



PRESS RELEASE

TESMA INTERNATIONAL INC. JOINS THE TSE 300 COMPOSITE INDEX

July 26, 2000, Concord, Ontario, Canada...**Tesma International Inc.** (TSE:TSM.A; NASDAQ:TSMA) was added to the TSE 300 Composite Index, the TSE 200 and the S&P/TSE Canadian SmallCap Index in the Consumer Discretionary sector effective after the close of the market on July 19, 2000.

Almost 5 years ago to the day, Tesma completed the initial public offering of its Class A Subordinate Voting Shares, which are listed for trading on the TSE and NASDAQ. During this 5 year period, Tesma has taken advantage of increased outsourcing by automotive OEMs around the world in the Engine, Transmission and Fuel Systems product areas. Since 1995, the Company's revenues and net income have grown at compound annual rates in excess of 25%. Tesma's strategic focus on leading-edge technology, outstanding performance and global customer relationships have contributed to the delivery of this profitable growth.

Tesma ships products valued in excess of C\$1 billion per year to OEMs on six different continents, and operates 21 manufacturing facilities and 2 research centres in the three major automotive markets: North America, Europe and Asia.

This press release may contain forward looking statements within the meaning of applicable securities legislation. Such statements involve certain risks and uncertainties which may cause actual results or objectives to be materially different from those expressed or implied herein. These factors include the Company's financial performance, changes in the economic and competitive markets in which the Company competes, relationships with customers and other factors as set out in the Company's Form 40-F for its fiscal year ended July 31, 1999 and subsequent SEC filings.

For further information please contact: Anthony E. Dobranowski at (905) 669-7355. Alternatively, forward e-mail requests to tony.dobranowski@tesma.com or visit Tesma's website @ www.tesma.com.