

Press release

IFA-Maschinenbau Verwaltungsgesellschaft mbH, Haldensleben has sold a 25 % stake of IFA-Antriebstechnik GmbH, Gardelegen with effect from 20th of April 2006 to the Japanese automotive supplier **NTN Corporation, Osaka**. NTN will acquire further equity stakes over the next years and will subsequently hold the majority in equity of IFA-Antriebstechnik GmbH.

The IFA-Group is a medium-sized supplier for power train engineering and mechanical engineering for the automotive sector with plants in Haldensleben, Gardelegen and Magdeburg. The IFA-Group generates a revenue of approx. 100m EUR with 330 employees at their various sites in Saxony-Anhalt. Die NTN Corporation, Osaka/Japan is the leading manufacturer of ball bearings, drive shafts and CV-joints for the automotive sector with a manufacturing focus in Japan, China and the US.

IFA-Group has well established business relations to the Volkswagen plants as well as to BMW and DaimlerChrysler. NTN intends to strengthen their business with the German automotive industry in particular with the Volkswagen Group by utilising the advantage of a close cooperation with IFA-Antriebstechnik GmbH and the advantage of a location in Gardelegen. Another intention is the supply of the ambitious and growing automotive industry in East and South East Europe from the logistical convenient location in Gardelegen. The strategic partnership with NTN offers the IFA-Group opportunities for an internationalisation, utilisation of global capacities and a cooperation within a customer-orientated Research & Development.

The transaction was advised for NTN by the investmentbank Nomura and the lawfirm Linklaters, Oppenhoff & Rädler and on IFA side by the investmentbank Rothschild and the lawfirm Aderhold v. Dalwigk Knüppel Rechtsanwaltsgesellschaft GmbH.