



# The Specialist in Agriculture

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Lingotto - November 8 & 9, 2006

## New Holland Ag: Brand Heritage



- 100 years of leadership, innovation and brand recognition around the world
- The Specialist in agriculture

INNOVATIVE, DYNAMIC, SMART:

NEW HOLLAND IS LIKE YOU.





# Different Customers in Different Regions

## NORTH AMERICA

~ 900 Dealers  
~ 1,200 Outlets

## EUROPE

~ 600 Dealers  
~ 1,400 Outlets

## LATIN AMERICA

~ 160 Dealers  
~ 250 Outlets

## Rest Of the World

~ 1,300 Distributors

### *Brand Recognition*

*Tractors*

*Tractors / Hay &  
Forage*

*Tractors /  
Combines*

### *Key Customers*

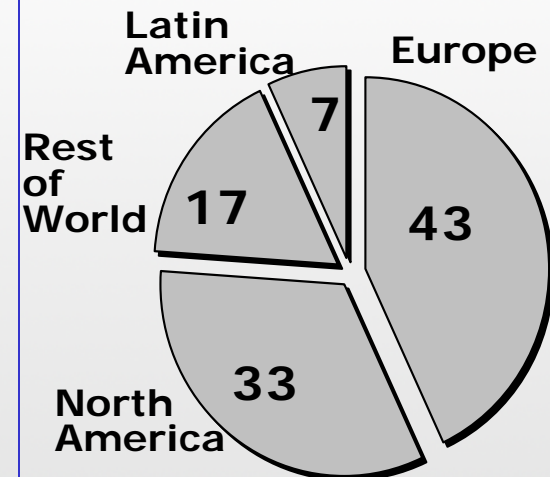
*All segments*

*Livestock,  
Residential*

*Cash-crop,  
Livestock*

## Global Balance

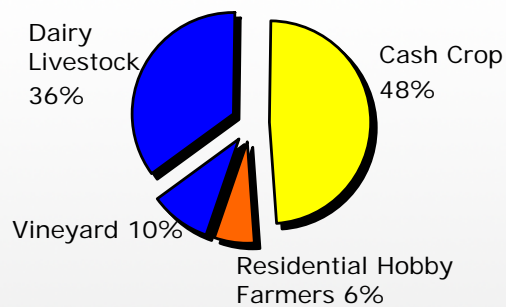
### 2005 Revenue by Region (%)



# The Specialist in Agriculture

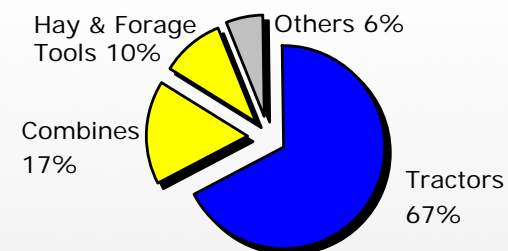


Sales by Segments\*



*> 20 Product Lines  
> 80 Product Families  
> 300 Models*

2005 Revenue split



20 HP  
Tractors

530 HP

Key  
Customers



Residential  
Hobby Farmers

Vineyard

Dairy/Livestock

Cash Crop

Harvesting  
Equipment

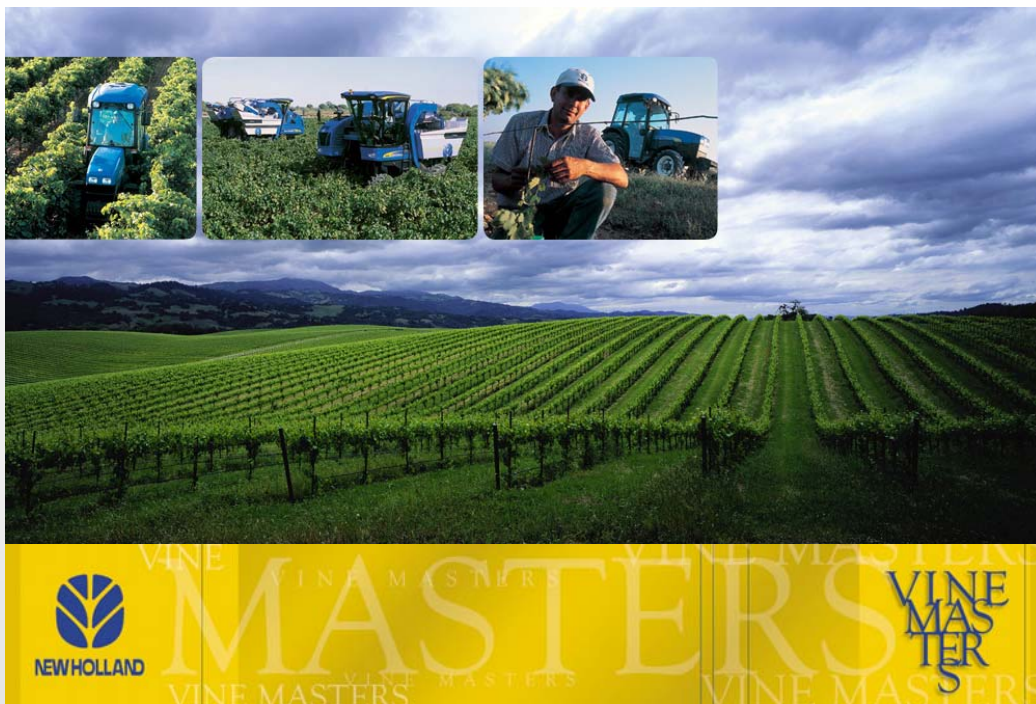


\* NH estimate on 2005 sales



# The Specialist in Agriculture

## Customer Leadership - Vineyard Farmers example



- Absolute leadership in vineyard segment
- Product Offering tailored for all geographic areas and conditions
- Best tractor in the market
- Grape harvester Separation capability Best in the Industry
- 55% MS in Grape Harvesters
- On going CRM program "Vine masters" with key vine growers in Europe



## Market Share Trend 1995-2005



- Unable to keep pace with industry growth
- Main reasons:

**Customer Service  
Support Gap**

**Product Reliability at  
launch on some product  
family**

**Lack of  
"Basic" Product Line**

**Residential/Hobby farmer  
segment lost opportunity  
in North America**

# New Holland Service Excellence



## Optimised Parts Availability



+ 5 pts % Service Level

## Rewarding Dealers for Customer service



Weight of Service increased to 50%



The Heart of our Business

## Dealer Technician Certification



6,000 trained in 2006

## Unit Down Management



In season 24/7 Coverage  
Parts Supply & Servicing  
4 hours max shipping

**Improve Customer Satisfaction from 60% to 75% by 2008**



## Key Product New Product Launches



- **100% of combines families renewed by 2008**

- ▶ Re-powered High range CR & CX
- ▶ CSX

**2006 – 2008**

5 New Families  
4 upgrades  
5 product line extensions  
9 re-powering



- **97% of tractors families renewed by 2008**

- ▶ T7000
- ▶ T6500

**2006 – 2008**

New 9 Families  
9 upgrades  
4 product line extensions  
29 re-powering







## New T7000 Launch: Superior Reliability, Feature and Performances

- Important contributor to NH revenues and margins WW
- Core product for Cash Crop farmers (41% of industry)
- New and Strong fact-based selling approach



# Premium and Value Line Offering



## PREMIUM LINE



PREMIUM  
CUSTOMERS

WELL  
RECOGNIZED  
FLAGSHIP  
TRACTOR LINE

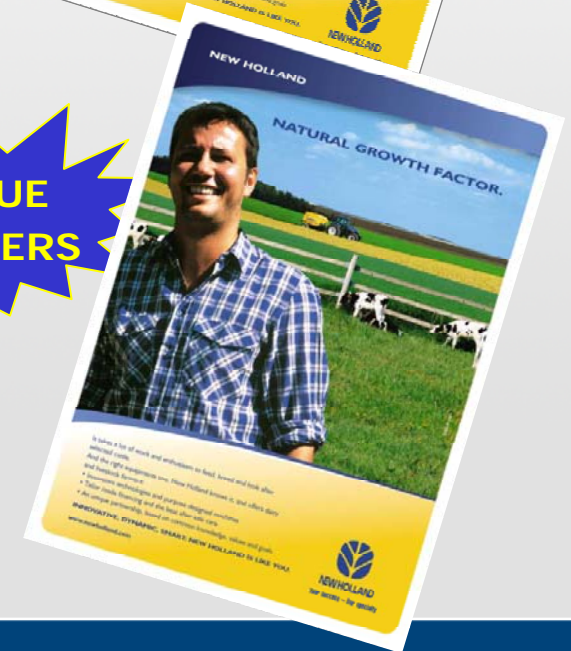


REGAIN NEW  
HOLLAND  
HERITAGE  
BRANDS  
TRADITIONAL  
CUSTOMERS



VALUE  
SEEKERS

**VALUE LINE**  
27 launches of "Basic Line"  
models 2006-2009



## Residential/Hobby Farmer Segment



- 1995-2005 Not taken full advantage of industry growth
  - ▶ Product Gaps and lost Share of Dealer Wallet
  - ▶ Coverage Gaps – Open Markets
- Action:
  - ▶ Close product gaps: 2006-2008
  - ▶ Increase territory coverage from 70% to 95%  
(59 new open points)



**2006-10 Increase segments market share by about 3 points and Dealer Share of Wallet from <40% to 60%**



## Summary of key actions and 2007-10 Growth Plan



**Service Excellence**

**New Best in Class  
Products**

**Relaunch of "Value Line"**

**Residential/Hobby farmer  
segment MS Increase**

- Average Yearly Revenue Growth 9%
- More than double Trading Profit as % of sales
- Add 30,000 more Tractors and 2,500 more Combines





**FIAT**  

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**GROUP**

The logo consists of the word "FIAT" in a bold, dark blue, sans-serif font, positioned above a thin, dark red horizontal line. Below the line is the word "GROUP" in the same bold, dark blue, sans-serif font. The entire logo is contained within a light gray square with a thin white border. The background of the slide features a light gray gradient with a dark blue and red textured border at the top and bottom.