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Componenta to expand the Group's efficiency program with a target to improve profitability at least by EUR 10 million

Componenta will continue the current efficiency improvement program to boost productivity and profitability with new efficiency measures targeting to enhance competitiveness and reduce costs at least by EUR 10 million by 2016. The targeted result improvements of EUR 35 million coming from the earlier efficiency programs are estimated to be achieved in full during the year 2015.

Through boosting efficiency in the production operations and common functions Componenta is targeting to increase capacity utilization rates of the foundries and decrease fixed costs.

The impact of the cost saving measures of developing and concentrating foundry operations is estimated to be at least EUR 6 million by the year 2016. The company will concentrate the foundry production by closing down 2 - 3 casting lines during the years 2015 - 2016.

The efficiency increase in the Group's internal processes and ways of working is aiming at savings of EUR 4 million by the end of 2016, and a major part of the savings will realize already during the year 2015. The possible impact on personnel will be aimed at all countries where Componenta has operations and will be carried out by retirement arrangements and by terminating employments.

The decided measures will cause one-time items of EUR 2 - 3 million which are intended to be booked in this year's financial statements. The final decision about the number of the production lines to be closed down is planned to be made during the first quarter of the next year. The decision may increase the amount of savings and one-time items.

Part of the targeted cost savings of EUR 10 million in this third phase of the efficiency program will realize already in 2015 and rest in 2016.

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COMPONENTA CORPORATION

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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 511 million in 2013 and its share is listed on Nasdaq Helsinki. The Group employs approx. 4,400 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.

Casting Future **SOLUTIONS**

COMPONENTA CORPORATION

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