

## **PRESS RELEASE**

### **Iveco in Morocco**

As part of its policy to strengthen its presence abroad, Iveco has begun assembling CKD mechanical components on the premises of Atlas Véhicules Industriel in Casablanca, Morocco.

The vehicle assembly line is located in the headquarters of the Atlas Véhicules Industriel (AVI) company which had been the exclusive importer of Iveco commercial vehicles in the country for a considerable length of time in the past.

The premises where the AVI headquarters are located stand in an area of 20,000 square metres, 7,500 of which are covered. The covered area includes both the management and commercial offices, recently opened, and a workshop equipped with assembly lines that meet the highest technical standards in the world.

Today, following the reorganisation of the company and the modernisation of its manufacturing facilities, AVI is once again a benchmark for the Moroccan market, particularly where the assembly of Iveco vehicles is concerned. This is where the new Eurocargo and Trakker models (H versions) are assembled, vehicles which will help to boost registrations, and make it possible to achieve good market penetration. This is all the more significant because, sustained by its favourable geographical position, which makes the country an ideal link between Europe and Africa, Morocco has recently been upgrading its entire infrastructure network to support the country's economic and social expansion.

### ***Iveco in Morocco***

Iveco operates in 64 countries in Africa and the Middle East, with 43 dealers and more than 150 service points. There are representative offices in Egypt, Morocco, Algeria, Tunisia, Libya, the U.A.E., Ethiopia and Congo.

It is therefore an area of important commercial development for Iveco, where over 1500 light vehicles (3.5-6 t GVW), approximately 1200 medium duty vehicles (6-15.99 t GVW) and about 3,500 heavy vehicles ( $\geq$  16 t GVW) are sold every year.

Iveco's base in Morocco is in Casablanca and it operates on the local market through Atlas Véhicules Industriels, a company that is wholly owned by the Madhloum, which has signed an exclusive contract with Iveco to market Iveco vehicles and an industrial licence to assemble mechanical components (CKD).

Last year, AVI imported over 240 units into Morocco, mainly light and heavy vehicles. The range of light commercial vehicles sold was created specifically for the Export market, and includes the Daily (built in Suzzara), the Stralis (built in Ulm) and the Eurocargo and Trakker (H versions), which are built in Brescia and Madrid respectively.

Morocco is one of the most important markets in Africa because of the new opportunities that a country in full economic and social development can offer. This policy of opening up to Europe and infrastructural development that the government has been implementing in recent years is certainly an important sign of growth. And it will certainly highlight the need to renew the dated fleet of light commercial vehicles currently on the roads, and to improve the public transport service which is still a pressing need.

### ***The history of AVI***

Atlas Véhicules Industriels was founded in 1994 with capital from two companies: the El Baraka Group with a 95% and Laraki with a 5% interest.

Iveco became a partner the following year through a capital increase, and the asset structure changed, with 75% in the hands of El Baraka and 25% in those of Iveco. An agreement was reached in 2001 by which Iveco increased its share to 49% with 51% to Laraki. In this period, the importation of Iveco vehicles and the assembly of mechanical components (CKD) were carried out by two different companies: AVI and Berlier Maroc.

Following fluctuating sales trends, Iveco decided to reorganise the various sectors of the company. In 2005, the partnership changed and the Madhloum acquired 100% of AVI, signing an exclusive agreement to cover the sale of Iveco vehicles, and an industrial licence to assemble mechanical components (CKD).

From that moment, the Madhloum began its own reorganisation, in three stages: financial, organisational and commercial. As well as intervening to correct the financial and organisational situation, it planned to boost the marketing network by the end of 2006, by opening new sales points and repair workshops in strategic parts of the country.

### ***The Iveco range***

As a "full range" manufacturer, Iveco produces vehicles from 3 tonnes GVW up to the maximum permitted on the various markets. The Daily range launched in 2002 and marketed with the HPI logo was available with two power outputs: 96 Hp (70 kW) and 116 Hp (85 kW). Today the power outputs offered by the HPT versions of the 2.3 litre engine have been extended to 136 Hp (100 kW) with a peak torque of 320 Nm. The 2.3 HPT engine is destined for different applications, on L and S class vans with single rear wheels, or stripped chassis with twinned wheels for camper outfits. On these vehicles, this engine improves performance without penalising the kerb weight, something that is extremely important on the missions it is designed for. The 3.0 litre engine presented in the Autumn of 2004, was designed for intensive use and high loads. There are several versions: 3.0 HPI delivering 136 Hp, 3.0 HPI Euro4 delivering 136 Hp and 3.0 HPT delivering 166 Hp. Since 2004, all the 2.3 litre HPI engines are fitted with the Agile automatic transmission, which is now available both with the 3.0 HPI and HPT engines and with the new 2.3 HPT.

The Daily S17 HPT van is a new model, equipped with a 166 Hp 3.0 HPT engine, for rapid courier services, a field in which the average commercial speed is very important.

These are followed by the medium-duty Eurocargos, 16 basic models with 6 and 19 t GVW, and seven 4 and 6-cylinder Tector engines, 5, 6 and 9-speed gearboxes, and an Allison MD 3060P automatic transmission.

Positioned between the light and the heavy on-road families, the Eurocargo family basically addresses the delivery and short haul transport sectors. The wide range, which translates into an extremely diversified choice of volumes and payloads, is certainly one of the reasons for its success. The other trump cards are easy outfitting, low running costs, product quality and driving comfort.

The Eurocargo range, leader of the medium duty transport market in Europe (from 6.5 to 19 tonnes), was expanded in the last year by the addition of 3 new models in the upper GVW bracket and in the 4x4 range.

The EUROCARGO 140E and 160E, EUROCARGO 190EL (destined specifically for the markets of France and Benelux). The EUROCARGO 4x4 equipped with a new short cab (in the following versions: 10 ton 100E with a 180 or 210 Hp Tector engine, 14 ton 140E with a 180 or 240 Hp Tector engine ), comes with a further three alternative cabs: long with 1 or 2 bunks with a standard or medium roof, and 4-door crew cab with 6/7 seats.

### ***The Eurocargo for non-EU countries***

The Iveco medium duty range has also been revamped on the traditional Export markets. In 2005, the new specific Eurocargo range went on the market in African and Middle Eastern countries, led by the ML150E21H/24H model with a double reduction rear axle and a reinforced chassis, available with a short or long cab, and a 6 or 9 speed gearbox. The other 4x2 models, with a simple reduction rear axle are: the 90E18, 120E18 and 120E21, all with the same choice of cabs and gearboxes. The range is completed by the 4x4 versions: the models 100E21, and 140E18W / 24W, with a short cab and a 6-speed gearbox.

The pride of the Stralis heavy road range is the ES versions (the range-topping engines are the Cursor 13 delivering 480 Hp or 540 Hp); novelties regard safety devices such as the Electronic Stability Program (ESP) and the Lane Departure Warning System, which warns the driver when his attention lapses and there is a risk of going off the road.

The Stralis offers a choice of 4 cabs. In addition to the ES, there are also the AS, AT and AD cabs. The Active Space (AS) cab offers high standards of comfort and safety, both on the road and during rest periods, thanks to the flat floor, raised roof and the various modular outfitting proposals that reflect the vehicle's mission.

The AT and AD models have a narrower, multipurpose cab, which is available in a shorter AD version (Active Day) or a longer AT version (Active Time), with a standard or raised roof.

Where the engines are concerned, the range starts with the Cursor 8 (270, 310, 350 Hp), and continues through the Cursor 10 (400, 430 Hp), up to the Cursor 13 (480 and 540 Hp). Thanks to the VGT turbos, torque delivery is generous and constant, a guarantee of excellent driveability.

And finally, in 2004 the new Trakker construction site vehicles replaced the EuroTrakker range. The main changes regard the adoption of the AT/AD cabs and new cab suspension which has endowed this site vehicle with a level of comfort comparable to that of a Stralis road vehicle. The cabs and suspension systems have been modified to make them suitable for quarry and construction site applications.

### ***The Trakker for non-EU countries***

A special Trakker range, with simpler outfits, has been developed to respond better to customers' needs, which certainly vary considerably in this sector depending on the market. The mechanical components (front and rear axles, mechanical gearbox) were borrowed from the tried and tested Eurotrakker range, with the addition of a 380 or 420 Hp Cursor 13 engine with turbo and intercooler and a waste-gate valve. To simplify maintenance operations and repairs, the traditional electrical systems and dashboards were maintained.

This special range will make it possible to consolidate our position and look forward to future growth, repeating the success of the Eurotrakker range with the 8210 engine, which was launched on African and Middle Eastern markets, in parts of Russia beyond the Urals, and in Turkey.

### **Iveco**

*Iveco designs, manufactures, and sales 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, civil defence and protection.*

*Iveco employs 32,000 people and runs 49 production units in 19 Countries in the world using excellent technologies developed in 15 research centres. Besides Europe, the company operates in China, India, 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.*

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