

GUJARAT APOLLO INDUSTRIES LIMITED

DITASAN, PO : JAGUDAN, STATE HIGHWAY, DIST : MEHSANA-382 710 INDIA. TEL : (02762) 285344/45/46 FAX : (02762) 285359

To,

Corporate Relations Department, Bombay Stock Exchange Limited, 25 th Floor, P. J. Towers, Dalal Street, Mumbai – 400001.	National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai- 400051.
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PRESS RELEASE**Gujarat Apollo Industries Limited launches strategic joint venture with Switzerland based Ammann Group**

Ahmedabad, 10 April 2013

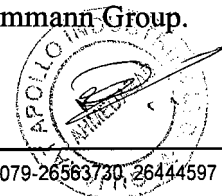
The Gujarat based Apollo Group, a market leader in road construction equipment business in India, has launched a strategic joint venture with the Ammann Group of Switzerland. The Ammann Group now holds a controlling stake of 70% in erstwhile the consolidated road construction equipment business of the Apollo Group.

This investment marks the entry of the Ammann Group into the Indian market for road construction equipment, which is expected to grow in view of the policy thrust of government on increasing the road network across the country.

The Apollo Group is the market leader in India in the manufacture of road construction equipment and this joint venture will give Ammann a head start in its expansion plans into India. The joint venture, with the involvement of the Ammann Group, is expected to have a more robust portfolio of products and customer solutions, significant operational synergies, global market reach and cash flow generation to support growth.

To form the joint venture, Gujarat Apollo Industries Limited (GAIL) and its wholly owned subsidiary, Apollo Earthmovers Limited (AEML) have transferred their respective identified businesses, being the entire product portfolio of asphalt plants and the paver business (excluding the crushing and screening business) to Apollo Construction Equipments Limited (ACEL) on slump sale basis. Entities forming part of the Ammann Group have acquired fresh equity shares of ACEL such that their shareholding in ACEL, (which will be known as 'Ammann Apollo India Private Limited'), is 70% and the balance 30% shares of ACEL are now held by AEML. Ammann Apollo India on the web: www.ammann-apollo.com.

The successful existing management team of the Apollo Group will continue to manage the joint venture and will be complemented with the expertise from the Ammann Group.



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Apollo has a broad network of sales and service branches in India, and the joint venture's products ideally supplement the Ammann range on the global markets. Consequently, the joint venture will remain responsible for product sales in the region of India, whilst the Ammann Group will now market the Apollo products worldwide.

GAIL shareholders would benefit by value accretion owing to 30% economic interest in the equity shareholding of ACEL. The Apollo Group intends to utilize the sale proceeds realized by GAIL and AEML, towards the advancement of its crushing and screening business and in pursuing diversified business activities to continue to build value for its shareholders.

"We are delighted to have entered into this strategic partnership with the Ammann Group, which is a worldwide leading manufacturer of asphalt mixing plants, compactors and asphalt pavers. We eagerly look forward to working together with the Ammann Group and realizing substantial value for all stakeholders and enhance the enhance growth prospects of the Apollo Group through this alliance" said **Mr. Anil Patel, the founder and lead promoter of Apollo Group.**

"Ammann is delighted to have found a partner of this high calibre. Apollo has been operating with great success on the Indian market for several decades now, its key posts are staffed by members of the founding family, and the company embraces the same values as Ammann in its dealings with customers, partners and employees. This partnership with Apollo serves to significantly strengthen the market position of Ammann in India and all over the world" said **Hans-Christian Schneider, CEO of the Ammann Group.**

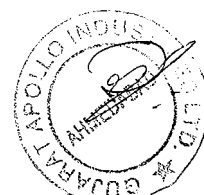
Deloitte Touche Tohmatsu India and Desai & Diwanji advised the Apollo Group on this transaction. BMR Advisors was the transaction advisor to Ammann Group, while Luther LLP and DSK Legal were the legal advisors.

About Apollo Group

The Patel Family-promoted Apollo Group has been the market leader for asphalt mixing plants and asphalt pavers in India for more than 30 years. Around 500 employees at three plants in the Gujarat province produce plants and machines for Apollo's main market of India, but also for the middle east, Africa and south-east Asia. Additionally, Apollo also has a broad network of sales and service points throughout India. Apollo on the Internet: www.apollo.co.in

About Ammann Group

Ammann is a globally leading manufacturer of asphalt mixing plants, compaction machines and asphalt pavers. The family-run Swiss business has been successful in the market for the past 144 years and manufactures its plants and machinery at numerous locations in Europe, China and in Brazil. Ammann on the Internet: www.ammann-group.com



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For Gujarat Apollo Industries Limited

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