

Following the bond issue of 180 million Euros, just signed, a new operation aimed at reorganising the financial structure of the Carraro Group.

Agreement between the Carraro Group and Banco BPM SpA for a loan with maximum amount of 100 million Euros.

The Banco BPM Group confirms its ambition to be a reference bank for Italian companies of excellence, supporting the growth and development plan of a leading Group on international markets.

Campodarsego (Padua), 9 February 2018 – An "Underwriting and Commitment Letter" relating to a multi-year loan agreement was signed today, for a maximum amount of 100 million Euros, between the Carraro Group and Banco BPM SpA.

This loan flanks the 180 million Euro bond just issued by Carraro International and is aimed at supporting short and medium-term operational needs deriving from the expected growth of the Padua-based Group which, just a few months ago, communicated its new business plan to the financial community.. With this operation, Carraro reorganises and consolidates its financial structure with total support of 280 million Euros.

"The agreement with Banco BPM represents a new and fundamental step that will allow us to complete the process of reorganisation of the coverage of the Group's financial needs and, now that the restructuring phase can be considered concluded, to support normal operations in line with the new business plan recently presented to the market", said **Enrico Gomiero, Group CFO**.

*"Banco BPM intends to support Italian industrial companies in their growth path, accompanying them with high added value services able to generate competitive advantages that can be defended over time. – said **Luca Manzoni, Corporate Director of Banco BPM** – In line with this proposition, Banco BPM has decided to support the experience and expertise of an Italian excellence such as the Carraro Group. An example of how the Bank is supporting the improvement of the macroeconomic scenario, after years of economic crisis, allowing the Carraro Group to strengthen its leadership and return to growth in its core business".*

The loan, organised by Banco BPM, is structured in two credit lines, a Term Loan Amortizing and a Revolving Credit Facility with maturity in 2023, provides for the possibility for a limited number of relationship banks to work alongside Banco BPM and is subject to the definition of a loan agreement under conditions of mutual satisfaction for the parties for the parties, based on the terms and conditions already identified in the document signed today.

The Company was assisted in the transaction by the financial advisor Lazard and by the LMS law firm, while the Bank was assisted by the law firm Linklaters.

Carraro Group Profile

Carraro is an international group, leader in transmission systems for off-highway vehicles and specialised tractors, with consolidated turnover in 2016 of 593.7 million Euros.

The Group's activities are divided into two Business Areas:

– **Drive systems and components**

Through the subsidiaries Carraro Drive Tech and SIAP, the Group designs, manufactures and sells transmission systems (axles and transmissions) mainly for agricultural and construction equipment, and also markets a wide range of gears for very diverse sectors, from the automotive industry to material handling, agricultural applications and construction equipment.

– **Tractors**

Through Divisione Agritalia, the Group designs and manufactures specialised tractors (for vineyards and orchards from 60 to 100 hp) for third-party brands, namely John Deere, Massey Ferguson and Claas, as well as a specialised Carraro-brand range; Agritalia also provides engineering services for the design of innovative tractor ranges.

The Group's holding company, Carraro SpA, has been listed on the Italian Stock Exchange since 1995 (CARR.MI) and has its headquarters in Campodarsego (Padua). As at 30.09.2017, the Group has 3,107 employees – of which 1,396 are based in Italy – and manufacturing facilities in Italy (4), India, China, Argentina and Brazil. For additional information visit **carraro.com**.

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