

N99010EN / Annica Ahlberg
20 January 1999

Scania invests in Australia

- inaugurates new head office

Wednesday saw Scania's inauguration of its new head office for importer operations in Australia. The new facility, located in Melbourne, represents an investment of 50 million kronor and becomes the headquarters for Scania's operations in the state of Victoria.

"This investment marks our continued long-term focus on the Australian market," says Claes Torén, Senior Vice President Sales and Marketing Overseas." Scania's share of the truck market is approaching the 10-percent mark, while the company has been market-leader in the bus sector for the past six years with a market share of about 30 percent."

Mark Birrell, Minister of Trade and Industry in the state of Victoria, inaugurated the new facility together with Claes Torén and Håkan Eriksson, MD of Scania's wholly-owned subsidiary, Scania Australia Pty Ltd. The event was spiced with additional Swedish presence in the form of tennis star Niklas Kulti, who is competing in the Australian Open in Melbourne.

Scania's successes in the heavy-truck segment in Australia have been achieved in the face of tough competition from just about every manufacturer. The Australian market is served by manufacturers from Europe, Japan and the USA. There are about 20 manufacturers competing on a total market of around 5,000 heavy trucks.

The new complex covers 27,000 square metres. It is owned by Scania and contains a variety of facilities including the main building with service workshops, central warehouse, training centre, restaurant, cafeteria and 40-seat conference centre.

The workshop and warehouse are designed entirely around the latest advances in IT technology, with 700 computer terminals providing round-the-clock access to Scania's network of technical and financial information. The new centre's parts supply system for the entire Australian market is integrated into Scania's global logistical structure.

For further information, please contact Ulf Söderström, tel +46 70 680 9595 or +46 8 553 81044.

Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. With 23,800 employees and production facilities in Europe and Latin America, Scania is one of the most profitable companies in its sector. In 1997, turnover totalled SEK 39,700 million and income after financial items SEK 2,800 million. Scania products are marketed in about 100 countries worldwide and approximately 95% of total production is sold outside Sweden.

Scania press releases are available on the Internet, www.scania.com