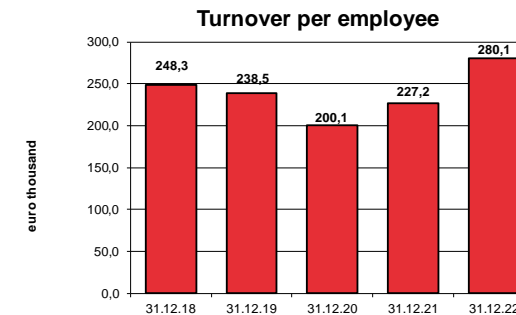
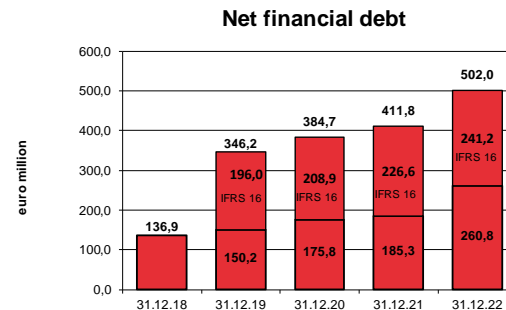
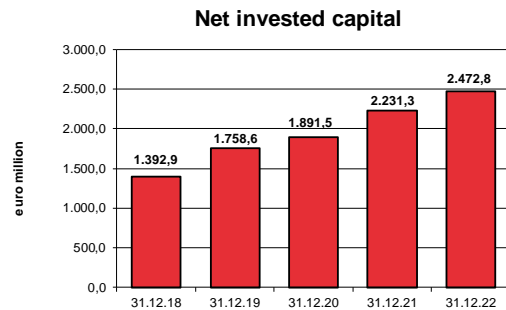
<i>(euro million)</i>	31.12.2022	31.12.2021
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	471.9	445.2
Result before taxes	382.2	286.8
Depreciation, amortisation/Impairment losses	242.4	214.7
Capital gains/losses	(1.0)	0.0
Income/expense from investments, net of dividends received	(2.1)	(0.5)
Financial portion of provisions for defined benefits and payables for personnel	(0.1)	0.4
Long-term provisions for employee benefits	10.8	2.7
Other provisions net of utilisations	20.2	5.0
Result from discontinued operations	(0.2)	(0.2)
Cash flows generated by operating activities	652.2	509.0
Current taxes paid	(71.2)	(63.6)
Uses of long-term provisions for employee benefits	(5.4)	(4.2)
<i>(Increase) reduction in current assets:</i>		
inventories	(113.2)	(108.2)
financial assets	(0.8)	(0.4)
trade receivables	(127.5)	(57.8)
receivables from others and other assets	(12.8)	0.2
<i>Increase (reduction) in current liabilities:</i>		
trade payables	62.3	99.2
payables to others and other liabilities	(34.3)	25.9
Translation differences on current assets	(7.9)	12.5
Net cash flows from/(for) operating activities	341.5	412.6
<i>Investments in:</i>		
property, plant and equipment	(249.4)	(183.8)
intangible assets	(34.5)	(31.8)
financial assets (shareholdings)	(31.5)	(0.2)
Price for disposal or reimbursement value of fixed assets	2.8	5.6
Amounts (paid)/received for the acquisition/disposal of subsidiaries, net of the associated cash and cash equivalents	(3.4)	(97.7)
Net cash flows from/(for) investing activities	(316.1)	(307.9)
Dividends paid in the period	(87.4)	(71.1)
Dividends paid to minority shareholders in the period	(0.8)	(0.6)
Change in fair value of derivatives	1.6	1.5
Reimbursement of lease liabilities	(30.9)	(29.0)
Loans and financing granted by banks and other financial institutions in the period	25.1	101.2
Repayment of long-term loans and other financing	(143.0)	(83.2)
Net cash flows from/(for) financing activities	(235.4)	(81.2)
Total cash flows	(209.9)	23.4
Translation differences on cash and cash equivalents	(8.0)	3.3
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	254.0	471.9

NET SALES BREAKDOWN BY GEOGRAPHICAL AREA AND BY APPLICATION

<i>(euro million)</i>	31.12.2022	%	31.12.2021	%	Change	%
GEOGRAPHICAL AREA						
Italy	354.8	9.8%	321.1	11.6%	33.7	10.5%
Germany	668.4	18.4%	499.5	18.0%	168.9	33.8%
France	111.8	3.1%	94.3	3.4%	17.4	18.5%
United Kingdom	178.4	4.9%	181.7	6.5%	(3.3)	-1.8%
Other European countries	436.3	12.0%	344.1	12.4%	92.2	26.8%
India	131.2	3.6%	93.4	3.4%	37.8	40.4%
China	568.0	15.7%	435.8	15.7%	132.3	30.4%
Japan	23.6	0.6%	26.0	0.9%	(2.5)	-9.6%
Other Asian Countries	51.6	1.4%	45.3	1.6%	6.2	13.7%
South America (Argentina and Brazil)	64.8	1.8%	39.0	1.4%	25.8	66.1%
North America (USA, Mexico & Canada)	1,011.3	27.9%	679.7	24.5%	331.6	48.8%
Other Countries	28.9	0.8%	17.5	0.6%	11.4	64.8%
Total	3,629.0	100.0%	2,777.6	100.0%	851.5	30.7%

<i>(euro million)</i>	31.12.2022	%	31.12.2021	%	Change	%
APPLICATION						
Passenger Car	2,639.7	72.7%	2,022.2	72.8%	617.4	30.5%
Motorbike	477.1	13.1%	330.6	11.9%	146.5	44.3%
Commercial Vehicle	350.2	9.7%	293.9	10.6%	56.3	19.2%
Racing	161.8	4.5%	130.8	4.7%	31.0	23.7%
Miscellaneous	0.3	0.0%	0.0	0.0%	0.2	766.7%
Total	3,629.0	100.0%	2,777.6	100.0%	851.5	30.7%

MAIN RATIOS



	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
Net operating income/Revenue from contract with customers	13.1%	12.3%	8.2%	10.4%	10.5%
Result before taxes/Revenue from contract with customers	12.3%	11.9%	7.1%	10.3%	10.5%
Net investments (*)/Revenue from contract with customers	10.8%	8.1%	6.8%	7.6%	7.8%
Net Financial debt/Equity	11.1%	24.9%	26.0%	22.9%	25.8%
Adjusted net interest expense(**)/Revenue from contract with customers	0.5%	0.6%	0.8%	0.3%	0.4%
Adjusted net interest expense(**)/Net operating income	4.0%	4.5%	9.4%	3.4%	3.4%
ROI	24.8%	18.1%	9.6%	12.9%	15.5%
ROE	19.7%	17.3%	9.3%	12.0%	15.1%

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.

(*) Net investments in property, plant, equipment and intangible assets, calculated as the sum total of increases (net of decreases) of property, plant, equipment and intangible assets

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