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**Rassini, S.A.B. de C.V. and Subsidiaries  
Unaudited Results for the First Quarter of 2018**

Mexico City, April 23, 2018

Rassini, S.A.B. de C.V. (Mexican Stock Exchange Ticker: RASSINI), a company engaged in the design and manufacture of suspension and brake components for the automotive industry, announced today its unaudited financial results for the first quarter ended March 31, 2018.

**First Quarter 2018 Financial Highlights:**

- Net revenue climbed to \$4,748 million Mexican pesos.
- EBITDA reached \$923 million Mexican pesos.
- Net operating cash flow reached \$372 million Mexican pesos.
- Net income was \$456 million Mexican pesos.
- Net Debt / annualized EBITDA ratio as of March 31, 2018 was 0.1x.
- EBITDA / Net Interest Expense ratio as of March 31, 2018 was 13.5x.

The U.S. auto sector achieved solid performance resulting from several factors, among them the fact that auto sales adjusted by seasonality (SAAR) in March reached 17.4 million vehicles, inventories were approximately 68 days of supply, and various favorable macroeconomic factors linked to the industry tracked more positively (GDP growth, unemployment rate, initial jobless claims, consumer confidence, etc.).

## Financial Results:

Consolidated	First Quarter Results (January 1 - March 31)		
	2018 <i>(mill. pesos)</i>	2017 <i>(mill. pesos)</i>	% Change
<b>Sales</b>	\$4,748	\$4,880	(3%)
<b>Gross Profit</b>	\$1,223	\$1,309	(7%)
<b>EBITDA</b>	\$923	\$998	(8%)
<b>Net Income before taxes and minority interest</b>	\$590	\$598	(1%)
<b>Net Income</b>	\$456	\$457	0%

Consolidated sales decreased 3% for the first quarter of 2018 compared to the same period in 2017. This change is primarily due to the completion of the temporary extraordinary contract that was previously disclosed and the impact of the peso appreciation against the US dollar. Excluding this extraordinary contract and peso revaluation effect, first quarter of 2018 consolidated sales would have showed an increase of 8% versus the first quarter of 2017. This is in part due to an increase in demand for Rassini's products, market share gains for brake and suspension components, and the start of production on new contracts awarded in previous years.

As of the end of the first quarter of 2018, suspension components represented 67% of product sales, while brakes comprised the remaining 33%. Sales distribution between the two auto markets in which Rassini operates is 88% in North America and 12% in Brazil, which represents an increase in the Brazilian contribution as a result of its continued economic and automotive industry recovery.

During the first quarter of 2018, consolidated EBITDA was \$923 million Mexican pesos, a decrease of 8% compared to the same period in 2017. The decrease was mainly driven by the end of the extraordinary contract and by the negative effects of the Mexican peso revaluation. Excluding both effects EBITDA would have been 5% higher than the first quarter of 2017. Rassini continues to have an enhanced product mix in the NAFTA region and a permanent control over the cost structure. EBITDA margin for the first quarter was 19.4% as a percentage of sales.

Consolidated net income for the first quarter of 2018 reached \$456 million Mexican pesos, or the equivalent to \$1.43 Mexican pesos per share, which is flat compared to the same period in 2017.

### **Recent Business Highlights:**

As a result of Rassini's performance during 2017, and in keeping with the Company's commitment of delivering value to its shareholders, Rassini announced that it will pay dividends on May 3, 2018 equal to \$800 million Mexican pesos or the equivalent to \$2.50 pesos per share distributed to shareholders, representing a dividend yield of 6%.

“While some uncertainties in 2018 still remain, the industry outlook remains solid, as light vehicle production in North America is expected to remain at stable levels of annual production. In the second half of 2018, we will begin working on contracts awarded in previous years, including platform replacements and new businesses in North America. These contracts reflect the determination of our team and the trust our customers place in our technological excellence, unparalleled product quality, and impeccable service. This, combined with overall growth driven by an expansion in our range of products and the use of new materials that improve the performance of automotive vehicles, creates a myriad of opportunities. We are confident that we will create significant value for our shareholders yet again in 2018 and will continue to generate value for our community.” said Rassini's CEO, Eugenio Madero.

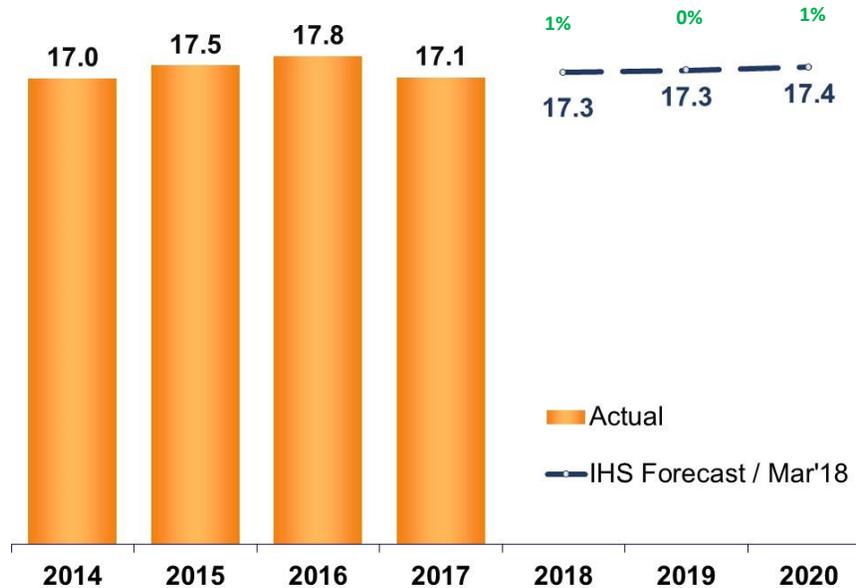
### **Industry Outlook:**

The Seasonally Adjusted Annualized Rate (SAAR) of U.S. light vehicle sales was 17.4 million units during March 2018. Many analysts maintained their industry projections and estimated U.S. light vehicle sales will remain stable over the next several years at approximately 17.0 million units. Light Trucks sales increased 10% compared to the first quarter of 2017, while passenger cars decreased 11%.

Inventories tracked 68 days of supply as of March 31, 2018, 8 days above the industry ideal of 60 days' supply.

Light vehicle production in North America totaled 4.4 million vehicles during the first quarter of 2018, a 3% decrease versus the same period in 2017. The mix of light vehicle production in North America continues to shift (69% Light Trucks to 31% Passenger Cars during the first quarter of 2018) due to consumer preference Light Truck production increased 4% during the first quarter of 2018, while Passenger Car production decreased 15% compared to the same period the previous year. The Light Truck segment represents the most profitable market for OEMs. IHS experts forecast production in North America to reach 17.3 million units in 2018, an increase of 1% compared to the end of 2017 and a period of stability is expected over the next few years.

### Expected Light Vehicle Production in North America



Rassini’s volume in the NAFTA region reflects an increase of 6% in the Brakes Division and a decrease of 5% in the Suspension Division, which excludes the completion of the extraordinary contract. This growth in the Brakes Division was supported by the launch of new business contracts, while the drop in the Suspension Division was due to the new levels of North America production.

The Brazilian market continued to recover during the first quarter of 2018, reaching 15% growth in vehicle production and 3% growth in vehicle exportation, compared with the same period in 2017. Sindipeças expects 2018 production to increase 13% versus 2017 with an annual production of 3.0 million vehicles and 5% annual growth for the following years.

Volume	First Quarter Results (January 1 - March 31)		
	2018	2017	% Change
<b>Leaf Springs (tons)</b>	59,147	63,104	(6%)
<b>Coil Springs (tons)</b>	10,338	11,792	(12%)
<b>Brakes (000 pieces) *</b>	3,815	3,586	6%
<b>Brazil (tons)</b>	12,578	8,712	44%

\* Brakes pieces do not include ductile iron

## First Quarter Operations by Region:

### North America:

NAFTA Sales	First Quarter Results (January 1 - March 31)		
	2018 <i>(mill. pesos)</i>	2017 <i>(mill. pesos)</i>	% Change
<b>Suspensions</b>	\$2,615	\$2,971	(12%)
<b>Brakes</b>	\$1,571	\$1,491	5%
<b>Total Sales</b>	\$4,186	\$4,462	(6%)
<b>EBITDA</b>	\$862	\$986	(13%)

The 6% reduction in total NAFTA sales was driven by the completion of the extraordinary contract and the readjustment in North American light vehicle production but was partially offset by the increase in new contracts within the Brakes Division.

EBITDA decreased 13% during the first quarter of 2018 year-over-year, due to effects explained above.

### Brazil:

Results within Rassini's Brazilian business, which represents 12% of consolidated sales, continued its strong recovery with a 58% growth in the production of heavy trucks and buses, which is Rassini's main market in the region. Sales for the first quarter of 2018 rose 34% in terms of Mexican pesos, which is equivalent to a 48% increase in the local currency and a 44% increase in terms of volume compared to the same period the previous year. This growth also supported an improvement in operations and cost control and resulted in an EBITDA of \$61 million Mexican pesos, which represents almost 400% increase compared to the first quarter of 2017.

Rassini reinforced its Brazil team during first quarter of 2018 and continues to actively work towards adjusting its operations to align with its structure to take full advantage of upcoming opportunities as a result of the ongoing economic recovery in the country.

### **Cash Flow and Liquidity:**

Net operating cash flow decreased 35% year-over-year to \$372 million Mexican pesos mainly due to lower EBITDA and the increase in taxes paid during the quarter resulting from the fact that in 2016-2017 almost all taxes losses were applied. The consolidated cash balance was \$1,827 million Mexican pesos as of March 31, 2018.

Rassini's consolidated net debt decreased to \$21 million USD as of March 31, 2018 compared to \$42 million USD at the end of the same period in 2017. The consolidated cash balance at the end of the first quarter of 2018 was \$100 million USD.

Financial ratios remain healthy as Rassini's leverage ratio as of March 31, 2018 was 0.1 times net debt to EBITDA, while the interest coverage ratio was 13.5 times EBITDA to net interest expense.

### **Conference Call:**

Rassini will host a conference call on Tuesday, April 24, 2018 at 9:00 a.m. (U.S. Central Time/Mexico City Time) / 10:00 a.m. (U.S. Eastern Time) to discuss its unaudited first quarter financial results and recent business activities.

The conference call may be accessed using the following numbers:

US:	+1-844-266-7440
Mexico:	01-800-926-9157
International:	+1-213-784-1694
Passcode:	3673804

Please dial in approximately 10 minutes before the scheduled time of this call.

A replay of the conference call will be available starting from 12:00 p.m. (U.S. Central Time/Mexico City Time) on April 24, 2018 to 11:59 p.m. (U.S. Central Time/Mexico City Time) on May 1, 2018 using the following numbers:

US:	+1-855-859-2056
Mexico:	404-537-3406
Passcode:	3673804

A presentation deck for the call will be available at:

<http://ir.rassini.com/en/reportes-trimestrales>

**Financial Statements:**

<b>Rassini, S.A.B. de C.V. &amp; Subs</b>		
<b>Consolidated Income Statement</b>		
January - March of 2018 and 2017		
(Million Mexican pesos)		
	2018	2017
<b>Net Sales</b>	<b>4,747.5</b>	<b>4,879.9</b>
Cost of Good Sold	3,524.6	3,570.5
Gross Profit	1,222.9	1,309.4
<b>% to Sales</b>	<b>26%</b>	<b>27%</b>
Selling & Administrative Expenses	300.0	311.3
<b>EBITDA</b>	<b>922.9</b>	<b>998.1</b>
<b>% to Sales</b>	<b>19%</b>	<b>20%</b>
Depreciation & Amortization	(195.1)	(214.8)
Other Income (Expenses) Net (1)	(66.5)	(102.9)
Interest & Other Financial Expenses	(71.3)	(82.5)
Net Profit before Minority Interest	590.0	597.9
Other non-operating Income	-	-
Taxes	(220.9)	(205.5)
Deferred Taxes	82.6	18.8
Minority Interest	3.9	46.1
<b>Net Income</b>	<b>455.6</b>	<b>457.3</b>
(1) Includes Profit Sharing		

<b>Rassini, S.A.B. de C.V. &amp; Subs</b>		
<b>Consolidated Cash Flow</b>		
January - March of 2018 and 2017 (Million Mexican pesos)		
	<b>2018</b>	<b>2017</b>
EBITDA	922.9	998.1
Changes in working capital & taxes	(551.2)	(424.3)
<b>Net operating cash flow</b>	<b>371.7</b>	<b>573.8</b>
Interest expenses	(51.0)	(57.8)
Financing and debt amortization	(180.3)	(61.6)
Capital expenditures	(191.5)	(159.5)
Other	(112.9)	(193.8)
Increase (Decrease) in cash	(164.0)	101.1
Initial cash balance	1,990.6	1,913.1
<b>Final cash balance</b>	<b>1,826.6</b>	<b>2,014.2</b>

<b>Rassini, S.A.B. de C.V. &amp; Subs</b>		
<b>Balance Sheet</b>		
As of March 31, 2018 and 2017 (Million Mexican pesos)		
	<b>2018</b>	<b>2017</b>
<b><u>Assets</u></b>		
Cash & marketable securities	1,826.6	2,014.2
Accounts receivable	2,175.6	2,244.1
Inventories	1,078.6	1,159.6
<b>Current assets</b>	<b>5,080.8</b>	<b>5,417.9</b>
Net fixed assets	8,492.3	8,728.4
Deferred taxes	121.0	98.4
<b>Total assets</b>	<b>13,694.1</b>	<b>14,244.7</b>
<b><u>Liabilities</u></b>		
Short term debt	1,467.2	1,398.9
Accounts payable & other	3,782.2	3,947.4
<b>Current portion</b>	<b>5,249.4</b>	<b>5,346.3</b>
Long term debt	733.6	1,386.3
Pension liabilities & other	1,545.5	1,977.4
<b>Total liabilities</b>	<b>7,528.5</b>	<b>8,710.0</b>
<b><u>Net worth</u></b>		
Controlling interest	6,021.6	5,383.6
Minority interest	144.0	151.1
<b>Total net worth</b>	<b>6,165.6</b>	<b>5,534.7</b>
<b>Liabilities &amp; Net Worth</b>	<b>13,694.1</b>	<b>14,244.7</b>



## **RASSINI**

Rassini is a leading designer and manufacturer of suspension and brake components for the global automotive industry, mainly focused on original equipment manufacturers (OEMs).

Rassini is the world's largest producer of suspension components for light commercial vehicles, as well as the largest fully integrated brakes disc producer in the Americas. Rassini has eight manufacturing sites strategically located in Mexico, the U.S. and Brazil, as well as five tech centers located in the same countries.

Suspension products include leaf springs (parabolic and multi-leaf) for light and commercial trucks, coil springs and bushings. The brakes business manufactures rotors, drums, brake assemblies, clutch plates and motor balancers.

Its solid and diversified customer base includes: General Motors, Ford Motor Co., FCA, Nissan, Volkswagen, Toyota, MAN, Scania, Mercedes Benz and Daimler among others.

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