Automotive Components Europe S.A.

(a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg with registered office at 6, rue Adolphe, L-1116 Luxembourg, the Grand Duchy of Luxembourg and registered with the Luxembourg register of companies and commerce under the number B 118130)

Offer of a maximum of 12,488,476 Shares with a nominal value of EUR 0.15 per Share

This document is a supplement to the Prospectus dated May 9, 2007, and constitutes a prospectus supplement for the purposes of Article 16 of the Prospectus Directive and has been prepared in accordance with Article 13 of the Luxembourg law on prospectuses for securities, as amended and the rules promulgated thereunder (the "Prospectus Supplement"). This Prospectus Supplement has been filed with and approved by the Luxembourg Regulatory Authority (*Commission de Surveillance du Secteur Financier*) (the "CSSF") and the CSSF will provide a notification of the approval, together with a copy of the approved Prospectus Supplement, to the Polish Financial Supervisory Commission (the "KNF").

This Prospectus Supplement is prepared in connection with the offer of a maximum of 12,488,476 shares with a nominal value of EUR 0.15 per share, in the share capital of ACE (the "Shares").

The Shares are being offered (the "Offer") pursuant to the terms and conditions as set out in the Prospectus that was approved by the CSSF on May 9, 2007.

This Prospectus Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus that may be prepared by ACE. Terms defined in the Prospectus have the same meaning when used in this Prospectus Supplement. The numbering of sections herein reflects the numbering of sections as set out in the Prospectus that was approved by the CSSF on May 9, 2007.

The Offer will be conducted as a public offering on the territory of the Republic of Poland and may be also conducted by way of private placement in several jurisdictions outside Poland on the condition that such holders are permitted to do so under the laws and regulations of the jurisdiction in which they are located.

Copies of this prospectus supplement may be obtained at no cost, through the website of the Warsaw Stock Exchange (www.gpw.com.pl), the website of the Luxembourg Stock Exchange (www.bourse.lu) or the website of the issuer (www.acegroup.lu), as well as upon request from the office of IPOPEMA Securities S.A. and at offices of the brokerage Dom Maklerski PKO BP S.A. Distribution of the Prospectus and this Prospectus Supplement, and the offer and sale of the Shares may, in certain countries, be subject to specific regulations or restrictions. The Offer is not made to persons who, and/or entities which, directly or indirectly, are subject to such restrictions, and may not be accepted in any manner whatsoever within a country in which the Offer would be subject to such restrictions. Persons and/or entities in possession of the Prospectus and this Prospectus Supplement are urged to inform themselves of any such restrictions which may apply in their jurisdiction and to observe them. ACE disclaims all responsibility for any violation of such restrictions by any person.

Offer Price: to be determined in PLN
Lead Manager, Book Runner and Offering Broker

IPOPEMA Securities S.A.

The date of this Prospectus Supplement is 16 May 2007

Responsibility statement.

ACE is responsible for the information contained in this Prospectus Supplement as well as for any notice to be published by the Issuer in connection with this Prospectus Supplement. ACE, having taken all reasonable care to ensure that such is the case, confirms that, to the best of its knowledge as at the date of this Prospectus Supplement, the information contained in this Prospectus Supplement is true and accurate and not misleading and contains no omission likely to affect its import. However, you should assume that the information appearing in this Prospectus Supplement, or any documents incorporated by reference in this Prospectus Supplement, is accurate only as of the date on the front cover of the applicable document. The business, financial condition, results of operations and prospects of ACE may have changed since that date.

3. RISK FACTORS

This section has not been amended, except for the subsection "*Risks associated with the use of debt to finance acquisitions of companies*", which is replaced in its entirety by the following:

The ACE Group has incurred substantial indebtedness as a result of the acquisition of its subsidiaries Fuchosa and EBCC. The ACE Group relies on debt financing, primarily in the form of credit from financial institutions, to finance the development the business of the ACE Group and future acquisition of companies in the sector, should favourable acquisition opportunities occur.

As a result, the ACE Group is subject to risks normally associated with debt financing, including the risk that the cash flow from its operations is insufficient to meet the debt service requirements. If the ACE Group does not have enough cash to service its debt, meet other obligations and fund its liquidity needs, it may be required to take actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing all or part of its existing debt, or seeking additional equity capital. ACE cannot assure that any of these remedies, including obtaining appropriate waivers from financial lenders, can take place on commercially reasonable terms or at all. Additionally, the terms of existing or future debt agreements may restrict the ACE Group from adopting any of these alternatives.

In addition, the ACE Group's credit facilities are secured by the shares of ACE's subsidiaries, Fuchosa, Retorgal, EBCC and other assets. If the ACE Group is unable to meet its debt service obligations in respect of any of these companies, any surrender of such companies would result in a loss of income and asset value.

As the ACE Group's debt bears interest at variable rates, an increase in prevailing interest rates would increase ACE's financing costs and could adversely affect its ability to meet its existing debt service obligations. Moreover, market conditions and other factors, especially large transactions or capital expenditures, may cause ACE to seek additional financing sooner than expected. If the Issuer fails to generate sufficient funds from operating cash flow and debt or equity financing, it may have to delay or abandon the investment plans or fall behind in plant maintenance. ACE may have to issue additional shares leading to dilution of shareholders, or may have to issue shares or debt instruments with rights superior to those of holders of the shares. It should be noted that only 25% of Fuchosa's current debt is linked to variable rate of interest. The interest owing on the remainder of Fuchosa's debt is linked to a fixed rate of 3.51% p.a. In the case of EBCC the interest payable on its debt amounts to EURIBOR (capped at 4.25%) plus a variable margin from 1.25 to 2.00 p.a., depending on the net debt/EBIDTA ratio and "change of control" events.

Likewise, the ACE Group's financial structure may, *inter alia*, (i) limit the ACE Group's capacity to borrow money in the future, (ii) reduce the amount of money available to pay dividends and finance the ACE Group's operations and other business activities, (iii) make the ACE Group more vulnerable to general economic downturns and adverse industry conditions, and (iv) reduce the ACE Group's flexibility to respond to changing business and economic conditions.

In addition, the credit facilities entered into by the ACE Group contain financial and other restrictive covenants, which, among other things, require Retorgal and EBCC to maintain specified financial ratios, limiting their ability to incur debt and sell assets. These covenants further restrict the ACE Group's ability to borrow money in the future, reducing the amount of money available to pay dividends and finance its operations and other business activities. The realisation of these abovementioned risks could adversely affect the ACE Group's business, prospects, financial condition or results of operations and consequently, the value of the Shares.

It should be noted, however, that two of the current credit facilities of the ACE Group are senior loans, and according to the Retorgal loan documents its loan will have to be partially repaid from the proceeds of the Offer only up the necessary amount to achieve a ratio Net Financial Debt/Consolidated Ebitda (as those terms are defined in the senior loans) below 1.5, though Retorgal has received written waivers on this obligation from the lending bank. Moreover, both current loan agreements contain "change of control" restrictions that may be triggered as a result of the Offer. Upon occurrence of a "change of control" event, the loan may become due and payable. For a more detailed description of these loans see section 13 – *Material Contracts, Credit Agreements*. Retorgal has received a written waiver from la Caixa, waiving its right to prepayment of the loan upon the occurrence of an initial public offering and the respective "change of control" provisions and being subject to signing a binding amendment to the loan agreement to this effect.

On May 14, 2007 EBCC signed an annex to the loan agreement with Erste Bank changing the "change of control" provisions and allowing EBCC to pay dividends if certain financial ratios are met.

As at the date of this Prospectus, the Operating Entities generate sufficiently high cash flows to meet all financial covenants required by the loan agreements referred to in this risk factor.

(This amends Section 3 of the Prospectus approved by the CSSF dated May 9, 2007, Section 3 is found at page 18 of the Prospectus approved by the CSSF dated May 9, 2007)

5. DIVIDEND POLICY OF ACE

This section has been amended and is replaced in its entirety by the following:

The net profit of ACE shall be represented by the credit balance on the profit and loss account, after deduction of the general expenses, social charges, write-offs and provisions for past and future contingencies as determined by the Board. Every year, five per cent of the net profit will be set aside in order to build up the legal reserve. This deduction ceases to be compulsory when the legal reserve amounts to one tenth of the issued share capital. The remaining balance of the net profit shall be at the disposal of the general meeting. Dividends, when payable, will be distributed at the time and place fixed by the Board within the limits of the decision of the General Meeting. Interim dividends may be paid by the Board within the conditions provided for by the Luxembourg Company Law. The General Meeting may decide to assign profits and distributable reserves to the reimbursement of the capital without reducing the corporate capital. There can be no guarantee that ACE will pay any dividends or, if it pays dividends, that such dividends will increase over time. See – *Risk Factors.*

The general dividend policy of ACE following the Offer is to pay dividends at levels consistent with the growth and development plans, while maintaining a reasonable level of liquidity. The payment of any future dividends will depend on business prospects, future earnings, cash requirements and expansion plans ACE Group.

In addition, the terms of the current financing agreements also restrict ACE's ability to pay dividends, requiring meeting certain financial thresholds by members of the ACE Group.

The restrictions imposed by Erste Bank only permit EBCC to pay dividends provided certain conditions have been met including, *inter alia*, the net debt/EBITDA ratio being below 2 (based on the financial statements of EBCC).

The restrictions imposed by the terms of the la Caixa Debt only permit Retorgal to pay dividends provided certain conditions have been met including, *inter alia,* the net debt/EBITDA ratio not exceeding a multiple of 2 (based on the consolidated financial statements of Retorgal). Retorgal has received written waivers from the lending bank allowing the distribution of the dividends to ACE. Retorgal is currently negotiating binding amendments to the covenants and thresholds of the loan agreement so as to have more flexibility for the distribution of earnings and reserves to ACE.

Please note that ACE is a holding company, so its ability to pay dividends mainly depends on profits and dividends paid to ACE by Operating Companies. According to current tax regulations dividends paid by Fuchosa to Retorgal and by Retorgal and EBCC to ACE are subject of tax exemption. The details of the taxation of dividends paid by ACE to its shareholders are presented in section 20 – *Description of the Offer Shares*.

(This replaces Section 5 of the Prospectus approved by the CSSF dated May 9, 2007, Section 5 is found at page 30 of the Prospectus approved by the CSSF dated May 9, 2007)

13. MATERIAL CONTRACTS

This section has been amended and is replaced in its entirety by the following:

Credit agreements

A term loan facility agreement between EBCC and Erste Bank dated April 22, 2005 was originally concluded by EB Holding as the borrower. The loan of EUR 12,000 thousand was granted to EB Holding for the purpose of acquiring shares in EBCC and reimbursing a shareholder's loan granted to EB Holding by EB Holding LLC. On May 29, 2006, the rights and obligations of EB Holding were transferred, with Erste Bank's consent, to Indus, subsequently the EBCC Merger was finalised. The loan bears interest of at the rate of EURIBOR 6M (capped at 4.25%) plus a variable margin from 1.25 to 2 p.a., depending on the net debt/EBIDTA ratio. Moreover, if Innova/3 L.P, together with Innova/3 EBRD Co-Investment Facility L.P., after 12 months from the date of admission to public trading on the regulated market of the Shares, and pursuant to their sale of Shares, hold directly or indirectly less than 25% plus one share in the share capital of EBCC the applicable margin shall be increased by 25 bps. The loan is secured by: (i) registered pledge over all shares of EBCC; (ii) registered pledge over EBCC's bank accounts; (iii) registered pledge over EBCC's collection of assets and rights; (iv) two blank promissory notes issued by EBCC accompanied with a promissory note declaration; and (v) EBCC's declaration on submission to enforcement in favour of Erste Bank.

The loan must be repaid in a bullet repayment in 2010.

According to the loan agreement, after the merger between EBCC and Indus, EBCC is obliged to establish additional security in favour of Erste Bank, namely a mortgage over the EBCC's real property and a registered pledge over the EBCC's material assets (i.e. assets with an individual net book value exceeding 5% of the EBCC's total net assets). EBCC has taken relevant steps to establish the additional security.

On May 14, 2007 EBCC signed an annex to the loan agreement modifying, among others, the definition of "change of control" and the conditions of dividend payments (see Section 5 – *Dividend Policy of ACE*). A change of control occurs if (i) Innova/3 L.P, together with Innova/3 EBRD Co-Investment Facility L.P., during the first 12 months following the date of admission to public trading on the regulated market of the Shares, shall hold in the share capital of EBCC directly or indirectly less than 25% plus one share or any other entity or group of entities not related with Innova/3 L.P and Innova/3 EBRD Co-Investment Facility L.P will hold directly or indirectly in the share capital of EBCC more than 33%, or (ii) subsequent to the first 12 months following the date of admission to public trading on the regulated market of the Shares any other entity or group of entities not related with Innova/3 L.P and Innova/3 EBRD Co-Investment Facility L.P will hold directly or indirectly in the share capital of EBCC more than 33%. Upon the occurrence of a change of control event, the loan may be cancelled and all amounts accrued thereunder shall become due and payable. Moreover, if EBCC makes any prepayment on the account of external financing within six months following the date of admission to public trading in the regulated market of Shares, EBCC shall pay to Erste Bank a prepayment fee in the amount of 0.65% of the principal amount being prepaid.

On February 23, 2006, la Caixa, acting as agent, together with a syndicate of eight additional banks, granted a long-term facility for EUR 16 million to Retorgal, for the partial financing of the acquisition of Fuchosa and the related transaction costs. The final maturity date is February 23, 2013. The facility is structured in two tranches: tranche A for EUR 14 million and tranche B for EUR 2 million. Tranche A shall be repaid in six-monthly equal instalments starting on February 23, 2007; tranche B is a revolving facility which shall be fully repaid on February 23, 2013. Both tranches have a floating rate of EURIBOR plus 175 basis points. During the term of the facility, Retorgal shall comply with certain consolidated financial ratios. On December 31, 2006, Retorgal complied with all of these ratios. All the quotas ("*participaciones*") of Retorgal and Fuchosa as well as the credit rights of a special bank account, are pledged in favour of the banks, as a guarantee to comply with the obligations derived from the facility agreement. Additionally, Retorgal has committed to grant in favour of the banks, at their request, a mortgage over all the assets of Retorgal, after the execution of the envisaged merger of Fuchosa and Retorgal.

In addition, ACE Management has agreed with the lending banks on the modification of the definition of "change of control" in the credit facility, being such event defined as where (i) the Existing Shareholders hold, directly or indirectly, less than 60% of the share capital of Retorgal or lose the effective control over Retorgal; or (ii) EB Holding holds, directly or indirectly, less than 50% of Retorgal prior to the envisaged merger between Retorgal and Fuchosa, or 51% of Retorgal after the execution of the merger; or (iii) the current shareholders of Casting Brake cease to hold directly or indirectly at least 70% of its share capital; or (iv) if the Innova Funds hold, directly or indirectly, less that 51% of Retorgal after the initial public offering of the Shares. Upon the occurrence of a change of control event, the loan may be cancelled and all amounts accrued thereunder shall become due and payable.

ACE Management is currently negotiating the final terms of the amendments to the La Caixa Debt loan agreement. As of the date of the publication of the Prospectus the final agreement is pending execution.

(This replaces Section 13 of the Prospectus approved by the CSSF dated May 9, 2007, Section 13 is found at page 68 of the Prospectus approved by the CSSF dated May 9, 2007)