

## PRESS RELEASE

### **Joint venture in India between Magneti Marelli and Unitech Machines for automotive electronic systems**

Magneti Marelli and Unitech Machines Limited have signed an agreement for the creation of a joint venture aimed at the production of motor vehicle electronic systems in India.

According to the agreement, the new company will be 51 percent owned by Magneti Marelli and 49 percent owned by Unitech Machines Limited. The joint venture is set to be operational by the end of the first quarter of 2009.

The industrial facilities will be located in Manesar - in the industrial district of Gurgaon, approximately 40 km southwest of New-Delhi - in an area strategic to the automotive sector and where Magneti Marelli already has two other joint ventures in place for the production of engine control units and exhaust systems, respectively.

The activity will be aimed specifically at the design, production and assembly of motor vehicle electronic components, such as instrument clusters, body electronics (control units that manage main vehicle functions) as well as telematic devices.

The activities of the JV will be addressed to local and international carmakers operating on the Indian continent.

Unitech Machines Limited is a relevant company in India in the two-wheel and four-wheel vehicle components sector, and it is also part of the Unitech Machines Limited group chaired by Mr. V.K. Chhabra and operating in various sectors, such as Power, Telecom, Automotive and Infrastructure.

Eugenio Razelli, CEO of Magneti Marelli, stated: *“We have created five joint ventures in less than one year in a crucial market such as India, thus completing our localisation plans in that country. This is an important result that bears witness to our ability to be present in emerging markets and to our flexibility in supporting carmakers in key production areas for their global activity. We have reproduced the entire perimeter of our activities in India’s main automotive industrial districts, from powertrain to lighting, from exhaust systems to shock absorbers and now electronic systems too. For this fifth joint venture, we found in Unitech Machines the ideal industrial partner with whom to develop our business in a strategic sector such as instrument clusters and electronics, which also includes telematics.”*

Mr Sushant Chhabra, the Joint Managing Director of the Unitech Machines group said: *“This JV will put Unitech Machines auto division in the high technology*

*space for auto motive electronics. We would be adding value to all new generation launches of OEMs to fulfill their electronic needs for futuristic instrument clusters, body computers and telematics. MM global expertise will be available through this JV and we look forward to our customer support”.*

**Magneti Marelli**, a company belonging to the Fiat Group, designs, produces and distributes advanced systems and components for the automotive industry. 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, Lighting, Electronic Systems, Suspensions and Shock absorber systems, Exhaust Systems, Aftermarket Parts & Services, Motorsport.

**Milan, 12<sup>th</sup> September, 2008**