

## PRESS RELEASE

### **Magneti Marelli and FAAM: agreement for the development of batteries aimed at electric drive for sustainable mobility**

Magneti Marelli and FAAM - leader in the production of starter batteries and industrial traction batteries - have signed an agreement for the development, production and marketing of innovative lithium traction batteries and the related control and management systems (BMS, Battery Management System).

The agreement provides for joint development of the products and their marketing by the second half of 2010. FAAM will make available its know-how and technological leadership in energy accumulation systems for industrial and automotive use. Magneti Marelli will share its know-how on the integration of complex systems, and specifically on control and power electronics and energy accumulation and recovery systems, such as the KERS (developed by Magneti Marelli for the Formula 1), where hi-tech components such as the motogenerator, the inverter, batteries and battery monitoring and control system, are integrated in an environment with high levels of stress.

The agreement aims at establishing a competitive offer with high technological contents in a sector that is of primary strategic importance in the scenario of sustainable mobility of the future and in the area of hybrid and electric engines.

Magneti Marelli and FAAM'S new lithium traction batteries and relevant BMS (Battery Management System) are specifically intended for the area of transportation and "mobility" in a wide sense, aimed at the world of automobiles, motorcycles, buses and industrial vehicles, motor homes and boats as well as at the segment of manufacturers of industrial and agricultural equipment, such as forklift trucks, tractors, machines and means for logistics and industrial cleaning.

The partnership is also open to the establishment of other collaborations with leading international entities in the sector, and looks with interest at the development of activities and projects falling within the scope of government initiatives and approaches in the field of energy policy and research.

*"In a mobility system that is destined to radically change due to the push of new global scenarios – stated Eugenio Razelli, Magneti Marelli's C.E.O. – this agreement aims to provide innovative solutions in response to the new technological challenges concerning transportation means and "sustainable" engines, such as hybrid and electric engines. Hence a new partnership is*

*created between two leading entities in the Italian automotive production chain, open to the integration of the best technologies at the global level, capable of offering high-level skills and technologies in the sector of traction batteries”*

*“FAAM Group has been committed for more than 20 years in the Research and Development of innovative solutions on the subject of mobility – states Federico Vitali, President of FAAM Group – To us, the agreement with MM means making our know-how available and becoming part of a global network for the development of electric drive systems for road vehicles. Today there is finally the awareness that electric vehicles are a reality: due to their characteristics and performances, lithium batteries represent their genome. By signing this agreement, MM and FAAM want to be the reference partner for manufacturers of automobiles and industrial vehicles throughout the world”.*

**Magneti Marelli** designs and produces advanced systems and components for the automotive industry. With its 67 production facilities (80 production units), 10 R&D centres and 28 application centres in 18 countries, 33,000 employees and a turnover of 5.4 billion Euros in 2008, the group supplies all the leading carmakers in Europe, North and South America and the Far East. Its business areas include: Powertrain, Lighting, Electronic Systems, Suspensions and Shock absorber systems, Exhaust Systems, Aftermarket Parts & Services, Plastic Components and Modules, Motorsport. Magneti Marelli is part of Fiat Group.

**FAAM**, produces and sells lead and lithium batteries, fuel cells and electrical vehicles. Its production plants are located in Italy, in the Marche and Puglia regions, in Uruguay for the Mercosur area and in China for the Chinese and Asian market. Its business areas include starter, stand-by and motive power batteries, electrical vehicles, fuel cell systems and lithium batteries with relevant BMS. The Group, which has always been involved in R&D for the purpose of “delighting the customer”, also has a capillary **Service** network distributed throughout the Italian territory to answer customer needs in real time and satisfy requests in terms of functionality, image and performance.

Milan, August 31<sup>st</sup>, 2009