

Press release - Paris, October 24, 2018

Fives launches a new company to offer its Mexican customers competitive, high-performance grinding solutions

Fives has joined forces with Simsa to create Fives Grinding Mexico. This new company will boost the local presence of the Group's Grinding | Ultra Precision business, which supplies grinding systems, mainly for the automotive industry.

A closer relationship between two historic partners

Simsa is a Mexican company which specializes in rebuilding machine tools, mainly for the automotive and aerospace industries, and in providing related services. For over two decades, Fives has worked with Simsa to develop its machine offer in Mexico.

Fives and Simsa recently joined forces to offer Mexican industrial players direct support for machine performance optimization:

- modernizing full production systems, including production of commodity machines to complement the process equipment already offered by Fives;
- service solutions throughout the machine lifecycle: optimization of operations and modernization, maintenance, diagnostics, and training.

The new entity created through this partnership, Fives Grinding Mexico, will have fifteen employees recruited from Simsa and based in Aguascalientes. The site will host a design office and a 2,500 m² workshop with the measurement and inspection equipment needed to certify the modernized machines. It will work closely with Fives Landis Corp. (US) and will share its design capacities.

Fives is a favorite machine tool provider among Mexican industrial players: the Group has supplied over 120 camshaft or crankshaft grinders, centerless grinders, double disc grinders, cylindrical grinders, etc. in the country under the Landis, Giustina and Daisho brands.

Mexico: a dynamic market for the competitive solutions developed by Fives

Mexico, with a population of 120 million, is the second biggest economy in Latin America and stands out on the continent for its stability and regular growth (+2% in 2017 - source COFACE). It is the 7th global automotive industry player, producing 3.7 million vehicles in 2017. An electromobility market with strong growth potential is also emerging in the country (data from BusinessFrance). Fives serves the Mexican automotive industry through three businesses:

- Grinding | Ultra Precision (grinding solutions), recently strengthened by the creation of Fives Grinding Mexico,

A local presence to bring industrial players increasingly tailored service offers

A major market for automotive parts makers

Press release - Paris, October 24, 2018

- Automation (automation systems) under the brands CentriSpray, CFC, Cinetic, DyAG and ETFA;
- Filling | Sealing (filling and sealing systems).

In addition to these activities, Fives is a partner for numerous other Mexican industries, for which it designs and supplies:

- turnkey plants and key process equipment for cement, sugar and glass production. The Group has also supplied plants or workshops for cement manufacturers LafargeHolcim, Elementia and Cruz Azul;
- combustion equipment and systems and dedicated tube production equipment, mainly for the oil and gas industry;
- complete automated sorting solutions, and more.

Fives: a partner to
Mexican industries for
over 20 years

Fives has been developing projects in Mexico for over five decades and started local operations in 1998. The Group currently has 120 employees in the country.

About Fives' Grinding | Ultra Precision business

The 750 experts who make up the Fives Grinding | Ultra Precision business are based in Italy, Germany, the UK, Japan, the US, South Korea, China and Mexico. They offer a full range of grinding machines, as well as a holistic offer of systems accessories and services under the globally renowned brands Cranfield Precision, Giustina, Landis, Daisho and Landis-Bryan.

About Fives

As an industrial engineering Group with a heritage of over 200 years, Fives designs and supplies machines, process equipment and production lines for the world's largest industrial players in various sectors such as steel, aerospace and special machining, aluminum, the automotive and manufacturing industries, cement, energy, logistics and glass.

The effectiveness of its R&D programs enables Fives to design forward-thinking solutions that anticipate industrials' needs in terms of profitability, performance, quality, safety and respect for the environment.

In 2017, Fives achieved a turnover of €1.9 billion and employed close to 8,700 people in about thirty countries.