

Allison Transmission Purchases Equity Stake in Odyne Systems

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New relationship between Allison and Odyne will benefit commercial hybrid trucks with urban drive cycles and high energy requirements while the vehicle is stationary

INDIANAPOLIS, July 2, 2012 /PRNewswire/ -- Allison Transmission Inc. (NYSE: ALSN), 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 it has invested in a non-controlling equity stake in Odyne Systems LLC.

(Logo: <http://photos.prnewswire.com/prnh/20120702/DE33547LOGO>)

Odyne, a leading manufacturer of advanced hybrid control systems, designed and developed an innovative plug-in hybrid power system which interfaces with the Allison family of commercial vehicle transmissions. The new relationship between Allison and Odyne will directly benefit hybrid vehicle operators in vocations such as utility bucket trucks, digger derricks, cranes and other applications that require worksite stationary power.

"Odyne Systems' expertise and experience in the development and manufacture of advanced hybrid control systems made them an attractive partner," said Lawrence E. Dewey, Chairman, President and CEO of Allison Transmission. "Fundamentally, I believe commercial vehicle operators who require a clean and sustainable stationary power source will appreciate the features and benefits that Odyne and Allison bring to the industry."

Joe Dalum, President of Odyne Systems, said, "This relationship between Allison and Odyne brings together two leading companies focused on enhancing the performance and efficiency of the overall powertrain. Our solutions help companies and communities meet sustainability objectives, lower costs and reduce worksite noise. It also becomes especially relevant with today's varying fuel prices and the drive to reduce emission levels."

Allison Transmission has been a leader in hybrid-propulsion technology since the early 1990s. During that time, Allison developed hybrid propulsion systems for city buses which went into production in 2003. By the end of 2011, city buses equipped with the Allison H 40/50 EP hybrid system were operating in 230 cities worldwide. It has been estimated that these vehicles have saved over 26 million gallons of diesel fuel (99 million liters) and prevented over 259,000 metric tons of carbon dioxide from being emitted into the atmosphere.

Allison Transmission is one of the most recognized brands in the industry as a result of performance, reliability, quality and fuel efficiency. Globally, in 2011, Allison Transmission sold an estimated 62 percent of all fully-automatic transmissions in the 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 <http://www.allisontransmission.com/>.

About Odyne Systems, LLC

Odyne is a leader in hybrid drive systems for medium and heavy duty vehicles. Odyne's advanced plug-in hybrid technology enables trucks over 14,000 pounds to have substantially lower fuel consumption, lower emissions, improved performance, quieter job site operation and reduced operating and maintenance costs. Odyne has fielded more plug-in hybrid systems for work trucks to fleets throughout the United States than any other supplier.

The company sells its unique modular hybrid system for new and retrofit applications direct to truck manufacturers and through a global distribution and service network. The name Odyne represents the combination of "O" for optimal and "dyne" for force. Odyne's hybrid system for medium and heavy duty trucks represents the best hybrid power solution for large trucks. For further information, visit us at <http://www.odyne.com/> and follow us on Twitter@Odyne.

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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