

FOMAS GROUP

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FOMAS GROUP unveils the 2008-2012 Industrial Project to the press: €250 million to invest on 4 initiatives of which two in Italy and one each in China and India

The FOMAS Group, a leading manufacturer of forged products and rolled rings, in steel and non-ferrous alloys, destined mostly for Power Generation, Oil & Gas, Industrial Bearings and Transmission markets, has submitted its Industrial Plan for the coming four-year period. A spend of €250 million has been set aside, over half of which to be invested in Italy.

The choice of the Group – with factories in Italy, France, India and China and customers in over 25 countries – has been centred on showering trust over the Italian economy instead of channelling resources entirely on developing countries like China and India.

A choice that would raise eyebrows the one made by the Italian multinational, founded over half a century ago in Brianza (Osnago/Merate) and now a world leader in the forged products and rolled rings industry.

The market of high-quality rolled and forged products has been steadily on the rise in all the Fomas Group's spheres of activity. This has been the drive behind the industrial plan that aims at: achieving and retaining standards of excellence in every function/process; keeping the flexibility, rapid response and service level our customers have been accustomed to; raising market share, and consequently global volumes, of our high-quality goods; attaining competitiveness even with new products and materials.

Work in Italy relates to our site in Osnago/Merate (Lecco) where the Group's headquarters are based; the other location is in Villamarzana (Rovigo).

Osnago/Merate – the production facilities are slated for overhaul with the installation of state-of-the-art equipment and a spend of €80 million. The operation will generate significant job opportunities with as many as 60 staff expected to be hired by 2012.

Villamarzana – construction is planned for a new factory with a manufacturing capacity of approximately 40.000 T/year.

In the pipeline: a production chain for rolled rings up to 7 metres and 15 T; an automatic heat treatment equipment featuring related finishing and grinding block mechanisms, technologically advanced with regard to characteristics, degree of automation and lay-out.

New vacancies here too – over 130 workers to be employed, of whom around 50 within 2009 and the remaining 80 by 2012.

China, Dalian (north-east) – factory scheduled for completion. As many as 4 lines are planned for rolled rings, heat treatment and machining for the manufacture of about 33.000 T/year. When fully operational, this initial stage will have a work force of about 200.

India – through its subsidiary Bay-Forge, the FOMAS Group has planned some tangible investments. The country offers promising economic opportunities; it however needs to make significant headway in building adequate infrastructure for its progress and development. A topmost priority is power generation.

Since the FOMAS Group is a world leader in the field of energy and there is a shortage – unlike China – of modern forging facilities in India, the factory will undergo significant enhancement and upgrading of its capacity. For example, a new forging line will be commissioned towards the beginning of 2009: it will feature a 2.000 T press and a 10 T/m manipulator. Also slated for installation, in 2010, a plant for the manufacture of large forgings.