

PRESS RELEASE

Bosch Mahle Turbo Systems: Ground-breaking ceremony for the construction of a production plant for exhaust gas turbochargers

St. Michael/Austria, September 18, 2008—The Stuttgart-based company Bosch Mahle Turbo Systems is starting construction work on a new production plant. From 2011, up to 1.5 million turbochargers per year will be manufactured and assembled in the Austrian town of St. Michael ob Bleiburg in Carinthia across an area of more than 10,000 square meters.

After a two-year period of development, mainly in Stuttgart, Germany, the industrialization phase of the turbochargers now follows at the Blaichach/Immenstadt (Germany) and St. Michael ob Bleiburg (Austria) locations. Bosch Mahle Turbo Systems is initially building the first production hall for this purpose—with an area of 10,000 square meters—in St. Michael, on a newly acquired area of land measuring almost eight hectares.

In 2011, more than 150 employees are scheduled to work for Bosch Mahle Turbo Systems in St. Michael. There are also plans to increase the staffing level to around 400 employees in the subsequent years. With the ground-breaking ceremony on September 18, all necessary arrangements are made for the setting up of the machines and installations to begin in the second quarter of next year. The high level of vertical integration in St. Michael and in the sister plant in Blaichach, the delivery base for key components for the final assembly of the turbochargers, allows the highest level of quality to be achieved as well as flexibility and cost-effectiveness to be ensured at the same time.

Dr. Andreas Prang, managing director responsible for production, purchasing, and quality at Bosch Mahle Turbo Systems: "The choice of the St. Michael location was made at an early stage, because in addition to the good technical facilities and infrastructure at the local plant of MAHLE Filtersysteme Austria, which we can make use of, the efficiency and commitment of the people in the region were a particularly significant criterion in the choice of the location. The proximity to the universities of Klagenfurt and Leoben as well as the Graz University of Technology ensures the necessary development of qualified specialists and engineers."

Exhaust gas turbochargers are one of the key technologies for reducing fuel consumption and CO₂ emissions in future generations of engines. "After exhaust gas turbochargers have already been successfully used in diesel engines, in particular, they will be used increasingly in gasoline engines in the future, in combination with direct gasoline injection for downsizing concepts. This will allow smaller engines to achieve better efficiency with comparable power output," explains Dr. Martin Knopf, the managing director responsible for development, sales, and finances at Bosch Mahle Turbo Systems.

Bosch Mahle Turbo Systems, a joint venture of Bosch and Mahle, with a strong understanding of the complete system for combustion engines and outstanding know-how in development and large lot production of engine parts and components, is currently developing exhaust gas turbocharger systems for engines in passenger cars and light commercial vehicles. The aim is to become the preferred supplier of the automotive industry in the exhaust gas turbocharger segment.

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