

50 million Euro loan from the European Investment Bank (EIB) in favour of Carraro innovation.

Among the priorities: electrification of off-highway vehicles, highly efficient transmission systems and digitalisation.

Campodarsego (Padua), 18 December 2019 – The European Investment Bank (EIB) and the Carraro Group, a leader in transmission systems for off-highway vehicles and specialised tractors, today signed a 7-year loan agreement worth 50 million Euros to support the Group's R&D projects.

“Thanks to the European Investment Bank, we will be able to significantly accelerate our development plans,” said **Enrico Carraro, Group Chairman**. *“In a context that will see us investing heavily in the coming years in electronics, hybrid and electric traction systems, as well as in the digitalisation of our production processes, the support of the EIB is now a key element in our growth path.”*

“The EIB is a primary partner with which we intend to share a concrete and profitable long-term path,” added **Enrico Gomiero, CFO and Carraro SpA Board member**. *“On the one hand, this loan is a key to speed up our innovation processes and, on the other, it enables us to improve our financial structure in view to achieve a more balanced future growth.”*

This operation, made possible by the effective teamwork of Carraro staff, who adequately responded to the technical analysis carried out by the EIB in recent months, will enable the Group to give further impetus to its innovation activities, with particular reference to the most strategic business areas.

More specifically, thanks to the EIB loan, Carraro will focus on three priorities in the coming years:

- **electrification** and **hybridisation** of off-highway vehicles with the aim of designing and implementing new traction systems for agricultural tractors and construction equipment, as well as tractors for specialised crops in a hybrid version.
- **highly efficient transmission systems**, including the new family of continuously variable transmissions for tractors up to 120 hp and the renewed transmissions for construction equipment, with a specific focus on India as a market with great potential.
- **digitalisation**, i.e. evolution of the Group's information technology infrastructure with a 4.0 approach, capable of supporting both product design and industrialisation, speeding up processes, preventing errors and maximising automation.

This loan will grant Carraro proper support for its Research and Innovation activities, ensuring investments of over 30 million Euros per year over the next three years.

Carraro Group Profile

Carraro is an international group, leader in transmission systems for off-highway vehicles and specialised tractors, with consolidated turnover in 2018 of €624 million.

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

– **Drive systems**

Through the subsidiaries Carraro Drive Tech and SIAP, the Group designs, manufactures and sells transmission systems (axles, transmissions and drives) 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 the subsidiary Carraro Agritalia, the Group designs and manufactures special 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 specialist own-brand range; Agritalia also provides engineering services for the design of innovative tractor ranges.

The Group's holding company, Carraro S.p.A., has been listed on the Italian Stock Exchange since 1995 (CARR.MI) and has its headquarters in Campodarsego (Padua). As at 30.09.2019, the Group had 3,155 employees – of which 1,460 based in Italy – and manufacturing facilities in Italy (3), India (2), China, Argentina, and Brazil. For additional information visit carraro.com.

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