

EN ROUTE

Yutong Newsletter

**Big order of Venezuela attributed
to service beforehand**

School buses bound for the spring

Service month campaign



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In recent years, the school bus issue has drawn the attention of the CPC and state government as well as different sides of the society in China. Under the efforts made by many enterprises, the technology and standard of China's school buses have made a remarkable progress.

Yutong is keenly aware that reliable school bus products are only the first step of the safety. Therefore, Yutong does not content itself with only providing safe and reliable school bus products, but sets its sight on the whole process from school bus development to school bus operation so as to build a full-range system of school bus safety. What Yutong wants to be is a leading systematic solution supplier of school buses in China.

On the one hand, Yutong established a "full process, full protection" safety guarantee system during the development of school buses, ranging from active safety to passive safety. Focusing on safety guarantees of the whole vehicle, maneuverability, precaution, danger-averting, protection, escape and so on, Yutong has comprehensively adopted the safest technology and design idea and strictly controlled the raw materials, R&D and production process in order to build

a "full process, full protection" safety guarantee system from different aspects.

On the other hand, realizing the real safety of school buses can not solely rely on the safe products, it needs the involvement of different sides to form a full-range guarantee mechanism. Therefore, based on its own experience, Yutong not only provides customers with quality school buses, bus also launched a 360° safety system solution of school buses consisting of safe products, safety management, safety education and worry-free service which was made public at the first China International School Bus Show.

The school bus operation is still a new thing in China, which needs a different operation mode other than the ones in the past. Therefore, it is necessary to establish a set of supporting management systems in a bid to ensure the smooth operation of school buses, provide children with access to school buses as early as possible and set up a long-term safety education mechanism.

东方日升



Yutong approved as nationally recognized laboratory

Yutong experiment center passed the assessment of China National Accreditation Service for Conformity Assessment (CNAS) and was approved as nationally recognized laboratory. The assessment included 62 test items of 15 categories. Yutong experiment center has become the nationally recognized laboratory which passed the most test items and covered the widest test range in China's bus industry.

Yutong bus appears at Peru Natural Gas City Bus Show

Yutong, together with its dealer in Peru, attended the Peru Natural Gas City Bus Show held in Arequipa, the second largest city of Peru, on June 8-10, 2012. The Yutong dazzling green BRT city bus ZK6118HGK got a lot of attention from the visitors and media, and was also reported by the local newspapers and media.



Yutong buses highlight the Chile International Commercial Vehicle Show

Yutong, together with its dealer in Chile, participated in the Chile International Commercial Vehicle Show on March 14-18, 2012. Two Yutong buses, namely ZK6129H and ZK6107H, attracted the attentions of many media and visitors, and were reported by the local TV stations and newspapers like CHV, MEGA, BBC CHILE, El Mercurio, etc.

Yutong shines at the 1st China Int'l School Bus Show

With "Concern school bus safety, care grow-up of children" as the theme, the first China International School Bus Show was held in Beijing February 15, 2011, attracting thousands of visitors. Yutong brought three professional school buses to the exhibition and launched the overall safety solution of school buses, arousing great concerns of all sides. In addition, Yutong was awarded the honorary title of "Caring Enterprise".



The 6th Yutong Cup Invitational Golf Tournament held successfully

The 6th Yutong Cup Invitational Golf Tournament themed by "Sunny Hainan, warm invitation" was held successfully at Mission Hills, Haikou, Hainan province on May 9-12, 2012. It is learned the tournament had the largest number of participants since its inception.



Yutong buses become the designated vehicles of FOCAC

The 5th Session of ministerial conference of Forum on China-Africa Cooperation (FOCAC) kicked off in Beijing July 19, 2012. Chinese leaders and the Chairman of the African Union Commission, together with foreign ministers and heads in charge of foreign economic cooperation affairs from 50 African countries, were present at the conference. As the sponsor for the transportation service of the FOCAC, Yutong provided 18 buses for the conference.



Yutong bus becomes the specific vehicle of Chilean national football team

Together with Chilean Football Association, Coca-Cola company held a launch ceremony of the national football team specific bus on May 3, 2012. It is a high decker of Yutong ZK6146H bus. The bus will accompany Chilean national football team to attend all competitions, including the most important competition World Cup 2014 in Brazil.



Yutong conducts China's 1st crash test of school bus seats

Recently, Yutong successfully conducted China's 1st crash test of school bus seats. Unlike the conventional static test way, this time the whole process was conducted in a dynamic way so as to showcase the actual protection of the seats, creating a precedent in China's dynamic crash test of school bus seats.



Yutong Bus releases output and sales data of Jul. 2012

Review of Yutong Bus Jan-Jul 2012

	Jul. 2012(unit)	Jan.- Jul.2012 (unit)	Y-o-y growth of Jan.-Jul.
Output	4980	26441	19.09%
Large Bus	2143	12241	30.57%
Medium Bus	2443	11803	7.30%
Light Bus	392	2397	31.13%
Sales	4690	26408	15.67%
Large Bus	2327	12497	26.02%
Medium Bus	2131	11725	5.28%
Light Bus	232	2186	23.09%

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

From the above table we see, 4,690 buses and coached were delivered in July; from January to July, the accumulated sales volume reached 26,408 units, up 15.67 percent than the previous year.

According to the statistics, 2,954 buses and coaches were exported from January to July, 2012, a rise of 69.3 percent year-on-year. The sales amount also saw a remarkable increase and reached 2.24 billion yuan. Yutong overseas market is maintaining the development trend of high growth, staying at the forefront of China's bus industry in terms of the export sales volume and sales amount. The great performance should be attributed to the pragmatic implementation of the "going abroad" strategy of Yutong overseas marketing.

During the process of going abroad, Yutong has been fully aware of the difference between handling orders and handling market. For the latter, it needs to build not only the good sales channels and network but also the good after-sales service channels and network.

In accordance with the principle of "steadiness", Yutong has classified the overseas market for steady long-term business. What we concern is not whether we can win single orders or not, but rather the sustained and stable development in the overseas market.

Big order of Venezuela attributed to service beforehand



Yutong signed a sales contract of 1,216 buses and relevant accessories with Venezuelan Ministry of Transport and Communication in 2011. Recently, the delivery of the buses has finished.

The 1,216 units of Yutong buses include 18m ZK6180HGC articulated CNG buses, 11m ZK6118HGA CNG city buses and 9m ZK6896HG diesel city buses. Together with intelligent public transport system, personnel training and technical transfer, the contract amount totaled nearly 1.49 billion yuan. These buses will mainly serve the large and medium-sized cities in Venezuela, among which the 30 units of 18m articulated buses will serve the first real BRT route in Venezuela.

Why did the Venezuelan Ministry of Transport and Communication choose Yutong?

The success is not an incidental case, and many factors together created the historic order. On the one hand, the feedback from the market is positive, establishing Yutong's good image in Venezuela; on the other hand, Yutong's powerful manufacturing capability plays an important role. Owing over 200 bus models, Yutong is in the position to manufacture tailor-made products for customers. With the sole bus experiment center in China, postdoctoral workstation and academician workstation, the design rationality and reliability of vehicles are guaranteed. Now, Yutong's daily production capacity has reached 210 units, which securely ensures the timely delivery of vehicles. Meanwhile, Yutong is advocating the strategic philosophy of "Service beforehand".

Adhering to the philosophy of "Service beforehand", Yutong has set up five service stations and one spare parts warehouse since entering the Venezuelan market in 2005, forming a service network with a service radius no more than 200km to meet the service demands of Yutong buses in Venezuela and ensure the timely resolution of vehicle problems. Meanwhile, Yutong has sent ten Chinese resident service engineers to Venezuela, together with twenty Venezuelan service engineers, to conduct repairing, maintenance, emergency support, training and so on for customers.



In the first half of this year, Yutong invested heavily in the overseas service and made a remarkable progress on the warehouses optimization and service team building. At present, the service team has about 200 people, usually stationing overseas to support the sales.

"We provide not only the products, but also a package of solutions to traffic planning, service network forming, vehicles engineering and surveillance system building. Instead of a supplier solely providing vehicles, Yutong is a partner worthy of customers' trust," said Hu Fengju, director of Yutong Overseas Business Department.

After four years of market development, Yutong buses, up to now, have made up 90 percent of the Chinese buses exported to Venezuela.



School buses bound for the spring



The donation signing and launch ceremony of 20 Yutong school buses was held in Yutong Industrial Park, Zhengzhou of China on March 26, 2012. The twenty school buses donated by Yutong worth five million yuan and Yutong is the first auto enterprise who participated in the charity campaign of "School bus bound for the spring".

Chen Xiaoxia, secretary general of China Children and Teenagers Foundation, Ge Zhenjiang, vice secretary general of China Population Welfare Foundation and Wang Wenbing, vice general manager of Yutong Bus were present at the ceremony.

The school bus safety has been increasingly concerned by the public as well as the CPC and central government. Therefore, the News Center of CCTV (China Central Television), together with China Children and Teenagers Foundation and China Population Welfare Foundation, launched the charity campaign of "School bus bound for the spring". The coverage series began to be televised from the spring festival, and the reporters went to Sanjiang, Chongqing and other areas, covering the tough situation of the local school children commuting between home and schools for hours. The program has received a lot of attention after being televised. Learning the severe problems of the school bus



safety in the impoverished areas, Yutong immediately contacted the organizer and expressed the intension of donation.

The twenty school buses will be used for the school children in poor areas of Sanjiang of Guangxi province and Pili village of Xinjiang province. In order to make the donated school buses have the best safety performance, the company conducted investigation in these areas and modify the configuration accordingly. The roads in Sanjiang are bumpy and with many ramps and turnings, so Yutong selected the small and flexible 6.6-meter school buses to deal with the complicated local terrain. The Xinjiang area features strong winds, dry air and high temperature difference between day and night, therefore Yutong strengthened the air tightness of the vehicles and equipped heating devices on the vehicles

to improve the ride comfort of the children to the maximum.

Chen expressed during the interview that the school buses donated by Yutong are good-looking with superior quality, and the Yutong staff also thoughtfully equipped each seat with a schoolbag containing pencil boxes, school supplies, chocolates and so on. Yutong's charitable act has served as a role model for others, and more and more enterprises like Yutong will continuously concern, help and support the children.

The donation for the campaign of "School buses bound for the spring" is only the first step of the company to support and help the impoverished areas. Besides the normal warranty and regular maintenance service, the company will also provide effective follow-up service guarantee.

Yutong launches the first school bus complying with new national standard

The China Beijing International Exhibition on Buses Trucks & Components was held on May 16, 2012. Yutong launched the school bus ZK6726DX3 which was granted the Best School Bus of the Year 2012 at the exhibition. It is also the first school bus in China complying with the new national standard issued on May 1, 2012.

Compared with the former school bus products in China's bus industry, this school bus with new national standard has been further improved in terms of safeguard, user-friendly design and management system of safe operation. Yutong ZK6726DX3 school bus is a product manufactured in strict accordance with the national school bus standard GB24407-2012. Protected by the electronic system of safety, structural safety system, fire resisting system and school bus management system, this school bus can be deemed as perfect respecting the safety performance, ensuring the overall safety of vehicles and human beings.

In addition, the NVH solution of school buses has an excellent effect and the whole vehicle features low vibration, low noise and good ride comfort. Meanwhile, the interior trims, seats and technological glue have adopted environment-friendly materials, improving the air quality remarkably. Based on the seven-year design and manufacturing experience of school buses, Yutong has incorporated its wholehearted cares on every detail of school buses, thus creating a worrisome, comfortable and safe environment for school children, becoming the benchmark for China's school bus industry and leading the future development of the bus industry.



Plant tour of overseas key accounts



"YUTONG FOR YOU" is not only a slogan for Yutong, it is incorporated in every step of R&D, manufacturing, sales, service and so on. In recent years, Yutong never stopped the steps of pursuing excellence and established the largest bus manufacturing base worldwide as well as the state-level technical center, experiment center, computation center and

postdoctoral workstation. Meanwhile, Yutong also introduced the world leading electrocoating process and other advanced automatic processing equipments. A good cooperation is usually based on good understanding. Therefore, Yutong carried out the activity of Plant Tour of Overseas Key Accounts and provided the customers with a chance to explore the value of Yutong buses and find the strength behind the superior quality of Yutong buses.

At the gracious invitation of Yutong, a total of 203 overseas customers from 21 countries came to Yutong during March to May. Besides visiting the Yutong plant, the customers also got to know more

about Yutong's production technique, technology, management and culture.

The activity of Plant Tour of Overseas Key Accounts is focused mainly on the plant visit. The visiting route is Yutong mansion – electrocoating of chassis framework – chassis workshop – electrocoating of body – final assembly workshop – shower test – Yutong state-level technical center. Through a series of visiting activities, the customers could feel the Yutong genes of durability, fuel-saving, reliability, safety and comfort personally. Now let's take a close look at these five genes.

Durability gene

Full automation of the whole process ensures the uniform and reliable quality of the electrocoating treatment.



The advanced structure design and production technique matching the electrocoating requirements ensure the electrocoating effect both inside and outside the buses, improving the durability of Yutong products. With conventional spraying process, the resistance to salt spray is only 240 hours, but the value is more than 1000 hours when treated with electrocoating process,





thus greatly enhancing the anticorrosion and antirust performance.

The advanced large-scale equipments can meet the electrocoating requirements on different body structures easily.

Imported chemicals ensure the phosphorization effect while treating the aluminum, iron and zinc simultaneously.

The yearly production capacity of the electrocoating lines is 50,000 units, so Yutong can provide full range of anti-corrosion products.

Fuel-saving gene

The thermal management system of engines cuts the fuel consumption by 5%-10%.

The lightweight of the bus body ensures the structural strength while reducing the weight of the body, thus cutting the fuel consumption accordingly.

Digital simulation, together with wind tunnel experiment and optimized styling, reduces the air resistance coefficient, thus reducing the fuel consumption.

Reliability gene

Through calculation, analysis, collection of actual road spectrum nationwide, road simulation test as well as whole vehicle performance test, Yutong state-level technical center continuously improves the product reliability.

The leading lean management mode implemented in the workshop ensures the continuous improvement of product reliability.

Globally selected quality raw materials and components through strict incoming inspection ensure the quality and create a solid foundation.

The leading inspection line, shower test cabinet and test track enable the vehicles to undergo

strict inspection before delivery.

Safety gene

The annular frame member can distract the force loading effectively, realizing both the reliability and lightweight of body structure via scientific method.

Leaf spring press-fit technology removes the gap difference between the empty and full-load statuses, thus improving the driving safety.

The vacuum filling technique can remove the air in the pipeline thoroughly, ensuring the stable maneuverability of vehicles.

Comfort gene

NVH mute system can reduce different noises inside the bus effectively, including the noise of powertrain system, engine and tyres, making your journey quiet and nice.

Ergonomic and pressure-balanced seats enable you feel more comfortable while riding.

High-definition video system provides you with clearer view and makes your journey more enjoyable.



Service month campaign

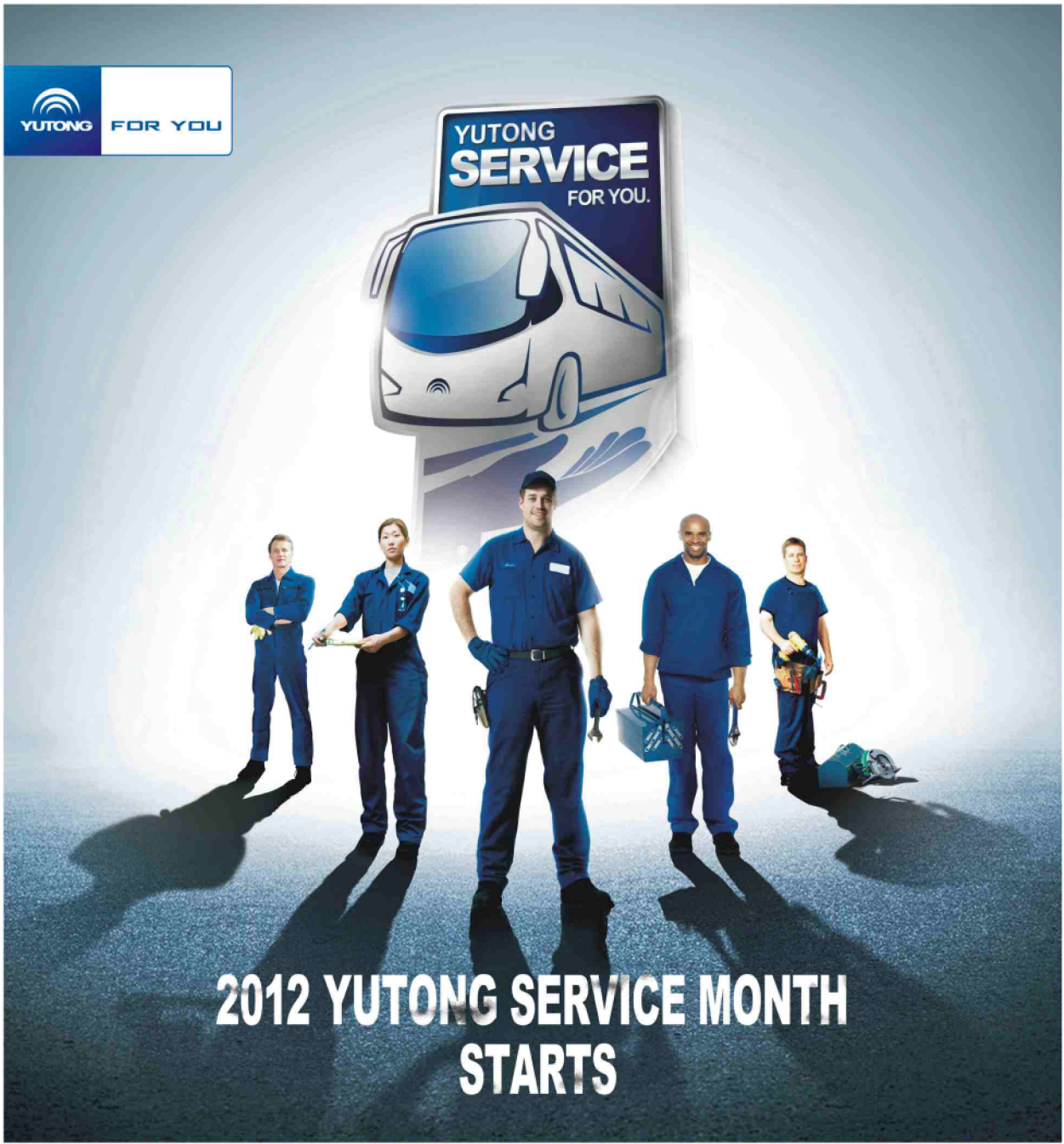
Recently, Yutong has conducted service month campaign in a number of countries like Philippines, Ecuador, Macedonia and so on in order to implement the “trusted” service mode. The free maintenance and inspection of customers' vehicles can make the customers feel Yutong's quality service and high degree of responsibility.

Aimed to guarantee the normal operation of customers' vehicles, timely supply of spare parts and prompt resolution of vehicle problems, the service month campaign would provide maximum guarantee for the normal operation of customers' vehicles and create more values for customers. The main activities of the service month are:

1. Advertising: Yutong, together with the local service providers, advertised the campaign in advance so that the customers could learn the time, venue and content of the activity ahead of time and attend it according to the schedule.
2. Arrange the training: Yutong arranged the service providers to conduct the relevant training for customers. The main content of the training is repair & maintenance, engine, retarder, fire aid and operation instruction of Yutong buses in a bid to let the service staff of customers get to know Yutong buses as well as the points for attention while repairing.
3. Free maintenance and on-site repairing activity: Yutong conducted on-site free maintenance and inspection for local customers, and performed repairing work on the spot if any problems had been detected, thus removing the potential risk in advance. In addition, Yutong also allocated a batch of spare parts for the service month campaign, which were specifically used for the repairing during the campaign. In case customers wanted to buy some of the spare parts, they could enjoy discounts during this period which were very beneficial for them.
4. Feedback note: During the campaign, the service staff would make detailed notes for each repaired vehicle and ask the operation status of customers' vehicles in order to provide basis for the future service activities.



During the campaign, Yutong service staff also introduced some common knowledge like spare parts procurement procedure to customers to make them have a better understanding of Yutong's after-sales service as well as Yutong brand. The customers were not only satisfied with the Yutong's service level but also praised the enthusiasm of Yutong people while serving the customers.



Our guarantee, for your trust. We will provide you with considerate ever services in 2012.



Free inspection
Free inspection of whole vehicles,
free inspection of special items



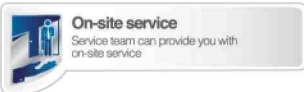
Free maintenance
Free replacement of wearing parts like oil
filter element, etc.



Fuel-saving drive training
Free training on driving behavior and
repairing & maintenance



Preferential prices of spare parts
Enjoy price discounts when replacing spare
parts during the service month



On-site service
Service team can provide you with
on-site service