



**SCANIA**

***PRESS info***

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## **Scania ethanol buses to improve Oslo environment**

**The Norwegian public transport company AS Oslo Sporveier is choosing Scania as a supplier when it begins the transition to biofuel-powered city buses. In March 2008, 18 Scania ethanol buses go into service in Norway's capital.**

Oslo Sporveier's decision to introduce ethanol buses on a large scale is based on good experience in the Swedish capital of Stockholm during more than 15 years of operating Scania ethanol buses. According to the company's calculations, its 18 ethanol buses will reduce carbon dioxide emissions in Oslo by 600 tonnes per year.

"Ethanol is the best renewable fuel available today. Even today, it can contribute to a sustainable public transport system," says Hans Hansson, head of Scania Buses and Coaches.

By "sustainable", Scania means both from an environmental and economic perspective.

"Ethanol is by far the most cost-effective renewable fuel in the market today, taking into account factors like availability, infrastructure and access to proven technology. New technologies such as hybrids are around the corner and fuel cells could become viable in ten years' time, but there is no reason to wait," Mr Hansson says.

Internationally, interest in ethanol-powered engines is now increasing. As the only manufacturer of ethanol buses, Scania has begun to supply such buses for testing by public transport systems in Great Britain, Poland, Hungary, Italy, Spain and China.

The net effect of ethanol depends on how the fuel is produced. Ethanol made from sugar cane can reduce carbon dioxide emissions by up to 90 per cent compared to a similar engine operating on fossil fuel.

Carbon dioxide from renewable fuels is part of a natural eco-cycle and does not increase atmospheric CO<sub>2</sub> levels. There is heavy demand for ethanol as a vehicle fuel, and production is increasing rapidly around the world. Ethanol is handled in the same way as other liquid vehicle fuels, which means that 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 32,800 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. Bus and coach production takes place in Sweden, Brazil and Mexico, while bodybuilding takes place in Poland and Russia. In 2006, invoiced sales totalled SEK 70.7 billion and net income amounted to SEK 5.9 billion.*

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