



Joint venture MAN FORCE TRUCKS founded

Pithampur, April 30 2006

Production line in India inaugurated

Today MAN Nutzfahrzeuge AG and the Indian company Force Motors Limited signed their Joint Venture Agreement on the production of heavy trucks with a ceremonial act in Pithampur (India). Named MAN FORCE TRUCKS Private Limited, the new joint venture will produce the first vehicles for the Indian market in the Pithampur plant in India. The production will achieve nearly full local content by the last quarter of 2006. Force Motors Ltd. has a 70 % holding in the joint venture, while MAN Nutzfahrzeuge AG holds 30 %. The volume of investment for the joint venture totals some € 150 million. The heavy trucks to be built under the joint venture are intended initially for the Indian market and from 2007 essentially for the whole of Asia and Africa. They will not be exported to Europe.

The joint venture covers production of heavy trucks under the MAN and FORCE brands for India and under the MAN brand for markets outside India. Other shared activities are purchasing, development and sale of the vehicles. In India the vehicles will be sold by the joint venture, outside India by the MAN sales organisation. In the medium term production of 24,000 vehicles per year is envisaged. "This partnership with Force will make MAN more international and open up new growth markets for us. Together with Force we are making an important contribution to the development of transport logistics in this emerging country and in the entire region", said Håkan Samuelsson, Chairman of the Executive Board of MAN AG.

Vehicle concept for the Asian market

MAN FORCE TRUCKS Private Ltd. unites MAN's proven leading-edge technology with the pronounced market proximity of Force Motors Ltd. "The joint venture for the Asian market will thus ensure that tailor-made products are built which at the same time meet MAN's highest quality requirements," explained Anton Weinmann, Chairman of the Executive Board of MAN Nutzfahrzeuge AG. MAN Nutzfahrzeuge will be providing the joint venture's Chief Technical Officer (CTO) and three of the nine members of the Board of Directors.

The new product family destined for export outside India will bear the name MAN Cargo Line. The vehicles will range from long-haul trucks via semitrailer tractors and tippers to special-purpose vehicles with different axle variants. This will make MAN FORCE TRUCKS Private Ltd. the only manufacturer in India to offer a complete range of trucks for all types of deployment. The vehicles will be powered by the MAN D08 engines and will satisfy the Euro 3 exhaust-gas standard.

High local content

By the end of 2006 the local content in production and supplies from India will be increased to well over 90%. In addition to the cabs Force Motors Ltd. will build axles and engines for the joint venture. The existing infrastructure at the Force Motors Ltd. plant in Pithampur is being extended and will be used for production of the joint-venture vehicles. The high local content in production and

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procurement will make it possible to save up to 30 % of the material costs that would be incurred in Germany.

The MAN Nutzfahrzeuge Group has been cooperating successfully with Force Motors for some years now. The joint venture MAN FORCE TRUCKS Private Ltd. marks a major step by MAN Nutzfahrzeuge in implementation of its growth strategy and tapping markets outside Europe. Abhay Firodia, Chairman and Managing Director of Force Motors Ltd., also drew attention to the major potential in the Asian market in general and India in particular: "In the long term too the region will achieve very high rates of growth and invest a great deal in the transport infrastructure. The demand for heavy trucks will therefore continue to develop very dynamically."

Letter of intent on joint venture in bus sector

Plans for expansion of the cooperation between MAN Nutzfahrzeuge AG and Force Motors Ltd. to the bus sector are already underway. The NEOMAN Bus Group intends to set up a separate joint venture for the bus business with Force Motors Ltd. At the Indo-German Business Summit in Hanover on 24th April 2006 Anton Weinmann, Chairman of the Executive Board of MAN Nutzfahrzeuge AG, Wolfgang Fahrnberger, Chairman of the Board of Management of NEOMAN Bus GmbH, and Abhay Firodia, Chairman und Managing Director of Force Motors Ltd., signed a letter of intent on the founding of a joint venture for production of chassis and complete buses for the Indian and Asian markets and for similar sales regions.

For further information and pictures please visit:
<http://www.man-mn.com/media>