

Press Release

PWO records high volume of incoming orders for its Mexico site

- **Substantial orders received for series productions**
- **Investments in the site over the last few years paying off**
- **Revenue expected to double by 2012**

Oberkirch, 11 March 2010 – Progress-Werk Oberkirch AG reports very positive development in the volume of incoming orders for its production site in Mexico. Most of the new series productions are going to be launched and ramped up over the next two years, doubling revenue to around USD 40 million by 2012. Orders for components in the areas of vehicle body, chassis and steering have come in from existing customers of the site as well as other PWO Group customers.

Karl M. Schmidhuber, CEO of Progress-Werk Oberkirch AG, feels that PWO's long-term strategy is paying off: "At PWO, we strategically position ourselves wherever our market is showing signs of above-average growth potential. We entered into the Mexican market in 2007 to ensure an even more efficient supply to the NAFTA region as well as in response to foreseeable relocations of business to the region by our customers. Since then, we have improved production processes, developed the site from a technological point of view and established the site as a reliable supplier of high-end metal components. This has put us in a position to benefit from the foreseeable increase in demand in North America."

Tim Werding, Managing Director of PWO de México SA de CV, Puebla, adds: "We came a long way with the development of our site in 2009: We are regarded as an A-listed supplier by our major customers and we have successfully positioned ourselves among new customers, including important key accounts of the PWO Group, gaining new orders in the process. A new assembly line has almost been completed and we have started developing our own tooling operations, paving the way for promising development at the site."

Progress-Werk Oberkirch AG
The Management Board

PWO Group profile

PWO is one of the world's leading suppliers of high-precision metal components for the automobile industry, specialising in vehicle safety and comfort. The company has developed a unique know-how in the shaping and joining of metals over ninety years of corporate development since its foundation in 1919. The German plant in Oberkirch currently has around 1,100 employees. The company is represented globally, with sites in China, Canada, Mexico and the Czech Republic, and has around 1,900 employees.

PWO is a partner to the global automobile industry for the development and production of innovative products in the areas of "mechanical components for electrical and electronic systems", "safety components for airbags, seats and steering and "structural components and systems for the vehicle body and chassis".

Based on current contracts for new series production PWO will return to significant growth in the coming years – regardless of whether the markets fully recover or not.