

PRESS RELEASE

Turin, September 29, 2005

ARWAY, THE NEW COACH FROM IRISBUS

The new Irisbus Arway, a coach designed for regular route operation, was presented today at the Iveco Multifunctional Centre in Turin. This new product from Iveco's bus division is environment-friendly, (it meets Euro 4 standards), accessible to everyone, including people with mobility problems, and efficient for the transport company, the driver and for all the passengers.

The Arway is the result of a project in which Irisbus has invested a great deal in terms of research and development, and industrially too. Suffice it to say that the design stage took a total of 52,000 working hours, more than 18,000 for prototype development and more than 16,000 for testing. "Some time ago we embarked on the so-called convergence plan," said Franco Miniero, Vice President for Sales & Marketing at Irisbus, "which consists of a programme for the complete renewal of our product range. The initiative began with the standardisation of the mechanical parts on the Euro 3 vehicles. Today our strategy envisages the gradual replacement of our current products, which came out of the different components making up Irisbus, with a new range that has an international vision."

Today Irisbus is maintaining a good position in a slowly growing market, thanks to some important achievements. A double victory in Spain: the 2005 Bus of the Year title for the articulated Cityclass, and Coach of the Year for the Eurorider. In France, market share in the urban transport sector has reached 80%, and in Germany, Irisbus has doubled its share of the minibus segment, where the Daily has 12% of the market. In Italy, Irisbus has won a tender to supply 470 buses to the city of Rome, and other orders from Como, Foggia and Palermo, making a total of over 100 vehicles commissioned in a single month.

The company's core business is regular service coaches, a sector that accounts for over 5,000 units a year in Europe, where Irisbus has about one third of the market.

"It is a sector in which we enjoy a leading position, particularly on our domestic markets," concluded Miniero, "and our goal is to confirm our position but also to expand significantly on all our export markets, exploiting our new product range to continue the conquest strategy that was begun with the current vehicles. Our customers range from large international conglomerates to small transport companies that demand a certain versatility from our vehicles so that they can be used on regular routes during the week, but with optional equipment that allows them to be used for tourism at the weekends. Our range includes various options that meet all these requirements."

Iveco

Iveco is a global company that offers a complete range of vehicles and engines, and which is dedicated to the transport world and to the satisfaction of its customers, employing cutting edge technologies and guaranteeing reliable performance and excellent quality from the products and services it offers its customers all over the world. Iveco's strategy is to generate growing profitability by concentrating on its customers and its markets, strengthening the technological content and competitiveness of its products. Transport safety, Respect for the Environment and Productivity on the Road are key elements of this strategy, as are Technological innovation and the Lean Enterprise. Iveco produces and sells over 160,000 commercial vehicles and 430,000 engines all over the world, for total sales of approximately Euro 9 billion. It has 49 plants in 19 countries, 15 Research and Development centres, 31,000 employees and 844 dealers.