

The Group's new strategy focuses on electronic innovation and diversification
outside the automotive sector

**Ficosa emerges from the crisis with a more international
business and products with greater added value**

- The company significantly improved its results in 2010, when compared to the previous year, achieving a net profit of approximately EUR 20 million.
- The Viladecavalls facilities enable the group to speed up its transformation process toward products of greater electronic content.

Barcelona, 26 January 2011.- Ficosa is facing the future with a more international, diversified business and products with greater added value. Its objective is to establish a leading position in the field of electronic systems, relating to safety, communications and energy efficiency. This multinational industrial group — which was established in 1949 and has presence in 19 countries — has emerged from the crisis stronger than ever and is taking a major leap forward by promoting innovation in electronic products and diversifying its operations by moving into fields other than the automotive sector.

The new Ficosa has widened its scope, adding Renewable Energy and Engineering to its three existing divisions, Motor Vehicles, Commercial Vehicles and Technology. The renewable energy division, which will be located in Rubí (Barcelona), will design and manufacture products to improve energy efficiency in the areas of solar and wind power and waste recycling. The engineering unit is the fruit of a joint venture between Ficosa (50%) and Comsa Emte (50%). It will undertake turnkey engineering projects and facilitate the introduction of Ficosa's technologies to the transport, aerospace, communications, railway, renewable energy, health-tech and other sectors. The new engineering centre will be located at the Group's new headquarters in Viladecavalls (Barcelona).

The acquisition of these facilities enable the Group to accelerate its shift to products with a greater electronics and software content, and will culminate in the establishment of the Centre of Electronic Excellence, which will build on the sector capabilities and know-how in Viladecavalls. It will be the world's fourth Ficosa Centre of Excellence for innovation and research. The Group's Centre of Excellence for Technology by Wire for gear shifts, actuators and vehicle mechanisms will be enhanced and relocated from Rubí and Mollet to Viladecavalls, while its Centre of Excellence for the

manufacture of exterior rear-view mirrors will remain in Soria. Finally, Rubí will house the Centre of Excellence for Renewable Energy.

According to Xavier Pujol, Ficosa's CEO, *"We have used the crisis as an opportunity to make Ficosa even stronger, with a brighter future, by means of a series of operations that enables us to deploy the Group's five strategic focuses: globalisation (concentrating on North America and Asia), customer diversification, innovation, operational efficiency and financial strength"*.

The acquisition of the 60,000 m² Viladecavalls facilities is in line with this new business strategy. It gives Ficosa the opportunity to transform a declining industrial asset into a platform for innovation in electronic manufacture and engineering. According to Josep Maria Pujol, Ficosa's Chairman and Founder, *"This is not merely a strategic industrial project for Ficosa; it is the most major industrial and technological reconversion process that Spain has seen in the last 25 years."* Furthermore, *"thanks to the efforts of all parties involved, this operation has become a model for responsibly undertaking a multinational's internationalisation and reconversion process, retaining talent and preserving as many jobs as possible"*.

Viladecavalls, platform for innovation in the electronics field

As part of the company's global optimisation plan to increase the efficiency, competitiveness and profitability of its operations, Ficosa will concentrate most of the Group's assets in the Viladecavalls plant in Catalonia. Over the next two years, the plant, which employs almost 900 people, will gradually integrate the R&D centre and automotive-related activities that are currently carried out in the Rubí factory and other plants outside Spain, together with the Mollet offices and part of the Barcelona central offices. All in all, some 700 Ficosa employees will be transferred to Viladecavalls.

The plant will continue to manufacture television sets for Sony on an outsource basis in 2011 and 2012. However, this will be gradually replaced by the production of motor vehicle systems and components related to safety and vision, communications, intelligent mobility and electric vehicles. Diversification into other sectors will also gather pace, seeking alternatives to solutions developed for motor vehicles.

In 2013, when the Viladecavalls transformation process is complete, the plant will dedicate more than 6,000 m² to R&D&I, thus becoming one of Spain's foremost Technology Centres in the field of motor vehicles, electronics, energy and communications. As a result of the joint venture between Ficosa

and Comsa Emte, this centre will bring together the Ficosa Technology Centre and the engineering division.

Ficosa strengthened by the crisis

The Viladecavalls operation undoubtedly strengthens Ficosa's market position and financial situation through innovation and sectoral diversification, although the Group overcame the crisis thanks to a series of financial, product and market-related activities throughout 2010.

Ficosa expects to record a net profit of approximately EUR 20 million for 2010. This is largely due to large increases in sales (reaching 45% in the first half of the year, 90% of which were outside Spain), to significant cost reductions (EUR 45 million) and to the company's divestiture in non-strategic assets, specifically through the sale of 50% of a joint venture with the German company, Huf.

In 2010, the Group obtained new funds worth EUR 200 million, mainly derived from a EUR 50 million capital increase and an EUR 108 million financing agreement with nine Spanish financial institutions. The year also saw improved financial solvency, a global alliance with Ichikoh (a competitor in the mirror sector with which Ficosa enjoys complementarity) and increased consumer confidence.

About Ficosa

Ficosa is a Spanish industrial group that is a world leader in research, development, production and marketing of motor vehicle systems and components. The company was established in 1949 and is headquartered in Barcelona. It employs some 7,000 people worldwide, with factories, technical centres and commercial offices located in 19 countries in Europe, North America, South America and Asia.

The Group allocates 4% of its turnover to R&D and boasts one of Spain's foremost technology centres in the field of motor vehicles, electronics, energy and communications. Ficosa is facing the future with a more international and diversified business and products with greater added value, with the intention of becoming the world's leading electronic system company.

For further information

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