Audi AG, Ingolstadt Germany, has awarded the Tupy foundry of Brazil, one of the world’s leading iron foundries, a high volume series production contract for the Compacted Graphite Iron (CGI) cylinder blocks of its new 2.7 and 3.0 litre V6 diesel engines. The CGI cylinder blocks will be produced at Tupy’s Joinville foundry using the SinterCast process control technology. Machining and assembly of the V6 engines will be conducted at Audi’s manufacturing facility in Gyor, Hungary.

Foundry production of the 3.0 litre cylinder blocks began during August 2004 to allow for stock accumulation in Europe and the start of continuous delivery to Audi during December 2004. The new 3.0 litre CGI V6 engine delivers 233 horsepower (58kW/litre) and 450 Nm of torque, and is the first diesel engine in the ‘D’ vehicle segment to satisfy Euro IV (2005) emissions legislation. The 3.0 litre engine will be used in the Audi A4, A6 and A8 vehicles, and its future use in Volkswagen’s Touareg and Phaeton models was publicly announced at the September 2004 Paris Motor Show. The 2.7 litre CGI engine was also launched by Audi at the Paris Motor Show.

Mr. Luiz Tarquínio, President and CEO of Tupy said: “The Audi decision reconfirms the need for the improved properties of CGI in modern high performance diesel engines and acknowledges Tupy’s efforts to become the leading CGI supplier to the world automotive industry. We are motivated by the high volume CGI production commitments that we have now received from both Audi and Ford and we have four other CGI programs that will begin production during the next two years. Tupy is committed to leading the industrial trend toward CGI.”

Dr Steve Dawson, President & CEO of SinterCast said: “SinterCast has been a CGI technology provider to Audi since 1999 with the production of the 3.3/4.0 litre V8 TDI engine, Audi’s first CGI engine. We are pleased that Audi’s positive experience with SinterCast-CGI over the past five years has provided the confidence to extend the use of CGI to the higher volume V6 engine range. The 3.0 litre engine will also mark the first application of SinterCast-CGI in Volkswagen brand vehicles. Audi’s V6 commitment further increases the overall confidence in CGI, and the competitive pressures throughout the automotive industry.”

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Located in Joinville in southern Brazil, Tupy has more than 7,500 employees and a production capacity of 440,000 tonnes per year of cast iron components in its two manufacturing facilities located in Joinville, State of Santa Catarina and Mauá, State of São Paulo. With sales and engineering offices located in Brazil, United States, Germany, Mexico, Italy and Japan, Tupy’s main customers include Cummins, DaimlerChrysler, Ford, General Motors, Volkswagen, Audi, Perkins, Mack Trucks, Wuxi Diesel, Iveco, Kubota, John Deere, Bosch, Ambrake, Peugeot and many other premier automotive and diesel engine manufacturers. In 2003, when the company obtained revenues of US$ 396 million, approximately 50% of the production was destined to the foreign market. Tupy intends to increase this percentage during the current year.

SinterCast is the world leading supplier of on-line process control technology for the reliable high volume production of Compacted Graphite Iron. SinterCast’s production agreements encompass a total of 23 foundries in twelve different countries. These foundries account for approximately 40% of the world production capacity for cast iron cylinder blocks and heads. SinterCast’s foundry Customers also produce a variety of other automotive CGI and non-automotive components, ranging from 8 kg to 17 tonnes per casting.

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