



## **Fiat to invest BRL 3 billion for new plant in Pernambuco**

Fiat, leader of the Brazilian auto market for the past 9 years, is to invest BRL 3 billion (approximately €1.3 billion) to construct a new plant in the Port and Industrial District in Suape in the State of Pernambuco. This investment forms part of the BRL 10 billion (€4.4 billion) that Fiat had already planned to invest in Brazil between 2011 and 2014 (including BRL 7 billion in Minas Gerais).

The new plant represents a strategic investment for Fiat, the State of Pernambuco and the Northeast Region, as it forms part of a comprehensive program of industrialization and economic and social development for the Region. The BRL 3 billion will be invested in construction of a manufacturing facility and R&D center, design and development of new products and platforms, in addition to training for employees.

Fiat's plant will be at the center of an industrial zone covering 4.4 million square meters and located in Suape's Industrial District. This zone will also house component and systems suppliers in a modern commercial and manufacturing complex, offering significant advantages in terms of logistics and efficiency. Suape's geographic position also provides a strategic benefit in relation to the movement of components and finished products that will enhance the automobile sector's competitiveness.

The new plant will have a production capacity of some 200,000 vehicles per year and will produce new models, developed in Brazil, for the domestic market, as well as other Latin American markets. Once fully operational, this industrial zone in Suape could create as many as 3,500 direct jobs, with positive repercussions also for other sectors.

The project also includes establishment of a training center to benefit the entire zone, an initiative of the State of Pernambuco.

"The plant to be built in the State of Pernambuco," said Sergio Marchionne, Fiat Group CEO, "represents a very important step for Fiat in strengthening its international presence. Brazil, where we expect to sell more than 1 million cars per year by 2014, is strategic to our expansion. It is also the Group's objective to contribute further to the economic, technological and industrial development of this country, where we have operated in the automobile sector for nearly 40 years."



“With this project,” commented Cledorvino Belini, CEO of Fiat Automoveis S.A. (FIASA), “Fiat is reaffirming its confidence in Brazil, where it plans to invest a total of BRL 10 billion. We are aware that this plant, which is to serve as the axis of a new industrial pole, will make an important contribution to the development of Pernambuco and the Northeast. Fiat already has a success story in Minas Gerais, where it has contributed to the industrial, economic and social development of the area for many years.”

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