

FOR IMMEDIATE RELEASE

Detroit Diesel Powers School Bus Transportation with Mercedes-Benz 900 Medium-Duty Engine

DETROIT, Michigan, Sept. 16, 2005 - Detroit Diesel Corporation (DDC) supports the local economy and school transportation across the United States with its Mercedes-Benz 900 medium-duty diesel engine, featured in Thomas Built School buses. Detroit Diesel and Freightliner LLC recently announced that U.S. assembly of the MBE 900 will be fully operational at the company's Redford manufacturing facility by Spring 2007.

"The MBE 900 engine has been very successful in the school bus market due to its excellent fuel economy and long engine life," said Carsten Reinhardt, Detroit Diesel president and chief executive officer. "Bringing MBE 900 production to Redford demonstrates DaimlerChrysler's and Detroit Diesel's commitment to local employment and also underscores our dedication to the North American school bus market."

Detroit Diesel currently offers four- and six-cylinder versions of the MBE 900 engine that provide coverage from 170 to 330 horsepower. Available in North America since 1999, the MBE 900 powers customer vehicles spanning a wide variety of commercial vehicle applications including beverage, utility, construction, fire and emergency, and pick-up & delivery, as well as recreational vehicle and school bus applications.

As for the school bus market, the MBE 900 is gaining momentum. In fact, nearly 50 percent of all customers of Thomas Built School Buses request an MBE 900 engine and the trend is increasing. Additionally, this engine is supported by an extensive dealer and distributor network in North America, so service and support are never too far away.

DDC will build the next generation of the MBE 900 engine for use in the North American market at its Redford Components

Detroit Diesel news releases, photographs and product specification details are available at www.detroitdiesel.com



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Manufacturing Facility. The modified MBE 900 will meet the more stringent EPA '07 standards, which are: a 90 percent reduction in particulate matter and a 50 percent reduction in nitrogen oxides than that of current medium-duty diesel engines. Representative test engines satisfy these more stringent requirements are currently in operation in company-owned test fleets and test dynamometers. A test plan, which will exceed 3.5 million test miles, is currently underway to develop and demonstrate this new design prior to release in 2007.

"Since the engine's introduction in 1996, more than 500,000 MBE 900 engines have been produced worldwide," added Reinhardt. "We are currently making preparations to create a new line for assembly and testing of the MBE 900 in Redford, where we already produce the axles for Thomas Built Buses. Pre-production of the engine will begin in late 2006, with full production anticipated for Spring 2007."

Detroit Diesel Corporation is the leading manufacturer of on-highway heavy-duty diesel engines for the commercial truck market. The company offers a complete line of engines from 170 to 515 horsepower for the on-highway and vocational markets. Through its corporate headquarters in Detroit, Michigan, Detroit Diesel is engaged in the design, manufacture, sale and service of these products, in addition to supporting alternative and hybrid engine strategies for the commercial truck marketplace. Detroit Diesel is a subsidiary of DaimlerChrysler and part of the Freightliner group of companies.