



PRESS RELEASE

Magneti Marelli and Hero open a new plant in India for two-wheeled vehicle engine control systems

The new industrial plant created from the Joint Venture signed in December 2013, between Hero MotoCorp Ltd. (60%) and Magneti Marelli S.p.A. (40%), dedicated to the production of engine control systems for two-wheeled vehicles, was opened today in Manesar, India.

The new site will be operational with solutions dedicated to the production of powertrain and fuel injection technologies aimed primarily at the Indian two-wheelers market.

The production of Hero motorcycles during calendar year 2014 was over 6.64 million units (+ 8% on 2013). It is estimated that over 15 million motorcycle units are sold each year in South-East Asia.

The main objective of the Joint Venture between Magneti Marelli and Hero is to build a portfolio of advanced solutions for the engine control of two- or three-wheeled vehicles that take advantage of the added value of electronics and raise the technological level of solutions available to date.

The scope of the agreement makes Magneti Marelli's innovative solutions available to the JV in electronic engine management which also include "ride by wire" technology. The "ride by wire" technologies, that allow electronic management of the power requested from the engine, optimise operation in addition to creating the technology foundation needed to enable future and possible hybrid propulsion solutions for two-wheeled vehicles, associated with transmission.

Mr. **Eugenio Razelli**, Chief Executive Officer, Magneti Marelli, said, *"For Magneti Marelli the partnership with Hero in India is crucial: together we have the possibility of bringing a technical revolution in one of the most important two-wheelers market in the world, aiming at a better mobility, great market results and matching innovation, quality and affordability. I trust this partnership will be an example of perfect cooperation for technical and mobility evolution. For Magneti Marelli this is also an opportunity to celebrate the birth of the 10th industrial plant related to our activities in India: we are proud of the path we did so far in this Great Country"*.

Speaking on the occasion, Mr. **Pawan Munjal** said, *"India is a growing participant in the global value chain, and is a place where companies can design, develop and manufacture innovative products efficiently. Hero's vision is to be a part of this global value chain. We have crafted an exciting vision - to use electronics in order to achieve better engine performances, reduced energy consumption and control emissions. I am confident that this company will set a new*



technological paradigm. One of our core objectives is to position ourselves as a technologically driven, forward looking company, and we will continue to push the envelope in terms of skill, scale, leadership and best practices.”

With the opening of this new plant, Magneti Marelli further strengthens an already strong presence in India where since 2007 it has replicated its industrial perimeter with ten plants. Six plants operate in the North (Manesar, the Haryana area), active in the field of electronic control units, Powertrain systems, intake manifolds, exhaust systems, instrument clusters and body computers, in addition to suspension components. Three plants operate in the Pune region in the field of lighting systems, intake manifolds and pedals, exhausts and shock absorbers and one in Chennai that operates in the field of exhaust systems.

Magneti Marelli produces advanced systems and components for the automobile industry. With 89 production units, 12 R&D centres and 26 application centres in 19 countries, more than 38,000 employees and a turnover of 6,5 billion Euro in 2014, the Group supplies all the major carmakers in Europe, North and South America and the Far East. The business areas include Electronic Systems, Lighting, Motor Control, Suspension Systems and Shock Absorbers, Exhaust Systems, Aftermarket Parts & Services, Plastic Components and Modules, and Motorsport. Magneti Marelli is part of FCA.