



PRODUCT INFORMATION BULLETIN



PIB # 0210.05

February 10, 2005

Series Impact: G007, F019, A214, E008, D117, B227

TO: ALL HYSTER DEALER PRINCIPALS, SALES MANAGERS, & SALES REPRESENTATIVES

FROM: KELLY SMITH – DIRECTOR, HYSTER MARKETING

SUBJ: CUMMINS ENGINE CERTIFICATION SUMMARY

The objective as originally defined for the certification requirements provided on Hyster Product Information Bulletin # 0120.05, dated January 20, 2005 was to enable the Hyster dealers to capture the Service and Parts business on the new Cummins engines. The phase out of the Perkins engine option will result in a significant loss of Parts and Service revenue for the Hyster distribution system. Previously, your dealership did not have the opportunity to perform warranty repairs on Cummins powered Hyster products.

The above referenced bulletin has generated considerable feedback and concern from the Hyster dealer network. We have listened to that feedback and concern and have made revisions to the program accordingly.

It is understood that in certain regions the existing field population of the referenced Hyster series is low, and the market potential for future sales is also limited. The limited sales potential in those regions makes it difficult to justify training, tooling and parts investment to service those engines.

There are other regions where there is significant Hyster population and future sales potential, particularly for the H170-360HD product series. In those regions it should be a fairly simple calculation to justify the investment to support the Cummins powered trucks.

As a result of further evaluation of the business opportunity, the mandatory requirement that each Servicing Location be certified is hereby deleted. In its place, each dealer has the opportunity to invest in training, tooling and parts as justified. Bear in mind that only certified locations can perform warranty work on the Cummins engines. Warranty claims for engine repairs from non-certified locations will be denied.

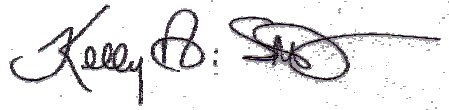
Locations that are not certified for engine repairs will have to make arrangements locally with a Cummins dealer for warranty repairs on the engines.

If you intend on calculating the costs associated with this certification program prior to deciding if the training, tooling and parts investment justifies the need for it at each dealer location, you need to also consider the Service and Parts revenue generated by the current field population of Perkins powered Hyster H170-360HD and larger products. The loss of that revenue and margin is the opportunity cost of not taking advantage of the certification process.

The table on the attachment provided summarizes the investment required for Repair Level certification and for Full Service Level certification for each of the Cummins engines used on Hyster Big Truck series.

As always, we appreciate the support of our distribution network and the sales organization.

Sincere Regards,

A handwritten signature in dark ink, appearing to read "Kelly A. Smith", with a stylized flourish at the end.

Kelly A. Smith
Director – Hyster Marketing

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