



PRESS RELEASE

**SOGEFI (CIR GROUP): WITH TWO NEW PLANTS AIMS TO QUADRUPLE
REVENUES IN INDIA IN THE NEXT 5 YEARS**

***New suspension components plant opened in Pune and filter system factory
in Bangalore doubled in size***

***The objective is to reach at least 5% of the group's total revenues in India in the next five years
up from 1.2% in 2011. The initiative is part of Sogefi's strategy of growth in emerging markets***

Pune (India), Milan, July 4 2012 - Sogefi, the automotive components company of the Cir group, is consolidating its presence in India with the launch of a new suspension components plant in the Pune area and with the doubling in size of the factory producing filter systems in the Bangalore area.

More specifically, through its 58% controlled subsidiary Allevard IAI (in which the Indian partner **Imperial Auto** has a 42% interest), the group has today inaugurated a plant of 12 thousand square metres at Chakan in the Pune region for the production of stabilizer bars and torsion bars – two essential parts of suspension systems - for cars and commercial vehicles. The Chief Executive of the Cir group and Chairman of Sogefi **Rodolfo De Benedetti**, the Chief Executive of Sogefi **Emanuele Bosio** and the Managing Director of Allevard IAI, **Aman Mehtani**, were among those present at the event.

The new plant will initially be supplying Tata, Mahindra, FIAT and Piaggio. However in the near future production is scheduled to start in order to supply the Indian plants and those in the Asia-Pacific region of other global clients of Sogefi such as General Motors, Renault-Nissan and Ford. At the same time, in the Bangalore area the group has doubled the capacity of its filter system plant which is the result of a joint venture with its local partner (holding 40%) **MNR**.

India has one of the vehicle markets with the highest levels of growth in the world. According to Oica figures (Organisation Internationale des Constructeurs d'Automobiles), in the last eleven years, between 2000 and 2011, local production has increased almost fivefold, with a growth rate that is second only to that of China. In 2011, with 3.9 million vehicles, India was the sixth world market in terms of production. Sogefi entered India at the end of 2008 thanks to a joint venture with MNR in the filter business. **In 2011 the group's revenues in India stood at 1.2% of the total. The objective with the new plants up and running is to reach at least 5% in the next five years.**

*"Strengthening our industrial position with the completion of these two plants – said **Rodolfo De Benedetti**, Chief Executive of Cir and Chairman of Sogefi – will enable us to speed up our growth process in a car market with one of the highest rates of development in the world. This initiative is in line with Sogefi's strategy of increasing its presence in markets outside Europe while maintaining its traditional leadership in Europe. Over the next three years the group aims to generate around 50% of its total revenues outside Europe".*

*“Thanks to this investment – commented **Emanuele Bosio, Chief Executive of Sogefi** – we are continuing the process of aligning our industrial capacity to the needs of our clients. The consolidation of our presence in India and the new investments we plan to make in China will make Sogefi an increasingly global supplier able to provide manufacturers with the most advanced technologies in the main markets they operate in”.*

The group's total investment in India amounts to approximately 10 million euro. Overall the Sogefi group's production capacity in India consists of three plants: the Pune plant, the Bangalore plant and a third plant producing engine air-cooling systems at Gurgaon, which came with the acquisition of Systèmes Moteurs, completed in the second half of 2011. The group has over 500 employees in India. At **global level** the Sogefi group has **44 plants in 16 countries** (6 in South America, 3 in North America, 29 in Europe, 1 in Africa, 5 in Asia).

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