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Company Announcements Office
Australian Stock Exchange

**Futuris Automotive Interior Systems joint venture to supply
Chinese Automotive Sector**

Please find as follows media announcement regarding the formation of a joint venture to supply automotive interior systems to the Chinese Automotive sector.

Sonya Furey
Company Secretary



Air International Interior Systems joint venture to supply Chinese Automotive Sector

Futuris Corporation has announced that its wholly owned subsidiary Air International, has secured an agreement for the expansion of its Interior Systems operations to supply the Chinese automotive sector.

Under an agreement announced to shareholders at the Company's Annual General Meeting in Perth today, Air International will hold a 70% interest in a joint venture which will design, develop, manufacture and supply a range of interiors products for the Chinese market.

Other partners in the new business are a Chinese automotive investment group with 20% equity and a local government authority holding the remaining 10%.

The new venture, known as Futuris Automotive Interiors (Anhui) Company Limited, will be located in Anhui Province and will initially supply seating systems, with the scope of the venture covering other interior products which will be introduced in the future.

Les Wozniczka, Futuris Chief Executive said the joint venture represented an important step in the Company's strategy for the development of Air International.

"The Interior Systems group has worked successfully over the last two years to bring performance up to our targets. The next stage in our strategy for the business was to add an international dimension to increase its significance and value as a player in the global automotive sector."

"The joint venture will address that objective, and establishes a commercial relationship with one of China's larger and more export focused vehicle manufacturers. We intend to build on this to grow the earnings capacity, opportunities and value for shareholders in Air International's Interior Systems operations."

Air International's Managing Director, Bruce Griffiths, said, "We are extremely pleased to be establishing this new venture and believe that it will substantially strengthen our position as a leading interior systems supplier in the Asia-Pacific region."

Mr. Griffiths said that the new joint venture has already secured its first contracts and has commenced work on three seat system programs for one of China's fastest growing vehicle producers, Chery Automobile Co., for vehicles which will be sold in both the local and export markets."

A new facility to support the production of interiors systems products is currently being designed and will be constructed in Wuhu, which was chosen as the location for the venture because of its close proximity to a number of vehicle producers in both the Anhui and Jiangsu provinces.

