

Componenta to start efficiency program to boost competitiveness and profitability and renew the Corporate Executive Team

Componenta starts efficiency program to develop profitability and productivity and realize cost savings in order to improve competitiveness in years 2012 - 2014.

Main reason for establishing the efficiency program is the past development of general business environment, where behaviour of our customers has become more un-predictable and cautious leading to continuing low capacity utilization. At the same time we are facing challenges which demand actions in the areas of currency rates, productivity development and general cost development.

During the 2013 - 2014 the savings aimed to be achieved through the completion of the efficiency program and related actions are estimated to be at the level of EUR 25 million corresponding to a full year impact in 2014. Majority of the cost savings will be realized through reduction of personnel in all operating countries throughout Componenta. As a result of the projects, reduction of personnel is estimated to be 550 people.

The efficiency program comprises of five sub-programs to boost profitability and productivity and will be carried out in years 2012 - 2014:

1. Productivity and quality improvement project in Orhangazi, Turkey,
2. Profitability and productivity improvement project in the Netherlands by boosting operational efficiency and cutting fixed costs,
3. Improving capacity utilization in the foundries by closing underutilized production lines and moving products internally to other Componenta production lines at different locations,
4. Cost efficiency and productivity improvement project in Främmestad, Sweden including planned internal product transfers from Främmestad machine shop to Orhangazi machine shop in Turkey,
5. Enhance effectiveness in administrative, sales and engineering organizations and cutting fixed costs.

Implementation of the efficiency program will be managed by the dedicated project leaders, consisting of the members of new Corporate Executive Team. They report the development of the sub-programs directly to the President and CEO of Componenta.

Componenta's new organization and way of operating as well as related management appointments and changes in positions as of 1 November 2012

The Componenta organization will be renewed to support an effective implementation of the efficiency program. In this way the management processes will be clarified, administrative costs reduced and sufficient management resources secured to carry out the programs.

In the future Componenta business operations will be managed through three divisions: Foundry Division, Machine Shop Division and Aluminum Division. Profit and loss responsible business unit directors of foundries, machines shops and aluminum businesses report according to the respective division structure. The Group reporting will be changed to correspond to the new structure in the beginning of 2013.

Olli Karhunen has been appointed Senior Vice President of Foundry Division. Juha Alhonoja has been appointed Senior Vice President of Machine Shop Division. Sabri Özdoğan has been appointed Senior Vice President of Aluminum Division. All above mentioned persons report to President and CEO Heikki Lehtonen.

Patrick Steensels, who previously has held position of Senior Vice President of the Holland Operations, will take the responsibility of Heerlen foundry, and leave the Corporate Executive Team.

Seppo Erkkilä, who previously has held position of Senior Vice President of Finland Operations, will be responsible for the foundries in Finland, and leave the Corporate Executive Team.

Casting Future **SOLUTIONS**

COMPONENTA CORPORATION

Panuntie 4, FI-00610 Helsinki, Finland /// Tel. +358 10 403 00, Fax +358 10 403 2721 /// www.componenta.com

Domicile Helsinki /// Business ID 1635451-6 /// VAT.reg FI16354516

In the new organization the current Turkey Operations will be divided into Foundry Division, Machine Shop Division and Aluminium Division. Hakan Göral, Senior Vice President of the Turkey Operations will join another employer as of 1 November 2012.

The current Sweden Operations will be divided in the new organization. Främmestad's machine shop belongs from 1 November 2012 onwards to Machine Shop Division and Wirsbo will be managed as separate business through separate board of directors. Michael Sjöberg, previously Senior Vice President of Sweden Operations, has responsibility of developing Wirsbo forge as a Chairman of the Board of Directors of Componenta of Wirsbo AB. He will leave the Corporate Executive Team.

Antti Lehto, Senior Vice President, Sales and Customer services, leads the functions of Sales, Engineering and Product development, Supply chain management, and Internal sourcing. He reports to President and CEO Heikki Lehtonen.

President and CEO Heikki Lehtonen, CFO Mika Hassinen, Olli Karhunen, Juha Alhonoja, Sabri Özdoğan, Antti Lehto, Anu Mankki, Senior Vice President, HR and Pauliina Rannikko, Senior Vice President of Legal and Risk Management form the Corporate Executive Team of Componenta Group as of 1 November 2012.

Helsinki, 18 October 2012

COMPONENTA CORPORATION

Heikki Lehtonen
President and CEO

For further information, please contact:

Heikki Lehtonen
President and CEO
tel. +358 10 403 2200

Mika Hassinen
CFO
tel. +358 10 403 2723

Componenta is a metal sector company with international operations and production plants located in Finland, Turkey, the Netherlands and Sweden. The net sales of Componenta were EUR 576 million in 2011 and its share is listed on the NASDAQ OMX Helsinki. The Group employs approx. 4,700 people. Componenta specializes in supplying cast and machined components and total solutions made of them to its global customers who are manufacturers of vehicles, machines and equipment.