

PRESS RELEASE

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ACE Group – Substantial growth ahead. Growth Strategy 2012-2015

- **2011 - Revenue growth of c. 10% on 2010 and slightly higher margins, delivering EBITDA close to EUR 10m**
- **2012 – year of significant Group capex program – EUR 12 m – results visible in 2013. Sales expected to outperform market and current order book indicates some margin expansion**
- **Company considering share buy-back program for 1H2012**
- **Strategy to deliver 40% increase in revenues 2011-2015 with stable EBITDA margins, excluding impact of potential M&A**

The Management of ACE Group expects 2011 revenues some 10% up yoy with slightly higher margins delivering EBITDA of around EUR 10 m for the full year, driven by the continuing growth of the automotive market in Europe and in CEE. (For Jan-Nov 2011, Western Europe +4.4% increase, CEE region +12.9%.

2012 is a significant year for ACE as it digests an ambitious capex program of around EUR 12m which will only feed into financial results in 2013. But, based on current indications, management believes their 2012 sales should outperform the market and deliver a general improvement in margins.

Management has recommended to the Board of Directors initiation of a share buy-back program during the first half of 2012, whose length and conditions will be announced in due course.

ACE's strategy to 2015 is based upon the following interlocking goals. Revenue growth is to be achieved through substantial increases in output volumes of all products (nodular iron +70%; grey iron +50%; aluminium casting +20%; aluminium machining +20%). In addition, the company is planning M&A activities, to deliver a step growth in the size of the company, which should bring additional sales of EUR 30-100m and 1-2 more technologies to their current portfolio. At this time the company is actively seeking potential targets. In parallel to the above, ACE plans to double its customer base for automotive products over the next 1-2 years while extracting maximum synergies within the Group to optimize all internal capabilities, decrease costs and improve profitability. The 2012 capex program of EUR 12 m will see the majority invested in the Czech plant. Thereafter, the company expects Group level annual revenue growth above 10% accompanied by improving operating results (by value)".

"With our on-going investment project in the Czech plant we are creating one of the best casting company for automotive business in the CEE region. The combination of "western" expertise and CEE location and cost base makes it a very attractive proposition for our

Leader in the European Automotive Components Market

market. This investment completes the project we launched 3 years ago and which we postponed for two years due to the downturn on the market. The biggest risk with the investment is in implementing the new machinery on time and recruiting and training staff (one of our main competitive advantages). Fortunately ACE has enormous experience in this and is working very closely with both local and international providers of implementation and start-up services, like engineering companies and technology centres.

“Despite the uncertain outlook for the automotive market in these difficult times, ACE has shown during past economic downturns that it is perfectly able to develop new products, grow its market share and maintain its profitability. We remain wholeheartedly committed to the continued development of the Group through both in-house development and acquisition of new technologies.” says José Manuel Corrales, CEO of ACE Group.

Further details of the strategy are available in the pdf document attached to Current Report no: 17/2011, published today

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About ACE GROUP:

ACE Group is a young and dynamic Group, well-positioned in the foundry business for automotive products. It is the leader on the European Automotive Components Market, specializing in safety parts for passenger cars. ACE was founded in 2006 and has been listed on WSE since June 2007. ACE has c.EUR 100m annual turnover with more than 800 staff across three factories in Spain, Poland and the Czech Republic and a high tech R&D center in Spain.

In Europe, ACE is the number 1 producer of iron anchors and number 2 producer of aluminum calipers for car disc brakes, with a market share of around 40% in both products. It is also a competitive reference manufacturer of aluminium TMC (Master cylinders) and Front calipers. Both products were recently developed by the company and have constantly growing sales and a very promising outlook. The company also offers a wide range of grey iron products for different markets. ACE technologies include horizontal and vertical iron casting, aluminum gravity, iron and aluminum machining. It is the only company on the European market which provides solutions in both iron and aluminium technologies. Resilient to crisis: The 2008-2009 economic crisis saw ACE strengthen its position both internally and externally. ACE has maintained its lead position in anchors and substantially improved its position as a supplier of calipers, increasing its market share from c. 30% to c. 40% since 2008. ACE also introduced several new products: aluminum TMCs, front calipers and iron machining. These products have had a positive impact on recent performance, displaying remarkable volume growth rates and their importance will continue to grow.

After 3Q 2011 the Group reported EUR 75.4 m of revenues, EBITDA of EUR 8.2m and net profit of EUR 1.6 m. In 2010 the Group reported EUR 86.3m of revenues, EBITDAT of EURE 9.4m and net profit of EUR 2.5m.