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Scania delivering 85 ethanol buses to Stockholm suburbs

Scania has sold 85 ethanol-powered articulated buses to Busslink, operator of bus services for Storstockholms Lokaltrafik (SL), the regional public transport company in the Swedish capital.

"A continued commitment to ethanol power is consistent with SL's decision to buy only buses that operate on renewable fuels starting in 2010," says Leif Nyström, who is in charge of bus and coach sales at Scania's Swedish distributor, Scania Sverige AB.

The order from Busslink is Scania Sverige's largest single bus transaction in the Swedish market since 2004. Scania's bus sales in Sweden began 2009 very strongly, and some 100 such vehicles have been registered so far this year.

"Behind this success is our ability to offer a complete bus and coach range featuring both diesel and renewable fuel engines. The buses that were just ordered will be equipped with third-generation Scania ethanol engines, which shows that our strategy has been correct," Mr Nyström says.

Today Stockholm already boasts the world's largest fleet of ethanol buses providing service in the central areas of the city. The 85 buses for Busslink will go into service on routes supplied from depots in the northern and southern suburbs of Stockholm. Forty of the buses are specifically designed for urban traffic while the others are adapted for regional service. Deliveries will begin this autumn and will be completed during the spring of 2010.

Scania has more than 20 years of experience with ethanol buses in practical operation. The company has delivered 600 such buses, about 500 of them to Swedish cities. Internationally, there is now growing interest in ethanol-operated vehicles. In recent years, Scania has also delivered ethanol buses for commercial service in Great Britain, Spain, Italy, Belgium, Norway and elsewhere.

Ethanol accounts for around 90 percent of renewable vehicle fuels available today. It is the most cost-effective such fuel in the market in terms of availability, infrastructure and access to tried-and-tested technology.

Compared to a conventional diesel engine, ethanol-powered vehicles can reduce fossil carbon dioxide emissions by up to 90 percent.

The Clinton Climate Initiative, CCI (<u>www.clintonfoundation.org</u>) regards Scania's ethanol buses as one of the best available solutions for reducing carbon dioxide emissions from urban traffic. In this respect, the Stockholm public transport system is viewed as a role model for the other 40 large cities that collaborate with CCI.

Carbon dioxide from renewable fuels is part of the natural eco-cycle and does not contribute to increased CO₂ emissions in the atmosphere. There is heavy demand for ethanol as a vehicle fuel, and production is rapidly increasing all over the world. Ethanol is handled in the same way as other liquid vehicle fuels, which means that the existing distribution infrastructure can be used.

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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. A growing proportion of the company's operations consists of products and services in the financial and service sectors, assuring Scania customers of cost-effective transport solutions and maximum uptime. Employing 35,000 people, Scania operates in about 100 countries. Research and development activities are concentrated in Sweden, while production takes place in Europe and South America, with facilities for global interchange of both components and complete vehicles. In 2008, invoiced sales totalled SEK 89 billion and net income amounted to SEK 8.9 billion.

Scania press releases are available at www.scania.com

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