

Important growth perspectives in the automotive sector

Carraro will be on board the new off-road Grenadier

Agreement signed for over 420 million Euros with INEOS Automotive

Campodarsego (Padua), 4 December 2019 – New important step on the road to growth for Carraro Group. A strategic supply agreement with INEOS Automotive was signed in the past few hours.

This relationship, with a total value of more than 420 million Euros with a time horizon of over 10 years, consists in the supply by Carraro of front and rear axles for the new off-road 4x4 vehicle “Grenadier” of INEOS Automotive, which will enter the market in 2021.

Thanks to this agreement, Carraro Group will have the opportunity to significantly increase the volumes of its special axles for commercial vehicles, minivans and off-road vehicles.

At the same time this expansion of activities within the automotive sector, that has always been very challenging, will allow Carraro to increase its skills by further improving in terms of quality, time to market and logistic efficiency. This will also have positive impacts in the Group's traditional areas, such as agricultural equipment and earthmoving machinery.

*“This important agreement with INEOS highlights our will to develop the Group's off-highway automotive sector. – commented **Enrico Carraro, Chairman of the Group** – Being on board the Grenadier project also means for us to expand the product offer in a complementary way towards a sector with great potential for future developments”.*

*“The appointment of Carraro Group reinforces our commitment to bring together the world's best suppliers, creating the ultimate utilitarian off-roader. – **Dirk Heilmann, Chief Executive Officer of INEOS Automotive** said – Carraro offers a wealth of engineering experience and a robust product that compliments the Grenadier blueprint of an uncompromising 4x4.”*

Carraro Group has been chosen for this project among all the possible global players, alongside BMW, which is already on board for the engine-related part, as a reference partner for the supply of axles thanks to the skills acquired along the decades in the off highway market of agricultural and earthmoving machines that typically require high strength and reliability in every context.

The new Grenadier (www.ineosgrenadier.com) is conceived as a new “uncompromising” vehicle within today's off-road market. With permanent all-wheel drive, designed to be efficient even in the most extreme conditions, this project ideally inherits the pioneering spirit of the first 4x4s well known for their ability to function even in the most complex environmental situations.

This vehicle will be manufactured in England at a plant currently under construction in Bridgend, South Wales, which will employ up to 500 people at full capacity. Today an interfunctional team is working on the finalization of the Grenadier Project involving over 200 engineers - at the INEOS R&D Center in Stuttgart, under the guidance of the English parent company - with a single goal: to create a 100% "rational" vehicle, designed in every detail to be useful to those who drive it.

Carraro Group Profile

Carraro is an international group, leader in transmission systems for off-highway vehicles and specialised tractors, with consolidated turnover in 2018 of 624 million Euros.

The Group's activities are divided into two Business Areas:

- **Drive systems**

Through the subsidiaries Carraro Drive Tech and SIAP, the Group designs, manufactures and sells transmission systems (axles, transmissions and drives) mainly for agricultural and construction equipment, and also markets a wide range of gears for very diverse sectors, from the automotive industry to material handling, agricultural applications and construction equipment.

- **Tractors**

Through the subsidiary Carraro Agritalia, the Group designs and manufactures special tractors (for vineyards and orchards from 60 to 100 hp) for third-party brands, namely John Deere, Massey Ferguson and Claas, as well as a specialist own-brand range; Agritalia also provides engineering services for the design of innovative tractor ranges.

The Group's holding company, Carraro S.p.A., has been listed on the Italian Stock Exchange since 1995 (CARR.MI) and has its headquarters in Campodarsego (Padua). As at 30.09.2019, the Group had 3,155 employees – of which 1.460 based in Italy – and manufacturing facilities in Italy (3), India (2), China, Argentina, and Brazil. For additional information visit carraro.com.

INEOS Profile

In 2017, INEOS Chairman Jim Ratcliffe, a car enthusiast and experienced adventurer, identified a gap in the market for a stripped back, utilitarian, hard-working 4x4 engineered for modern day compliance and reliability. INEOS Automotive Limited was formed and a senior team of automotive professionals assembled to bring the vision to reality with a fresh perspective of 4x4 development and manufacturing.

Combining rugged British spirit with German engineering rigour, the Grenadier will be a truly uncompromising 4x4 built from the ground up. Engineered to overcome all conditions, it will provide best-in-class off-road capability, durability and reliability to those who depend on a vehicle as a working tool, wherever they are in the world.

On the engineering front, we are now moving into series development, with announcements on appointed suppliers and partners to be made in the coming months. INEOS Grenadier will go into production in 2021 in a new purpose-built manufacturing facility in Bridgend, Wales.

INEOS Automotive is a subsidiary of INEOS Group (www.ineos.com), a leading manufacturer of petrochemicals, speciality chemicals and oil products. It employs 22,000 people across 34 businesses, with a production network spanning 183 manufacturing facilities in 26 countries. From paints to plastics, textiles to technology, medicines to mobile phones, materials manufactured by INEOS enhance almost every aspect of modern life.

In 2018, INEOS had sales of circa \$60bn and EBITDA of around \$6bn.

To find out more about Grenadier, visit www.ineosgrenadier.com.

Press office contact details:

Massimiliano Franz, Head of Communications, Carraro Group
m. +39 334 6627367 / mfranz@carraro.com

Carlo Prato, True Relazioni Pubbliche
m. +39 335 6506483 / c.prato@true-rp.it