

PRESS RELEASE

New Magneti Marelli lighting plant inaugurated in Russia

Magneti Marelli inaugurated a new industrial plant in Russia today for the production of automobile headlamps and rear lamps.

The new production facilities are located near the city of Ryazan, 200 km south-east of Moscow, in the centre of a strategic area for the automotive sector that, within a radius of a few hundred kilometres, brings together the production plants of all leading global and local carmakers.

The production area covers a total surface of 5600 square metres, with various assembly lines dedicated to automotive lighting devices, such as headlamps, rear lamps and fog lights. When working at full speed, the plant will be able to produce approximately 2 million pieces a year with a workforce of 200 units. The new plant was also designed to accommodate further expansions to different types of product families.

As for lighting devices, production will be aimed at both local manufacturers (Autovaz, Gaz, Sollers) and international carmakers (Renault, Volkswagen, Ford etc.) operating in Russia. The strengthening of Magneti Marelli's presence in Russia is also functional in terms of supporting Fiat Group's industrial partnerships in that country.

This new industrial settlement joins the already existing Magneti Marelli Automotive Lighting plant in Ryazan – built in 1995 – and aims to satisfy the growing demand of high-quality components on the Russian automotive market.

As a matter of fact, after the global crisis peaked in 2009, Russia's automobile market recorded a strong recovery in 2010, also thanks to the various incentives implemented by the Russian government, with a 14% growth compared to 2009 in the first 8 months of the year.

The forecasts call for a marked growth scenario for 2010 as well, with a positive trend that will boost vehicle production up to 2 million units in 2015 (source *Global Insight*).

“Our goal is to become a leading player in the sector of automotive components in Russia, the only market that is currently showing an upward trend in Europe and one of the most important ones at the global level” – says Eugenio Razelli, CEO of Magneti Marelli. “Expanding Magneti Marelli's industrial presence in Russia is part of the strategy that has driven us to widen our footprint on growing automotive markets worldwide over the past three years, in order to be close to local and global customers. We are interested in

localizing all of our production branches in Russia, through both direct investments and partnerships with local players”.

Accounting for about 25% of the total turnover, with approximately 20 million headlamps and 25 million rear lamps made annually, Automotive Lighting represents one of the main areas of Magneti Marelli's business range. It is also one of the leading players at the global level in the lighting sector, with peaks of technological excellence in the area of LED and XENON lighting and adaptive headlamps.

***Magneti Marelli** designs and produces advanced systems and components for the automotive industry. With its 77 production units, 11 R&D centres and 26 application centres in 18 countries, about 32,000 employees and a turnover of 4.5 billion Euros in 2009, the group supplies all the leading carmakers in Europe, North and South America and the Far East. Its business areas include: Electronic Systems, Lighting, Powertrain, Suspensions systems, and Shock absorbers Exhaust Systems, Aftermarket Parts & Services, Plastic Components and Modules, Motorsport. Magneti Marelli is part of Fiat Group.*

Ryazan, Milan, November 10, 2010.

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