

Navistar Reaches Another Milestone in Its Global Growth Strategy; First Mahindra-Navistar Trucks Roll off Assembly Line in India

- **25-ton MN25 Rolls Out of Chakan Plant**
- **Plant Has 50,000-truck Capacity**
- **Other Mahindra-Navistar Variants to Roll Out in the Months Ahead**



The first Mahindra-Navistar truck to roll off the line

PUNE, INDIA (June 15, 2010) – After unveiling its entire range of high-performance trucks at the Indian Auto Expo in Delhi earlier this year, Mahindra-Navistar Automotives Ltd. (MNAL) today announced the start of production as its first truck offering, the 25-ton capacity MN25, rolled off the assembly line in Chakan, Pune, India.

“The launch of the MN25 truck is a major step in the direction of making us a full range commercial vehicle player and the first step in materializing our vision to become the most trusted commercial vehicle brand in India,” said Rakesh Kalra, MNAL managing director. “In line with our philosophy to deliver outstanding value for our customers, the competitively priced, high-performance MN25 is one of the most

powerful, fuel-efficient, rugged and comfortable 25-tonners to launch in India.”

According to Phil Christman, president, Navistar Global Truck Operations, the MNAL trucks are set apart from the competition by their quality, accessibility and heritage—each one designed from the ground up in India with that country’s terrain in mind.

The MN25 comes with a world-class cabin, which is spacious and ergonomically designed to suit Indian drivers for continuous long hauls. Powered by Navistar’s MaxxForce® 7.2-liter diesel engine, the truck delivers high performance and outstanding fuel efficiency.

“We promised that ‘OK will no longer be OK,’ and that the MN25 would revolutionize the industry,” said Nalin Mehta, chief operations officer, MNAL. “Today, with the first MN25 truck rolling off the line, every aspect of the truck symbolizes this philosophy and will help our customers outperform and prosper in their businesses and life. Delivering outstanding value coupled with far superior product performance will help customers to earn higher profits and better returns on their investments.”

“Honk OK Please,” is a phrase often found on the back of Indian trucks to let other motorists know to use the horn before passing the vehicles, as MNAL’s competitors’ trucks lack power and visibility. This inspired the MNAL truck launch campaign headline: “OK is No Longer OK.”

State-of-the-Art Manufacturing Facility

“Rolling out the high performance Mahindra-Navistar trucks is one of the finest manifestations of the state-of-the-art facility in Chakan,” said Dr. Pawan Goenka, president, Automotive and Farm Sector (AFS), Mahindra & Mahindra. “The Chakan plant is one of the most modern manufacturing plants in India, with a capacity of 50,000 trucks per year, and is set to create new benchmarks in automotive excellence.”

The Chakan plant has a high-speed, fully automatic press line and is one of the three plants in the world of its kind. Beyond the production of the MN25, the remainder of the MNAL truck line-up will also be produced at the Chakan plant in the months ahead.

Sales and Distribution

With production underway, MNAL continues to secure orders and finalize its sales and service network.

“We’re executing on our global strategy,” said Christman. “The launch of the MN25 will set a new benchmark for India by delivering trucks that raise the bar on craftsmanship, performance and power through a world-class dealer channel.”

“The company is well on its way in setting up its infrastructure through exclusive dealerships on a massive scale which itself is a unique step for the trucking industry in India,” Kalra added. “Additionally the huge Mahindra network will be deployed for the after sales support of the trucks. Having started the production, we are gearing up for start of sales in the next two to three months and are moving rapidly to the pipelines with our products.”

About Mahindra-Navistar Automotives Ltd. (MNAL)

Mahindra-Navistar Automotives Ltd. (MNAL) is a joint venture between Mahindra & Mahindra Ltd. (M&M) and Navistar, Inc., North America's largest combined commercial truck, school bus and mid-range diesel engine manufacturer. The joint venture will manufacture the entire spectrum of commercial vehicles (including trucks and buses) from 3.5-ton GVW to 49-ton GVW. The new product range will be engineered to meet Indian requirements with the technological support of Navistar. The new range will be manufactured at M&M's new Greenfield plant at Chakan, near Pune, which is spread across 700 acres.

Media Contact (Navistar): Steve Schrier, 630-753-2264

Media Contact (MNAL): Roma Balwani, Phone: (+91-22) 2490 1441

balwani.roma@mahindra.com

Investor Contact: Heather Kos, 630-753-2406

Web site: www.Navistar.com/newsroom
