



## **HINDUJA GROUP ACQUIRES IVECO'S STAKE IN ASHOK LEYLAND**

By an agreement, the Hinduja Group has acquired Iveco's 30% stake in Machen Iveco Holding SA which, through its wholly-owned subsidiary LRLIH Ltd UK, has about 51% shareholding in Ashok Leyland Ltd and 59% in Ennore Foundries Ltd.

The partnership between the Hinduja Group and Iveco dates back to their 1987 acquisition of LRLIH from the Rover Group (UK). LRLIH's shareholding in Ashok Leyland was then 40%, which was increased to 51% in 1994.

In a joint statement, Mr. G P Hinduja, President, Hinduja Group, and Mr Paolo Monferino, Chief Executive Officer, Iveco, said: "The Hinduja Group and Iveco are proud of the rapid strides made by Ashok Leyland in product and process technologies over the last two decades. In view of the changed business plans of both the partners and considering the strategic priorities for Ashok Leyland and Iveco in the emerging global scenario, we have mutually agreed to pursue our goals independently, in the spirit of mutual respect and goodwill adopted during our long partnership".

The transaction will be settled in cash at closing.

Turin, 24 July 2006