

EN ROUTE

| YUTONG NEWSLETTER

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EN ROUTE

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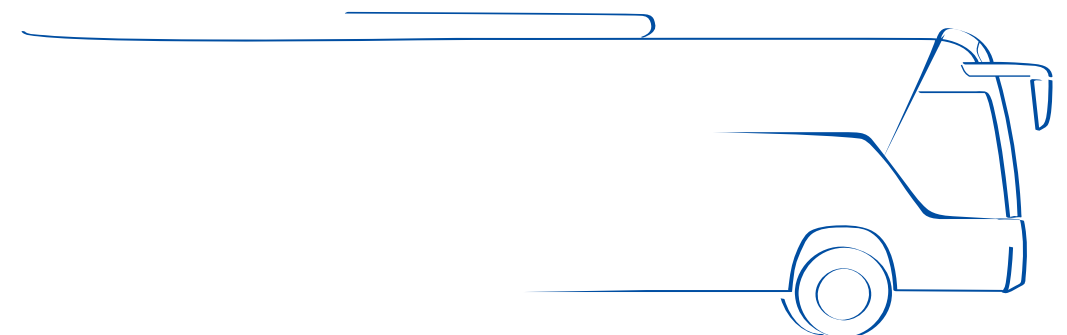
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Singapore will usher in Euro VI emission standard from January 2018

The National Environment Agency (NEA) announced recently that The Euro VI emission standard for new diesel vehicles is set to come into force in Singapore from 1 January 2018.

The Euro VI is the latest vehicular emission standard set by the European Union (EU), which is more stringent in the emission of nitrogen oxides (NO_x) and fine particulate matter (PM_{2.5}). Currently, the standard for diesel vehicles in Singapore is Euro V.

The National Environment Agency (NEA) has been

consulting the automotive industry since early 2014 on the new standard and the automobile companies need sufficient lead time to develop the technology to meet the emission requirements.

Additionally, NEA will accept diesel vehicles that meet Japanese emission standard (JPN 2009 and Post-Post New Long-Term (PPNLT) emission regulations for light and heavy duty diesel vehicles respectively) as meeting the Euro VI standard, provided that their Particulate Number (PN) emission can meet the Euro VI limit.



42 African countries agree to endorse a sustainable transport framework



The Africa Sustainable Transport Forum (ASTF) held its 1st Ministerial and Experts Conference on 28 to 30 October 2014 at the UN Headquarters in Nairobi, Kenya. 42 African countries have agreed to endorse a sustainability plan for transport to promote the establishment of transport framework with low-pollution, low-energy consumption and environment-friendly model.

According to the plan, African countries would promote low-emission vehicles, encourage the development of high quality public bus and increase the investment in clean energy. Through these policies, the African countries would improve the transportation so as to reduce the greenhouse gas emission.

In attendance was also UN Secretary-General Ban Ki-moon. "Your commitment to develop and maintain reliable, modern, sustainable and affordable infrastructure in both rural and urban areas is in line with the emerging African Agenda 2063 and the associated Common African Position on the post-2015 development agenda," said Mr. Ban. ASTF is held jointly by UNEP, World Bank and UN-Habitat, and aims at establishing a high level dialogue platform and promote green, environment-friendly and sustainable transport in African continent.

Before then, Asia and Latin America have their own sustainable transport forum.

Yutong Bus releases output and sales data of Jul. 2015

	Jul. 2015(unit)	Jan-Jul. 2015(unit)
Output	7,332	32,649
Large Bus	2,526	12,217
Medium Bus	2,496	13,877
Light Bus	2,310	6,555
Sales	6,714	30,793
Large Bus	2,690	12,028
Medium Bus	2,097	13,165
Light Bus	1,927	5,600

Note: This table shows the express data, the final report is subject to the company's regular report.

From the above table we can see, 6,714 buses and coaches were delivered in July. From January to June, the accumulated sales volume reached 30,793 units.



Travel & City reen

Yutong rolls out integrated solution program of electric city buses



A promotion of Yutong's integrated solution program of electric city buses was held in Zhengzhou on Apr. 17, 2015. Zhu Guanghai, deputy director of National Research Center on Electronic Control & Safety Engineering Technology of Electric Buses, and deputy director of New Energy Technology Dept. of Yutong Bus, demonstrated the high reliability and safety standards of Yutong electric buses through substantial data.

Equipped with annular frame member structure, Yutong electric buses are less prone to deformation after collision. With high anti-rollover safety standards, Yutong E7 has upped its rollover angle to 45 degrees, way above the 28 degrees, the national standard set by the government. In addition, Yutong electric bus has reached IP67 in its protection level and is able to wade in a water level, which is higher than that of the conventional buses. The bus maker also provides five-year warranty and eight-year extended warranty for the batteries of its electric vehicles. Moreover, its battery can still store no less than 70% of energy after recharging and discharging for 4,000 times.

According to the customers' specific demands, Yutong is able to provide a variety of electric buses which boast a continuous driving mileage from 100 kilometers to 400 kilometers. Suitable for running on all normal road conditions, Yutong electric buses have a whole range of power driveline available. It only takes 8.22 seconds for Yutong E7 to reach a speed of 50 kilometers per hour from a standstill. The vehicle also has no problem at all for running up a slope with 20% gradient. According to Zhu Guanghai, the data above have already indicated that Yutong electric buses have reached maturity for all-out marketization.

Apart from its high safety standards and high reliability, Yutong electric buses also achieve high customer satisfaction in terms of its operating costs. Foshan Xinxieli Automobile Transportation Company has 30 units of Yutong electric buses in operation. Measuring eight-meters in length, the bus helps Xinxieli cut operating costs by 0.58 RMB per kilometer.



In an effort to fully solve customers' concerns, Yutong thus comes up with an integrated electric bus operation solution, which includes four independent programs, namely E-products, Easy Compatibility, Eased Services and Efficient Financing Plans.

E-products put emphasis on technological level. With convincing data and high standards, the buses deliver highly impressive performances which drive away customers' concerns for the safety and reliability of electric buses. Easy Compatibility solves the challenges of energy recharging faced by many electric buses at current stage. Yutong electric buses can freely choose to be recharged in the slow manner, quick manner or battery replacement. In addition, the bus maker also helps its customers build recharging stations. Eased Services, such as five-year warranty and eight-year extended warranty of the vehicles' key spare parts, fully demonstrate the company's commitment to providing its customers with unparalleled services. The bus maker also promises to deliver the key spare parts within one day. What's more, Yutong also offers all possible assistances to its customers for applying for government subsidies. Yutong's Efficient Financing Plans greatly helps those customers in short of cash and thus speeds up the application of electric buses.

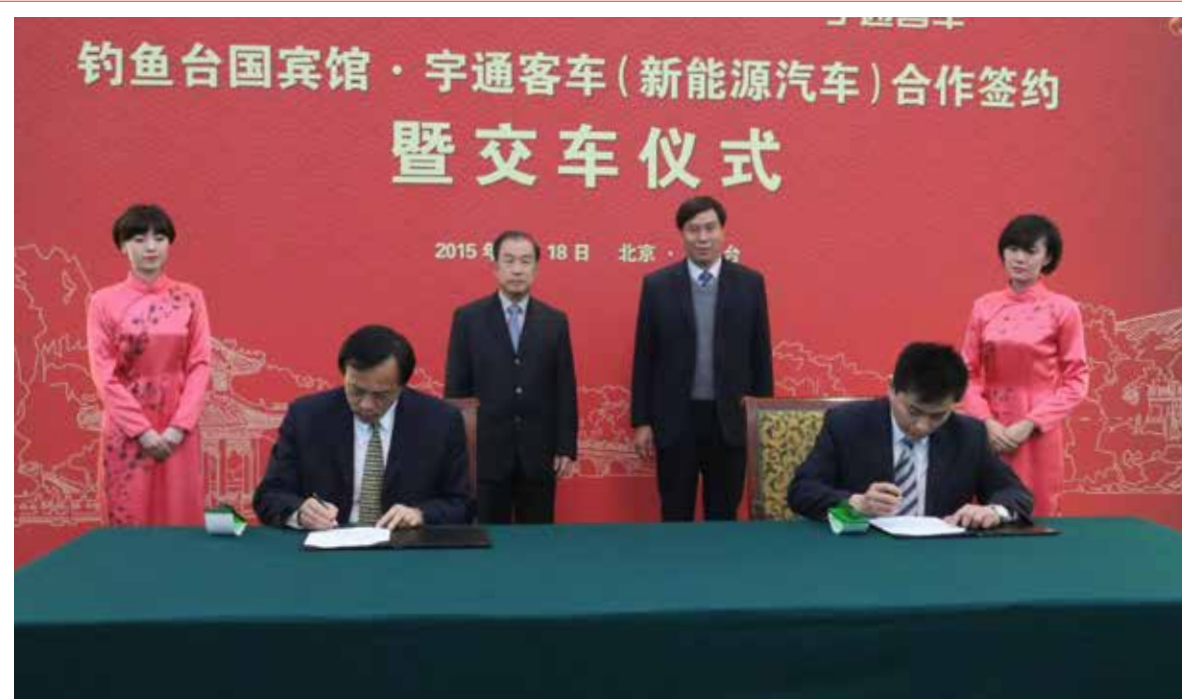




Yutong full electric bus E7 delivered to State Guest House

On Mar. 18, 2015, two units of Yutong E7 full electric buses were officially delivered to Diaoyutai State Guest House in Beijing. According to sources, China Development Forum 2015 Summit organized by State Council Development &

Research Center will be held here three days later. Yutong E7 electric buses are designated to serve all distinguished guests from all over the world.



In 2014 when President Xi Jinping was visiting Shanghai, he made the remark that developing new energy vehicles is the inevitable way for transforming China from a big vehicle production country to a competitive vehicle manufacturing country. In addition, Premier Li Keqiang also conducted several field researches on the promotion and popularization of new energy vehicles.

According to the person-in-charge from Yutong, the E7 electric bus is a vehicle model newly developed by Yutong R&D team after three years hard work. It has successfully solved a number of pressing problems for the spread of electric vehicles, such as cutting their operating costs, adding more stations for recharging and improving their reliability.

Adopting highly integrated modular structure and ReCtrl technology, E7 cuts the number of spare parts of the vehicle by 57%. With more compact structure and higher reliability, it helps operators cut maintenance costs significantly. What's more, the vehicle consumes 0.3 kilowatt of electricity per kilometer, about 0.3 RMB in terms of operating costs, which is way below an ordinary gas/oil powered vehicle. With even higher power efficiency than a gas-fueled taxi, it is five times stronger than a taxi. More importantly, Yutong E7 bus has entirely freed itself from the geographic restrictions caused by the limited number of recharging stations and realized a trouble-free in-time recharging solution. It can be fully recharged in one hour by 380V voltage power outlet or in six to eight hours by normal 220V voltage power outlet.

Since its debut in 2014, Yutong E7 has won increasing popularity among its customers. A total number of nearly 2,000 units are now in service across the nation, which is an impressive achievement for a new bus model.

According to Li Gaopeng, head of Yutong Institute for Bus Technology Research, the bus maker's now boasts well developed electric bus technologies. For example, annular frame member structure can stand strong collision without deformation; its vehicles enjoy high stability while in operation. The rollover angle of E7 reaches 45 degrees, way above the 28 degrees set by the national standard; its electric buses reach IP67 safety standard and are capable of running in deeper waters than normal buses; the company also provides five years quality guarantee and eight years extension quality guarantee for its batteries, which can still boast 70%-plus power storage after 5,000 times recharging; upon customers' request, the company is able to roll out electric buses with a continuous driving capability of 100 to 400 kilometers; its driveline can easily meet the normal road conditions; what's more, the bus maker has rolled out a number of customer-friendly solutions, such as easy vehicle spare parts configuration, easy service and financing plans.

The choice of Yutong E7 serving at Diaoyutai State Guest House fully demonstrates the new development stage for China's new energy vehicle industry. It also showcases the customer's recognition of the vehicle's reliability and performance.



30 units of Yutong E8 full electric buses adopt new fast recharging solution

For those electric bus operators, the cost of recharging is always their top concerns. Shunde Public Transport in Foshan, Guangdong recently introduced Yutong E8 electric buses with innovative fast-recharging solutions. To date, the energy efficient buses have been delivering impressively satisfactory performances to the local public and profits to the operator as well.

The secret of the new power recharging solution of Yutong E8 bus lies in cutting the electricity bill to the minimum by recharging the vehicle at night when the electricity rate is at its lowest.

As a private bus operator, Foshan Xinxieli Public Transport Co., Ltd. takes its profitability very seriously. In response to the governments' new requirements on urban public transport vehicles, Yutong came up with the brand new power recharging solutions which help bus get recharged quickly and save energy at the same time. In addition, the bus maker is also able to provide its customers with tailor-made products according to their specific operation conditions for electric buses. Currently, its advanced electric bus can drive 250 kilometers continuously in the day time after fully recharged at night, fully meeting the strict demands for urban transportation. Recharging the vehicle at night when electricity consumption is low also helps bus operators cut operating costs.



To ensure the profitability of bus operators, the vehicles to be operated must reach high reliability standards and are able to meet the high demands for regular duty operations. Yutong E8 is among the top quality vehicles which fully meet the stringent requirements for overall performances.

For electric buses, the quality of its batteries directly affects the overall quality standards of the vehicle. According to the bus maker, the motors, electric control system and other spare parts mounted on Yutong E8 have all reached IP67 Safety Standards. Moreover, featuring lighter weight, high safety standards and top services, the bus fully guarantees its profitability for its bus operator in Shunde.



Jointly developed by Yutong and Xinxieli, the new power recharging solution is a systematic project for the promotion of electric buses. After a comprehensive consideration of the vehicle's driving capability, energy consumption, overall performance, as well as urban road conditions and bus route distances, the new solution can best suit the needs of the local bus operator. The smooth operation of 30 units Yutong E8 buses once again demonstrates the bus maker's competitive strength in the new energy vehicle field.

34 Yutong hybrid buses to be operated in Tibet



On the morning of June 9, a delivery ceremony was held in the yard of Dongga Branch, Lhasa Public Transport to mark the operation of new energy buses on the Bus Route No.16. According to the company, 34 units of Yutong gas-electric hybrid buses will soon be put on the road in Lhasa, capital city of Tibet Autonomous Region.

In recent years, Lhasa Public Transport Group has taken a number of measures to initiate the green public transport. In this year alone, a total number of 147 units new energy buses will be put on the road, including 27 units electric buses and 120 units of gas-electric hybrid buses. Equipped with gas engines, the gas-electric hybrid buses are new types of environmentally friendly vehicles which can be driven by electric motors. These hybrid buses are expected to provide a green travel solution for local citizens.

Equipped with 27 seats, Yutong gas-electric hybrid buses are more compactly built. More passenger-friendly facilities can also be found on board. For example, right behind the driver's cockpit, a first-aid kit is placed to help passengers in emergency cases.

In the meantime, the self-breaking glass device is mounted near the side windows of the bus. In some emergency cases, the device will break the window glass in the shortest possible time without hurting passengers but help them escape. The red vehicle stopping button can be seen near the handrail of the rear door of the bus. During the rush hour when the bus is fully packed, passengers can use the button to make a request for stopping the vehicle at bus stops.

According to Dongga Branch, Lhasa Public Transport Company, the No.16 Bus Route has a one-way distance of 26.2 kilometers. At varied times and different bus stops, it usually sees very huge changes in passenger flow. To fully meet local citizens' needs and maximize the use of the vehicles, the company adopts a highly flexible operation mode which sees a bus getting out of the bus terminal every five minutes and puts all bus fleet on the road during the rush hour. When it's less busy and there is less demand, a decreased number of vehicles are working on the road and buses start operation every seven minutes at the bus terminals.



The 2nd Yutong-LA summit forum held successfully



ss. Motivated by the backdrop that the Chile's national soccer team won the America Cup for the first time and they attended the parade in a Yutong bus, the customers and Yutong staff took part in the beach soccer competition held by Yutong, and the dealers and customers from Chile won the championship in the competition.

During the event, Yutong also organized meetings of business communication. Yutong introduced its outstanding achievements at home and abroad as well as its plan in the future to the participants of the meeting, enabling them to know more about Yutong's corporate strength and cultural heritage. After the meeting, the dealers and customers from Colombia, Chile, Cuba, Venezuela and other countries shared their experience and feeling during their cooperation process with Yutong.

The event advocated Yutong's philosophy of "Become the long-term trusted partner" and "Customer-orientation", enhanced Yutong's brand recognition among the customers and improved their confidence to cooperate with Yutong.

As a regional marketing activity, the Yutong-Latin American Partners Summit Forum not only set up a communication platform for dealers, customers and Yutong, but also made the dealers and customers really feel the "Customer-orientation" corporate culture. It has become Yutong's iconic marketing activities in Latin America.



Yutong wins China's first permit to produce full cell buses



Recently, Yutong was given the permit by China's Ministry of Industry and Information Technology (MIIT) to produce fuel cell buses, which have been officially put on the list of new vehicle products. Thus, Yutong becomes China's first commercial vehicle producer qualified for making fuel cell buses. The permit awarded to Yutong also marks the beginning of commercialization of fuel cell buses in China.

Fuel cell vehicles have pointed the ultimate direction for the development of new energy vehicles. For all these years, Yutong has been attaching great importance to the technological advancement of fuel cell buses. As early as 2009, the bus maker rolled out its first generation fuel cell buses. In the next few years, the company has gradually mastered the core technologies in this field, such as fuel cell bus control technologies, system compatibility and technological integration, and in-wheel driving motor control systems. In 2013, Yutong introduced a new generation of fuel cell buses, which adopt low-floor access, in-wheel driving motor systems and advanced communication technologies. In addition, with highly pressured hydrogen in its store, the vehicle is able to meet the needs for public transport after a single refill of hydrogen.

In order to take the lead in fuel cell bus development, Yutong has been making heavy investments in this field. So far, it has established a professional R&D team led by highly skilled staff, all of whom are PhD. holders in such fields as vehicle engineering and chemical engineering. The team has been sparing no effort in making new innovations in a number of frontier areas, such as vehicle control, fuel cell integration and control, driveline matching and integration, motor and related control, vehicle and related spare parts certification. By joining hands with a few well renowned research institutions and universities, it has been constantly making new breakthroughs. Now, boasting a strong professional R&D team, Yutong is fully capable of developing and producing fuel cell buses. Moreover, it is highly competent in purchasing and managing related spare parts, selling fuel cell buses, providing related after-sale services, and ensuring the quality and reliability of its products. To speed up the research and development of fuel cell buses, Yutong has completed the construction of hydrogen refilling stations for vehicles in Beijing, Shanghai and a third city in central China, significantly boosting the sustainable growth of fuel cell buses in these cities.

After winning the permit for producing fuel cell buses from MIIT, Yutong has laid a solid foundation for the popularization of fuel cell buses in the commercial vehicle industry. As it clearly demonstrates government's full recognition of Yutong's achievements in such a promising field, winning the permit also marks a new milestone in China's fuel cell bus industry.



Yutong T7 conquers 5,030-meter altitude



On July 21, Yutong T7 Long-March Tour officially kicked off in Lhasa, the well-known holy city with an altitude of 3658 meters. Right before the event, Yutong T7 successfully passed Yamdrok Tso lake (4,441 meters above sea level), one of the three holy lakes in Tibet, and Gangbala Mountain, which is 5030 meters above the sea level.

From Lhasa to Yamdrok Tso lake, the distance is over 70 km. However, the narrow road is not well maintained and has many bends. Yutong T7, as a high-end bus for official and business use, fully demonstrates its high reliability and safety standards.



According to the bus maker, Yutong T7 adopts 6.0 liter V8 engine made by the US-based GM. With a horsepower of 315 (232 kilowatts) and a torque of 490 N·m, T7 easily climbs an uphill of over 20 kilometers. Moreover, the rotational speed of its engine stays between 1,500 and 2,000 RPM, showing high fuel efficiency level.

Due to the large number of sharp bends on the roads in Tibet, bus drivers are faced with many challenges. Yutong T7 is equipped with Allison 1000 automatic transmission from US, which boasts well tried technologies and has been widely used on RV chassis. The highly reliable transmission has not only greatly improved Yutong T7's safety standards, but it offers more travel comforts for passengers.



Yutong T7 started its Long-March Quality Tour in Beijing in June this year. So far, it has visited Tianjin, Shenyang, Harbin, Hohhot, Yinchuan, etc. From Xining to Lhasa, T7 drove nearly 72 hours continuously and has successfully conquered a host of challenges posed along the most demanding road in the world.

So far, T7 has successfully passed high altitude test, and high & low temperature. No matter it's 40 degrees or minus 30 degrees or over 4,000 high above the sea level, Yutong T7 confidently delivers highly reliable performances, reaching an impressive power level, fuel economy, braking capability and stability. When T7 was in Lhasa, it also passed a number of stringent tests, such as air quality test, controllability test on S-bend, maneuverability test and stability test, etc. In an acceleration test, Yutong increases its speed from 60km/h to 100 km/h in far less than 25.5 seconds.

Yutong signs a \$361 million deal with Venezuela

During this year's NPC and CPPCC sessions, the government came up with "Made in China 2025" Initiative, which is aimed at transforming the nation from a huge manufacturing base to a strong manufacturing center in the world. As a representative of Chinese bus makers, Yutong recently successfully secured a deal worth 361 million USD, fully demonstrating its rising competitive strengths in the overseas markets.



On Apr. 2, Yutong officially signed a sales agreement for providing 2,300 units of buses in knocked down (KD) style to Fontur Corporation, which is attached to the Ministry of Land Transportation of the Bolivarian Republic of Venezuela. With a total value of 361 million USD (excluding value added tax), the first batch of 800 units of Yutong buses are expected to arrive in Venezuela this year and the rest 1,500 units will be delivered in 2016.



Since its entry in the South American nation, Yutong has witnessed steady growth in Venezuela in recent years.

In Nov. 2011



Yutong won a deal of 1.49 billion RMB from Venezuela.

In Sept. 2013



Yutong contracted a sales of 2,000 units buses with the public transportation system in Venezuela.

In July, 2014



Yutong signed a memorandum with Venezuela for providing 1,500 units buses as well as spare parts, tools, maintenance and intelligent public transport operation management systems.

In Apr. 2015



Yutong signed another contract of selling 2,300 units buses in KD style with a total value of 361 million USD.

Future



In July, 2014, Yutong, together with the Ministry of Industry and the Ministry of Land Transportation of Venezuela signed a framework agreement for jointly building bus manufacturing factories in the country. The move is a new milestone for the bus maker, signaling its upgrading from an exporter of products to an exporter of technologies. With its state-of-art bus manufacturing technologies, Yutong has not only gained new opportunities to reach a wider market in Venezuela, but also it has obtained higher visibility in its neighboring countries in Latin America.

Currently, Yutong boasts a formidable presence in the large and medium bus markets in a number of nations in Latin America. Take Cuba and Venezuela for example, it

has grown into one of the major bus suppliers in the local markets. According to sources, over 90% of the newly replaced buses in recent two years are branded with Yutong, indicating the predominant position of the bus brand.

Apart from its growing presence in Latin America, Yutong has also successfully made its way into over 120 countries and region in the Middle East, CIS, Asia-Pacific Region, Africa, Europe as well as USA. In 2014, the company maintained its leading position as China's largest bus exporter with its total export value reaching 730 million USD, which accounts for one third of China's total bus export revenue.

Handover ceremony of Yutong buses held in Dominican Republic

Yutong signed a 22-unit contract with ASETRAN company, which is affiliated to the largest transport association CONATRA. This is also the largest purchasing order of buses for Dominican Republic in 2014. The handover ceremony of Yutong buses was held in Romana, Dominican Republic on March 25, 2015.

Nearly 200 people, including the local government officials, a number of national media, local key bus customers and the president of CONATRA were present at the ceremony. According to local custom, the ceremony started amid the sermons and blessings of local senior priest. The local government officials and the president of CONATRA delivered a speech respectively, expressing their good wishes for the operation of these new buses and recognizing the achievements Yutong made during the past years as well as its excellent product quality and quick service response.

This activity has laid a solid foundation for expanding Yutong's fame and will be helpful in exploring the market and promoting the sales of Yutong buses in the local area in the future.



Agradecemos a "Expreso Romana" por confiar en nuestra marca YUTONG al adquirir 22 Autobuses de nuestro nuevo modelo.

Operation of 32 Yutong buses starts in Malaysia

Just before the Chinese lunar new year, the operation launching ceremony of 32 Yutong buses was held in front of the office building of the customer, Malaysia on February 17, 2015 and celebrities from different sectors of the society were present at the ceremony.

In order to ensure the smooth handover of the vehicles and the successful conclusion of the ceremony, Yutong's team in Malaysia arranged two service people to check the vehicles in advance. They have dealt with problems timely and ensured that the delivered vehicles are in good shape.

During the ceremony, the Malaysian Minister of Transport cut the ribbon for the vehicles to be operated, and he also boarded the Yutong buses and conducted a test drive. The vehicles were also highly praised by the minister.



Yutong's main bus models for the Middle East area are ZK6122H9, ZK6119H2, ZK6908H, ZK6180HGC, ZK6128HGE, ZK6129HG, ZK6100NGA9, ZK6118HGA and so on. Five models of them are introduced in this issue.



ZK6122H

STRIKING APPEARANCE

Full rounded appearance is eye-catching. The large side windows expand your visual range and enable you fully enjoy sceneries along the way. Relaxing on ergonomic seats and surrounded by comfortable circumstance, your journey starts.



UPGRADED SPACE, SUPERIOR COMFORT

The passenger compartment has been upgraded to provide more space and comfort. Seats with comfortable foams and two-point safety belts ensure you the best in safety. Additionally, a one-button fresh air system offers a more comfortable ride for passengers with long journeys. The large internal space meets your various operational needs, creating more value for you and your passengers.



OPTIMIZED CONTROL AND OPERATION

Thoughtful dashboard design makes the control buttons easy to access. Three-dimension ergonomic research improves driver's visual capability. In addition, the imported high-precision and high-sensitivity instruments like dynamometer steering wheel, gyro, sensors for shifting force and pedaling force, etc. greatly reduce the driver's operating force. The self-developed axle system with disc brake will greatly enhance the braking deceleration and braking stability.



LUGGAGE COMPARTMENT

The newly upgraded super large run-through luggage compartment has a volume up to 12.5 cubic meters. Without increasing the dimensions of the whole vehicle, the interior space has been used to the maximum through optimizing the layout of seats, luggage rack and so on, ensuring your comfort and convenience.





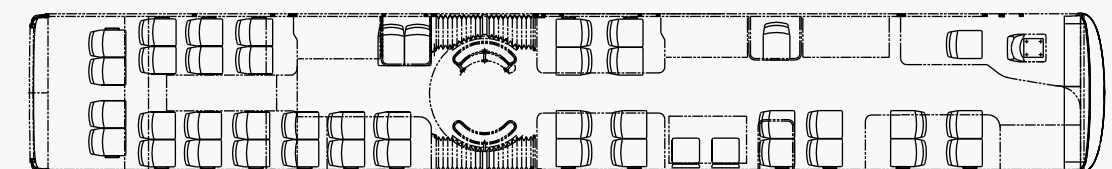
ZK6180HGC

18M LARGE-SIZED LUXURY CITY BUS

Efficient operation: brand new design of large internal space; rational interior arrangement increases the passenger capacity while ensuring the sufficient space for standing passengers; multiple service doors broaden the access possibilities for passengers and facilitate their boarding and alighting; the bus is deemed as “expert of safe intercity transportation”.

Comfortable & environment-friendly: the whole vehicle passed the industry’s professional certification of EU with Euro IV emissions standards; the integral body structure doesn’t cares about complicated ground conditions; the separation wall for men and women as well as movable staircase are specially designed for Iran; all seats and backrest are equipped with professional seat cushions and aluminum alloy handles so as to bring optimal riding experience to passengers.

Advanced configuration: adopt the industry’s most advanced electrocoating anti-corrosion technique with the highest degree of automation; the engine, gearbox and front & rear axles are all imported from Germany that boast reliable performances; the imported relays and sensors greatly improve the reliability and durability of the electrical system.



Yutong's spare parts warehouse in Dubai



As a symbol that China's bus industry has entered into the international high-end market, Yutong's spare parts warehouse in Dubai has become the first regional warehouse set up in the Middle East area. Through the strategic layout in the Middle East area, Yutong has formed the strategic map that is gulf-centered and also benefits the surrounding areas throughout the Middle East and North African markets.

The subject of operation of Dubai spare parts warehouse is the Middle East Branch of Yutong company, which is fully owned by Yutong Group. In 2014, its annual turnover reached \$5,000,000 and covers the whole Middle East area and countries in the eastern and northern Africa.



Service Month Campaign held in Peru

In order to provide customers with better experience and let them know more about Yutong's relevant policies, Yutong and its service provider jointly worked out and confirmed the service month plan and related details. This activity was successfully completed in December 2014, enhancing the reputation of Yutong brand and playing a supporting role for the sales in the local market.

On the site of the service month campaign, the customers and staff of the service provider were present at the event. The representative of Yutong delivered a speech. He expressed the gratitude to the service provider for its after-sales support and said Yutong will continue to provide support to them in terms of technical documents and spare parts reserve. In addition, Yutong will also help the technicians of the service provider to solve the problems of the vehicles and provide constructive suggestions for the optimization of vehicles to be delivered in the future.

Under the joint efforts of the three parties, the service month campaign was successfully concluded. Through the service activity, the cooperation among the end users, service provider and Yutong has been further enhanced. Meanwhile, the activity also achieved good publicity effect and promoted Yutong's reputation and visibility.





• Jacky Cui

- Director of Middle East Division
- Zhengzhou Yutong Bus Co., Ltd.

1. Compared with other overseas markets, what do you think are the characteristics of the Middle East market?

Generally speaking, the Middle East countries take the petroleum industry as their economic pillar and most of the products are imported. Backed up by the petroleum, their economic status remains relatively stable, but there is political instability in some countries, which might impact the market demand. It is likely to have "explosive" demand in the future after the situation calms down.

The market in the Middle East area is large and has relatively lower technical and environmental barriers compared to developed countries. The free trade policies are implemented in most countries of the Middle East area and there is no foreign exchange controls, therefore the needs and orders are quite large. Since the product quality in the market varies greatly from one to another, we still face fierce competition from Chinese counterparts.

The Middle East countries have strong religious beliefs and most of them are Muslims. Under the influence of religion, Arabs have strong family values, and are relatively stubborn and conservative

with slow pace of life. From their point of view, the reputation is very important. It takes them quite a long time to make the final decision during a business negotiation. So it requires us to better understand the people, the culture and cross-cultural communication which is also Yutong's requirement on internationalization. Adhering to the "customer-orientation" philosophy, we endeavor to blend into the local culture and set up good relationship with our customers so as to win their recognition and trust, promote Yutong brand and realize Yutong's strategy.

2. In your opinion, what kind of difficulties and challenges will the Chinese bus makers face in the Middle East market?

The Middle East area is a market with large demand and huge potential, where difficulties and challenges coexist. Since the threshold is relatively low, the competition is fierce among Chinese bus brands. Although Chinese products have entered the local market for a long time, their performances are not so good in terms of product quality, after-sales service, spare parts supply and so on. Customers have such an impression that all Chinese brands are alike. As a leading bus company in China, Yutong has responsibility and obligation to rectify their impression on Chinese buses. Always taking the products and services as part of its core competitiveness, Yutong is deepening its understanding and research of the market and trying to win the customers and market through quality products as well as excellent services and spare parts guarantee. Of course, the process is not so easy, but we will proceed without hesitation.

3. How has Yutong modified its products to adapt to the damp and hot climate and local road conditions in the Middle East area?

Regarding to the damp and hot climate in the Middle East area, Yutong adapted the cooling systems, interiors components, batteries, belts, electrical system, wiring harness and so on of its products. In 2012, Yutong set up the experiment center backed up by Yutong post-doctoral workstation with an investment of 300 million yuan. In addition, the electrocoating lines of whole vehicles have brought the anti-corrosion and anti-rust performance of Yutong buses to a new level. The air conditioning system is also improved to meet the needs of customers on high-efficient cooling effect.

Most of the countries in the Middle East area (excl. Jordan, Syria) enjoy low fuel prices and have high requirement on power performance and gradeability of vehicles. Responding to this request, Yutong adapted its vehicles and ensured the power performance of vehicles while taking the fuel economy into account, which was well received by the customers.

4. Yutong always attaches great importance to the services. Please tell us about how Yutong supports the service and spare parts supply in the Middle East area.

We have set higher requirements in expanding the overseas market. In order to ensure the operating rate and availability of vehicles as well as increase the satisfaction of customers, our overall service strategy is "Enhance the core strength with services and apply trusted services in the overseas market". Up to now, Yutong's service network has covered all Middle East countries, to which Yutong buses were delivered and the resident Yutong service people are available to provide support. Regarding to the spare parts supply, Yutong firstly set up a spare parts warehouse in Dubai to cover the spare part needs in the Middle East area. At present, there are six spare parts engineers resided in Dubai and the inventory of the warehouse reaches over 3 million US dollars, thus ensuring the timely supply of spare parts.

5. You have been working in the Middle East area for many years, and became the director of the Middle East Division from an account manger. What is your deepest feeling during the process?

Yutong's overseas business was in a rapid development phase when I came to the company and I deeply felt the sacred and glorious mission in exploring the overseas market. No matter which title I have, I need to do well in operating and managing the market and always keep a deep understanding of the market under the guideline of "customer-orientation" so as to meet the needs of the market and customers with our quality and competitive products and services. Meanwhile, building a high-qualified, professional and international team is also a must in exploring the overseas market, which requires us to strengthen the team building in our daily work. I am convinced, backed up by the good platform and excellent team, we will achieve a virtuous cycle in implementing the corporate culture and business in the local area.

