



SCANIA

PRESS info

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Breakthrough for Scania:

340 buses to South Africa

Scania has signed an agreement for the sale of 340 intercity buses to South Africa. The deal, worth about 320 million Swedish kronor, was signed on Friday by Scania's wholly owned subsidiary Scania South Africa (Pty) Ltd and Great North Transport. The signing ceremony was held in Johannesburg during the ongoing Sweden South Africa Partnership week.

Jan Jarlhage, MD of Scania South Africa, expressed his satisfaction over the agreement:

"This is Scania's largest-ever bus deal in southern Africa and one of the largest ever in South Africa. It represents a breakthrough on this vast continent for Scania's robust F-bus concept, which was specially developed for operation in areas with highly varying road standards.

"And of course we're delighted that the deal is generating about a hundred new jobs in the country," continues Jan Jarlhage.

The first deliveries will take place in April 2000, with the final buses scheduled for delivery 18 months later.

Chassis assembly and bodybuilding will both take place locally in South Africa within the framework of a new partnership between Scania and Great North Transport. The agreement also includes a full vehicle management support programme, whereby Scania will operate the service workshops.

Furthermore, the deal has promoted close co-operation between Scania and the official traffic and transport authorities in Northern Province. They will work together on the creation of timetables and route networks to develop bus operations throughout the region.

The Swedish South African Partnership week also provided the backdrop to a road safety seminar organised by Scania on the Gallagher Estate just outside Johannesburg. There was considerable emphasis on the need for safer passenger transport in South Africa, which suffers from a very high road-accident rate.

"The agreement covering 340 modern intercity buses is a major step on the road to safer traffic in South Africa," said Jan Jarlhage. "What is more, these new buses will help improve the traffic environment since they are all equipped with Scania's Euro 2 nine-litre engines."

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Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. With 23,500 employees and production facilities in Europe and Latin America, Scania is one of the most profitable companies in its sector. In 1998, turnover totalled SEK 45,300 million and income after financial items SEK 3,200 million. Scania products are marketed in about 100 countries worldwide and approximately 96 percent of total production is sold outside Sweden.

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