



MARKET

Once upon a time, 107 years ago two best friends challenged each other to build a one cylinder motorcycle. ...working hard in the backyard shed of one of their houses the first motorcycle carrying both their names was born...the beginning of the legendary Harley-Davidson Motorcycles was painted on the shed doors by Janet Davidson. William Harley and Arthur Davidson started the dynasty that lived long after their death. Back in 1903 the first "silent grey fellow" as it was named got sold. The start of freedom, fun and family riding experience begun and grew every year. From motorcycles manufactured for World Wars I and II to the leading brand of heavy weight and custom motorcycles in the world. The bar and shield logo became an icon for freedom and fun. Creating the back bone of this brand "H.O.G" Harley Owners Group was established to create the one of a kind club in the world. All the owners of the same brand united to enjoy their motorcycles, share their experiences and ride in a family spirit; creating a strong bond between the Harley-Davidson Motor Company and The motorcycle owner. Through the HOG all the year events, rides and rallies are organised to get the family of riders together and promote the bar and shield logo.

Harley-Davidson Egypt was established nine years ago with a target of selling five bikes a year; opening in a virgin market like Egypt was a great challenge to introduce not only a motorcycle but a full life style to its owner. As they say "when you buy a Harley you buy a new way of life". Year after year a market was created for this great brand and a customer relationship was built over the years through H.O.G



ACHIEVEMENTS

Beginning in 1920 a team of farm boys became known as the "hog boys," consistently won races. The group had a hog, or pig, as their mascot. Following a win they would put the pig (a real one) on their Harley and take a victory lap. In 1983, the Motor Company formed a club for owners of its product taking advantage of the long-standing nickname by turning "hog" into the acronym H.O.G., for Harley Owners Group.

HISTORY

In 1903, the same year Henry Ford incorporated the Ford Motor Company and the Wright brothers first flew, William Harley and his friends



Arthur and Walter Davidson launched the Harley-Davidson Motor Company. They gave their bike a quality engine, so it could prove itself in races, but planned to manufacture it as a transport vehicle.

That same year the merchant, C. H. Lange, sold the first officially distributed Harley-Davidson in Chicago, a city given to motorcycling and auto-touring. Another of the Davidson brothers, William, joined the company, which soon burst the seams of its manufacturing centre and, by 1906, had to move to larger quarters in Milwaukee, Wisconsin.

From the beginning the Harley-Davidson motorcycle



began to set records. In 1908, for example, the Harley achieved a record 188.234 miles per gallon. It captured seven first place finishes in 1910 motorcycle racing, and, by 1912 claimed 200 U.S. distributors. A sturdy Harley-Davidson Sidecar won the first annual Pike's Peak race in 1916, and another bike claimed first in the 1922 Adelaide to Melbourne South Australia race.

By the 1960s "the hog," as it affectionately came to be called, scored seven consecutive victories at the Daytona 200. During the next decade the Harley took four consecutive wins at the AMA Grand National Championships and broke the world motorcycle record for land speed.

The Harley-Davidson came to be America's most recognised motorcycle, but it was not the first. Howard Roper developed a coal powered steam-engine motorcycle in 1867 and Gottlieb Daimler, a German, developed a gas-

powered motorcycle in 1885, which he attached to a wooden bike. That marked the moment in history when the dual development of a viable gas-powered engine and the modern bicycle collided.

Turn of the nineteenth century inventors who worked with both the engine and the bicycle chose to follow one of three paths. Daimler went on to develop automobiles, the Wright brothers left their bike shop to fly airplanes and men like Harley and the Davidsons developed motorcycles. Their business competitors were other new start-up companies such as Excelsior, Indian, Pierce, Merkel, Schickel and Thor.

From the beginning a unique and characteristic sound endeared the Harley-Davidson to its owners. The Harley's pistons connected to its crankshaft in a way that caused the motor to give two "pops" then a quiet pause as it hummed along the road. Yet around that constant sound, other things evolved and changed: a 45 degree

V-twin motor was introduced in 1909, the "Bar and Shield" logo in 1910 and the teardrop-shaped gas tank in the 1920s. In the 1930s an "eagle" design was placed on those tanks and the famous "Knucklehead" engine was introduced. At a time the Harley became widely used as both a police and a commercial vehicle, the company even manufactured sidecars and sported motorbikes built for two.

During World War I Harley-Davidson manufactured nearly 20,000 motorcycles for the US government and, during World War II, virtually all of the Harleys produced went towards the war effort. As nations such as England were forced to give up motorcycle production to favour production of tanks and planes, Harley's motorcycles were also shipped overseas to US allies.

Following WWII the Harley's market share, as well as its myth, continued to grow. Its main US competitor, Indian Motorcycle, ceased production in the 1950s. And veteran owners, new bikers, and even movies such as Easy Rider raised the Harley Davidson to the status of American icon. Glamorous stars pictured with Harleys from the early Mack Sennett Studio to Jayne Mansfield, Elvis Presley and Peter Fonda certainly enhanced the company's image.

For the most part, however, Harley-Davidsons, like all motorcycles, are enjoyed by individuals and groups who find biking a wonderful way to get where they are going. Who in on-the-road-America has not seen bikers tooling along the highway whether on a Fall outing, in a parade, making a statement or raising money for charity? Indeed, the Harley-Davidson company prides itself on the money it has raised for charity during the last quarter century, with the help of its customers and dealers.

PRODUCT

Entering a new era of technology the Harley-Davidson motorcycle is a sophisticated yet simple machine to give the rider the benefit of an easy motorcycle to ride and a safe machine to be on. Harley's newest addition to the family is the stunning V-Rod Muscle, the perfect marriage between looks, speed and durability. A 1250cc



liquid cooled engine with a 127HP is a power beyond comparison while sitting on comfortable machine enjoying the scenery, the V-Rod Muscle is an experience beyond anyone's imagination. 2009 the revolution of the machines the face lift of the whole Touring family with new Brembo brakes, ABS system, wide tire kit and 67% stiffer frame was gift to every Touring rider in the world. With a range of 26 models divided between five families Harley-Davidson create a motorcycle for every taste, age and size. But to keep the brand in the reach of every dreamer they even created a motorcycle affordable by every generation. The name no longer stands for a big man with a tattoo on his arm but for every man and woman dreaming of freedom in a fun and safe environment with the Harley-Davidson Engine sounding like a lion in the jungle - a king to so many other species.

RECENT DEVELOPMENTS

Since the Cairo H.O.G Chapter establishment four years ago they have travelled almost everywhere in Egypt from Luxor to all the Red Sea destinations and across the north coast, unveiling the beauty of the curves between the

mountains in Taba, the blue stretch of water crossing Ain Sokhna and Zafrana towards Hurgada or riding by the Nile on their way to Luxor; they have been welcomed in every city they went too by its residents. They even took it to higher level and crossed the borders riding all the way to Jordan and back. Family events that include the participation of every member in the family in sharing the experience.

In November 2008 they celebrated the launch of the new Touring family model 2009 in Egypt for Africa and the Middle East Markets in which 24 journalists were flown from all over the region to test drive Harley-Davidson's finest new motorcycles from Hurgada to Luxor and back to Marsallam over a three day journey covering 800Km between the sea, desert and monuments of great ancient Egypt.

BRAND VALUES

Excellent Corporate Governance has been a long standing business practice at Harley-Davidson, because it makes good business sense. Although the motorcycling business is fun, they take corporate governance seriously. The Harley-Davidson Board of Directors is composed of accomplished leaders from a range of industries who meet regularly to review Company objectives and plan for future growth. These individuals draw on their diverse backgrounds and experiences. They are proud Harley-Davidson enthusiasts, and they work to ensure that the decisions made by Harley-Davidson promote fairness, financial transparency and accountability to all their shareholders.

www.harley-davidson.com



Things you didn't know about HARLEY-DAVIDSON

Harley-Davidson was founded by: William Harley, Arthur Davidson, Walter Davidson and William Davidson. Yet everyone says "I have a Harley no one says I have a Davidson!"

2002 saw the production of Harley-Davidson's first ever liquid cooled engine "Revolution Engine" and the introduction of the V-Rod.

Harley-Davidson Motor Company has the biggest dealers' network of any brand in the world.

There are more than one million Harley owners in the world.

On August 15, 2006, Harley-Davidson Inc. had its NYSE ticker symbol changed from HDI to HOG.

Superbrands