

Freudenberg Sealing Technologies opens new plant in Turkey

The investment of about 10 million euros is strengthening the company's global production network

Weinheim (Germany), June 3, 2016. Freudenberg Sealing Technologies, one of the leading seal manufacturers worldwide, has dedicated a new plant in Bursa, Turkey. A broad product portfolio of innovative sealing solutions will be manufactured on a 14,000-square-meter property in the HOYAB industrial center for a wide range of sectors, including the automotive, agricultural, energy and mobile machinery industries. More than 200 international guests from the business and political worlds attended the formal opening ceremony.

"With this investment of 10 million euros in Bursa, we have created one of the most advanced plants in our global production network and nearly doubled our capacity locally," said Claus Möhlenkamp, Chief Executive Officer. "We are going to supply many of our European customers from here and sustainably expand our business activities in Turkey and the Middle East." The facility meets the most modern safety and environmental protection requirements and is equipped with special earthquake protection measures since the region is seismically active.

Turkey has become an important market for Freudenberg Sealing Technologies, especially in the automotive field. Here the country is growing at an annual rate of about 10 percent and is offering good investment opportunities. "Turkey is a geographically interesting interface between East and West and is thus appealing for the development of our business with the Middle East," Möhlenkamp said. The company also sees growth in target markets such as energy production, mining, metal-processing, machine-building and the construction industry.

In 2003, Freudenberg Sealing Technologies put a small facility into operation in Bursa whose production facilities are now integrated into the new factory. Today about 220 employees produce a range of products here, including encoders, bearing seals, radial shaft seal rings and cassette seals that are used in engines and transmissions. More than 100 additional positions are expected to result by 2017 with appropriate business growth. The company's Freudenberg Xpress service also operates there, offering machined seals made of the original materials and original profiles from Freudenberg series production. It offers efficient solutions for economically produced short production runs, prototypes or made-to-order individual items to meet the need for replacement parts. And products from the Corteco subsidiary (serving the independent automotive replacement parts market) and Dichtomatik (technical seals) are distributed from a newly

constructed logistics center at the location. In addition, the company operates a service center in Istanbul.

"With our new, large facility here in Bursa, we can serve our customers in the region more quickly and directly with the outstanding, high-quality products that are typical of Freudenberg and our capacity to innovate," said Erdi Ceyhan, President Freudenberg Sealing Technologies Turkey. "Production, administration, sales, logistics and warehousing are now located here in Bursa. In this way, potential synergies can be fully exploited. Response times are shortened for even better customer service. We are thus making a noticeable positive contribution to Freudenberg Sealing Technologies' business development."

Besides Freudenberg Sealing Technologies, other Freudenberg Group subsidiaries have a presence in Turkey. They include Vibracoustic, Klüber, Eagle Burgmann and Vileda.

About Freudenberg Sealing Technologies

As the leading specialist in sealing applications and their markets, Freudenberg Sealing Technologies is a supplier as well as a development and service partner serving customers in a wide variety of sectors including the automotive industry, civil aviation, mechanical engineering, shipbuilding, the food and pharmaceuticals industries, and agricultural and construction machinery. In 2015, Freudenberg Sealing Technologies generated sales of about €2.3 billion and employed more than 15,000 people. More information at www.fst.com

The company is part to the global Freudenberg Group which, with its Business Areas Seals and Vibration Control Technology, Nonwovens and Filtration, Household Products as well as Specialities and Others. In 2015, the Group generated sales of more than € 7.5 billion in and employed approximately 40,000 associates in around 60 countries. More information is available at <u>www.freudenberg.com</u>.

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