

# Baird's 2013 Industrial Conference Presentation

November 5, 2013

Lawrence Dewey, Chairman, President & Chief Executive Officer  
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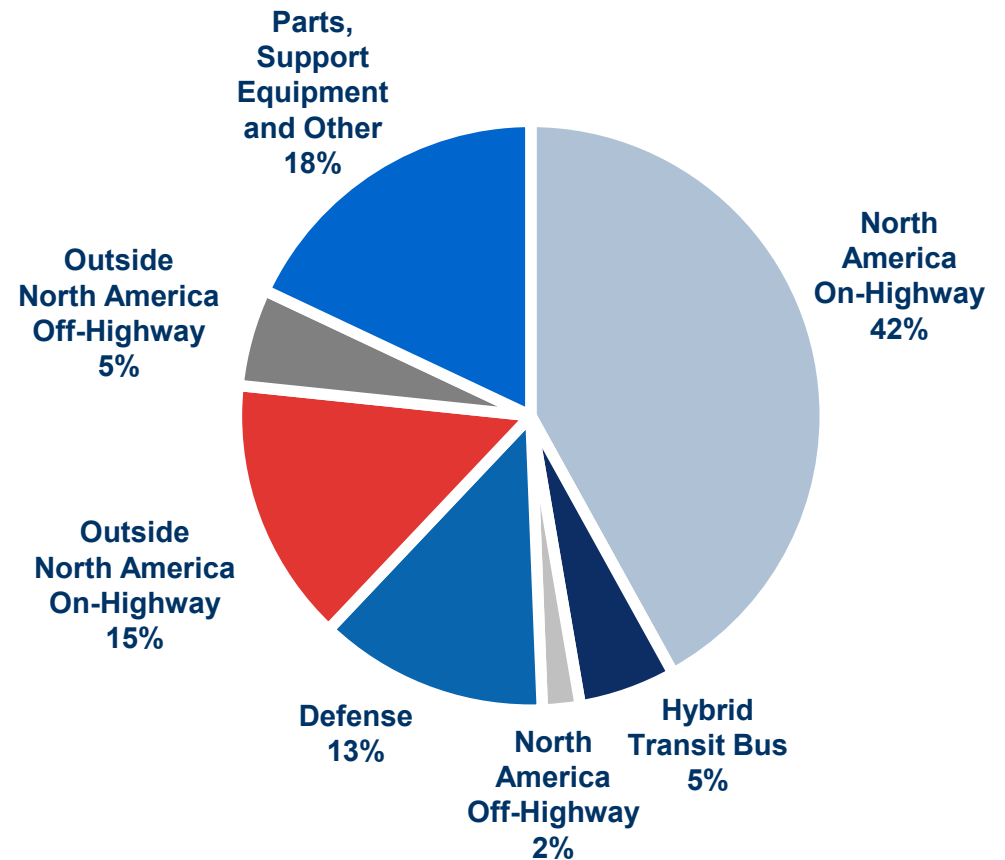
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# Allison Transmission at a Glance

- **World's largest manufacturer of fully-automatic transmissions for medium- and heavy-duty commercial vehicles**
  - 62% global market share of fully-automatic transmissions
  - Virtually no exposure to Class 8 line-haul tractors
- **Allison is the premier fully-automatic transmission brand**
  - Premium price component frequently specified by end users
  - Differentiated technology
- **Well positioned for revenue and earnings growth**
  - Continued recovery in North America
  - Further adoption outside North America
  - Global off-highway growth opportunities
  - Expanding addressable market

LTM<sup>(1)</sup> Net Sales by End Market



LTM<sup>(1)</sup> Net Sales: \$1.9 billion

(1) LTM 9/30/2013.



# End Market & Vocation Overview

## Global On-Highway

## Global Off-Highway

## North America Hybrid Transit Bus

Distribution

Sample Vocations



Select End Users



Allison Hybrid



Emergency Vehicle



Select End Users



Select End Users



Motorhome



Rugged Duty



Defense

Parts, Support Equipment and Other

School Bus / Shuttle Bus



First Student



Select End Users



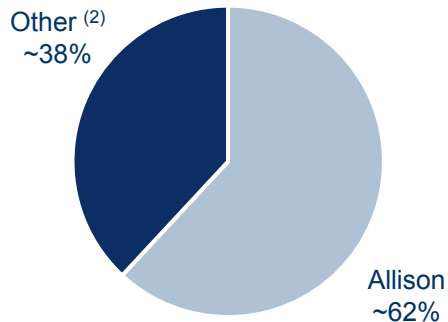
Transit Bus



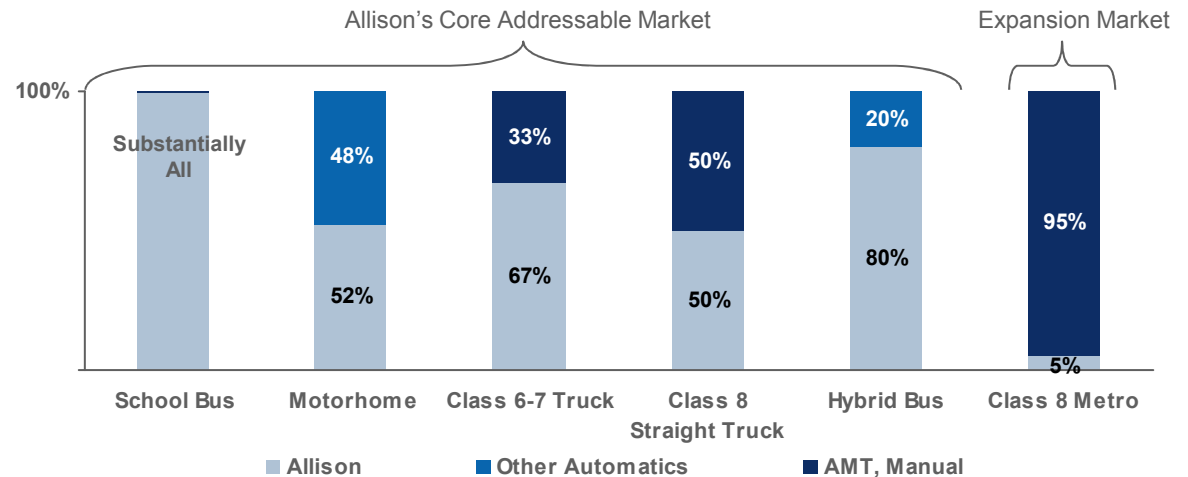
Allison Transmission

# Global Market Leader

Global On-Highway Fully-Automatic Share<sup>(1)</sup>



North American Market Share<sup>(1)</sup>

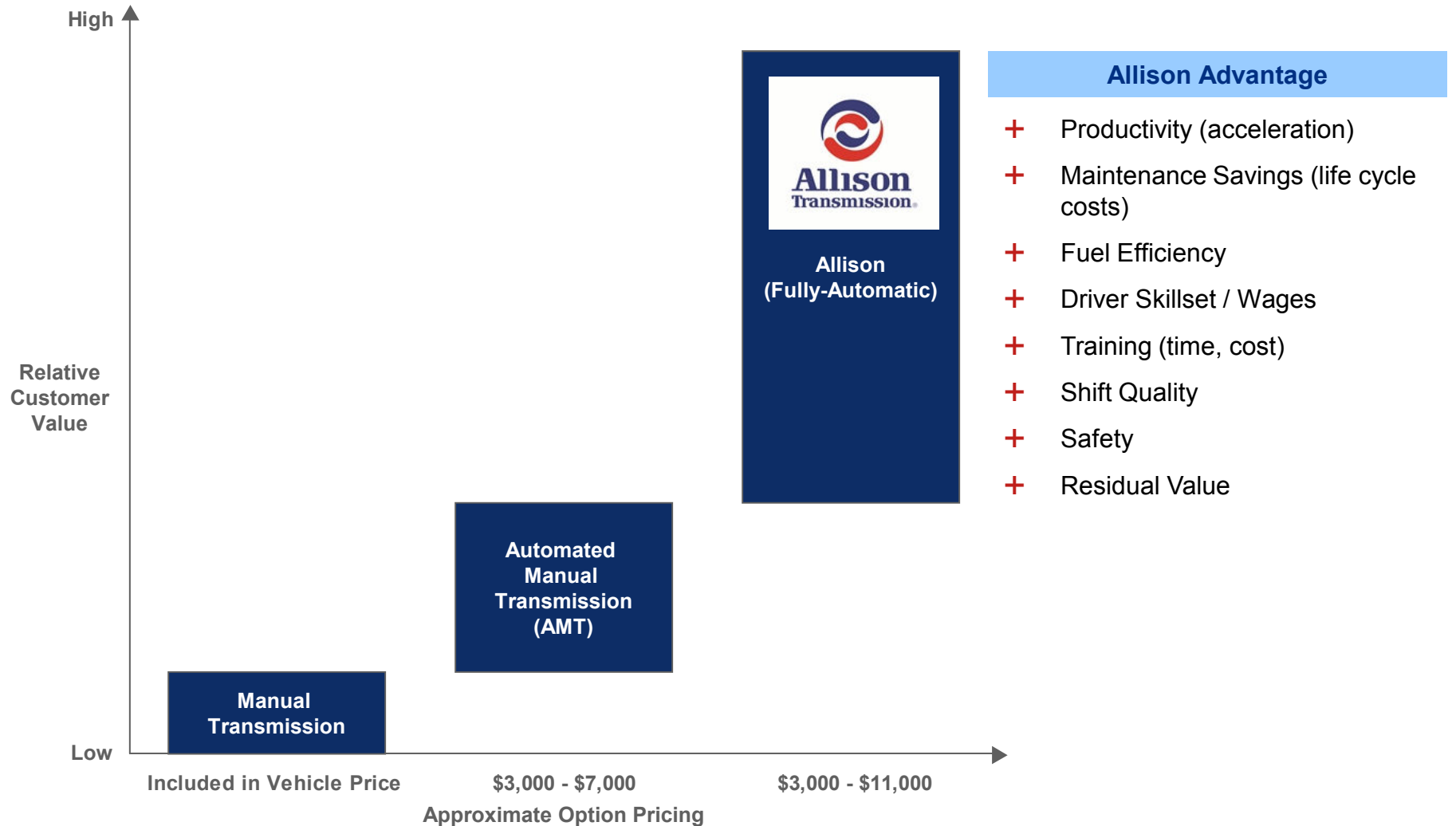


- **The “de facto” standard in medium- and heavy-duty applications**
  - Well established as standard in North America
- **Increasing presence in rapidly growing emerging markets which today are predominantly manual**
- **Virtually no exposure to more cyclical Class 8 line-haul tractors**

(1) 2012 Units. Source: Allison and ACT Research.

(2) Majority of “Other” volume is in North American Class 4-5 truck and European bus.

# End User Value Proposition



**End Users are Willing to Pay a Premium Price for Allison**





# Allison Is a Premier Industrial Asset

 Global Market Leader

 Premier Brand and End User Value Proposition

 Technology Leadership - The Allison Advantage

 Diverse End Markets with Long-Standing OEM Customer Relationships

 Improved Margins and Low Capex Drive Strong Cash Flow Generation

 Experienced Management Team

 Multiple Organic Growth Opportunities

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