



SCANIA

PRESS info

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Growth in Scania's overseas business:

New assembly plants in Algeria, Taiwan and Iran

Scania's rapidly growing sales in non-European markets – in which deliveries increased by 16% last year – have resulted in a decision to establish new assembly plants in Algeria, Taiwan and Iran.

In Algeria, Scania is working with its local partner, Mavia, to establish Scania trucks and buses as quickly as possible in the country. Scania will soon commence truck assembly at Oued Smar, near Algiers, in a plant with an initial capacity of 300 vehicles per year.

Mavia (Montage Assemblage Véhicules Industriels) expects to employ about 100 people initially. The annual capacity of 300 heavy vehicles may be increased successively.

The Taiwanese facility will assemble both truck and bus chassis from components manufactured in Sweden. The plant is being established under its own auspices by Forefront International, Scania's distributor for Taiwan and China.

"We are predicting an annual volume of about 400-500 vehicle chassis," comments Torsten Linder, export manager at Scania's Hong Kong office, which coordinates Scania's business in China, Hong Kong, Taiwan, Vietnam and the Philippines.

The facility in Iran will assemble buses at the rate of 200 vehicles per year. Scania will supply bodybuilder Oghab, its Iranian partner, with CKD kits for local assembly of the finished vehicles.

"Operations will commence in the autumn and we plan to produce 150 city buses this year," says Mikael Kyander, export manager and director of the Iran project. "From next year on, the volume will increase to 200 buses annually and is expected to grow further as time goes on."

Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. With 28,200 employees and production facilities in Europe and Latin America, Scania is one of the most profitable companies in its sector. In 2002, turnover totalled SEK 47,000 million and the result after financial items was SEK 3,700 million. Scania products are marketed in about 100 countries worldwide and some 95 percent of Scania's vehicles are sold outside Sweden.

Bus chassis production takes place in Sweden, Brazil and Mexico and bodybuilding in Sweden, Poland and Russia.

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

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