

**Mahindra enters high growth electric car segment;
acquires majority stake in REVA**



(From Left – Right) Mr. Rajesh Jejurikar, Chief Executive, Automotive Sector, Mahindra & Mahindra, Mr. Chetan Maini, Chief of Technology & Strategy, of the newly formed Mahindra REVA, Dr. Pawan Goenka, President (Automotive & Farm Equipment Sectors), Mahindra & Mahindra, Mr. Sandeep Maini-Reva, Mr. Parthasarathy, Group CIO, EVP-Finance & M&A Member of Group Executive Board, Mahindra & Mahindra.

Synopsis:

- Mahindra to have 55.2% equity in REVA Electric Car Company (REVA)
- Company to be renamed Mahindra REVA Electric Vehicle Company (Mahindra REVA)
- Mahindra REVA to leverage Mahindra’s vehicle development expertise
- Mahindra REVA electric technology to be deployed in Mahindra vehicles
- Dr Pawan Goenka elected Chairman of the newly constituted board

Bangalore May 26, 2010: Mahindra & Mahindra Ltd. today strengthened its position in the Electric Vehicles domain with the acquisition of a majority stake in REVA Electric Car Co Ltd., Bangalore. REVA Electric Car Co Ltd. will be renamed Mahindra REVA Electric Vehicle Co Ltd. Under the new agreement which was signed today by both the companies, M&M will own 55.2% equity in Mahindra REVA by a combination of equity purchase from the promoters and a fresh equity infusion of over Rs 45 crores (approx US \$10 million) into the company. The buyout makes the Mahindra group a strong global player in the electric vehicle space.



Post the buyout, the Board of Mahindra REVA has been re-constituted under the chairmanship of Dr Pawan Goenka, President Automotive & Farm Equipment Sectors, Mahindra & Mahindra. The new board includes five nominees from Mahindra & Mahindra, two from the Maini family, and one from AEV LLC, California (co-founders of REVA). An independent director will be added to the board subsequently. Mr. Chetan Maini will continue to play a leading role in Mahindra REVA as Chief of Technology & Strategy and will continue to be on the board.

Under its core Sustainable Mobility initiative, Mahindra has been working for the last 10 years on developing green technologies and has demonstrated diesel hybrid technology on the Scorpio and hydrogen Alfa three wheelers. Mahindra has a pilot fleet operating with 100% bio-diesel and was the first to launch micro-hybrid technology in India with around 50,000 such micro-hybrids on the road today. In EVs, over and above the electric three-wheeler Bijlee developed in 1999, it is also currently working on an electric version of its mini-truck, Maxximo. Mahindra REVA's EV technology will be adapted for these and other M&M vehicles. Access to strong EV technology will strengthen Mahindra's other current sustainability initiatives.

REVA is currently marketing its products in 24 countries across the world with an overall vehicle population of over 3500, arguably the largest EV fleet globally. REVA recently premiered its next generation electric car models, the NXR and NXG which received an enthusiastic response. Mahindra REVA will now have access to Mahindra's vehicle development technology and distribution network, significantly enhancing its ability to launch a state-of-the-art electric vehicle for global markets.

Speaking on the acquisition, **Mr Anand Mahindra, VC&MD, Mahindra & Mahindra said**, "With issues such as climate change and carbon footprint taking centre stage globally, eco-friendly transportation becomes the need of the hour. Mahindra already has an established sustainable mobility solutions programme and our association with REVA will only help us further expand our green footprint both in India and overseas".

Dr Pawan Goenka, President (Automotive & Farm Equipment Sectors), Mahindra & Mahindra and the newly elected Chairman of Mahindra REVA said, "This is a key strategic acquisition for Mahindra in its march towards sustainable mobility. Mahindra and REVA bring together complementary strengths. With Mahindra's vehicle engineering expertise, global distribution network, sourcing clout and financing support, REVA's vehicles have the potential to significantly gain in market penetration. Mahindra will also benefit from REVA's EV technology for its own products."

Mr Chetan Maini, Chief of Technology & Strategy, of the newly formed Mahindra REVA mentioned, "The EV market is poised to grow significantly and we concluded that in order to seize the opportunity we needed the resources and experience of a major automotive manufacturer. In Mahindra we have found a company that not only shares our vision of principled and sustainable growth but one that also has a reputation for good corporate governance. As a result of Mahindra's investment, Mahindra REVA will be able to scale, innovate and accelerate and so to deliver better products to more customers in more places".



About REVA

REVA was established in Bangalore in 1994 as a joint venture between the Maini Group of Bangalore, India and AEV LLC of California, US. Its REVA electric vehicle was first commercially available in Bangalore in 2001 and in London in 2004, under the G-Wiz brand. REVA is a technology innovator with the largest deployed fleet of electric cars in the global market today, available in 24 countries across Europe, Asia and Central and South America with more than 3,500 of its vehicles on the road and the accumulated data from more than 100 million km of user experience.

REVA launched two new electric cars at the 63rd Frankfurt Motor Show in September 2009; the NXR and the NXG along with the REVive remote emergency charge system, REVA's unique proprietary technology. In January 2010, the Chevrolet e-Spark premiered at the Delhi Auto Show, with GM India's platform powered by REVA.

In recognition of its technology leadership REVA was awarded Frost & Sullivan's European Power train Company of the Year 2008 and prior to that, was named one of India's 'Cool Companies' by Business World Magazine. Overdrive, CNBC and TV 18 recently awarded REVA the Green Car of the Year 2010.

About The Mahindra Group

Mahindra embarked on its journey in 1945 by assembling the Willys Jeep in India and is now a US \$6.3 billion Indian multinational. It employs over 1,00,000 people across the globe and enjoys a leadership position in utility vehicles, tractors and information technology, with a significant and growing presence in financial services, tourism, infrastructure development, trade and logistics. The Mahindra Group today is an embodiment of global excellence and enjoys a strong corporate brand image.

Mahindra is the only Indian company among the top tractor brands in the world and has made an entry in the two-wheeler segment, which will see the company emerge as a full-range player with a presence in almost every segment of the automobile industry.

The Mahindra Group expanded its IT portfolio when Tech Mahindra acquired the leading global business and information technology services company, Satyam Computer Services. The company is now known as Mahindra Satyam.

Mahindra's Farm Equipment Sector is the proud recipient of the Japan Quality Medal, the only tractor company worldwide to be bestowed this honour. It also holds the distinction of being the only tractor company worldwide to win the Deming Prize. The US based Reputation Institute ranked Mahindra among the top 10 Indian companies in its Global 200: The World's Best Corporate Reputations list.

Mahindra is also one of the few Indian companies to receive an A+ GRI checked rating for its first Sustainability Report for the year 2007-08 and has also received the A+ GRI rating for the year 2008- 09.

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