



Press Release: 6 November 2007

**Series production of Compacted Graphite Iron
commercial vehicle engine components
begins at Tupy Mauá foundry**

- **MAN Nutzfahrzeuge 10.5 and 12.4 litre CGI cylinder blocks begin series production**
- **Extended application to International-Navistar MaxxForce™ big bore engines during 2007**
- **High volume series production of Compacted Graphite Iron at the Tupy Mauá foundry**

Following extensive facility upgrades and investment in new equipment and technology – including the installation of the SinterCast process control technology during 2005 – the Tupy Mauá foundry has begun series production of Compacted Graphite Iron (CGI) commercial vehicle engine components. The first CGI component in series production is a heavy-duty diesel engine cylinder block that will be used in the 10.5 litre D20 and 12.4 litre D26 engines produced by MAN Nutzfahrzeuge AG of Germany. The MAN production began at Mauá during August 2007 and engines based on the SinterCast-CGI cylinder blocks are now being assembled at the MAN production facility in Nürnberg Germany. Initial volumes are forecast at approximately 20,000 cylinder blocks per year for MAN, with the potential for increased volumes in the future. The Mauá foundry will also supply a derivative of the MAN CGI cylinder block to International Truck and Engine Corporation, USA. For International, the CGI cylinder block will be used in the MaxxForce™11 and Maxxforce™13 big bore diesel engines when they go on sale later this year, the first-ever CGI engines available in the US market. The CGI production at Mauá will exceed 10,000 tonnes per year when the MAN and International programmes reach full volume.

Mr. Luiz Tarquínio, President and C.E.O. of Tupy said, “The start of CGI series production at our commercial vehicle specialist foundry in Mauá represents another important milestone for Tupy. We regard heavy-duty CGI cylinder blocks and heads as a key growth area and we are currently supporting CGI commercial vehicle product development activities that will more than double the combined MAN and International volume. With the expected CGI growth in the commercial vehicle sector, we look forward to the CGI production volume at Mauá eventually surpassing the CGI volume at our Joinville foundry, which currently produces more than 20,000 CGI cylinder blocks per month.”

Dr. Steve Dawson, President & CEO of SinterCast said, “After supporting limited-volume fleet production for heavy-duty diesel engine applications in North America and Europe, the MAN and International engines provide the first running series production reference for SinterCast-CGI in the commercial vehicle sector. With additional high-volume production programmes slated for Mauá, and at other SinterCast-licensed foundries, we expect that the commercial vehicle sector will continue to grow and become the largest volume market for CGI for the foreseeable future.”

Joinville and Stockholm, 6 November 2007

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Located in Joinville in southern Brazil, **Tupy** has more than 7,500 employees and a production capacity of 500,000 tonnes per year of cast iron components in its two manufacturing facilities located in Joinville, State of Santa Catarina and Mauá, State of São Paulo. With sales and engineering offices located in Brazil, United States, Germany, Mexico, Italy and Japan, Tupy's main customers include Cummins, DaimlerChrysler, Ford, General Motors, Volkswagen, Audi, Perkins, International Truck and Engine, Mack Trucks, MAN, Wuxi Diesel, Iveco, Kubota, John Deere, Bosch, Ambrake, Peugeot and many other premier automotive and diesel engine manufacturers.

SinterCast is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). With at least 80% higher tensile strength, 45% higher stiffness and approximately double the fatigue strength of conventional grey cast iron and aluminium, CGI allows engine designers to improve performance, fuel economy and durability while reducing engine weight, noise and emissions. SinterCast produces a variety of CGI components ranging from 8 kg to 17 tonnes, all using the same process control technology. The end-users of SinterCast-CGI components include Aston Martin, Audi, Caterpillar, DaimlerChrysler, Ford, General Electric Transportation Systems, General Motors, Hyundai, International Truck and Engine, Jaguar, Land Rover, MAN, MAN B&W Diesel, PSA Peugeot-Citroën, Rolls-Royce Power Engineering, Toyota, Volkswagen, Volvo and Waukesha Engine. The SinterCast share is quoted on the Small Cap segment of the Nordic Exchange, Stockholm (Stockholmsbörsen: SINT).

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