

# Welcome to Sunwin

# Sunwin Introduction

# Sunwin Introduction

## Ownership



**VOLVO (China) INVESTMENT CORP.**

**VOLVO BUS CORP.**

**SHANGHAI AUTOMOTIVE  
INDUSTRY (GROUP) CORP.**

**45%**

**5%**

**50%**

**Registered Capital**

**54 Million USD**

**Business scope**

**City bus, commuter bus, chassis, body,  
parts, accessories**

# Sunwin Introduction

## Ownership

- 1) 50% to 50% joint venture between Shanghai Automotive Industry Corporation (Group) and Volvo.
- 2) Some facts about Shanghai Automotive Industry Corporation (Group) :
  - SAIC through own companies and joint ventures mainly manufactures cars, buses, tractors, motorcycles, trucks and related components. SAIC is one of 3 big auto groups in China, which is strongly supported by Chinese government. For many years, SAIC is No.1 of top 500 industrial enterprises in China.
  - SAIC has established 58 joint venture companies. Foreign partners are from Germany, USA, Japan, U.K, France, Italy, Sweden, etc. Total number of employees is around 60,000. SAIC also owns sales company, import & export company, finance company, development company, IS/IT company.
  - SAIC will actively upgrade product mix, explore more overseas markets, accelerate its own ability for development and research. 3 big strategic objectives for SAIC by 2007 are: annual output reaches 1M vehicles, one of the top 500 companies in the world, producing 50,000 vehicles with own brand name.



上海大众



上汽通用五菱  
SAIC GM

申沃客车  
SUNWIN



XINGFU  
幸福摩托



# Sunwin Introduction

## Values

申沃客车  
SUNWIN

**Mission:** To provide the market with our high quality, safe and environment friendly products and customer-oriented service. By creating value for our customers, we create value for our shareholders, employees and the society.

**Vision:** To be valued as China's leading provider of city buses, commuter buses, and aftermarket and public transport solutions; To become one of the best enterprises in Volvo Bus Group.



SAIC Values



满足用户需求

Satisfaction from customer



提高创新能力

Advantage through innovation



集成全球资源

Internationalization in operating



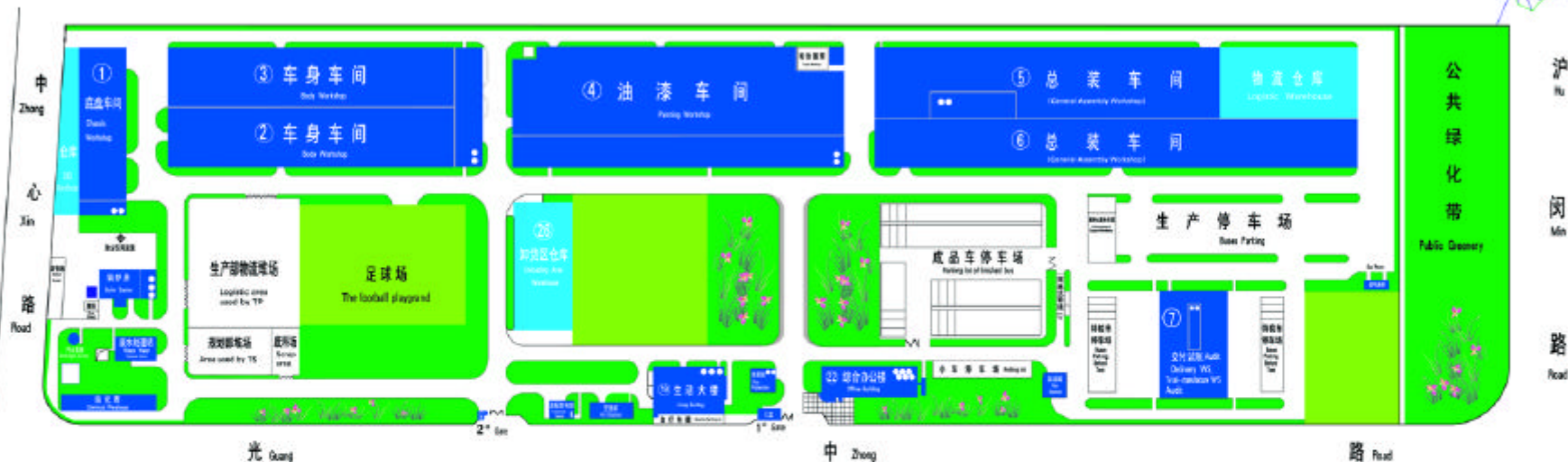
崇尚人本管理

Concentration on people

# Sunwin's Layout

## 上海申沃客车有限公司规划总平面图

The Planning General Lay-out of Shanghai Sunwin Bus Corporation



- 房屋建筑 (Building)
- 仓库 (Warehouse)
- 绿化地带 (Greenery Ground)

主要建筑物编号 (Building No.)	主要建筑物名称 (Main Buildings)	面积 (Area)m <sup>2</sup>
①	底盘车间 (Chassis WS)	2,180
②	车身车间 (Body WS)	10,440
③	车身车间 (Body WS)	10,440
④	油漆车间 (Painting WS)	12,600
⑤	总装车间 (General Assembly WS)	15,264
⑥	总装车间 (General Assembly WS)	15,264
⑦	交付、试制车间 (Audit (Delivery WS, Trial-manufacture WS, Audit)	2,052
19	生活大楼 (Living Building)	4,804
20	综合办公楼 (Office Building)	2,806
21	卸装区仓库 (Unloading Area Warehouse)	1,880

序号 (No.)	项目 (Items)	单位 (Unit)	指标 (Index)
1	厂区面积 (Total Area)	m <sup>2</sup>	133,680
2	建筑物占地面积 (Building Area)	m <sup>2</sup>	62,236
3	建筑物展开面积 (Developed Building Area)	m <sup>2</sup>	63,681
4	建筑系数 (Construction Coefficient)	%	39.08
5	建筑容积率 (Plot Ratio)	%	47.8
6	绿化面积 (Green Area)	m <sup>2</sup>	20,119
7	绿化率 (Green Rate)	%	15.05
8	集中绿化面积 (Large Place Green Area)	m <sup>2</sup>	10,520
9	集中绿化率 (Large Place Green Area Rate)	%	5.43
10	压缩空气 (Compress A.R)	m <sup>3</sup> /min	50
11	蒸汽 (Steam)	kg/h	6,000x2
12	电力容量 (Electric Power)	KVA	3,260

工厂规划服务部制作  
Plant Planning & Service Dept  
Nov.11,2003

# Sunwin Introduction

## 1. Number of employees (by December 2003)

- Blue collar: 934
- White collar: 289

## 2. Dealers and agents

- Sales: 2
- Service: 11

## 3. Primary responsibilities

- Developing, producing, selling and aftermarket for city and commuter buses.

## 4. Locations for Sunwin managed activities

- Plants: Main plant in Shanghai. A small plant through partnership in Qingdao, Shandong Province, for some local city buses.
- Sales offices: Only in Shanghai so far, but some salesmen located outside Shanghai. Some Agents used.
- Repair and maintenance workshops: None, but a training center in Shanghai.

## 5. Volvo quality system was introduced.

## 6. Sunwin takes full responsibility for all after market activities.

# Products



# Emission Standards

		<u>Today Regulation</u>	<u>Policy</u>
<b>Euro II</b>	National standard	Sept.1, 2004	
	Beijing	Jan.1, 2003	
	Shanghai	Mar.1, 2003	
<b>Euro III</b>	National standard		Year 2008
	Beijing		Year 2005
	Shanghai		End of 2006 or beginning of 2007

# Sunwin Products

**VOLVO chassis**



**SWB6115-3 / 6105-3  
( diesel engine buses)**



**SWB6120KHV-3  
(Volvo New  
Concept city bus)**



**SWB6115Q-3 / CQ-3  
( single-fuel CNG buses)**



**SWB6122 (Volvo  
commuter)**



**SWB5115Q-3 / 5105Q-3  
( trolley buses)**



**SWB6125(Volvo LE)**



# Sunwin Products

## Coach Body for Silver

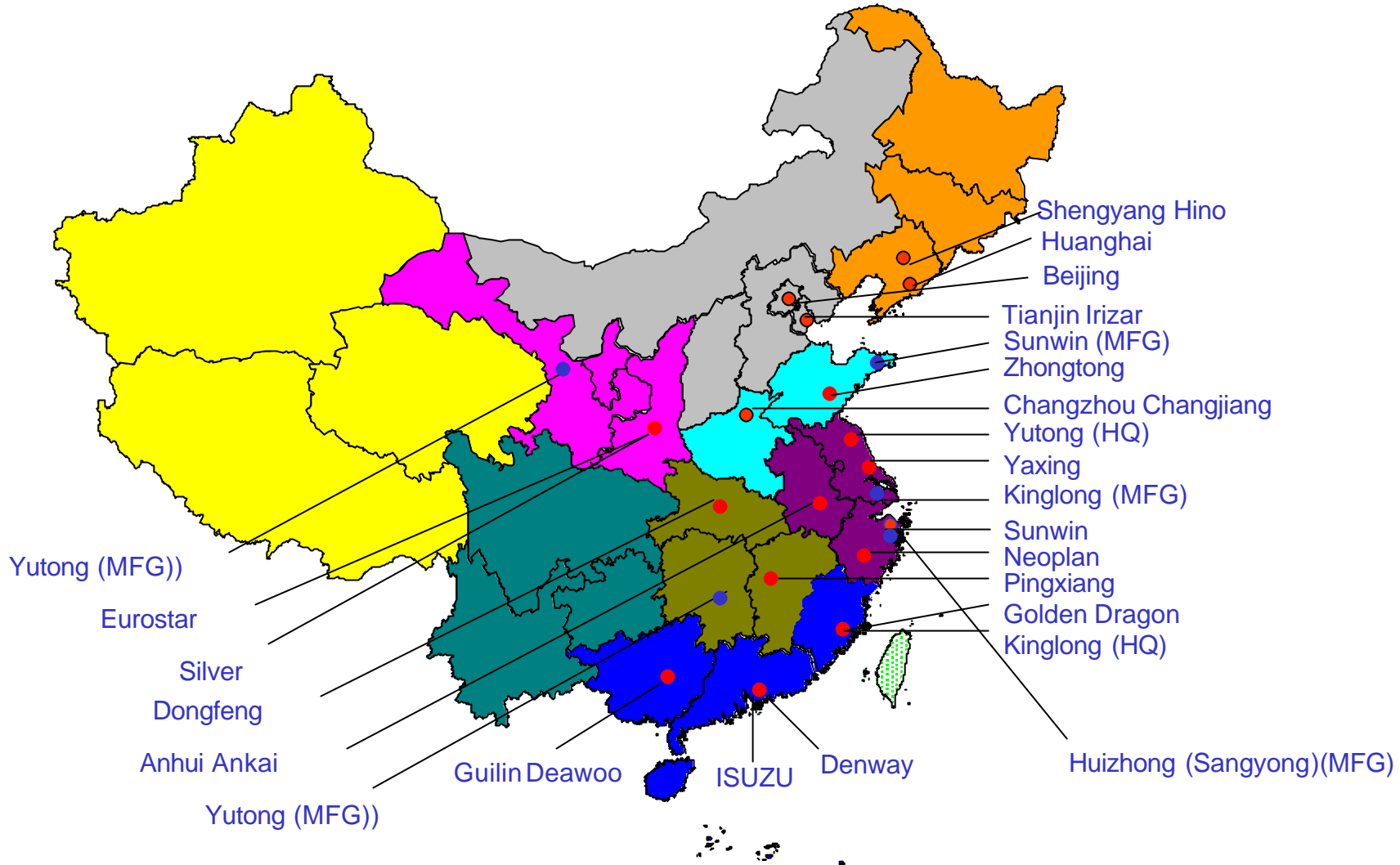




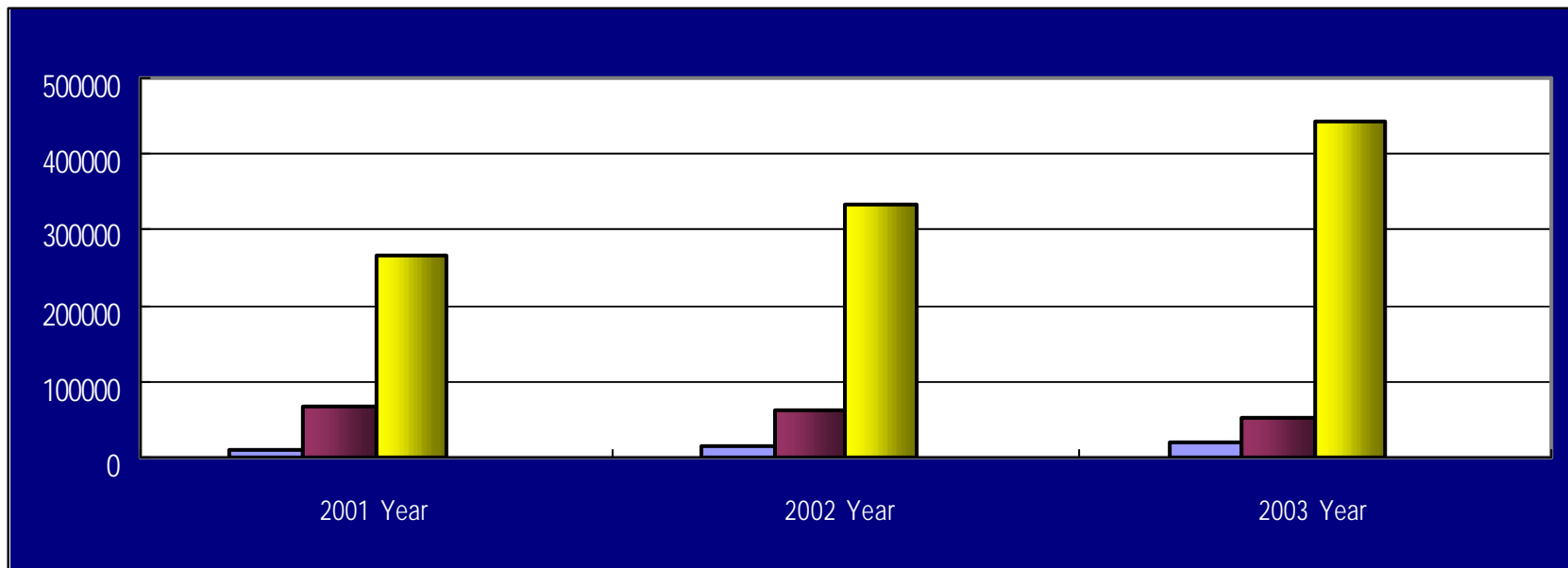
# Market and Sales Information

# Sunwin Introduction

## Business Environment - Competitors Locations



# China Bus General Statistics



	unit	change %	unit	change %	unit	change %
<b>Total</b>	<b>344587</b>	<b>19.0%</b>	<b>414324</b>	<b>20.2%</b>	<b>512360</b>	<b>23.7%</b>
<b>Large Bus</b>	<b>11431</b>	<b>47.6%</b>	<b>16668</b>	<b>45.8%</b>	<b>19003</b>	<b>14.0%</b>
<b>Medium Bus</b>	<b>65932</b>	<b>83.7%</b>	<b>64763</b>	<b>-1.8%</b>	<b>53117</b>	<b>-14.0%</b>
<b>Light Bus</b>	<b>267224</b>	<b>7.8%</b>	<b>332893</b>	<b>24.6%</b>	<b>440240</b>	<b>29.9%</b>

Note: The data from CAAM, body-builders & trolley bus are not included.

## China Large Bus Statistics

Company	Y2001		Y2002			Y2003		
	unit	share%	unit	change%	share%	unit	change%	share%
Yutong	144	1.26%	2032	1311.11%	12.19%	3478	71.16%	18.30%
Dongfeng	3720	32.54%	2778	-25.32%	16.67%	2277	-18.03%	11.98%
Changjiang	1846	16.15%	3468	87.87%	20.81%	2043	-41.09%	10.75%
Xinfuda						1789		9.41%
Anhui Ankai	916	8.01%	1513	65.17%	9.08%	1756	16.06%	9.24%
Sunwin	875	7.65%	842	-3.77%	5.05%	1495	77.55%	7.87%
Huanghai	1145	10.02%	1243	8.56%	7.46%	1156	-7.00%	6.08%
Yaxing	863	7.55%	939	8.81%	5.63%	1102	17.36%	5.80%
SZ Kinglong						779		4.10%
Denway	52	0.45%	486	834.62%	2.92%	428	-11.93%	2.25%
Xi'an Silver	354	3.10%	414	16.95%	2.48%	274	-33.82%	1.44%
Others	1516	13.26%	2953	94.79%	17.72%	2426	-17.85%	12.77%
<b>Total</b>	<b>11431</b>	<b>100.00%</b>	<b>16668</b>	<b>45.81%</b>	<b>100.00%</b>	<b>19003</b>	<b>14.01%</b>	<b>100.00%</b>

**Note:**The data from CAAM, body-builders& trolley bus are not included.



## China Large City Bus Statistics

<i>Company</i>	<i>Y2001</i>		<i>Y2002</i>		<i>Y2003</i>	
	<i>unit</i>	<i>share %</i>	<i>unit</i>	<i>share %</i>	<i>unit</i>	<i>share %</i>
Changjiang	1010	17.9%	1703	22.6%	1706	15.9%
Sunwin	940	16.6%	810	10.7%	1525	14.3%
Beijing Bus	1432	25.4%	1236	16.4%	1400	13.1%
Huanghai	459	8.1%	470	6.2%	1354	12.7%
Kinglong	510	9.0%	992	13.2%	1277	11.9%
Mudan	51	0.9%	117	1.6%	711	6.6%
Guangzhou Denway	73	1.3%	157	2.1%	669	6.3%
Yutong	84	1.5%	697	9.2%	649	6.1%
Yaxing	362	6.4%	404	5.4%	517	4.8%
Pingxiang	162	2.9%	122	1.6%	274	2.6%
Others	563	10.0%	830	11.0%	700	6.5%
<b>Total</b>	<b>5646</b>	<b>100.0%</b>	<b>7538</b>	<b>100.0%</b>	<b>10700</b>	<b>100.0%</b>

**Note:**The data from Automarket, complete bus, body-builders and trolley bus included. The shade area means estimated figure.

## Milestones

<b>Sept. 2000</b>	<b>Sunwin established</b>
<b>June 2001</b>	<b>First Volvo bus delivered</b>
<b>Nov. 2001</b>	<b>1000<sup>th</sup> Sunwin bus delivered</b>
<b>Dec. 2002</b>	<b>First CNG bus delivered</b>
<b>July 2003</b>	<b>1000<sup>th</sup> Volvo bus delivered</b>
<b>Sept. 2003</b>	<b>2000<sup>th</sup> Sunwin bus delivered</b>
<b>Mar. 2004</b>	<b>First Volvo Low Entry delivered</b>
<b>Mar. 2004</b>	<b>1000<sup>th</sup> Volvo bus to Bashi</b>

# Future Focus

西安西沃客車有限公司

XIAN SILVER BUS CORPORATION

**Corporate Presentation**



# 50/50 Joint Venture

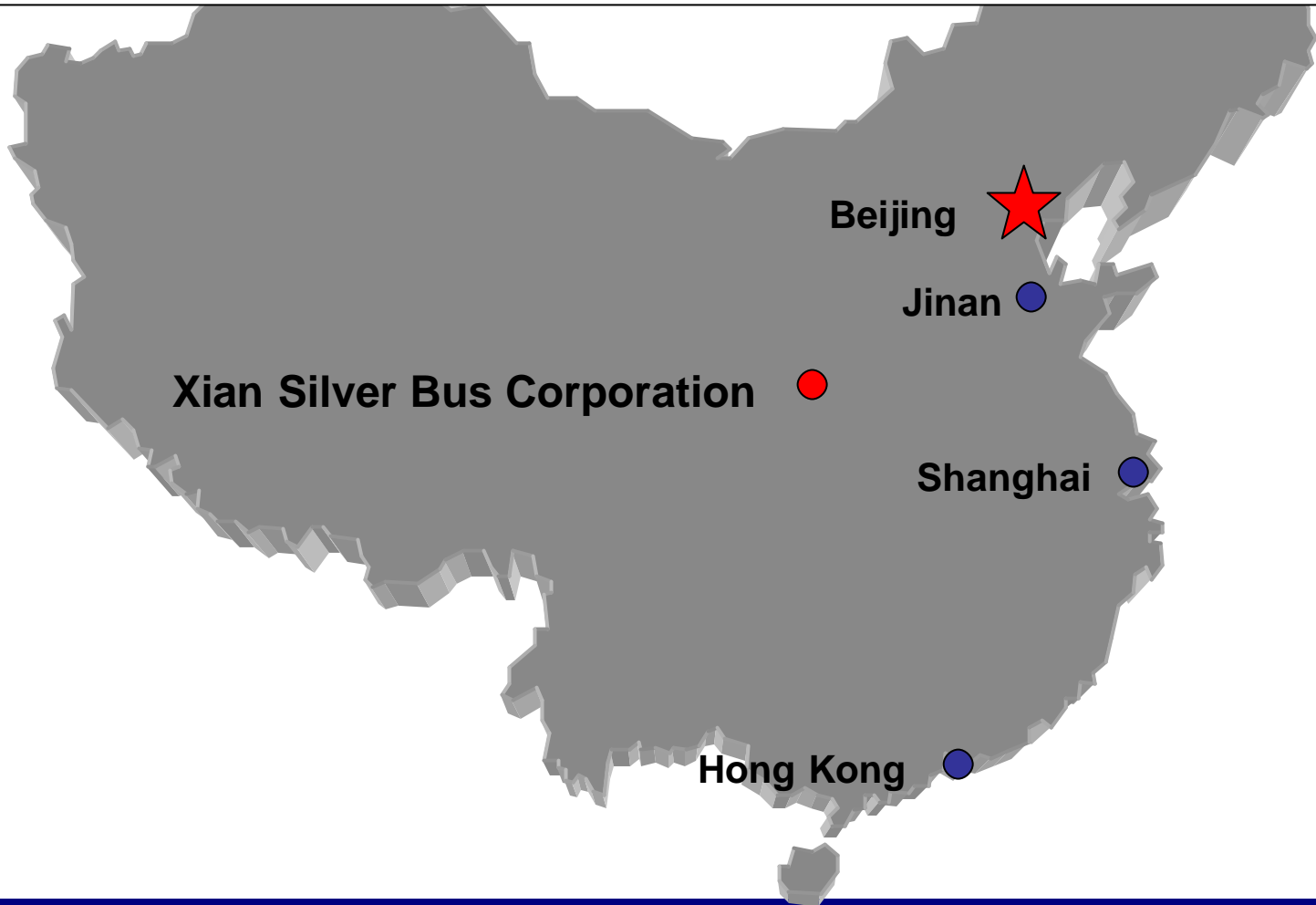
**VOLVO BUSES**



**西安飞机工业(集团)有限责任公司**  
XI'AN AIRCRAFT INDUSTRY(GROUP)COMPANY LTD.



# Our Location



# Silver Introduction

**Mission:** By creating value for our customers, we create value for our shareholders. We use our expertise to create transport-related hard and soft products of superior quality, safety and environmental care for demanding customers in selected segment.

**Vision:** To be valued as China's leading provider of transportation solutions and associated services.

## **Employees:**

- Total 468 employees, among which 186 white collar, 282 blue collar
- 41% college/university educated
- Average age 34

## **Aftermarket:**

- Extensive dealer network: 24 service outlets
- Advanced training support
- Volvo technical support
- Emergency call-out service
- Chinese service and parts literature
- Customer focus

# Silver Bus Corporation Today



- Globally proven VOLVO technology
- World class advanced product development
- Top quality After-Market Services
- Flexible manufacturing
- Sales throughout China
- Customer focus

**The Market Leader in High Grade Luxury Coaches in China**



# Priorities for 2004

- **Key importance is to recover the sales volume growth following the negative effects of the SARS epidemic in 2003.**
- **We have increased Sales and Marketing activities including regional customer conferences and increased top leader customer visits and activities.**
- **We put special focus on the development of key customer relations.**
- **We are introducing the new products launched in the end of 2003 (B12M, B7R Count and B7R Viscount).**
- **We shall introduce an integrated ERP system (SAP Bus Master and Finance Master).**

# Facilities



• New factory opened in 1998

- Total land area 160,000m<sup>2</sup>
- USD 30m investment
- Comprises:
  - Production and testing
  - Product Development
  - Purchasing
  - Finance
  - Aftermarket Service

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# Products

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# Products



- VOLVO chassis
- Latest European technology
- High quality and reliability
- Focus on safety
- Designed for Chinese market
- Low operating cost
- High resale value

# Product Development



- CATIA V5 3D design system
- VOLVO technology
- Customer focus
- Highly skilled designers
- Comprehensive testing

2000

B10M



2001

B10M



2002

B10M



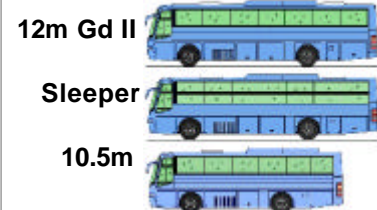
2003

B10M



2004

B10M



B7R



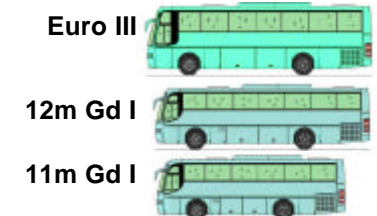
B7R



B7R



B7R



B12M



B12M



**B12M**



**B7R Count**



**B7R Viscount**





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# Marketing & Sales

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# Sales & Marketing



- Sales through-out China
- Skilled sales staff
- Customer focus
- Customer support offerings
- Adapted products

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# Milestones

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# Milestones

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- April '94 Silver Bus established
  - February '95 First B10M coach delivered
  - April '96 100<sup>th</sup> B10M delivered
  - March '99 1<sup>st</sup> B10M reaches 1 million km without overhaul
  - August '99 1000<sup>th</sup> coach delivered
  - June '00 Launch of new B10M aluminium body
  - June '01 Launch of steel body B7R
  - May '02 2000<sup>th</sup> coach delivered
  - July '02 B10M sleeper bus launched
  - September '03 Launch of new product range

**Thank you!**