

Allison Transmission and China National Heavy Duty Truck Group Corp. to evaluate strategic partnership

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U.S. manufacturer of fully automatic transmissions and Chinese producer of commercial-duty trucks will assess opportunities to meet growing demand in China

SHANGHAI, April 19, 2017 /PRNewswire/ -- Allison Transmission Holdings Inc. (NYSE: ALSN) and China National Heavy Duty Truck Group Corp. Ltd. (CNHTC) today announced an agreement to explore a strategic partnership to optimize fully automatic transmission technologies for the Chinese market. Executives from both companies signed a cooperation agreement during a ceremony at Auto Shanghai 2017.



"The heavy-duty truck market in China represents a major growth opportunity for Allison and we're pleased to jointly investigate ways to partner with CNHTC in this endeavor," said Chairman and CEO Lawrence E. Dewey of Allison Transmission. "Their leadership and industry expertise are incredible assets to this collaboration."

CNHTC was founded in 1935 as China's first heavy-duty truck manufacturer. The company is headquartered in Jinan, Shandong province. Today, CNHTC specializes in the production of vehicles for a variety of applications, including construction, distribution, emergency and mining.

"We believe fully automatic transmissions are the major development direction in many heavy-duty truck applications in China," said Chairman Ma Chunji of CNHTC. "After evaluating all available torque converter automatic transmission technologies, we look forward to working with Allison and introducing their product to our customers. They are an industry leader known for impeccable quality and lifecycle value."

Allison Transmission is the world's largest manufacturer of commercial-duty automatic transmissions and is a leader in hybrid-propulsion systems. Allison Automatics are used in a variety of applications including refuse, construction, fire, distribution, bus, motorhomes, defense and energy. Founded in 1915, the company is headquartered in Indianapolis and has approximately 1,400 independent distributor and dealer locations worldwide.

Allison transmissions use a torque converter for Continuous Power Technology™ to smoothly multiply engine torque, delivering more power to the wheels. By multiplying engine power, drivers get increased performance, faster acceleration and greater operational flexibility. Manual and automated manual transmissions (AMTs) interrupt power with every shift. Allison transmissions maintain power to the wheels at all times for more productivity, better fuel economy and greater driver comfort and safety. Allison Automatics are globally recognized for their quality and reliability resulting in a greater overall economic value for customers.

Allison and CNHTC will focus on servicing the Chinese market while also exploring other opportunities. In addition to China, CNHTC has a strong presence in South America and has exported products to more than 90 countries overall. Similarly, Allison transmissions are used in more than 100 countries.

About Allison Transmission

Allison Transmission (NYSE: ALSN) is the world's largest manufacturer of fully automatic transmissions for medium- and heavy-duty commercial vehicles, and is a leader in hybrid-propulsion systems for city buses. Allison transmissions are used in a variety of applications including refuse, construction, fire, distribution, bus, motorhomes, defense and energy. Founded in 1915, the company is headquartered in Indianapolis, Indiana, USA and employs approximately 2,600 people worldwide. With a market presence in more than 80 countries, Allison has regional headquarters in the Netherlands, China and Brazil with manufacturing facilities in the U.S., Hungary and India. Allison also has approximately 1,400 independent distributor and dealer locations worldwide. For more information, visit allisontransmission.com.

Forward-Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical fact contained in this press release are forward-looking statements, including all statements regarding future financial results. 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; uncertainty in the global regulatory and business environments in which we operate; our participation in markets that are competitive; the highly cyclical industries in which certain of our end users operate; the failure of markets outside North America to increase adoption of fully-automatic transmissions; the concentration of our net sales in our top five customers and the loss of any one of these; future reductions or changes in government subsidies for hybrid vehicles and other external factors impacting demand; U.S. defense spending; general economic and industry conditions; 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; our ability to prepare for, respond to and successfully achieve our objectives relating to technological and market developments and changing customer needs; risks associated with our international operations; labor strikes, work stoppages or similar labor disputes, which could significantly disrupt our operations or those of our principal customers; our intention to pay dividends and repurchase shares of our common stock; and

other risks and uncertainties associated with our business described in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. 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.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/allison-transmission-and-china-national-heavy-duty-truck-group-corp-to-evaluate-strategic-partnership-300441103.html>

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