

The Payne Firm, Inc. was the Environmental Consultant assisting The Carlyle Group in this deal. Below is the press release issued by The Carlyle Group.

Onex and The Carlyle Group to Acquire Allison Transmission from General Motors for US\$5.575 Billion; Transition to Stand-Alone Company Will Strengthen Innovation and Growth

Washington, DC and Toronto — The Carlyle Group and Onex Corporation (TSX: OCX) announced today that they have reached a definitive agreement to acquire Allison Transmission from General Motors Corporation for US\$5.575 billion. Lawrence E. Dewey, currently Allison’s President, will become Chief Executive Officer of Allison Transmission.

Allison Transmission designs and manufactures automatic transmissions for on-highway trucks and buses, off-highway equipment and military vehicles worldwide. The company, headquartered in Speedway, Indiana, employs 3,400 people and sells its transmissions through a worldwide distribution network and sales offices in North America, South America, Europe, Africa and Asia. Allison Transmission generates annual revenues in excess of US\$2 billion.

Carlyle Managing Director Greg Ledford said, “We are excited to partner with Larry and all Allison employees as we grow this iconic brand and support its transition to a stand-alone business.”

“Allison should enjoy continued growth as the adoption rate of automatic transmissions in commercial vehicles continues to grow. Already the pre-eminent provider of automatic transmissions to the commercial vehicle market, Allison’s exceptional work force and strong management team will ensure future innovation and expansion,” said Seth M. Mersky, Managing Director of Onex.

Larry Dewey said, “My team and I are excited to partner with Carlyle and Onex in this next phase of our history. Our commitment to the fulfillment of our brand promise of an unrivalled combination of quality, reliability, durability, vocational value and customer service will continue. Our focus on developing new, innovative products as part of our efforts to grow our business around the world will be tremendously strengthened by this new relationship.”

The equity investment of approximately US\$1.5 billion will be split equally between Onex and The Carlyle Group. Onex’ share of the investment will be made by Onex Partners II, Onex’ large cap private equity fund. Carlyle’s share of the investment will be made by Carlyle Partners IV, Carlyle’s flagship U.S. buyout fund. The transaction is subject to customary regulatory approvals and closing is anticipated in third quarter of 2007.

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