ACE
AUTOMOTIVE COMPONENTS EUROPE

Fourth quarter of 2009

Performance Roadshow

Warsaw, March 2010

Automotive Market Performance

	Sales (units)						Selling rate (units/year)			
	Dec 2009	Dec 2008	Percent change	Year-to-date 2009	Year-to-date 2008	Percent change	Dec 2009	Year-to-date 2009	Year 2008	Percent change
WESTERN EUROPE	**994,950**	**842,783**	**18.1%**	**13,628,844**	**13,562,297**	**0.5%**	**14,525,763**	**13,628,844**	**13,562,297**	**0.5%**
AUSTRIA	14,687	15,712	-6.5%	314,886	293,897	7.1%	276,515	314,886	293,897	7.1%
BELGIUM	26,449	21,837	21.1%	476,194	535,947	-11.1%	527,843	476,194	535,947	-11.1%
DENMARK	9,601	8,617	11.4%	109,610	150,186	-27.0%	113,014	109,610	150,186	-27.0%
FINLAND	3,123	4,474	-30.2%	88,715	139,647	-36.5%	80,176	88,715	139,647	-36.5%
FRANCE	228,451	153,686	48.6%	2,268,634	2,050,283	10.6%	2,730,647	2,268,634	2,050,283	10.6%
GERMANY	215,564	225,981	-4.6%	3,807,190	3,090,040	23.2%	2,789,245	3,807,190	3,090,040	23.2%
GREECE	10,970	7,931	38.3%	221,498	266,830	-17.0%	225,070	221,498	266,830	-17.0%
IRELAND	304	188	61.7%	57,467	151,928	-62.2%	73,581	57,467	151,928	-62.2%
ITALY	165,428	143,225	15.5%	2,164,057	2,175,042	-0.5%	2,828,331	2,164,057	2,175,042	-0.5%
LUXEMBOURG	2,318	2,761	-16.1%	46,828	52,145	-10.2%	46,143	46,828	52,145	-10.2%
NETHERLANDS	9,145	7,247	26.2%	391,758	499,980	-21.6%	400,670	391,758	499,980	-21.6%
NORWAY	10,250	7,819	31.1%	98,675	110,617	-10.8%	118,947	98,675	110,617	-10.8%
PORTUGAL	17,369	21,160	-17.9%	160,996	213,348	-24.5%	233,059	160,996	213,348	-24.5%
SPAIN	90,553	72,377	25.1%	952,577	1,161,176	-18.0%	1,070,988	952,577	1,161,176	-18.0%
SWEDEN	19,340	17,158	12.7%	213,380	253,982	-16.0%	235,765	213,380	253,982	-16.0%
SWITZERLAND	20,463	23,921	-14.5%	261,561	285,654	-8.4%	264,058	261,561	285,654	-8.4%
UK	150,936	108,691	38.9%	1,994,999	2,131,795	-6.4%	2,511,712	1,994,999	2,131,795	-6.4%

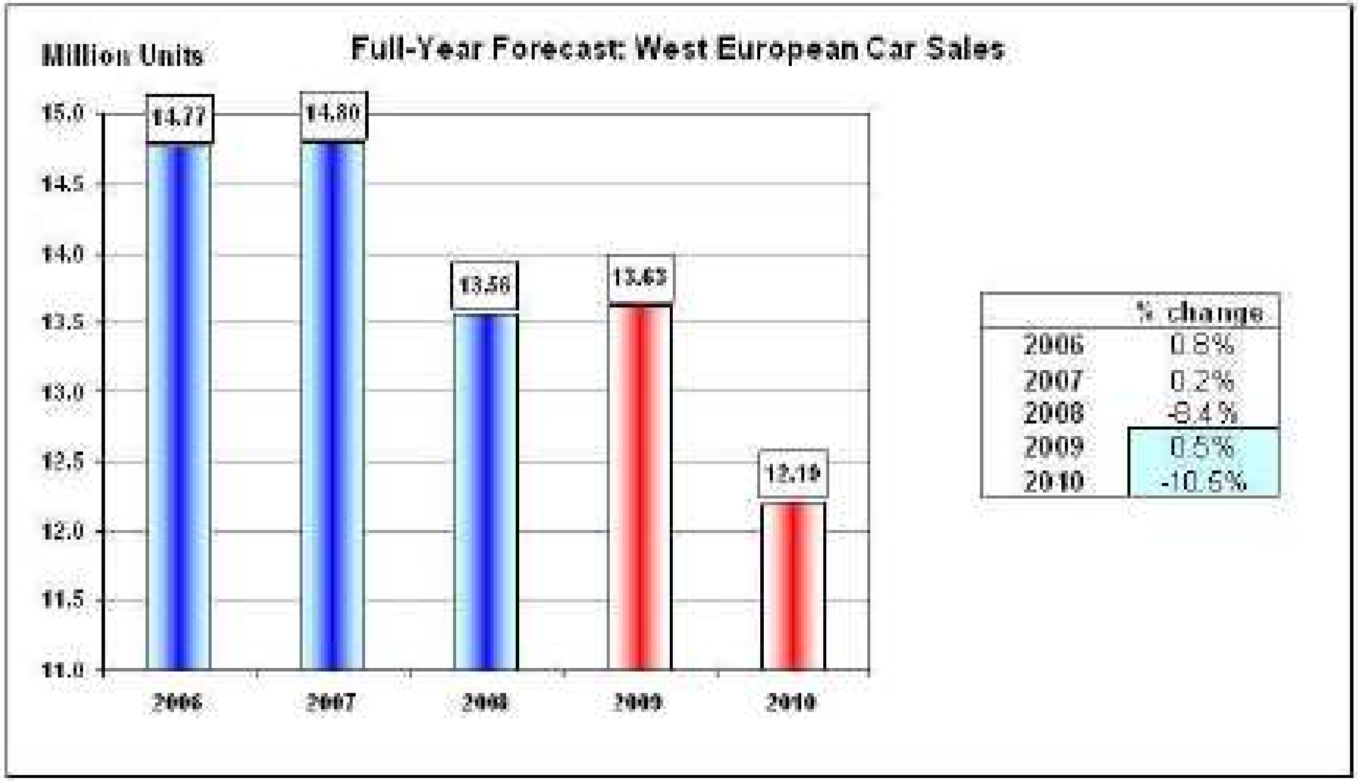
Notes: Austria, Denmark, Greece, Luxembourg, Netherlands and Switzerland: estimates for latest month
The percent change in the final column compares the average selling rate in the year-to-date with the last full year.

Source: JD Power

In December year-to-date sales were 0.5% above 2008 level.

However production, after four quarters 2009, in the same region was reduced by 15% due to high usage of stock in the chain of production .

Automotive Market Performance
- Forecast -

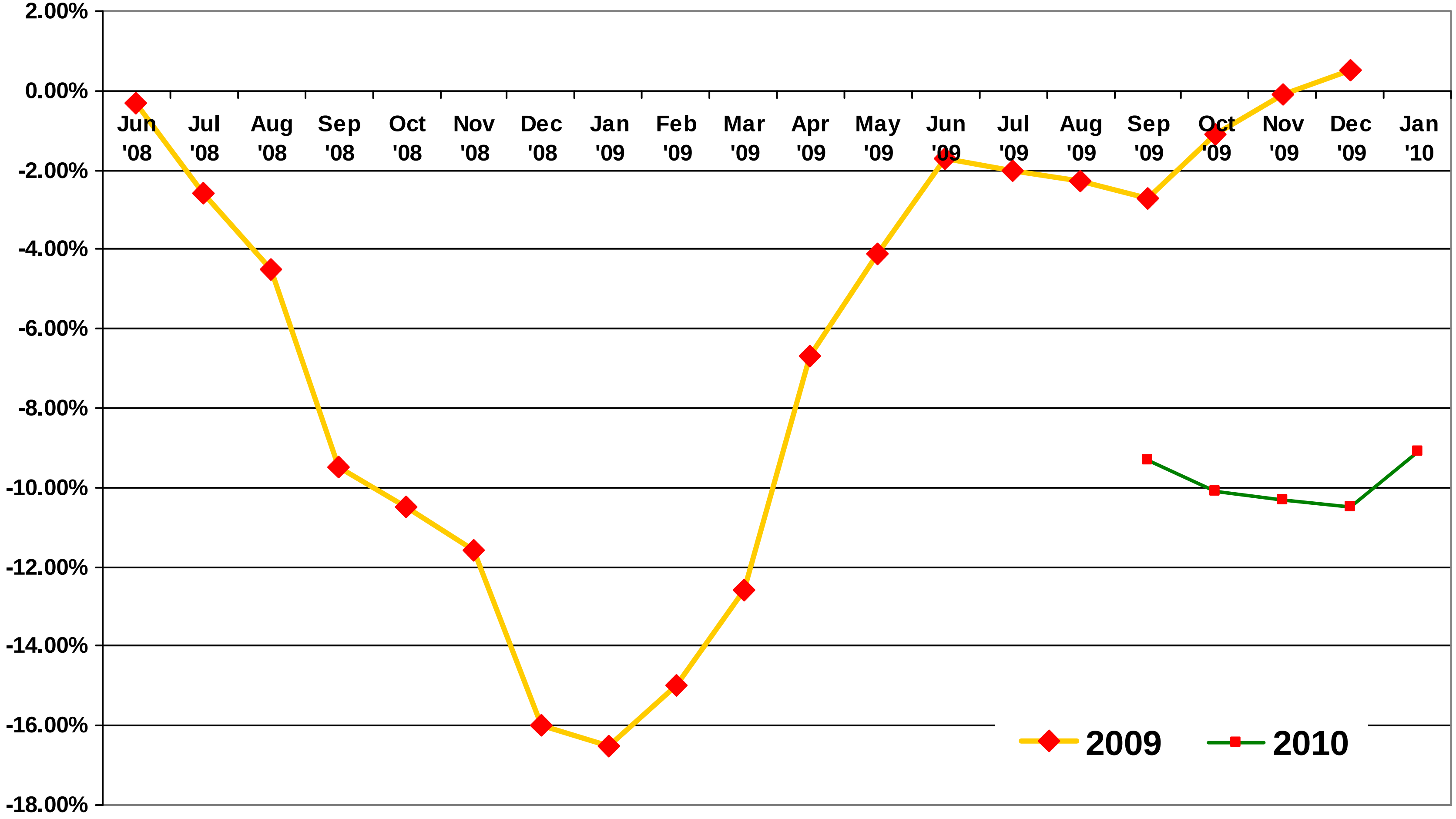


Source: JD Power

In December the market proved that all previous forecasts were too pesimistic and despite the fact that the support programme in Germany expired in September, car sales were still growing. Also 2010 forecast is becoming more optimistic from -10.5% in Dec ’09 to the latest -9.1% in Jan ’10.

Automotive Market Performance
- 2009 & 2010 Forecast Evolution-

Source: JD Power



Company Volume Sales (1)

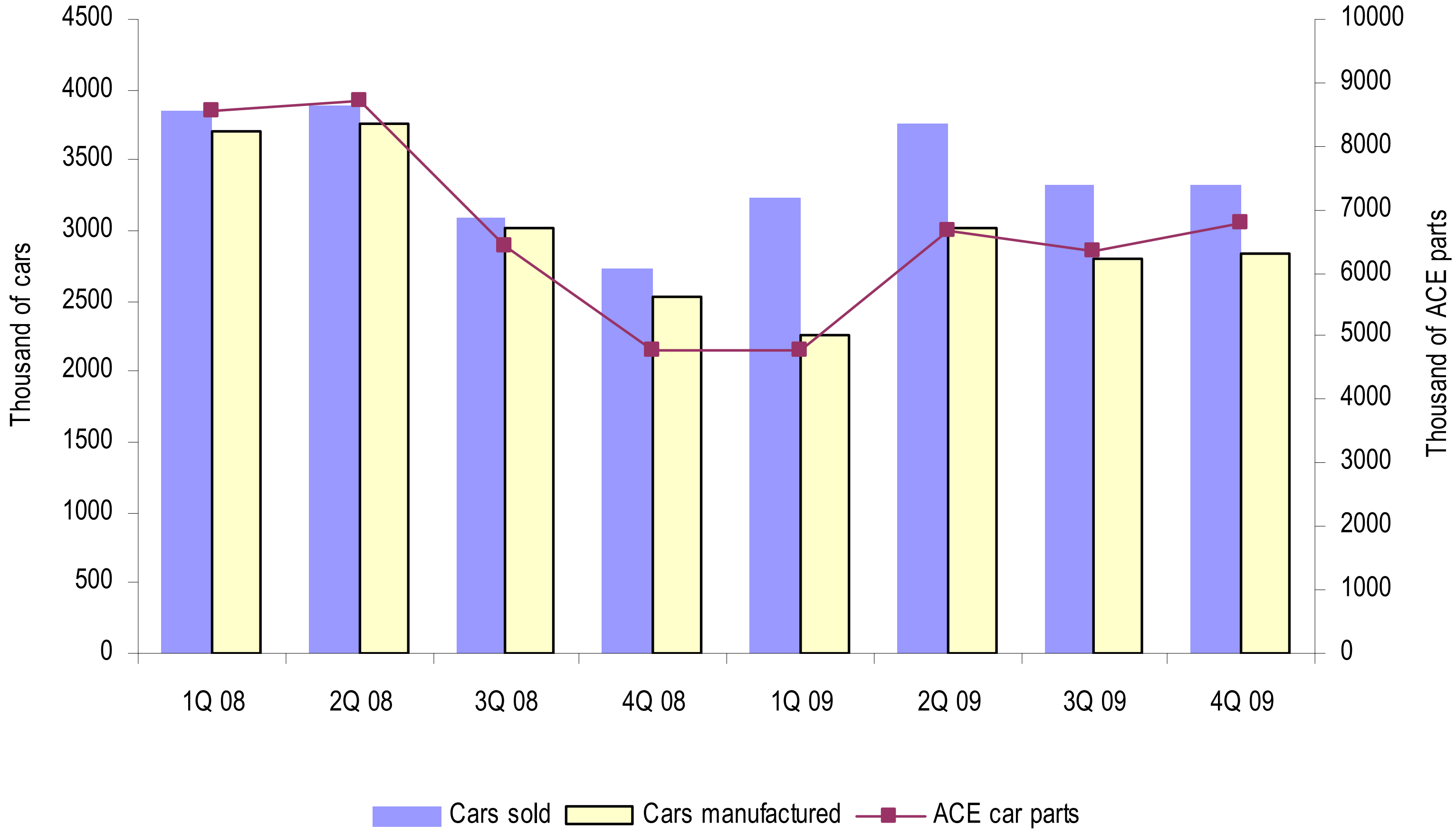
Sales volumes in million pieces	*Four quarters of 2009 Cumulative*	*Four quarters of 2008 Cumulative*
Nodular iron castings	18.6	22.6
Grey iron castings	1.7	2.0
Aluminium castings	6.0	5.8
Total products sold	**26.3**	**30.4**

- Decrease of around 13.4% in number of units produced by Group automotive companies following 15% fall of new cars production in Europe.

- Almost 18% volume decrease allocated in nodular iron (Spain) and 3.5% **growth** in aluminium (Poland) due to a launch of new projects and new volumes gained from customers in the second half of 2009. But sales mix in aluminium is less profitable due to decrease of machined parts.

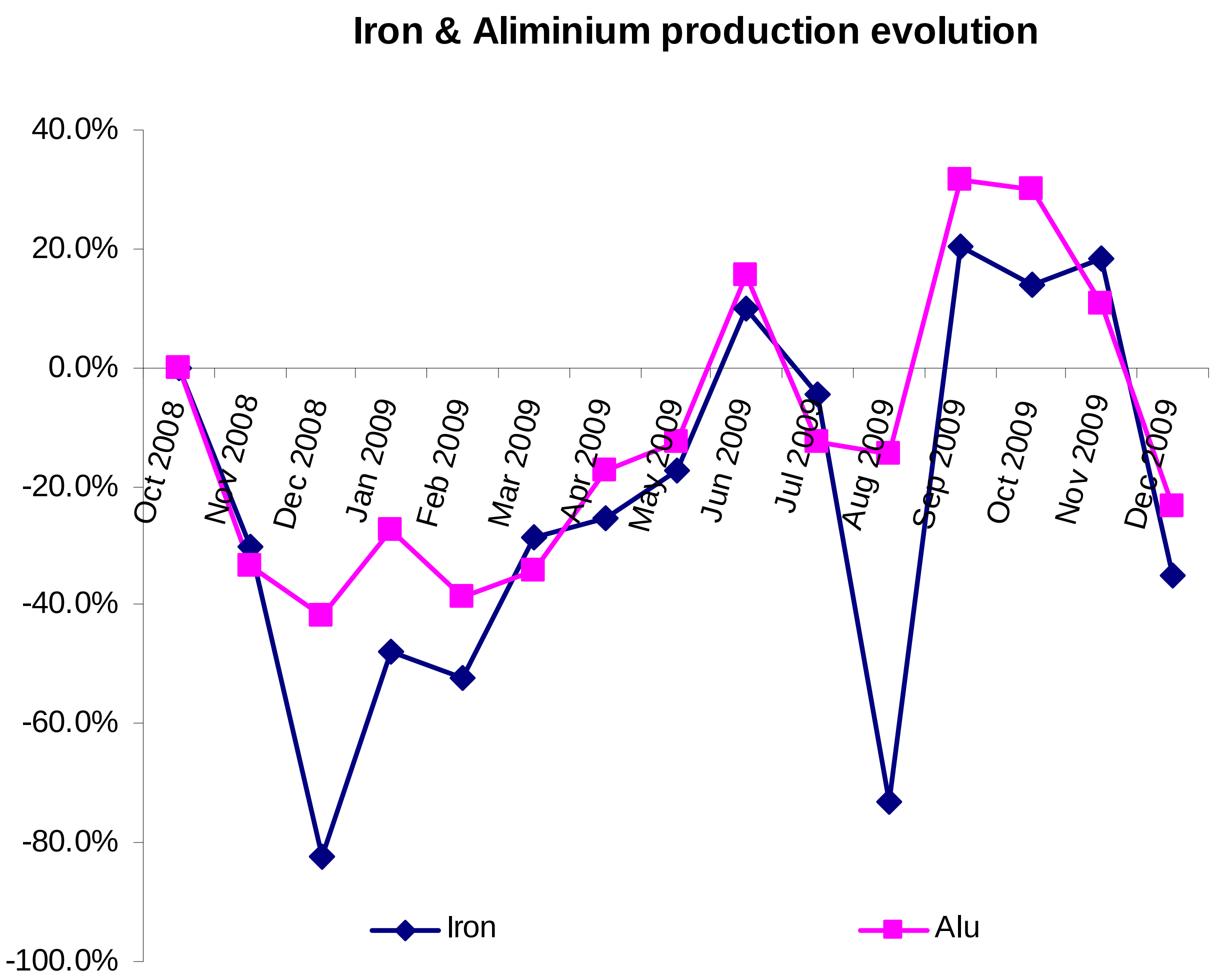
- Slight over-sensitivity to market movements in iron due to:
  – Considerable inventories in the supply chain in 2009
  – Temporary shift to lower profile cars utilising also drum brakes on rear axle

Company Volume Sales (2)



Source: ACE data

Production output



Source: ACE data

Company Consolidated Sales (1)

	Q4 of 2009 (cumulative)	%	Q4 of 2008 (cumulative)	%
Sales of products	73 918	96%	89 050	94%
Sales of goods and materials	3 183	4%	5 345	6%
Total sales revenues	**77 101**	**100%**	**94 395**	**100%**

18.3% decrease of sales value for the corresponding periods:

- Lower volumes in iron and worse product mix in aluminium
- Lower prices of energy and raw materials

Impact of Feramo slightly improves 2009 Group sales:

- In 2009 : EURO 11.1 million
- In 2008 : EURO 12.2 million

Decrease of Feramo sales was only 9.1% (but 8 months consolidated in 2008)

Company Consolidated Sales (2)

	Q4 of 2009 Cumulative	%	Q4 of 2008 Cumulative	%
Sales of nodular iron castings	32 096	43%	43 346	49%
Sales of grey iron castings	11 130	15%	12 245	14%
Sales of aluminium castings	30 692	42%	33 459	38%
Total sales of products	**73 918**	**100.0%**	**89 050**	**100.0%**

Despite lower sales its structure changes toward higher importance of the aluminium busines - portion of revenues (iron vs. alu) 56%/44% in 2008 and 51%/49% in 2009 with consolidation scope without Feramo.

Revenues from nodular iron segment in 2009 are almost 26% below the previous year (and below volumes) mainly due to lower prices or raw materials. Also the aluminium segment recorded over 8% decline in revenues despite growth in volumes. This is a result of additional impact of less favourable product mix in 2009 but on the other hand it shows potential for future revenues increase if the mix is restored.

Profit Drivers for automotive companies

- Lower **volumes** comparing with four quarters of 2008 resulting into decrease of margins (in both iron segments). However in Q4 the level of orders was even higher than in Q3 2009 due to higher orders level from customers mainly in the nodular iron segment (5.2m parts vs. 4.7 m parts)

- Action Plan completed – the saving plan introduced in the end of 2008 is clearly effective and improves operational profitability even for lower sales volume and value. Operating and production costs decreased by 4.5m Euro in compare with four quarters of 2008.

- Less profitable **sales mix in aluminium** due to lower % of machining delivered to end customers (from 70-80% in H1 2008 to 45-50% in 2009) offset in a great deal by volumes of castings. This is a temporary situation and % of machining should be restored in future.

- Weaker zloty than in 2008 generated additional 2.3m Euro FX profits on EBITDA level.

- Appreciation of Polish zloty since March '09 from 4.46 to 4.17 PLN/Euro helps in lower negative valuation of outstanding hedging contracts. Negative value of all hedging contracts in the Balance Sheet as of the end of December was 1.2m Euro

Impact of non automotive company

- Over one year of performance within the ACE Group since acquisition
- Operating result: with over 11m Euro of sales becomes a significant revenues generator in the Group during the crisis. Stabilization of the raw material prices results in no further losses from this item. Low sales since beginning of the year are compensated in a great deal by the Action Plan.
- Production of Feramo both in volume and in value was at a very low level (1.7m units in four quarters of 2009 vs. 2.0 in eight months of 2008 and 11.1m Euro v. 12.2m Euro) but it follows a general performance of the European economies and their expected improvement will have an impact on Feramo’s orders level.

ACE Consolidated Performance (1)

	Four quarters of 2009	*Four quarters of 2008*	*Change in %*
Revenues from Sales	77 101	94 395	*-18.3%*
Gross Profit	15 763	18 245	-13.6%
Operating Profit	4 333	4 758	-8.9%
EBITDA	10 067	9 929	1.4%
Net Profit	1 980	330	500%

	Q4 of 2009		*Q4 of 2008*		*Change in % Q4 '09/Q4 '08*
Revenues from Sales	20 866	_____	18 543	_____	*12.5%*
Gross Profit	4 615	22.1%	1 635	8.8%	182.3%
Operating Profit	1 610	7.7%	- 1 211	-6.5%	~%
EBITDA	3 146	15.1%	335	1.8%	839.1%
Net Profit	1 981	9.5%	-6 155	-33.2%	~%

ACE Consolidated Performance (2)

- 2009 was weaker in terms of sales but market conditions were constantly improving during the period:

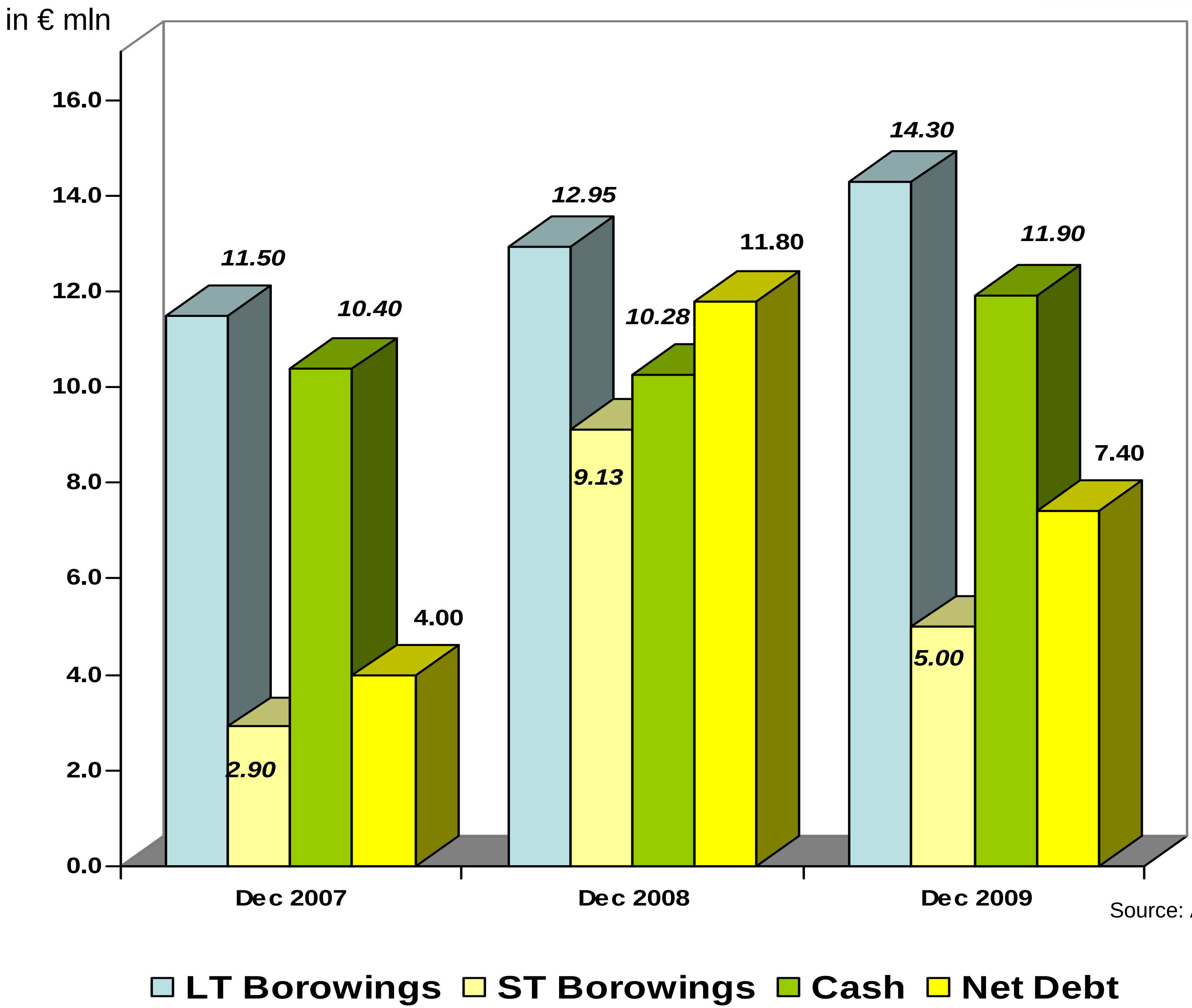
  Main reasons were:
  - very weak market in Jan and Feb with recovery since Mar
  - impact of government support programs visible since Q2 2009
  - less profitable mix in aluminium partially compensated by higher volume of castings
  - lower prices of raw materials and energy

- Sharp increase of profitability on EBITDA and OP levels, due to visible effects of the Action Plan initiated in Dec 2008. EBITDA margin in Q4 2009 was much higher than in total 2009 and 2008 and very stable in comparison with Q3 2009.

- Since partial cancellation of hedging contracts in Feb 2009 there are no significant changes on fair valuation of the contracts but appreciation of PLN since the end of March decreases their negative impact on financial level.

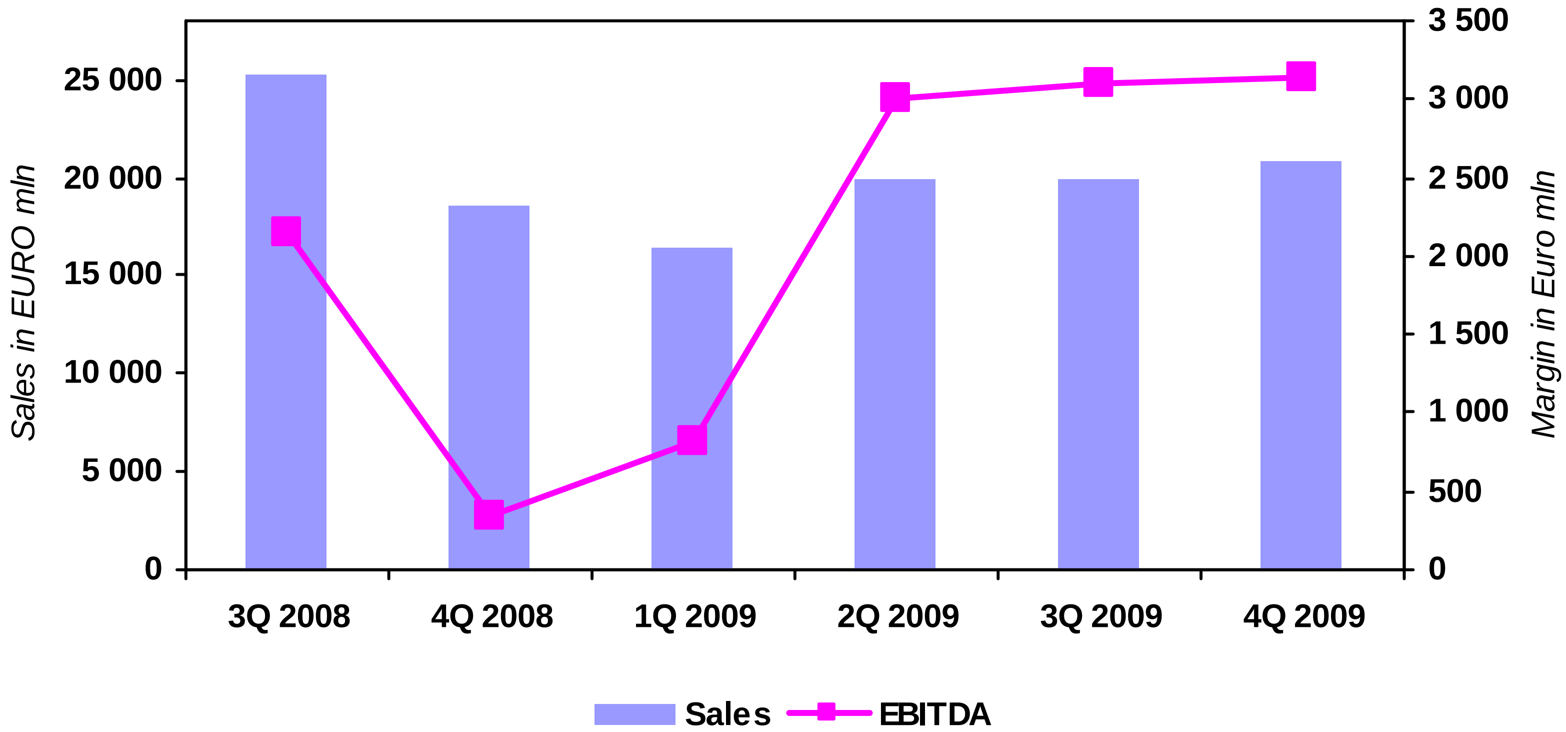
- At the end of 2009 cash position was significantly improved since the end of H1 from 7.4 m Euro to 11.9m Euro. Net debt at the end of the period was 7.4m Euro.

ACE Consolidated Performance (3)



Source: ACE data

ACE Consolidated Performance (4)



Source: ACE data

Outlook 2010

The main driver of the current year results will be volume, highly depending on European automotive market performance:

- **SALES:** Due to a recovery of the automotive market our prospects show at least stable volume of customer's orders in 2010 with some potential impact on ACE's operations:
  - Potential growth of sales volume in units in compare with 2009 (+)
  - Stable or slightly growing volume in machining with a profitable machining margin (+)
  - Search for new projects to fulfill current capacity in iron (+)
  - Potential for volume and market share growth in future (+)
  - Decrease of inventory levels in the supply chain in 2009 will positively impact sales in 2010 (+)
  - Very real necessity to increase capacity in the alu segment (+)

  Expectations for 2010 ACE Group sales coming from customer's orders show some 5 -10% growth potential in compare with 2009. The latest forecasts for 2010 production of new cars range from 0 to +7% in compare with the previous year.

- **COSTS:** Management does not anticipate important main costs movements beyond the experienced in 2009. The Action Plan focused on company specific costs is working very well but as far as higher volumes are confirmed, deriving in higher margins, the action plan would be less visible.

- **FINANCIAL ITEMS** Hedging contracts and their impact is now under control and should not have any negative influence in future. Oppositely we expect some positive corrections of their fair valuation due to appreciation of Polish zloty.

- **CASH POSITION** One of the main goals is to preserve cash and save it for financing operations and future growth of the Company. Higher sales should result in further cash generation**.**

Near Future Plans

- **FERAMO GROWTH:** 2-3 years Investment programme to be adjusted to current market conditions. Capex of around 9 Mio€ allowing to increase volume from 15k to 42k tones and triple revenues from sales in 4-5 years will be launched on more prudent basis.

- **Iron:** To utilise free capacity there are several new automotive projects under negotiations. Their SOP might be expected in 2010.

- **Aluminium GROWTH:** Front calipers and iron machining already started in 2009 and TMC already in progress.

- **New iron products** – to utilise a new capacity at Feramo a number of new iron projects is currently under negotiations with customers. Fuchosa transfers nodular iron technology to Feramo and will support the company at R&D level

- **Group reorganization** – The Action Plan is completed with visible effects on EBITDA level. In the near future the Company will be focused on better cash management and restructuring of the debt.