

Allison Transmission Launches Production of 1000 and 2000 Series in Chennai

June 27, 2012

Company's popular fully-automatic transmission, designed for commercial vehicles with gross weights up to 33,000 lbs (15,000 kg), is being produced at state-of-the-art manufacturing facility

INDIANAPOLIS, Indiana (USA) – Allison Transmission, the world's largest manufacturer of fully-automatic transmissions for medium- and heavy-duty commercial vehicles and hybrid-propulsion systems for city buses, today announced its Chennai, India manufacturing facility is now producing the Allison 1000 and 2000 Series transmissions.

Over 1 million of these highly-reliable and durable transmissions have been manufactured at Allison's Indianapolis, Indiana campus since 1999. Co-production capabilities of the 1000 and 2000 Series transmissions at the Chennai plant and in Indianapolis helps Allison expand its global footprint as well as its presence in India.

"Our growth outside North America will be facilitated by our established relationships with OEMs worldwide, and operations such as our Chennai multipurpose facility," said Lawrence E. Dewey, Chairman, President and CEO of Allison Transmission. "Markets outside North America represent a growth opportunity for Allison where we are strengthening our presence and we believe opportunities for increased market share exist."

Allison Transmission's multi-purpose Chennai operations has been manufacturing high-quality precision vehicular drive train components for nearly two years and has served as a transmission Customization Center for almost a year. Allison Customization Centers around the world configure transmissions to a specific OEM's requirements prior to delivery which reduces their assembly costs and shortens vehicle build times.

Over a two-year period, the Chennai facility earned the right to produce the Allison 1000 and 2000 Series transmissions by demonstrating the ability to meet Allison's global best-in-class manufacturing practices. During this timeframe, the Chennai plant was also awarded two of India's most prestigious Golden Peacock National Awards (GPNA); the first one in 2011 for Occupational Health and Safety and the second GPNA in 2012 for Total Quality in the Automotive Sector.

Allison Transmission is one of the most recognized brands in the industry as a result of performance, reliability, quality and fuel efficiency. It is estimated that globally, in 2011, Allison Transmission sold 62 percent of all fully-automatic transmissions in the end markets it serves.

About Allison Transmission

Allison Transmission is the world's largest manufacturer of fully-automatic transmissions for medium- and heavy-duty commercial vehicles, medium- and heavy-tactical U.S. military vehicles and hybrid-propulsion systems for transit buses. Allison transmissions are used in a variety of applications including on-highway trucks (distribution, refuse, construction, fire and emergency), buses (primarily school and transit), motor homes, off-highway vehicles and equipment (primarily energy and mining) and military vehicles (wheeled and tracked). Founded in 1915, the Allison business is headquartered in Indianapolis, Indiana, U.S.A. and employs approximately 2,800 people. Allison has manufacturing facilities and customization centers located in China, The Netherlands, Brazil, India and Hungary. With a global presence, serving customers in North America, Europe, Asia, Australia, South America, and Africa, Allison also has over 1,500 independent distributor and dealer locations worldwide. More information about Allison is available at www.allisontransmission.com.

This press release may contain forward-looking statements. All statements other than statements of historical fact contained in this press release are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plans," "project," "anticipate," "believe," "estimate," "predict," "intend," "forecast," "could," "potential," "continue" or the negative of these terms or other similar terms or phrases. Forward-looking statements are not guarantees of future performance and involve known and unknown risks. Factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made include, but are not limited to: risks related to our substantial indebtedness; our participation in markets that are competitive; general economic and industry conditions; our ability to prepare for, respond to and successfully achieve our objectives relating to technological and market developments and changing customer needs, the failure of markets outside North America to increase adoption of fully-automatic transmissions, the discovery of defects in our products, resulting in delays in new model launches, recall campaigns and/or increased warranty costs and reduction in future sales or damage to our brand and reputation; the concentration of our net sales in our top five customers and the loss of any one of these; and labor strikes, work stoppages or similar labor disputes, which could significantly disrupt our operations or those of our principal customers. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. All information is as of the date of this press release, and we undertake no obligation to update any forward-looking statement to conform the statement to actual results or changes in expectations.

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