

MAHLE S.A. in Spain to reorganize its manufacturing activity

Stuttgart, November 13, 2008 – MAHLE S.A. in Vilanova i la Geltrú, Spain, a subsidiary of MAHLE GmbH headquartered in Stuttgart, Germany, and supplier of pistons for the automotive industry, today presented to workers' representatives a plan to reorganize its activity with the aim to overcome the current determining factors of the plant and to guarantee the company's future viability.

The plan announced by the company's Management contains a group of essential measures to improve productivity, efficiency and quality of the productive processes. Among the aforementioned measures, the plan entails the amortization of 250 job positions and the implementation of important measures focused to improve the employees' professional abilities. Adopting this plan is essential given the current situation of both the company and the automotive sector.

The company started today a dialogue with the workers' representatives to discuss the proposed future plan as well as a social plan that will help to attenuate the reduction of job positions. Among other objectives, the social plan aims to place the affected employees in the best position to face the current job market.

The Management of the company expects that this plan, together with important investments made to modernize the plant in recent years, will allow the company to reach the level of competitiveness needed to attract new projects, face current market challenges, guarantee the viability of the company and preserve the remaining job positions.