



PROMETEON TYRE GROUP TO INVEST ALMOST 580 MILLION TL (115 MILLION USD) IN TURKEY TO INCREASE PRODUCTION CAPACITY

The only company focused on industrial tyres worldwide, Prometeon's investment will bring new direct and indirect employment opportunities, double exports from Turkey and make an important contribution to the trade balance of the country.

Istanbul, 06 November 2018 – **Prometeon Tyre Group**, the licensed manufacturer of Pirelli-branded truck, bus, agro and OTR tyres, will invest **almost 580 million TL (115 million dollars) in the period 2017-2020** in Turkey to increase its production capacity and implement advanced technology in its factory located in İzmit, the first tyre factory established in Turkey. The announcement was made by **Gregorio Borgo** Chief Operating Officer of Prometeon Tyre Group and **Alp Günvaran** CEO of Prometeon Turkey, MEA, Russia, CIS.

With the increase in production capacity as a result of the new investment, Prometeon will add 150 people directly and 750 indirectly, all newly employed, in addition to the current 2,000 direct jobs and 10,000 indirect ones. Furthermore, the annual tyre production capacity at the Turkish plant will increase by 75% by 2020 and export to foreign markets will almost double from current levels and make an important contribution to the trade balance of the country.

*"Turkey is the Premium factory for Europe - both as OE Premium and replacement. This new investment will increase the production capacity to follow the future growth trend of the Regions Europe and MEA" said **Gregorio Borgo, Chief Operating Officer of Prometeon Tyre Group**. Pointing out that Prometeon Tyre Group manages the first tyre factory ever established in Turkey and that it has great know-how developed by Pirelli in nearly 60 years' activity in Turkey, Borgo added; "Prometeon Turkey is an important production, management and talent center within the Group. Turkey is the management base of 75 countries in the MEA, Russia, CIS region which is one of our 4 main regions in the world. Almost one third of Prometeon Tyre Group's annual turnover is realized in the region managed by our Turkey office and more than 50% of the tyres that we manufacture in Turkey are exported".*

Emphasizing the great value of the investment, the important contribution to the trade balance of the country as new foreign direct investment in Turkey and a stimulus to the country's exports, **Alp**

Günvaran the CEO of the Turkey, MEA, Russia, CIS Region of Prometeon Turkey comments: *“Our İzmit factory has been conducting its activities and breaking new ground since it was established in 1960 and the plant, which manufactured the first tyre in Turkey, continues to be an engineering force and to make a significant contribution to exports from Turkey with its current annual capacity of almost 1 million units. We will further strengthen the position of Turkey as one of the largest suppliers of Europe in the industrial tyre group. The factory is one of our 4 production facilities in the world and continues to add value to the tyre industry on a global scale, as it is the first plant in Turkey to have received an R&D certificate issued by the Turkish government”.*

As the largest Industrial commercial vehicle manufacturer for Europe, Turkey is also the leader in bus tyre production for European markets. While nearly 70 percent of freight transport is done by road in Europe, this rate is at the level of nearly 85 percent in Turkey. Turkey’s heavy commercial market and tyre market continue to display rapid concurrent growth. Today, Prometeon is one of the main suppliers of the companies engaged in the production of heavy commercial vehicles in Turkey. In fact, one out of every 5 heavy commercial vehicles made in Turkey runs on Pirelli-branded commercial tyres produced at the İzmit plant.

The Prometeon R&D Center located in the İzmit plant has operated for more than 10 years and it is an important driver of the highest-technology tyres in Prometeon, with nearly 7,000 prototype tyres tested each year for the Turkish market and related countries.

The Prometeon Tyre Group was until March 2017 part of the Pirelli Group. Since that date, Prometeon and Pirelli have been separate companies.

PROMETEON TYRE GROUP

Prometeon is the only global tyre manufacturer entirely dedicated to the Industrial market, which includes truck, bus, agro and OTR tyre s. Prometeon has a multi-level offering with a product portfolio that includes the PIRELLI and FORMULA brands, under license, as well as the ANTEO, TEGRYS and ERACLE brands. The Group has four factories (two in Brazil, one in Egypt, one in Turkey), three Research and Development Centers (Italy, Brazil, Turkey) and one Development Centre in Egypt which represents the heart of product innovation. The Prometeon Group has over 7,000 employees located across all five continents.