Press Release

Meeting with the national FIOM, FIM and UILM trade unions representatives held today at the Group's headquarters

To be competitive it is necessary to concentrate investments on a single plant in Friuli.

The plan foreseeing the gradual closure of the Gorizia site was confirmed. Employees were proposed the possibility to relocate either at Maniago or at Campodarsego plants.

Campodarsego (Padua), 14 May 2015 - A **new meeting between the Carraro Human Resources Direction and the representatives of Italian national trade unions** was held earlier today in Campodarsego, at the headquarters of the Group, **to face the issue of the closure of Siap Gorizia plant.**

On that occasion the Company **confirmed the need to proceed with the termination of the activities of that site.** The new market scenarios, in fact, are structural and **do not allow to ensure the economic sustainability of the site even in a future perspective.**

The decision to **concentrate the Group's investments in Friuli Venezia Giulia on a single plant, the larger one of SIAP in Maniago**, specialized in the gear business, has to be understood in the primary direction of **increasing production efficiency and ensuring solidity and growth prospects in the short term** - with possible new hires - in the Region.

Thanks also to the important agreement reached in 2013 with the trade unions, which implies the "continuous cycle" in the machining areas, there are good conditions for a return to competitiveness for the Italian plants. **Any idea of diluting the investments on various sites in the Friuli Region would weaken the chance to compete and to consolidate the Group's position of leadership in its reference markets.**

Consequently to the situation above**, Carraro Group has presented a plan for the gradual closure of Gorizia. Ensuring at the same time all employees the opportunity to relocate** either at the Maniago site (Pordenone), or at the Campodarsego one.

The company has stated its willingness to **continue negotiations to the end to quickly reach an agreement.**

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