## (December 2011)

Report of Organizational Actions
Affecting Basis of Securities

OMB No. 1545-2224

| Department of the Treasury Internal Revenue Service |                           |  | ➤ See separate instructions.       |  |  |
|---|---------------------------|--|------------------------------------|--|--|
| Part I Reporting                                    | Issuer                    |  |                                    |  |  |
| 1 Issuer's name                                     |                           | 2 Issuer's employer identification number (EIN)              |                                    |  |  |
|   |                           | _  |                                    | 0.5 0.41.401.4                                       |  |
| Allison Transmis  3 Name of contact for ad-         |                           |  | ne No. of contact                  | 5 Email address of contact                           |  |
| 3 Name of contact for au                            | ullional information      | 4 Telephor   | ie No. of contact                  | 3 Email address of contact                           |  |
| Fred Bohley   |                           | ir@allisontransmission.com                                   |                                    |  |  |
| 6 Number and street (or l                           | P.O. box if mail is not o | 7 City, town, or post office, state, and Zip code of contact |                                    |  |  |
| O 7.1.1.  |                           |  |                                    | Indianapolis, IN 46222                               |  |
| One Allison Way  8 Date of action                   |                           |  |                                    |  |  |
| bate of action                                      |                           | 1  | sification and description         |  |  |
| Various   |                           |  |                                    |  |  |
| 10 CUSIP number                                     | 11 Serial number(s        | )  | 12 Ticker symbol                   | 13 Account number(s)                                 |  |
| 01.05251.01   |                           |  | 7. T. CINT                         |  |  |
| 01973R101 Part II Organizati                        | onal Action Attack        | additional   | ALSN statements if needed. See his | <br>ack of form for additional questions.            |  |
|   |                           |  |                                    | gainst which shareholders' ownership is measured for |  |
|   |                           |  |                                    | following dividends during 2016:                     |  |
|   |                           |  |                                    | s of record on February 29, 2016.                    |  |
|   |                           |  |                                    | of record on May 23, 2016.                           |  |
|   |                           |  |                                    | lders of record on August 22, 2016.                  |  |
|   |                           |  |                                    | ders of record on November 14, 2016.                 |  |
| 23 001100 201 00111110                              |                           |  |                                    |  |  |
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|   |                           | 2. T.                    |                                    |  |  |
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|   |                           |  |                                    | the last of the same and the same                    |  |
| •   |                           |  |                                    | the hands of a U.S. taxpayer as an adjustment per    |  |
|   |                           |  |                                    | tes that 72.23% of this                              |  |
|   |                           |  |                                    | apital to the extent of the                          |  |
|   |                           |  |                                    | reholder's tax basis will be                         |  |
| treated as a cap:                                   | ital gain for             | U.S. ta  | x purposes.                        |  |  |
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|   |                           | ······································                       |                                    |  |  |
| 16 Describe the calculati                           | on of the change in ba    | sis and the  | data that supports the calculation | n, such as the market values of securities and the   |  |
| valuation dates ► Pu                                | rusant to Int             | ernal Re   | evenue Code sections               | 301(c) and 316(a), the taxability                    |  |
| of Allison Trans                                    | mission Holdir            | igs, Inc   | . distributions is                 | calculated based on the earnings                     |  |
|   |                           |  |                                    | not include the earnings and                         |  |
| profits of Alliso                                   | on's foreign s            | ubsidia  | ry companies. Allis                | on Transmission, Inc. estimated                      |  |
| 2017 current and                                    | accumulated e             | arnings  | and profits suppor                 | t Allison Transmission Holdings,                     |  |
| Inc. disclosure t                                   | that 72.23% of            | this d   | istribution is to be               | e a nontaxable return of capital                     |  |
| to the extent of                                    | the sharehold             | ler's ta   | x basis.                           |  |  |
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| Part I                                  |        | Organizational Action (continue   | d)                                  |   |  |
|---|--------|---|-------------------------------------|---|--|
|   |        |   |                                     |   | _  |
|   |        | applicable Internal Revenue Code section  | on(s) and subsection(s) upon w      | hich the tax treatment is based               | ▶ Internal Revenue   |
| Code                                    | sec    | tion 301(c) and 316(a)  |                                     |   |  |
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| 18 Ca                                   | an an  | y resulting loss be recognized? $\blacktriangleright$ N/A   |                                     |   |  |
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| 40 D                                    | م راطم | any other information necessary to imple  | ement the adjustment such as        | the reportable tax year ► NON                 | E  |
| <b>19</b> Pr                            | Ovide  | e arry other information necessary to impr  | ement the adjustment, such as       | the reportable tax year y                     |  |
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|   |        |   |                                     |   |  |
|   | Unde   | er penalties of perjury, I declare that I have ex<br>f, it is true_correct, and complete. Declaration | camined this return, including acco | mpanying schedules and statement              | s, and to the best of my knowledge and<br>parer has any knowledge. |
| 0.                                      | Delle  | i, it is true, correct, and complete. Declaration   | A A                                 | adda dir all illidirilatidi. di illindir prop |  |
| Sign                                    |        | ( r.t. RR)  | <b>V V</b> .                        | - OF  | -23-2017   |
| Here                                    | Sign   | ature Dev W-NEXA  |                                     | Date ► <u>() 3</u>                            | 23 401,  |
|   |        |   |                                     | merce &                                       |  |
|   | Print  | your name ▶ Peter B. Blackada   | Preparer's signature                | Title ► Executive                             | Director & Corporate Controller                                    |
| Paid                                    |        | Print/Type preparer's name  | . Toparor o digitatato              |   | Check if self-employed   |
| Prepa                                   |        |   |                                     |   | Firm's EIN ▶   |
| Use C                                   | nly    |   |                                     |   | Phone no.  |
| 00-15                                   | O      | Firm's address ► 937 (including accompanying statements   | \ to: Department of the Treasur     | v Internal Revenue Service Oc                 |  |
| sena ro                                 | niii Q | our (including accompanying statements  | , to. Department of the Treasur     | J, 11.1011101 1.0101100 0011100, 05           | /  |