



TALBROS AUTOMOTIVE COMPONENTS LIMITED

- Partial Strategic Disinvestment of Non-Core Materials business assets
 - Enters into a Strategic Raw Material Sourcing Agreement with the Indian Affiliate of Interface Performance Materials, USA
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Talbro's Automotive Components Limited, has decided on partial strategic disinvestment of its non-core materials business assets. The same is being sold to the Indian Affiliate of M/s. Interface Performance Materials, USA who are pioneers & leaders of gaskets materials worldwide.

Further, Talbro's has entered into a raw material sourcing agreement with them. Under this agreement, Talbro's shall source various Gasket raw materials from Interface's Indian manufacturing unit.

The disinvestment will help Talbro's achieve two important things

- 1) Enable Talbro's to source materials locally leading to faster turnaround time in executing client orders. This will result in reduction of imports by 15%, thereby, reducing the working capital requirements and the exposure to foreign exchange fluctuations*
- 2) Savings on fixed cost*

The total savings expected to accrue from the strategic disinvestment will be in the range of Rs. 7-10 Million per annum. The savings in operational costs, reduction in raw material inventory and working capital investments will reduce the interest burden and therefore, enhance the profitability of the company.

Commenting on the agreement Mr. Anuj Talwar, Jt. Managing Director, Talbro's Automotive Components Limited said

"This agreement is a part of our constant endeavour to reduce costs and improve profitability, and is therefore a step in right direction. It is a validation of our cost improvement strategy. With this agreement, our annual savings could be in the range of Rs. 7-10 million. It will also help us immensely in improving our servicing capabilities with our clients. Partial disinvestment will result in enhancing our liquidity for business purpose.

We are clearly focused on enhancing our internal efficiencies and leverage on our technological know-how to supply best in class products to our customers. The established capabilities and cost reduction activities will help us achieve our goals."

For Talbro's Automotive Components Ltd.


Authorized Signatory



About Talbro's Automotive Components Limited:

Talbro's Automotive Components Limited., the flagship manufacturing company of the Talbro's Group was established in the year 1956 to manufacture Automotive & Industrial Gaskets in collaboration with Coopers Payen of UK. Today Talbro's stands proud and tall as a mother brand of gaskets, chassis, rubber products and forgings in India. Talbro's Group portfolio also includes Mercedes Benz dealership for passenger cars.

TACL together with JV alliances has 8 manufacturing facilities at Haryana, Uttarakhand, and Maharashtra along with one materials division in Gurgaon and R&D technology center at Faridabad. The facilities are equipped to design, develop and manufacture products as per customer requirements competitively.

The company has technical collaborations with Nippon Leakless Corporation – Japan and Sanwa Packaging – Japan.

Few of the marquee customers includes Bajaj Auto, Tata Cummins, Volvo Eicher India, Ashok Leyland, Escorts Group, Force Motors, Hero MotoCorp, Honda, Hyundai, John Deere, Mahindra & Mahindra, Maruti Suzuki, Suzuki, TAFE, Daimler India, Tata Motors, Simpsons, Carraro, Dana, Musashi, Spicer, GE and QH Talbro's besides a robust distribution network in the aftermarket.

For more information please visit www.talbro's.com

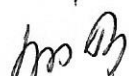
About Interface Performance Materials, USA:

Interface Performance Materials, has seven manufacturing locations across the world and provides full range of engineering services including gasket design, flange analysis, and material recommendations, joint design recommendations, and validation testing of parts to OEMs and fabricators.

For more information please visit www.interfacematerials.com

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