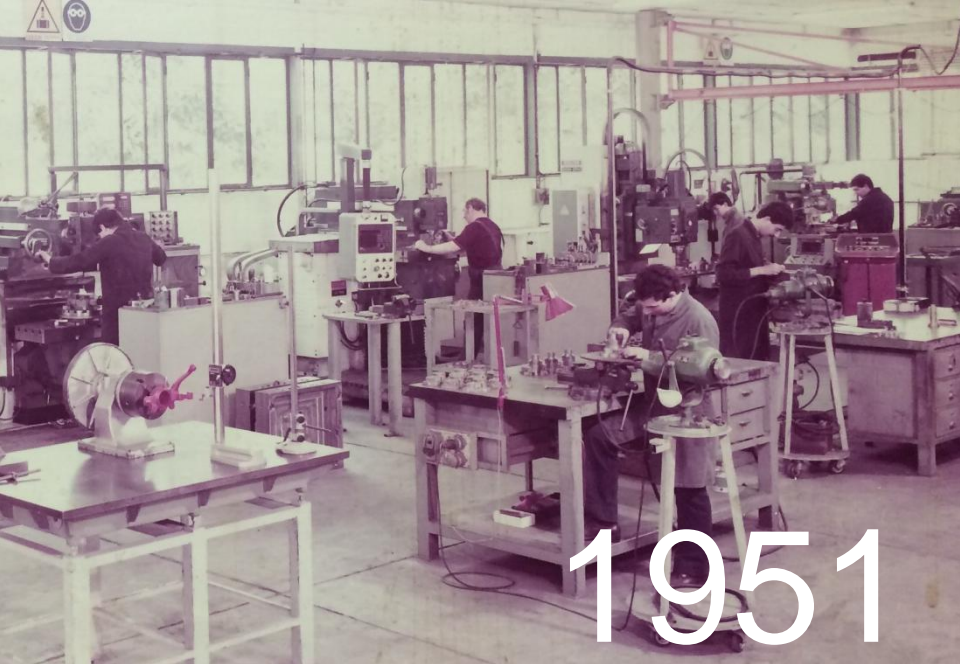




1951 2017



# 1951



# 2017

## 70's

*Company is a pioneer in the computerization of the production process using CNC machines*

## 80's

*Acquisition of important customers: Teksid (FIAT Group) and Ferrari (partnership for an engine that will bring Schumacher winning several times the title of world champion).*

## 90's

*Continuous innovation brings new customers, like Mazzucconi and BMW. The partnership with BMW allows the company to become one of the first in the world to design and produce equipment for inorganic process. In 1999 are purchased the first 5-axis CNC machines, technology that will become a benchmark for the production of high range tooling.*

## 00's

*Beginning of the relationship with Nemak.*

## 2011

*Bonfiglioli is appointed general manager and board member. The partnership for new high performance engines and the demand for high-end products lead to a doubling of sales in few years, 80% abroad.*

## 2013

*IFE is founded in Goa ( India). Engineering center, first footprint in the country, that leads to Brambilla India Private Limited, JV 50% with a local Foundry, established in 2015*

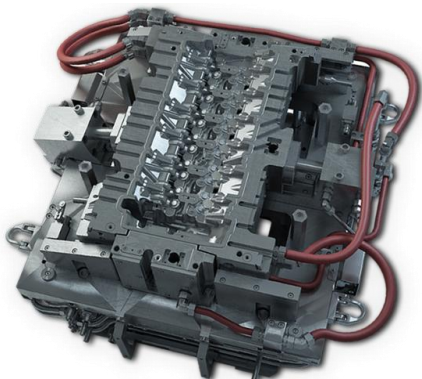
## 2014

*MB is involved by BMW for the creation of its new foundry in China and acquires the first direct order from a Volkswagen's foundry. Listing on AIM Italia market (December).*

## 2016-2017

*Italian plant is doubled (from 2,500 to 5,000 sqm)*





Patterns, Molds, Core Boxes are the tooling used to produce cylinder heads, engine blocks, transmission cases, collectors and other complex castings for cars, motorbikes, tracks, industrial and racing vehicles (including Formula 1).



### #1 Molds for aluminum and cast iron foundries

Modelleria Brambilla works with cast iron and aluminum foundries (gravity and low pressure processes).

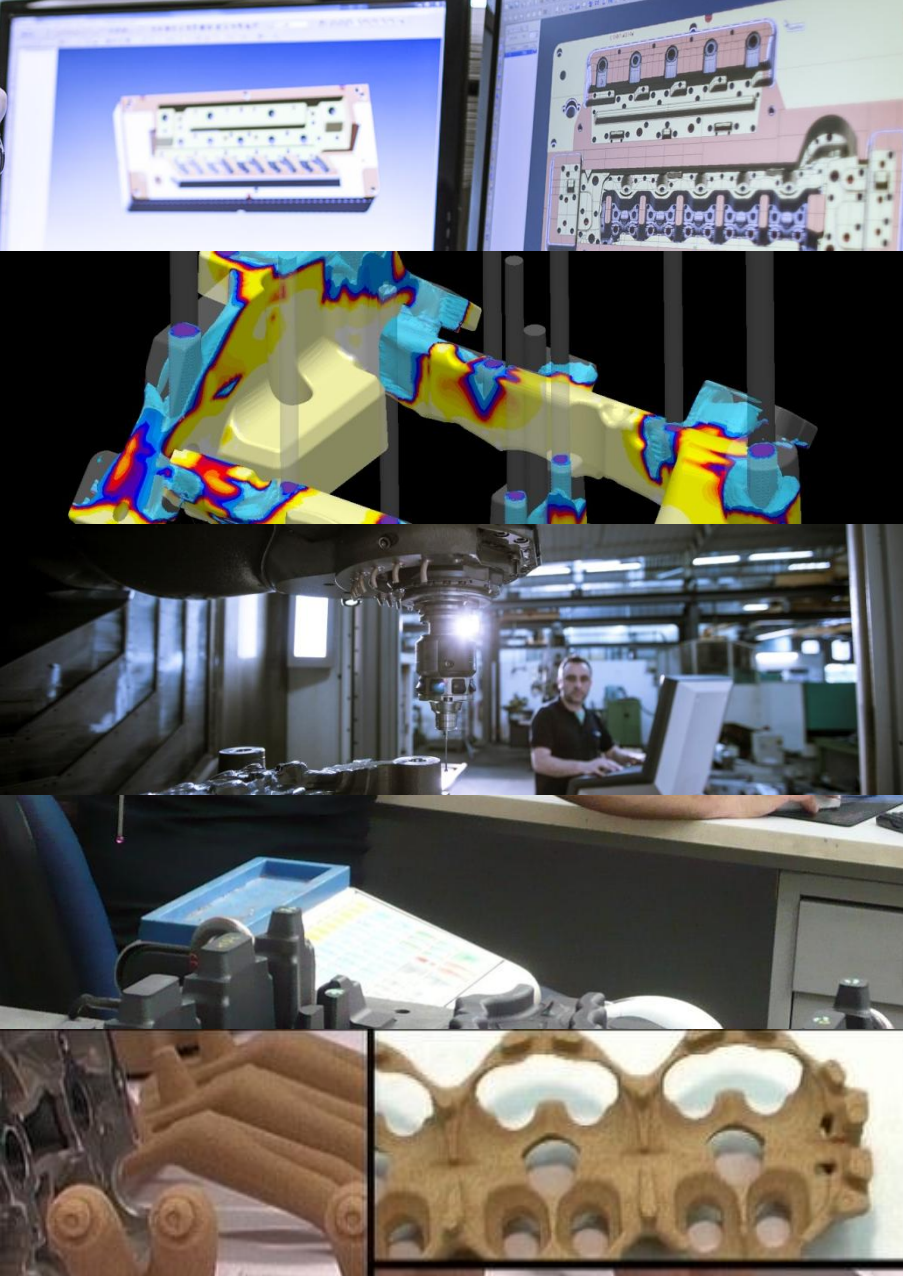
### #2 Core Boxes

Tooling for the production of the cores, the parts that are used to obtain the internal cavities of the castings. Any type of core boxes can be developed and produced: hot box, cold box, shell molding or inorganic process.



### #3 Samples and Pre-series

Opportunity to simulate the behaviour of the tooling in foundry by Magma software; in partnership with close suppliers, MB can also produce small pre-series of castings: this is especially appreciated by non-European customers.



### Designing

The achieved technical experience has led our technical operators to a very high level of expertise. By the use of best CAD systems they develop the project in 3D models.

### Simulation

They make simulations that allow to predict the behaviour of the equipment and the final result of the jet, in order to obtain a result that complies to metallurgical client standards.

### Production

The CNC machines, each supported by a workstation CAM, take 3D model and highly specialized workers draw the tool path according to the process to be carried.

### Test

The fidelity of the reproduction of 3D models is guaranteed by testing. The very innovative laser GOM technique is applied.

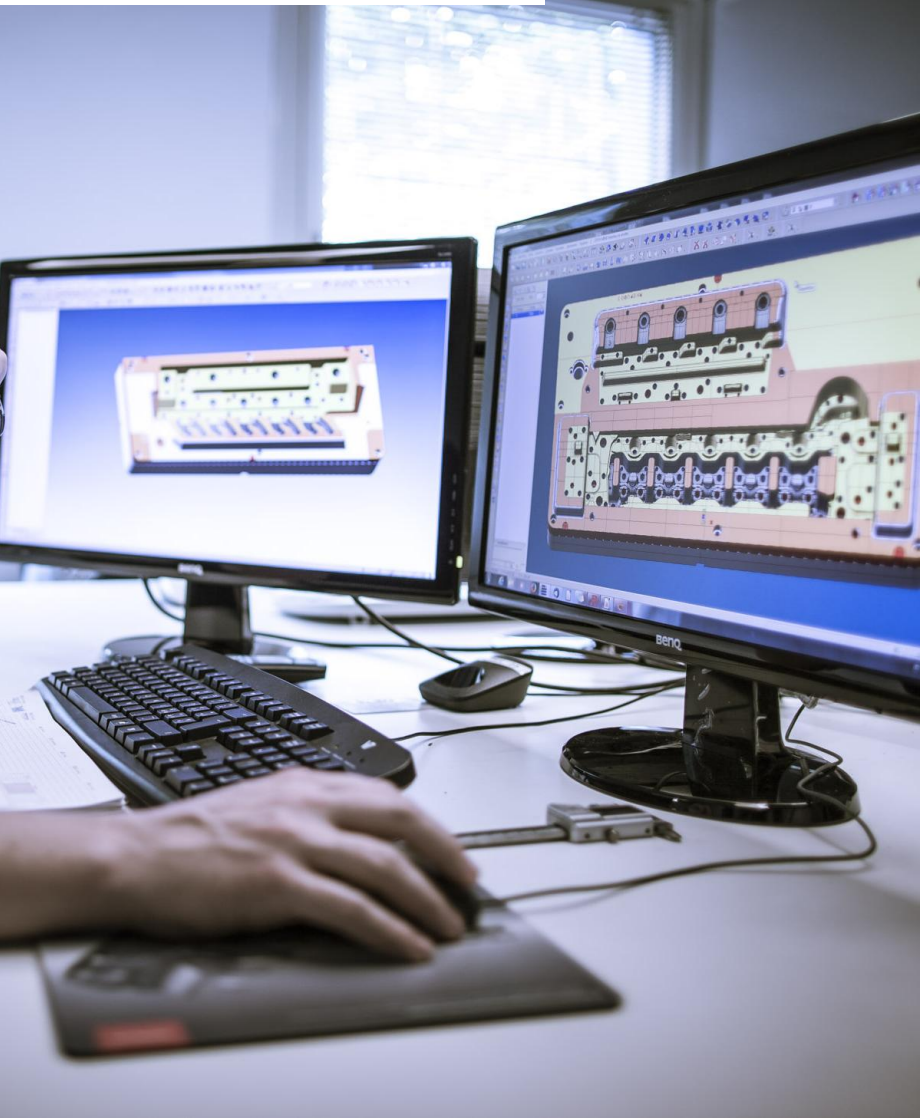
### Sampling

Production of small series of samples to ensure efficiency of the equipment.

### After sales service

Service to work with customer in order to improve useful life of workpiece and quality of output.

Designing




Target market is **automotive**.

Modelleria Brambilla's customers are foundries that produce automotive components in aluminium and cast iron, and they are divided into:

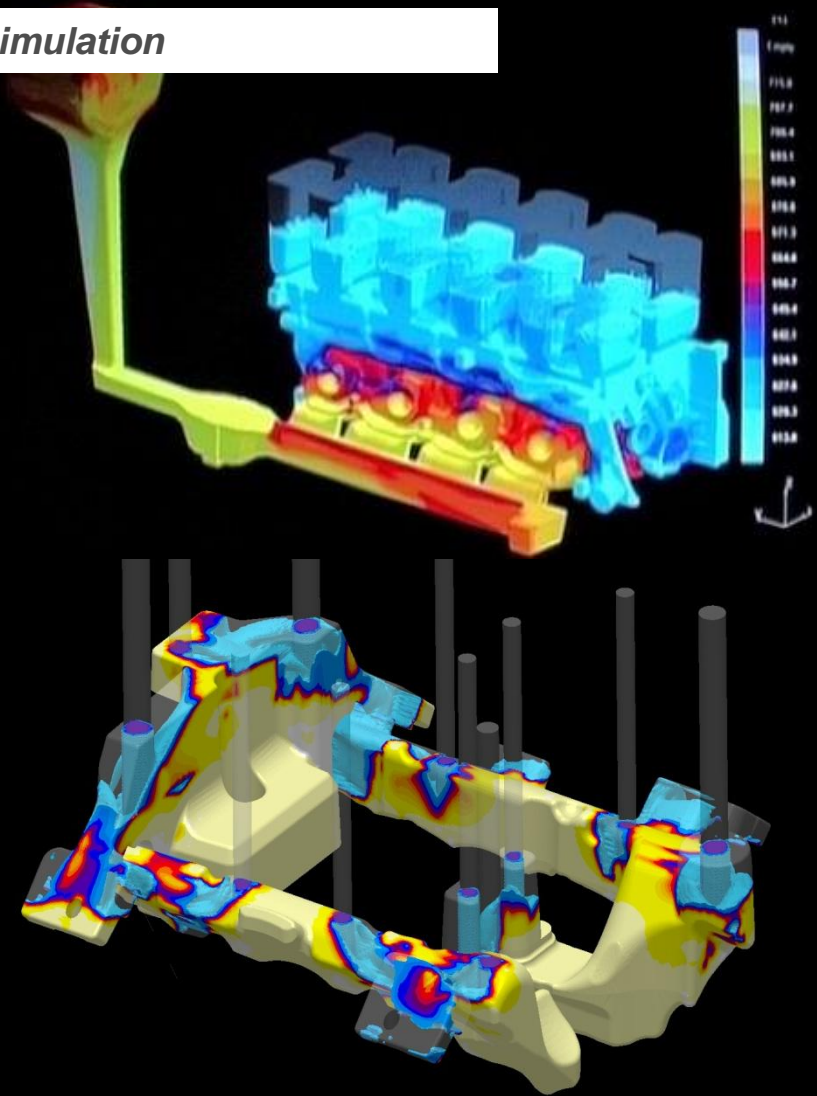
**Independent foundries** that supply producers who do not have their own foundries (eg: Nemak, reference supplier for Ford, GM, Chrysler, etc.)

**Foundries owned by vehicle manufactures** (eg: BMW, Ferrari, Volkswagen)

	Step 1	Step 2	Step 3
Player		Independent foundries or Foundries owned by vehicle manufactures	Vehicle manufactures
Process	Designing (co-design) and production	Fusion	Assembly
Output	Model, Shells, Core boxes	Cylinder heads, engine blocks, transmission cases, collector	End product



# Simulation



## #1 Know-how

Project and production solutions aligned with industry state-of-the-art and support to the client at every steps, including co-design.

## #2 Service

Supply of distinctive services such as casting simulations and production of pre-series castings.

## #3 Flexibility

Flexibility on the timing and especially on the implementation of changes during construction, including maintenance at the customer, thanks to lean company structure.

## #4 International presence

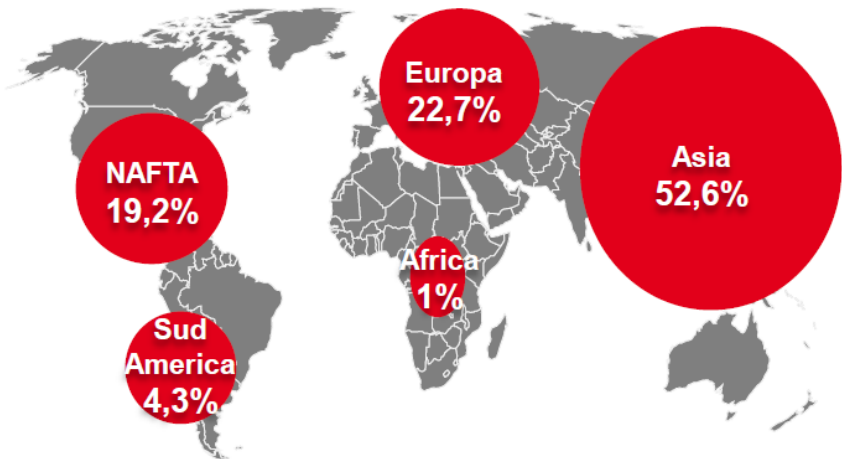
Modelleria Brambilla supplies customers in countries with the highest growth rate of vehicle manufacture and it has already started the expansion in emerging markets.

**Production**

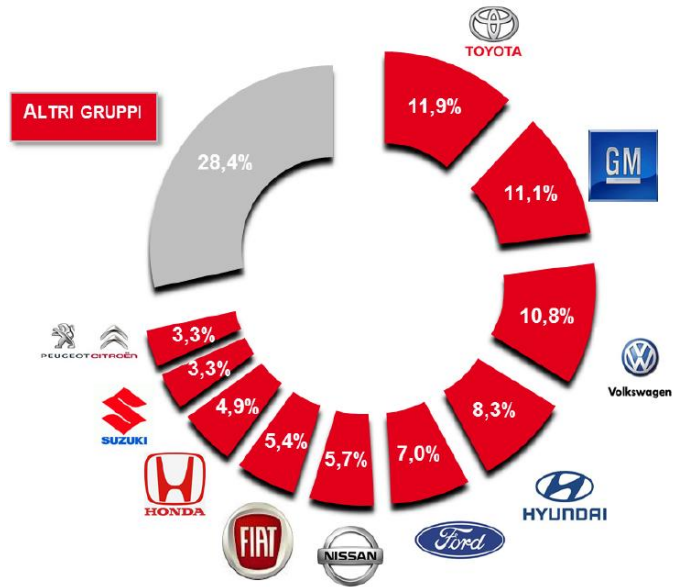
5-axis milling machine



Distribution of world motor vehicles production (% on volume)



Quotas of world production of the 10 largest automotive groups, 2013

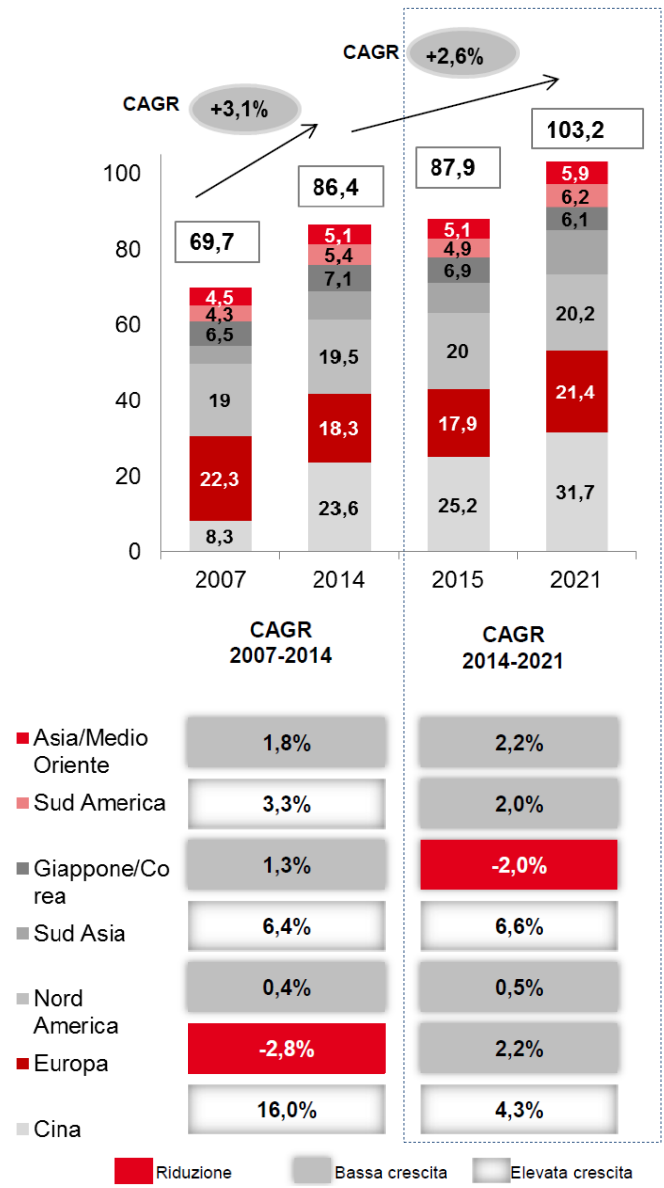




# Production

Deep drilling machine

Global sales of light vehicles, volumes (ml. Vehicle)





Test



In 2016 the “**Dieseldgate**” scandal started a phase of market **uncertainty**.

**Signs of recovery in investments** were recognized in 2017, reflected by the **increase in the order backlog** in the Automotive industry.

The new scenario still requires even more efforts in order to boost business activities in **new markets and product diversification**.

## MODELLERIA BRAMBILLA ACTIONS

- ☐ Create one of the most modern assembly facility, doubling the covered area (increase of efficiency and capacity)
- ☐ Important organizational changes (new ERP & CAM softwares, leaner structure)
- ☐ Products diversification, developing tooling for light alloy components for environmentally friendly vehicles parts, as promoted by the international legislation
- ☐ Boost commercial presence in new markets (ex. Japan)
- ☐ Strengthen presence in core markets (especially Mexico)
- ☐ Focus on Italian foundries



**Samples**

31 December 2016\* (€m)

**80% of revenues are generated abroad**

	<b>FY16</b>	<b>FY15</b>
Revenues	16.7	16.7
EBITDA	1.9	2.2
%	11.2%	13.0%
EBIT	1.1	1.4
Net Income	0.4	0.4
<hr/>		
Net Equity	3.2	2.9
NFP (Cash)	9.2	5.2

**NEW IMPORTANT ORDERS IN THE FIRST MONTHS OF 2017:**

**# Nemak Mexico**

Delivered the equipment to Nemak Mexico for a Ford engine (over € 1.2 M contract)

**# Bocar**

Mexican client Bocar awarded contracts for more than € 0.8 M

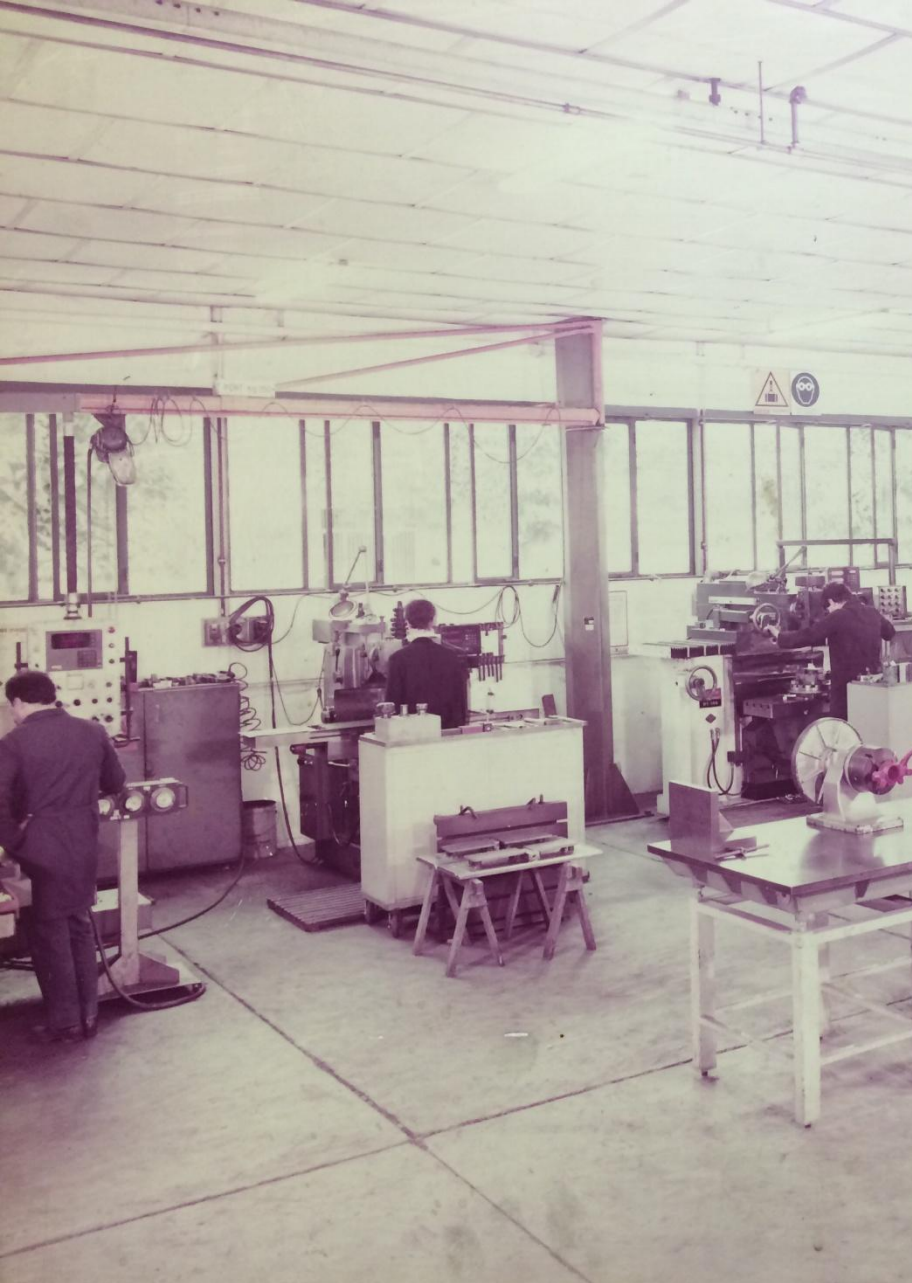
**# Motorcycle manufacturer**

Completed the supply of the equipment for the production of a new engine of an important Italian motorcycle manufacturer

**# VW Germany**

€ 0.43 M agreement with Volkswagen Germany to provide equipment for a four-cylinder gasoline engine





BMW foundry has developed with Modelleria Brambilla and ASK Chemicals, since more than 10 years, **the inorganic process**.

This innovation ensures no emission (complete environmental eco-compatibility) and consequently lower porosity in castings **(- scraps)** and a lower maintenance **(+ efficiency)**.

Who owns this know-how has therefore the chance to **support the most advanced foundries in the renovation of their equipment**.

This process is allowing **MB to find new opportunities worldwide market** with big players that want to improve their foundries: last example is **Kia** in South Korea.

Partner



**ASKCHEMICALS**  
We advance your casting





EFEVE is an **R&D project funded by European Union** which has the goal of developing a new aluminium alloy with nanoparticles with relevant production process.

It will allow the manufacture of **new high-performance components** (for: *automotive, energy and construction*) reducing weight and increasing the flexibility.

**Modelleria Brambilla** is part of a consortium of **15 companies and research institutions** and it is currently in **R&D phase on industrialization and production of samples** for automotive sector.

#### Partner







## IPO

Trading Market: **AIM Italia**

Date: **5 December 2014**

Capital raised: **€3.0m** (€1.5m from Convertible Bond)

Price: **€2.50**

Capitalization: **€9.5m**

Nomad and Specialist: **Integrae SIM**

## Convertible Bond - "Modelleria Brambilla Convertible 7% 2014-2019"

Isin: **IT0005068645**

N. issued bonds: **15,000**

Nominal value of each bond: **€100**

## Share Data (at 30 March 2017)

Bloomberg: **MBR:IM**

Isin: **IT0005068249**

Shares: **3,800,000**

Price: **€4.096 +63% from IPO**

Capitalization: **€15.6 m**

## Analyst Coverage

Broker: **Integrae SIM**

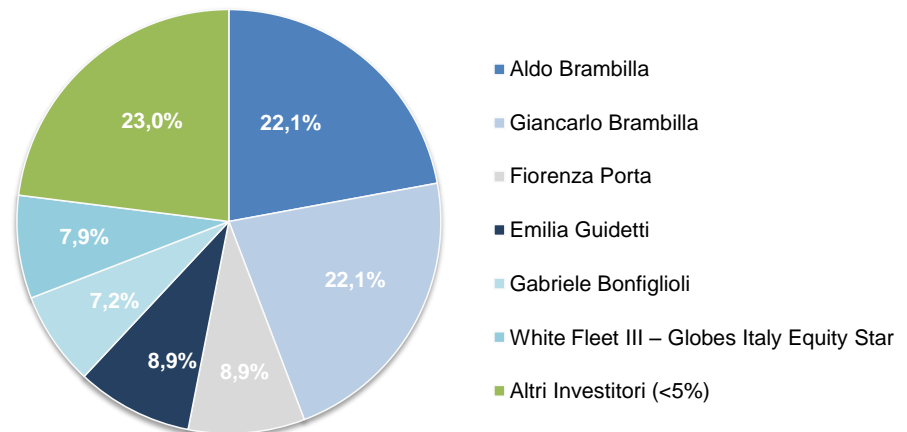
Analyst: **Antonio Tognoli**

Date: **14 October 2016**

Rating: **BUY**

Target Price: **€5.00**

## Shareholders





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