



IVECO AND SAIC MOTOR CORPORATION COLLABORATION WITH CHONGQING HEAVY VEHICLE GROUP IN THE FIELD OF HEAVY VEHICLES IS LAUNCHED

Iveco, a Fiat Group Company, and SAIC Motor Corporation, one of the leading Chinese automotive manufacturers, have ratified this morning in Beijing the final agreement – which follows the preparatory agreement signed in July - to establish a long-term Joint Venture in China in the field of heavy commercial vehicles.

The agreement involves a joint investment with Chongqing Heavy Vehicle Group Co. Ltd. for the manufacture of heavy trucks in Chongqing.

The formal signing occurred in the presence of the Chinese Prime Minister, Mr. Wen Jiabao and the President of the Council of Ministers of the Republic of Italy, Mr. Romano Prodi. Mr. Sergio Marchionne, Fiat Group CEO, also participated in the ceremony.

Iveco and SAIC established a 50-50 Joint Venture, under the name of SAIC Iveco Commercial Vehicle Investment Company Ltd. This Company is going to acquire a 67% share of Chongqing Hongyan Motor Co. Ltd, which is currently a subsidiary of the Chongqing Heavy Vehicle Group.

The parties to the agreement also agreed about an envisaged increase in the registered capital of Chongqing Hongyan, devoted to the construction of a new production plant located in Chongqing. Industrial plans include the assembly of Iveco heavy commercial vehicles and product and process related improvements in the Chongqing product range, in order to enhance their competitiveness on the local market, as well as the development of vehicles featuring an optimal integration of Chinese and European components and technologies.

About SAIC Motor Corporation Limited (SAIC Motor)

SAIC Motor Corporation Limited (SAIC Motor), in Shanghai, is one of the largest automakers in China. It sells more than one million vehicles per year and has more than 56,000 employees. SAIC Group activities also include a wide range of automotive manufacturing and commercial activity, such as passengers and commercial vehicles, agricultural and construction equipments, components, and related services.



IVECO

With a consolidated revenues exceeding US\$ 14,4 bn in year 2005, SAIC Group is one of the "Fortune Global 500" corporations. FIAT Group and SAIC have already set up three joint ventures for industrial co-operation: Shanghai New Holland, a leading tractor manufacturer in China, Huadong Teksid, the biggest producer of engine blocks in China, and Shanghai Meridian, for the production of magnesium castings and components.

About Chongqing Heavy Vehicle Group Co. Ltd.

Chongqing Heavy Vehicle Group (formerly the Sichuan Automobile Factory), is owned by the 33-million inhabitants of Chongqing Municipality. Through its subsidiary, Chongqing Hongyan Automotive, CHVG is one of the major producers of medium and heavy trucks in China and relies on a large distribution network throughout China.

About Iveco

Iveco (100% controlled by the Fiat Group) designs, manufactures, and markets a broad range of light, medium and heavy commercial vehicles, off-road trucks, city and intercity buses and coaches as well as special vehicles for applications such as fire fighting, off-road missions, defence and civil protection.

Iveco employs 32,000 people and runs 43 production units in 18 Countries in the world using excellent technologies developed in 15 research centres. Besides Europe, the company operates in China, Russia, Turkey, Australia, Argentina, Brazil, and South Africa. More than 4,500 service outlets in over 100 Countries guarantee technical support wherever in the world an Iveco vehicle is at work.

Iveco is a Fiat Group Company.

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