



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH – GOVERNOR

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Gov. Blagojevich announces CENTA Corporation chooses Aurora for its first U.S. manufacturing plant

German manufacturer acquires new facility for North American operations; project supported by Illinois Finance Authority

CHICAGO-- As part of his commitment to grow Illinois business and industry, Governor Rod R. Blagojevich announced today that CENTA Corporation will expand warehousing and launch manufacturing operations in the U.S. for the first time with a new plant in Aurora. The company has acquired a 23,000 sq.-ft. facility which it will equip for production and warehousing/distribution to support their North American markets. CENTA Corporation is the North American daughter company of CENTA Antriebe Kirschey GmbH, a world leading German manufacturer of flexible couplings and drive shafts for marine and industrial power transmission applications. The project is supported by \$3.3 million in industrial revenue bonds issued by the Illinois Finance Authority (IFA). The project will result in the retention of 11 jobs and the addition of 11 new jobs for Illinois.

“CENTA’s choice of Aurora for its first U.S. manufacturing operation will mean good paying jobs and further development for one of the fastest growing regions in the state. I commend CENTA Corporation for choosing our state, and the Illinois Finance Authority for supporting this project,” said Gov. Rod R. Blagojevich.

“The explosive sales growth we have seen in the last 3-4 years, combined with the U.S. dollar vs. Euro exchange rate, made the need for this facility obvious. We spent a fair bit of time researching locations throughout the western and southern suburbs, and came to the decision that locating the business in Aurora made the most sense for us. We are very pleased with the result,” said CENTA Corporation President Kurt Niederpruem.

“Aurora continues to be an ideal location for regional, national and international companies to expand. We look forward to working with Governor Blagojevich and the economic development community to attract the next company who wants a great place to grow,” said Aurora Mayor Thomas J. Weisner.

Previously, CENTA had a small leased warehouse & distribution office in Westmont supporting sales, distribution, and field service for the product line. However, most of CENTA's products were manufactured in Germany for export. With the launch of their new facility in Aurora, CENTA will consolidate in one location all U.S./North American sales, distribution and service operations, and will in-house manufacture in the U.S. for the first time in company history.

CENTA's products are used in a variety of power transmission applications, including carbon fiber drive shafts for ship propulsion; torsional couplings for industrial and construction equipment (generator sets, paving equipment, vibratory rollers, cranes and excavating equipment), agricultural equipment, power generation (wind turbines), compressors, railroad equipment, boat and ship systems and general machinery applications. Their coupling and drive shaft products are associated with several internationally recognized equipment manufacturers.

The financing plan for the CENTA expansion includes \$3.3 million of tax-exempt Industrial Revenue Bonds (IRBs), issued by the IFA on behalf of CENTA Corporation. The bonds were purchased by JPMorgan Chase Bank. The City of Aurora, with the assistance of the Aurora Economic Development Commission (AEDC), provided \$3.3 million of its 2007 Home Rule Volume Cap to support the project. The transaction provides CENTA with mid-to-long term low interest rates that helped make the project financially feasible.

“By assisting CENTA Corporation to reduce its cost of capital to finance its project, CENTA has brought off-shore manufacturing jobs to the U.S. and to Illinois. This is yet another example of how we can spur business growth through IFA's efforts, and accelerate Gov. Blagojevich's economic development plan,” said IFA Executive Director Kym M. Hubbard.

The financial responsibility for payment of the Series 2007 Bonds lies with CENTA Corporation.

“Aurora and Kane County are growing rapidly, thanks to a combination of great communities, infrastructure, and business resources. No wonder this international company wants to come to Illinois. I want to thank the Governor for his support of this project,” said State Senator Linda Holmes (D-Plainfield).

“The City, the AEDC, the IFA and the Governor are to be congratulated for bringing CENTA to Aurora. We look forward to CENTA's continued growth and the benefits that will provide throughout the region,” said State Representative Linda Chapa-LaVia (D-Aurora).

“Working together, Aurora and Illinois are successfully building a business climate that attracts, creates, and retains local jobs. We are pleased to assist City of Aurora in providing Home Rule Volume Cap to CENTA Corp. for their project,” said AEDC Exec. Director Sherman Jenkins.

The new facility is located at 2570 Beverly Drive #128 in Aurora.

CENTA Corporation's parent company is headquartered in Haan, Germany, with subsidiaries located in 10 countries, and 30 distribution/licensee agents worldwide.