

PRESS RELEASE**Agreement in India between Magneti Marelli and Sumi Motherson Group: joint venture for lighting and engine-control components**

Magneti Marelli and Sumi Motherson Group have signed an agreement for the creation of a joint venture in India aimed at the production of automotive components in the area of lighting and engine control systems.

According to the provisions of the agreement, Magneti Marelli Holding S.p.A. and Sumi Motherson Group, through its holding company Samvardhana Motherson Finance Limited, will each own a 50% interest in the joint venture.

The industrial facilities will be located in the areas of New Delhi (northern part of India) and Pune (Maharashtra region, in India's western region) and will concentrate on the production and assembly of intake manifolds for engines and headlamps and rear lamps for automobiles.

The joint venture's activities will target the Indian market and the local and international carmakers operating in the territory.

As far as the Indian automotive market is concerned – and specifically the automobiles and light commercial vehicles sector – the forecasts indicate a compound annual growth rate (CAGR) of 12.4% until 2017, with production increasing from 1.9 million vehicles in 2007 to 4.4 million in 2012 and 6.2 million in 2017 (source: Global Insight, December '07).

“The joint venture with Sumi Motherson Group – stated Eugenio Razelli, CEO of Magneti Marelli – represents our second important agreement signed in India within a few months, and it confirms our strategy to be directly present on the automotive markets featuring a high growth rate, at the service of our global automotive clients and of local companies. Thanks to a solid partner like Sumi Motherson, in addition to further expanding our offer in the powertrain sector, we will also be able to play an important role in India in the area of lighting systems for motor vehicle. Shared investments with local partnerships facilitate rapid

growth in fast developing markets. In those markets, that are becoming more and more global, the need for technology is growing rapidly”.

Mr V C Sehgal, Chairman, Sumi Motherson Group stated “ The Joint Venture with Magneti Marelli will further strengthen our existing relations in the Automotive Industry. We are continuously exploring new areas and niches where we can add value by acquiring new technologies. We firmly believe that we will be able to provide the latest and world class products to our customers in the areas of lighting and engine control systems. This joint venture will further enhance our philosophy of creating more value per car”.

Magneti Marelli, a company belonging to the Fiat Group, designs, produces and markets advanced systems and components for motor vehicles. With its 45 production facilities (55 production units), 9 R&D centres and 27 application centres in 16 countries, 25,000 employees and a turnover of 4.5 billion Euros in 2006, the group supplies all the leading carmakers in Europe, North and South America and the Far East. The business areas include: Powertrain – Suspensions and Shock absorber systems - Lighting – Electronic systems – Exhaust systems– Aftermarket Parts & Services - Motorsport.

Sumi Motherson Group (which has Motherson Sumi Systems Limited as its flagship company) has a diversified business portfolio comprising mainly of electrical distribution systems (wiring harnesses), polymer processing, tooling for injection moulded components, elastomer processing, modules and systems, machined metal products, cutting tools, IT services and design engineering. The Group has collaborations with Global Technology Leaders and has been a pioneer in bringing world class technologies to serve its customers. It has more than 50 manufacturing locations in 11 countries, and is supplying products to all leading automotive companies worldwide.

January 11th 2008.