

Business Wire

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Coachmen Industries, Inc. Announces Agreement to Develop Alternative Energy Sources for Recreational Vehicles and Modular Housing**DATELINE:** ELKHART, Ind.

Coachmen Industries, Inc. (NYSE: COA) today announced that it has entered into an agreement with Natural Source Energy Systems Inc. (NSESI) to research and develop recreational vehicles and systems-built structures that take advantage of environmentally friendly **biodiesel** fuel and solar power.

"Today, all of us are concerned about the degradation of our environment, and not just about energy costs. 'Green' is good business," said Rick Lavers, chief executive officer of Coachmen Industries. "We are very pleased to have teamed with up NSESI to explore practical applications for solar energy and **biodiesel** fuels, for both our RVs and our housing products."

To begin, Coachmen Industries is providing NSESI with a Sportscoach Class A diesel pusher, a Coachmen Class C diesel motorhome and a Coachmen fifth wheel trailer. NSESI will adapt the Coachmen units to incorporate new state of the art, high efficiency solar panels. Once the prototypes are ready, the companies will put the RVs through extensive testing using solar energy and **biodiesel** fuel across the country.

"We believe that our builders, dealers and customers will respond very positively to this initiative," said Lavers. "All of our products consume energy in their operation. It makes sense to be on the cutting edge of developments to reduce their cost of operation and emissions through alternative energy sources and renewable energy."

NSESI is a multinational corporation that has been working on developing renewable energy products since 2005. Earlier this year, the company began marketing a wide variety of products including photovoltaic cells, solar heat panels, solar water heaters and **biodiesel** fuels.

Matt Schaub, marketing manager for NSESI, said his company is seeking to convert the motorhomes to run on **biodiesel** fuel and to use solar panels to generate onboard power. "Our objective is to reduce RV reliance on generators as a secondary power source. Using solar panels to generate the electric power an RV needs is quieter, and why burn fossil fuels when you can get the energy free from the sun?" said Schaub.

Coachmen Industries and NSESI also are looking at NSESI's solar technology for applications that can be used by Coachmen Industries' modular housing division. "When directly overhead, the sun produces approximately 1,000 Watts of electrical power per square meter," said Schaub. "While the usable energy extracted from that will depend on a variety of factors, a reasonably sized and efficient array of solar panels can produce significant power. This can make homes much less dependent on fossil fuels for energy."

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"It is too early to discuss when this technology will go into production. We have a tremendous amount of testing to do before we begin building RVs or structures with solar panels, but we are excited about the prospect of improving the energy efficiency of our product offerings," concluded Lavers.

Coachmen Industries, Inc., through its prominent industry subsidiaries, is one of America's leading manufacturers of recreational vehicles, systems-built homes and commercial buildings. The Company's well-known RV brand names include COACHMEN[®], GEORGIE BOY[®], SPORTSCOACH[®] and VIKING[®]. Coachmen's ALL AMERICAN HOMES subsidiary is one of the nation's largest producers of systems-built homes, and also a major builder of multi-family residential and commercial structures with its ALL AMERICAN BUILDING SYSTEMS[®] products. Coachmen Industries, Inc. is a publicly held company with stock listed on the New York Stock Exchange (NYSE) under the ticker COA.

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