

MAHLE and Hirschvogel found a joint venture in Brazil

Stuttgart, May 21, 2008—The Stuttgart-based MAHLE Group announced today that MAHLE, via its Brazilian subsidiary MAHLE Metal Leve S.A., and Hirschvogel Umformtechnik GmbH had founded the joint venture MAHLE HIRSCHVOGEL FORJAS S.A. in Brazil.

The joint venture is being created from the existing company Forjas Brasileiras S.A. in Queimados near Rio de Janeiro. The existing shareholders are the Brazilian Adler family (76.8 percent), Hirschvogel Umformtechnik GmbH (15.4 percent), and MAHLE Brockhaus GmbH (7.8 percent). MAHLE will hold 51 percent of the shares in the new company and Hirschvogel 49 percent. The company will be consolidated within MAHLE.

The company employs approximately 600 people and achieved sales of 196 million reais (approx. EUR 75 million) in 2007. MAHLE HIRSCHVOGEL FORJAS S.A. is the third largest forge in Brazil and manufactures connecting rods, components for injection systems, and other components for the automotive industry.

Prof. Dr. Heinz K. Junker, Chairman of the Management Board of the MAHLE Group, explains: "In the past, Forjas Brasileiras was already the largest supplier of connecting rods in South America and the main supplier of blanks for the connecting rods fully machined by MAHLE for the automotive industry. As the existing family shareholders were willing to sell their shares in the company, we were able to found this majority joint venture together with Hirschvogel. This allows us to further expand our range of products in the growth market of South America, increase our own added value, and supply our customers locally with high-quality connecting rods and other engine components."

The MAHLE Group is one of the 30 largest companies in the automotive supply industry worldwide. As a leading manufacturer of components and systems for the combustion engine and related products, MAHLE ranks among the top 3 systems suppliers for piston systems, cylinder components, valve train systems, air management systems, and liquid management systems. MAHLE employs around 48,000 people at 110 production plants and seven research and development centers. In 2007, MAHLE achieved sales of over EUR 5 billion (USD 7.5 billion).

The Hirschvogel Group, with its headquarters in Denklingen (Upper Bavaria), is one of the leading companies in the automotive supply industry worldwide in the area of massive forming and machining, with more than 2,500 employees and sales of over EUR 525 million. Its products include ready-to-assemble components for diesel injection and the powertrain.

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