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JOINT PRESS RELEASE

MAGNA STEYR IN DISCUSSIONS TO ACQUIRE EUROSTAR FACILITY; TESMA MERGER PROPOSAL NOT TO PROCEED AT THIS TIME

December 11, 2001, Aurora, Ontario, Canada.....Magna International Inc. (TSE: MG.A, MG.B; NYSE: MGA) ("Magna") announced today that its Magna Steyr Group has commenced negotiations with DaimlerChrysler concerning the acquisition of its Eurostar facility, which is adjacent to Magna Steyr's existing assembly operation in Graz, Austria. The Eurostar facility currently assembles the Chrysler Voyager minivan and PT Cruiser for markets outside North America. Under all the alternatives being discussed, a majority of Chrysler products would continue to be assembled within the combined Magna Steyr and Eurostar facilities at Graz thereby increasing the efficiency of production of DaimlerChrysler products.

"We are very pleased with the opportunity to potentially take over the adjacent Eurostar facility. This acquisition will further strengthen our longlasting and mutually beneficial relationship with DaimlerChrysler by continuing the use of the jointly established knowhow at Magna Steyr in contract manufacturing of Chrysler and Mercedes Benz products", said Siegfried Wolf, President and CEO of Magna Steyr. "Furthermore, it allows Magna Steyr to make use of the total assembly capacities at Graz efficiently and to realize operational synergies to further improve our competitive position."

As the potential acquisition of the Eurostar facility could have a substantial impact on Magna Steyr's future business prospects, Magna and **Tesma International Inc. (TSE: TSM.A; NASDAQ: TSMA)** ("Tesma") today jointly announced that they have agreed not to proceed at this time with the proposed merger of Tesma with the Magna Steyr Group which was to be considered at the upcoming Annual and Special Meeting of Tesma shareholders being held at 10:30 a.m. on Wednesday, December 12, 2001 at The Design Exchange, 234 Bay Street, Toronto, Ontario. The parties intend to re-evaluate the opportunities for a merger or other strategic alternatives as further details evolve concerning the Eurostar transaction.

"The Magna Steyr transaction continues to represent a valuable strategic opportunity for us," stated Manfred Gingl, Tesma's President and CEO. "However, regardless of the outcome of future discussions on this matter, we will continue to execute our business strategies, explore opportunities to grow our product base and market share, and maintain our focus on creating value for our shareholders."

"Although we continue to believe in the strategic advantages of the merger", stated Belinda Stronach, Magna's Chief Executive Officer, "the potential impact of the Eurostar opportunity precludes Tesma and Magna Steyr from proceeding with this transaction at this time. Irrespective of any re-evaluation in the future, we are confident that Tesma and its management team will continue their record of performance and continue to keep Tesma among the leaders in the automotive parts manufacturing sector."

A conference call will be held to discuss this announcement today, Tuesday, December 11, 2001 at 3:00 p.m. EST. The numbers for this call are (416) 641-6674 (local/overseas) or 1-800-387-2195 (North America), with call-in required 10 minutes prior to the start of the conference call. The conference call will be chaired by Manfred Gingl and Anthony Dobranowski of Tesma and Belinda Stronach and James Nicol of Magna. A taped replay of the conference call will also be made available until 12:00 midnight on December 24, 2001. The numbers for the replay are (416) 626-4100, reference number 20093084 (local/overseas) or 1-800-558-5253, reference number 20093120 (North America). The conference call can also be accessed by webcast at www.newswire.ca/webcast and will be available for a 30 day period.

Tesma, a global supplier of highly-engineered engine, transmission and fueling systems and modules for the automotive industry, employs over 4,600 employees in North America, Europe and Asia in 22 manufacturing facilities and two research centres.

Magna, one of the most diversified automotive suppliers in the world, designs, develops and manufactures automotive systems, assemblies, modules and components, and engineers and assembles complete vehicles, primarily for sale to original equipment manufacturers of cars and light trucks in North America, Europe, Mexico, South America and Asia. Magna's products include: interior products, including complete seats, instrument and door panel systems and sound insulation, and closure systems through Intier Automotive Inc.; stamped, hydroformed and welded metal parts and assemblies through Cosma International; exterior and interior mirror systems through Magna Mirror Systems; a variety of plastic parts and exterior decorative systems including body panels and fascias through Decoma International Inc.; various engine, transmission and fueling and cooling components through Tesma International Inc.; and a variety of drivetrain components and complete vehicle engineering and assembly through the Magna Steyr Group. Magna's non-automotive activities are conducted through Magna Entertainment Corp.

Magna has over 64,000 employees in 168 manufacturing operations and 33 product development and engineering centres in 18 countries.

For further information regarding this release, please contact either Vincent J. Galifi, Executive Vice-President, Finance and Chief Financial Officer of Magna at (905) 726-7100 or Anthony E. Dobranowski, Executive Vice-President and Chief Financial Officer of Tesma at (905) 417-2155.