

PRESS RELEASE 27-2004**LAUNCH OF THE NEW IVECO TRAKKER AND THE EUROCARGO 4X4***Catania, November 9, 2004*

Trakker, Iveco's new heavy quarry and construction vehicle was presented to over 140 journalists from the European trade press on Mount Etna, Sicily during November. This remarkable location gave journalists an opportunity to drive the vehicles first in a quarry on the slopes of the volcano, and then on a test route up to an altitude of 2900 metres above sea level.

Mario Astengo, Iveco Senior Vice President for Medium & Heavy Commercial Vehicles, said during the Press

Conference: "This type of vehicle is part of Iveco's genes and we have always sold our off-road vehicles all over the world - in Siberia, Indonesia, Norway, South Africa, to name a few. Our market share of 15% in Western Europe is testament to the strength and reliability of our products.

Iveco has completely revamped its heavy vehicle range since 2002, starting with the Stralis AS flagship, and following it up in 2003 with the AT and AD versions, designed for short haul domestic missions. This renewal programme now concludes, at the end of 2004, with the new Trakker, which offers customers some of the features first introduced with these recent models: new cabs and excellent driveability. "With this new vehicle we are concluding a very important cycle of product renewal and we are ready to tackle new challenges and new markets, like China, for example."

"Iveco has considerably improved its global performance in the current year: in fact, results at the end of September point to an 18% increase in orders, and an 11% increase in sales on the same period of 2003," concluded Astengo.

Orders for the new Trakker have been coming in since October, and production will come on stream in February, with an average daily output of approximately 40 vehicles each of which will be manufactured at the plant in Madrid, Spain.

Iveco expects to sell 8,600 of these vehicles in 2004, 50% of which will be in Europe and the remainder across the rest of the world.

Henrik Starup, Marketing Director for the Iveco Medium and Heavy Business Unit, illustrated the features of the new vehicle, reminding the audience that what customers demand is strength, reliability and performance.

Today, on the European market, off-road vehicles account for 15.5% of vehicles with a GVW over 16 tonnes - in other words, 35,000 are destined for off-road work out of a total of 230,000 vehicles produced. The most important markets are Germany with 21.9%, followed by Spain, Italy, France and the UK.

Where bodybuilding is concerned, 47% of these vehicles are fitted with tipper bodies and 20% become cement mixers.

And in terms of axle configuration, the 6x4 is the most popular, followed by the 8x4.

The Trakker can be equipped with either the Cursor 8 engine (270, 310 and 350 Hp) or the Cursor 13 (380, 440 and 480 Hp), both built at the Bourbon Lancy plant in France, and customers show a preference for the higher outputs, i.e. the Cursor 13.

Product features:

The Trakker benefits from a new cab, new look and new interior lay-out. Comfort in the cab has been enhanced by the new 4-point cab suspension with 4 dampers, and new soundproofing which lowers the noise level inside the cab by 6 decibels. Externally there are new bumpers, grilles to protect the headlights and a pull-out ladder.

All this means further improved safety and productivity for the driver. But consumption has also been reduced by a further 1.5% by the adoption of a new electromagnetic ventilator joint from Baruffaldi. The Cursor 13 engine is combined with the new 12-speed EuroTronic gearbox which features a "Manoeuvring Mode" that allows special management of the clutch in the lowest ratios and reverse, for greater precision when manoeuvring in small spaces and at very low speeds.

There are two more important elements: the Multiplex electronic system reduces the number of cables and performs rapid, accurate diagnosis, and the DMI control unit can manage up to 3 PTOs.

Longer rear axle ratios were chosen as the standard.

It is also possible to fit new air suspension on 21 tonne double reduction tandems, and parabolic rear suspension on 32 tonne tandems, which now weigh 100 kg less. With these novelties, the Trakker family is now made up of 77 different models - seven more than before.

There is also a choice between a day cab, a sleeper cab (44 cm more), and a sleeper cab with a high roof (60 cm more).

The Eurocargo 4x4

Journalists were also able to test the new Eurocargo 4x4 during the same international press trip.

The European market for this type of vehicle accounts for about 1,500 vehicles a year, compared to 70,000 road vehicles in the same category. The major markets are Germany and Spain, while Italy accounts for about 5%. The new Eurocargo, which is built in Brescia, Italy, benefits from a new cab designed by Bertone, and is now offered in 4 new models (100E18W, 100E21W, 140E18W and 140E24W). The Eurocargo 4x4 is equipped with the Tector engine, built in the NEF plant in Turin, Italy, and with power deliveries of 180, 210 and 240 Hp, driven through a 6-speed Iveco or Eaton gearbox.

Iveco statement

Iveco is a Global Company with a full range of vehicles and engines committed to the world of transport and customer satisfaction through leading-edge technologies, reliable performance and quality excellence of its products and customer global services. The strategy of Iveco is to generate profitable growth by focusing on customers and markets, strengthening the technological content and competitiveness of our products. Transport

Safety, Environmental Care and Productivity on the Road are inherent to our strategy as well as Technological Innovation and Lean Enterprise. With annual sales above 9 billion euros, Iveco manufactures and markets more than 140,000 commercial vehicles and 420,000 engines annually on a worldwide basis. Iveco serves its customers with 31,000 employees and 49 plants in 19 countries, 15 Research and Development centres and 600 dealers.