

Press release

Warsaw, 13th February 2008

ACE – Projected results for 2007

ACE, the leading producer of automotive braking system components in Europe, has announced updated financial forecasts for 2007. According to the revised projections, the company achieved clear growth in sales and net profit compared to 2006. In line with statements presented in the report for the 3rd quarter of 2007, however, the expected EBITDA will be lower than projected in mid-2007, though this difference is shortened in EBIT and Net Profit.

According to the projections released today, ACE will achieve sales revenue of EUR 86 million in 2007 (an increase of nearly 9% compared to 2006). Net profit will be at EUR 8.6 million (an increase of nearly 25%). Detailed data are presented in the table below, alongside the earlier projections presented by ACE at the middle of 2007:

(EUR mln)	2007 current projections	2007 prior projections	2006 PROFORMA
Revenue	86.0	86.4	79.2
EBITDA	14.7	17.2	15.3
Operating profit	10.6	12.4	10.3
Net profit	8.6	9.6	6.9

“Even though we earned somewhat less than we had earlier projected, the past year was very successful for ACE,” said José Manuel Corrales, CEO of ACE. “We expect to achieve clear and substantial growth in sales and net profit compared to 2006. Nonetheless, in line with our earlier statements we had to revise our projections below the sales level. The value of revenue is maintained at the same level, which reflects the increasing prices of raw materials, mostly transferred to our clients.”

Among the main factors that can be indicated as having an influence on the revision of the projections is the postponement of the start of production of the company’s new product, aluminium master cylinder (TMC), from 4Q2007 to 2008 and a general pressure on margins in the aluminium segment reflected in agreements reached with main customers.

Additional costs of nearly 400.000 accrued in the fourth quarter were mainly as the due diligence expenses involving a company which is a potential acquisition target, higher costs allocated in the holding company and audit expenses.

Despite lower EBITDA of around 15%, this difference decreases to 14% in EBIT and only 10% in Net profit level. It was possible mainly due to lower than expected financial costs associated with repayments of a big portion of outstanding expensive



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bank loans after IPO and some tax benefits related to the merger of ACE's companies in Spain.

ACE plans to publish its final results through four quarters of 2007 on Friday, 15 February 2008.

"We have very good growth prospects ahead of us," said CEO José Manuel Corrales. "I think that current financial standing of ACE is the best in the history of the Company, so we have excellent foundations for further growth. As in 2007, we would like to grow this year at a faster pace than the European automotive market as a whole, increasing our production output. One of our main goals for 2008 is to acquire a production firm in Central & Eastern Europe, where the automotive market is growing the fastest. This will allow us to increase our production capacity in the iron segment. At this time I can say that negotiations with one company are at an advanced stage. Our Wroclaw plant, which produces aluminium components has also a lot of room for further growth. We will be introducing two new aluminium products; in 2008 we will begin production of TMC, and early 2009, front brake calipers."

The CEO added: "Another strategic goal achieved in 2007 has been our nomination for machining iron casting parts. Iron casting is one of our key business, which we produce in our Spanish facility specialized in designing and casting of iron brake anchors, and to be awarded by one of the major customers to machine iron parts means an important growth opportunity . We plan to start this activity at the beginning of 2009, and it represents another big step in our recognition as a global and multi-technological supplier by the market."

The ACE Group is a leading supplier in Europe of automotive components for braking systems. The group specialises in production of two core components of disc brakes: iron anchors (the largest supplier in Europe, with about 44% of the relevant market) and aluminium callipers (holding over one-quarter of the European market).

The production of the ACE Group is concentrated in two operating companies wholly controlled by ACE: **Fuchosa** (with a plant in Spain for the casting of iron components) and **EBCC** (with a plant in Poland for the casting and machining of aluminium components).

The ACE Group's customers include the largest European suppliers of brake modules such as Continental Teves, TRW Automotive and Robert Bosch. Products of the ACE Group are **installed in the majority of automobiles produced in Europe** (Fuchosa anchors are installed in about **125 models of cars** and EBCC callipers in 16 different brake system platforms, which are used in **about 50 car models**).

EBCC and Fuchosa, present on the automotive market for years, established the ACE Group in 2006, thus creating a strong and specialised European supplier with diversified production technology (using three key technologies for the auto industry: iron casting, aluminium casting and machining). The ACE Group enjoys many benefits from the merger such as more efficient customer service (thanks to a presence in both Western Europe and Central Europe) and a stronger position in the development of new products.

For additional information, please visit the website www.acegroup.lu or contact:

Piotr Fugiel
ACE Investor Relations Officer
inwestor.relations@acegroup.lu
Tel. (22) 353 88 60

Piotr Wojtaszek
NBS Public Relations
(+48 22) 826 74 18
pwojtaszek@nbs.com.pl