

Information Release**MSSL closes Peguform deal**

New Delhi, November 24, 2011:

Motherson Sumi Systems Ltd (MSSL), has successfully closed the deal for acquiring 80% equity holding in Peguform Group, Germany, together with 50 % shareholding in Wethje Carbon Composite GmbH and Wethje Entwicklungs GmbH, which is engaged in the manufacture carbon composites, from Cross Industries AG which would continue to hold the balance shareholding in the companies. The deal has been jointly done by MSSL and Samvardhana Motherson Finance Ltd (SMFL) which owns 36.35% stake in MSSL. The acquisition is made through a step down subsidiary of Joint Venture, Samvardhana Motherson Polymers Limited, in which Motherson Sumi Systems Limited holds 51% and Samvardhana Motherson Finance Limited holds 49% share.

As announced previously, at the meeting held on 13th July 2011 the board of directors of Motherson Sumi Systems Limited had approved the proposal and the closing is now achieved. The results of Peguform Group shall be consolidated in December 2011 quarterly results for part of the quarter.

- The financing of the entire transaction has been done by syndicate of banks which was put together by ICICI Bank Limited and included Standard Chartered Bank as MLA & Bookrunner and Axis Bank Limited, DBS Bank and Exim Bank of India as MLAs. Price Waterhouse Coopers advised and structured the transaction.
- MSSL and SMFL have guaranteed US \$ loan of equivalent Euro 190 million in the ratio of 51:49. This amount has been used for financing share consideration of Euro 141.50 million, acquisitions related costs and also additional financing for proposed capex at Peguform Group
- Refinancing debt of Euro 180 millions at Peguform Group has been fully secured.

Talking on the development, **Mr. V.C. Sehgal, Group Chairman**, said *"The product range of Peguform is complementary to our polymer processing business in India and has huge synergies to other products manufactured by the Group. This will further strengthen the position of the group as a global supplier to automotive OEMs."*

For MOTHERSON SUMI SYSTEMS LTD.



G. N. GAUBA
Company Secretary & V. P. Finance