

## **PRESS RELEASE**

### **Magneti Marelli consolidates its presence in India by signing two joint venture agreements in the exhaust systems sector**

Magneti Marelli, through its subsidiary Magneti Marelli Sistemi di Scarico S.p.A., has signed two agreements for the creation of two joint ventures in India aimed at the production of exhaust systems for automobiles.

The agreements, which provide for equal shareholdings, have been entered into with SKH Metals Limited and SKH Sheet Metal Components Limited respectively (both part of Krishna Group).

The industrial entity created together with SKH Metals Limited will be located at the Maruti Suzuki Industrial Supplier Park in Manesar (in the industrial district of Gurgaon, about 40 km south-west of New-Delhi), where Magneti Marelli is already present with its joint venture with Suzuki Motor Corporation and Maruti Suzuki India Limited, aimed at the production of electronic control units for diesel engines, already announced in October of 2007. The exhaust system components designed, produced, assembled and tested in Manesar will be used in the production of vehicles for Suzuki Maruti India Limited and of other companies belonging to the Suzuki Motor Corporation.

The facility relating to the joint venture with the second company – SKH Sheet Metal Components Limited – will be located in Pune, in the Maharashtra region, in the western part of India, a strategic position that guarantees the design, production, testing and supply of exhaust systems to Fiat and Tata and to other automotive customers present in India's south-west region.

The Krishna Group is an Indian industrial group operating in the automotive sector with different types of products, such as Seating Systems, Seat Frames, Door Trims, Roof Headliners, Mirrors, Fuel tanks, Suspension Systems, Axle Housings and Exhaust systems.

The supply of components and systems that control the emission of exhaust gases (exhaust systems, catalytic converters, silencers)

is of increasing strategic importance in the Indian area, since the adoption of Euro 4/Euro 5 parameters relating to the emissions of motor vehicles is associated with and triggered by the strong increase in the production and use of motor vehicles in the country.

“Thanks to the two agreements with SKH companies (part of Krishna Group) – states Eugenio Razelli, C.E.O. of Magneti Marelli – our company has placed two strategic industrial footholds in the field of exhaust systems, in the two major automotive industry poles in India, where the company is present with its own activities and joint ventures in the engine control and lighting sectors. With the third agreement signed in India within four months – concludes Razelli - Magneti Marelli further strengthens its presence through qualified partners in an area featuring a strong growth rate for the automotive sector”.

***Magneti Marelli**, a company belonging to the Fiat Group, designs, produces and markets advanced systems and components for motor vehicles. With its 46 production facilities (56 production units), 9 R&D centres and 27 application centres in 16 countries, 28,000 employees and a turnover of 5 billion Euros in 2007, 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.*

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