

PRESS RELEASE**IVECO CHOOSES THE SCR SYSTEM TO BRING ITS MEDIUM AND HEAVY DUTY ENGINES INTO LINE WITH THE EURO 4 & EURO 5 DIRECTIVES**

Ulm, June 13, 2005



During the week of June 13-17, Iveco presented the solutions adopted to bring its engines into line with the Euro 4 and Euro 5 directives to the international press in Ulm, Germany.

The presentation was attended by 100 journalists from all over the world, in addition to the Truck of the Year jury.

During the press conference, it was explained that Iveco has chosen a system based on an additive known as AdBlue to abate nitrogen oxides in the exhaust systems of its medium and heavy duty range. Henrick Starup, *Marketing Manager of Iveco's Medium and Heavy Commercial Vehicles Business Unit*, opened the press conference by stating that "At Iveco, we are ready, ahead of the deadline, to supply engines that respect future standards, while cutting operating costs and guaranteeing transport profitability. This has meant focusing great attention on research and development; in fact we invest about Euro 250,000 in this sector every year. Thanks to this expenditure, we are able to confirm our commitment to the development of a sustainable world on several fronts: from the continuous development of our engines, to the search for innovative solutions for the use of alternative fuels."

The Euro 4 & 5 Directive demands an 80% reduction in particulate emissions, and a 60% cut in nitrogen oxide emissions compared to Euro3, and this was an important challenge for Iveco and for all the other manufacturers. To achieve these emissions levels and to continue the process of continuous improvement in consumption levels, it is essential to combine the optimisation of combustion, which is highly advanced thanks to sophisticated injection technologies, with post-treatment systems for exhaust gases.

Iveco therefore chose to optimise engine combustion, to achieve very low particulate emission first of all. This highly efficient combustion made it possible to significantly reduce both fuel consumption and CO₂ emissions as a consequence. Nitrogen oxide emissions at the exhaust are reduced by a post-treatment system which uses catalytic reduction by means of an additive to convert them into totally innocuous nitrogen and water vapour. This is the so-called SCR system, which employs an additive that is a solution of distilled water and urea, sold under the brand name of AdBlue.

Gerhard Rieck, *Product Development Manager of the Iveco Medium and Heavy Commercial Vehicles Business Unit*, explained that: "The SCR system chosen by Iveco achieves two fundamental goals: on one hand, it improves the competitiveness of the vehicle – and with it, that of the customer – by reducing fuel consumption, extending the

life of the engine and cutting maintenance costs; and, on the other, it protects the environment by respecting the Euro 4 & 5 emissions limits imposed by the European authorities.”

Another advantage of the SCR system is the fact that it allows the engines to respect both the Euro 4 and the Euro 5 limits.

Compared to the Euro 3 configuration of the Cursor 10 and 13 engines, a new injection system was developed, with higher pressure and finer nebulisation of the fuel. The AdBlue system was designed to work in all climate conditions, and is particularly well protected against the cold. Its reliability was tested during a series of trials conducted in Scandinavia and the South of Spain, and during tests organised with customers. Iveco is ready for Euro 4 and already able to supply heavy Stralis vehicles with Euro 5 engines in the countries that offer incentives to those that respect the standards in advance. Germany and Austria are two cases in point. Four Stralis models meet the demand from this market: two 4x2 tractors and two 6x2 trucks, with engines delivering 430 and 480 Hp, all fitted with the Stralis Active Space cab. The first vehicles will be delivered in September this year.

Iveco

Iveco is a global company that markets a comprehensive range of vehicles and engines, and is committed to the transport world and to the satisfaction of its customers; it adopts cutting edge technologies and guarantees reliable performance and levels of excellence in the quality of its products and the services it offers customers all over the world. Iveco's strategy is to generate ever-higher profitability by concentrating on the customer and on the market, reinforcing the technological content and competitiveness of its products. Transport safety, Respect for the environment and Productivity on the road are key elements of its policy, together with Technological innovation and Lean enterprise. Iveco manufactures and sells over 160,000 commercial vehicles and 430,000 engines all over the world, achieving total sales of about Euro 9 billion. It operates 49 plants in 19 countries around the world, 15 Research and Development centres, and has a workforce of 31,000 employees and 844 dealers.