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A SCANIA MIDDLE EAST NEWSLETTER - ISSUE 1 FOR 2017





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FOREWORD



TRANSPORT is one of the industries where the digital revolution is moving fast. Connectivity, electrification and autonomous transport technology will disrupt the traditional transport industry and Scania is well positioned for the future.

Through smart partnerships we can be more innovative and together accelerate the shift towards a sustainable transport system.

Our success is built upon our dedicated and skilled employees and their commitment to Scania. Through the decades, our core values Customer first, Respect for the individual and Elimination of waste have been the guiding star in the Scania organisation, together



"BY NURTURING THIS MINDSET AND TAKING IT TO THE NEXT LEVEL, I AM CONVINCED THAT WE ARE WELL POSI-TIONED FOR THE NEXT 125 YEARS."

with our working methods based on a mindset of continuous improvement. During 2016 we decided to integrate the values of Determination, Team spirit and Integrity with our existing ones, to better reflect a changing world where partnership is key.

Practising what we preach, we are continuing with our commitment to align our operations with UN Global Compact's 10 principles on human rights, labour, environment and anticorruption, and take actions that advance societal goals.

In 2016 we opened up a new chapter in our history. From our foundation 125 years ago we have been driven by putting our customers first with a strong focus on elimination of waste. By nurturing this mindset and taking it to the next level, I am convinced that we are well positioned for the next 125 years.

> Henrik Henriksson President & CEO Scania



SCANIA RECOGNISES THAT THERE IS NO SINGLE SOLUTION TO DRIVING THE SHIFT TOWARDS A SUSTAINABLE TRANSPORT SYSTEM. RATHER A HOLISTIC APPROACH IS CALLED FOR, CONSIDERING THE SPECIFIC TRANSPORT ASSIGNMENT AND THE MATU-RITY OF THE LOGISTICS AND INFRASTRUC-TURE IN DIFFERENT PARTS OF THE WORLD. SCANIA'S APPROACH RESTS ON THREE PIL-LARS: ENERGY EFFICIENCY, ALTERNATIVE FUELS & ELECTRIFICATION, AND SMART & SAFE TRANSPORT.

Our starting point is to ensure profitability for our customers and make them more efficient. It is therefore fundamental for Scania to have deep knowledge about the sector as well as the specifics around our customer's operations.



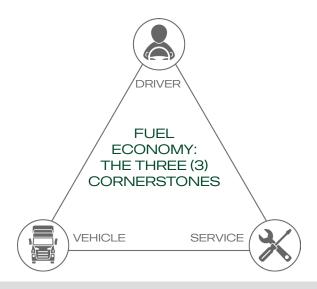
Offering the most efficient technology for our products and services is a core principle for Scania. Scania focuses on three aspects to provide customers with energy-efficient products and solutions:

POWERTRAIN PERFORMANCE. The aim is to maximise driveability, reliability and quality, while minimising the environmental impact.

VEHICLE OPTIMISATION. The whole vehicle needs to be built to reduce air resistance and rolling resistance. Furthermore, the vehicle specification has to be appropriate to the transport task. It's the job of Scania's sales organizations to work with the customer to achieve the vehicle solution that best meets the customer's needs.

FUEL CONSUMPTION. Scania combines its work on achieving low fuel consumption with driver coaching and driver support products that allow operators to realise the vehicle's fuel consumption potential, backed up by service and maintenance that helps extend this efficiency even further. This is the offering we call Ecolution by Scania. Reduced CO2 emission levels and lower costs are also products of this process.

OUR DEEP UNDERSTANDING OF YOUR OPERATION ENABLES US TO OPTIMISE YOUR VEHICLE, TAILOR DRIVER MANAGEMENT AND INTRODUCE AN EXTENDED MAINTENANCE PROGRAM. THE RESULT IS LOWER FUEL CONSUMPTION AND CO2 EMISSIONS.



Scania's vast research and experience prove that the affectable factors in the fuel efficiency equation boil down to three fundamental cornerstones: the vehicle, the driver and the service. It's within these areas and in the intersections between them – such as driver support systems - we have explored large possibilities to improve the fuel economy for nearly everyone.

VEHICLE - 10% POTENTIAL FUEL SAVINGS.

Powertrain and weight optimisation are crucial first steps toward improving the fuel efficiency of our vehicles. Other significant factors include aerodynamics, tyres and driver support systems such as Scania Ecocruise or Scania Opticruise. We highly recommend our customers to consult their Scania dealer to decide which specifications make your vehicle most profitable for you.

DRIVER - 10% POTENTIAL FUEL SAVINGS.

Even an experienced driver can improve his or her fuel economy by up to 10% with a bit of training. Scania Driver Training asks customers to take part in the latest driving tips, tricks and techniques to keep your cruising speed up, and fuel consumption down - always in total safety. Scania Driver Support helps the driver to maintain and improve his or her driving skills over time.

SERVICE - 10% POTENTIAL FUEL SAVINGS.

When it comes to fuel economy, it always pays to keep a close eye on axle alignment, tyre pressures and lubrication, among other things. That's why regular access to professional Scania service is essential to keep customers' Scania trucks as fuel-efficient as it was on delivery.

Scania's profitability begins with our core value, Customer first. The balance can only be achieved when the customer is profitable. Our deep understanding of our customer's operation enables us to optimise the vehicle, tailor driver management and introduce an extended maintenance program. The result is lower fuel consumption and CO2 emissions.

HEAR FROM THE EXPERTS:

HOW IMPORTANT IS FUEL ECONOMY TODAY FOR THE TRANSPORT INDUSTRY?



Sales Director, Scania Middle East FZE

"Fuel Economy is important today already, and we believe that it's importance will grow further in the Gulf region. This is because fuel prices are likely to continue to rise and we ULF ERICKSON foresee an intensified focus to reduce emission levels, thus securing a more sustainable environment. As more advanced tools for monitoring the fuel consumption will be integrated, customers will become more aware on their total operating economy. Scania will come out even stronger benefitting our fuel economy heritage."



AYMAN HAFEZ Sales Director, Bin Brook Motors & Equipment.

"Fuel economy is essential today, since companies could save money in fuel costs each year by choosing the most efficient vehicle that meets their needs. In UAE market, we could see the trend of diversifying the use of different energy resources other than the gasoline or diesel. CNG technology is available now in small Abu Dhabi, UAE cars, and we realize that it is also moving forward to be applicable for the heavy trucks as well."



ROBERT HUGHES Sales Manager, SATALIC Oman

"Many customers do not actually know what their total operating costs are over time and therefore cannot measure the value in lowering fuel consumption. The purchase price difference between comparable brands is conclusive and measurable at the time of purchase. We need to push the tools that we have at Scania to highlight the obvious benefits of reduced fuel consumption for our customers and to change the current adverse practices in the transport industry."



AMIR SALIB Sales Manager, GCC Olayan, Saudi Arabia

"The fuel price in Saudi Arabia is considered one of the cheapest in the world. Accordingly, when measuring the operating cost it doesn't affect that much in the transport industry. However, the fuel price will increase in the near future. By then, fuel consumption and cost will be a big underlying factor for customers in purchasing new trucks."

2017 SALES FORCE EVENT

THE ANNUAL SALES FORCE EVENT gathering was successfully concluded last 4 & 5th of April at Scania Middle East's regional headquarters in Dubai, UAE. This year's sales force team is focused on Scania's global long-term strategic commitment - Sustainability, with focus on Fuel Economy/Efficiency. With the region's current economic state influenced by its fuel prices, Scania believes that today is the best time to inject the value of a sustainable future for the improved profitability of our customers.

The two-day event focused-training was attended by its regional partners' Sales teams. The module was relatively packed with theoretical and workshop exercises to enhance the knowledge of our sales force in developing the value of sustainability and fuel economy (total operating economy) through optimized Scania vehicles; for the ultimate cause of helping our customers create more profitability.



MIDDLE EAST ELECTRICITY

SCANIA ENGINES team at the Middle East Electricity 2017 saw a great deal of interest in the product portfolio showcased on the exhibition. Interest spans from all over the globe with a main flow from genset builders and end customers active in the ME-region. The number of visitors who came this year to MEE increased compared with the previous year, thereby Scania's presence at the event is increasingly important to market the engine products and solutions in the gulf region.

"We see an increased knowledge about our products and also a great deal of positive remarks on our actual performance from our visitors, I believe the future in the ME-region will be bright for the power generation range" says Erik Hedman, Engines Sales Manager".



MAINTENANCE CONTRACTS

SCANIA MAINTENANCE CONTRACT is the ideal way to ensure maximum uptime with minimum costs –and peace of mind. To guarantee that the customers vehicles are optimally maintained and that there will be no unexpected costs.

When a customer signs a Scania Maintenance Contract, it benefits from highly qualified and well equipped technicians, who know your vehicle inside and out. They work with specially designed tools, and use high quality Scania Parts – including Scania Oil.

But maintenance is more than just changing oil, filters and other fluids. Scania Maintenance Contract also:

- evaluate data from on-board computers
- check wear and tear
- visually inspect main functions, components, and any damages
- check additional equipment, such as trailers, tail lifts and bodywork
- install software updates that may control important vehicle functions
- keep track of new legal or environmental regulations.

Along with the inspection results, we'll give you advice and recommendations on repairs, security measures, and more. ■



A standard distributor workshop in Qatar (ARACO)

MAINTENANCE PLANNER TRAINING



SCANIA MIDDLE EAST ACADEMY conducted the Maintenance Planner training in April 2017. In this training, participants were taught how to optimise periodic maintenance plans based on customers real operation of the truck instead of assumed operation. Thanks to the Operational Analysis it makes this possible for analysing how the truck has been used.

This optimization along with using Scania Engine oil LDF3, Scania customers can get following benefits: (1) Higher uptime, as it needs less visits to workshop; (2) Substantial savings on maintenance cost; (3) Less risk for under maintenance.

By applying these optimized plans, customers will continue to benefit and get more value for their money via Scania premium services and products.



SCANIA LOOKS BACK ON A YEAR OF RECORD SALES LEV-ELS, STRONG OPERATION-AL PERFORMANCE AND THE LANDMARK INTRODUCTION OF ITS NEW TRUCK GENERATION: THE MOST ENERGY-EFFICIENT TRUCK SCANIA HAS EVER BUILT.

Despite tough market conditions in 2016, Scania reached a record level in net sales and showed strong operational performance.

"2016 was a remarkable year in Scania's history and the start of a new chapter. From an already leading position we set a new benchmark for what is premium in the industry with new products and services supporting our journey towards a future of sustainable transport," says Henrik Henriksson, President and CEO of Scania.

The Annual and Sustainability report 2016 outlines how working sustainably is firmly rooted in Scania's operations, and the core of Scania's contribution to society – delivering sustainable transport solutions by improving customer profitability.

Visit scania.com to read and download the full report. ■





SCANIA WINS GREEN TRUCK AWARD 2017

SCANIA'S NEW GENERATION R 450 HIGHLINE TRUCK HAS BEEN GIVEN THE PRESTIGIOUS GREEN TRUCK 2017 AWARD IN GERMANY BY THE LEADING TRADE MAGAZINES VERKEHRSRUNDSCHAU AND TRUCKER.

The award is based on Scania R 450's superior fuel performance in VerkehrsRundschau's and Trucker's comparative onroad testing. The figures speak for themselves – an average consumption of 23.7 litres/100 km.

"Sustainability, whether through alternative fuels or fuel-efficient diesel vehicles, is a key issue for Scania and its customers," says Peter Hornig, Managing Director of Scania Deutschland Österreich. "By reducing fuel consumption, we reduce CO2 emissions and at the same time costs. Thus, sustainability and profitability go hand in hand."

SUSTAINABLE TRANSPORT IS PROFITABLE

In VerkehrsRundschau's and Trucker's test, Scania was set against three competing brand tractor units with a maximum weight of up to 40 tonnes. "Ultimately, the Swedish manufacturer was able to prove its value for drivers," the magazines wrote. "Also in terms of profitability, the Scania R 450 was not to be surpassed. No wonder the crown went to Sweden this year."

Scania introduced its new generation trucks in autumn 2016 and they have since overtaken the competition in several comparative European media tests. ■

THE FIRST SCANIA TOURING IN THE UAE CAPITAL

ABU DHABI. Al Mariah United Group, one of the industry's most prominent company whose operations complements multiple business activities including General Transportation Services, acquired the first Scania Touring Coach in the Emirate of Abu Dhabi last December 2016, as addition to their growing fleet line-up with total of 19 Scania Buses in operation.

Scania Touring Coach was officially launched in Abu Dhabi by Bin Brook Motors & Equipment LLC for a year now, in association with Scania Middle East. Its objective is to gather potential customers and introduce the New Scania Touring as a premium product fit for their business.

One of the honored guests, Mr. Ziad Nahass, Group Managing Director of Al Mariah United Group and reputable patron of Bin Brook Motors & Equipment LLC shares that, "There are great advantages and environmental benefits in bus operations. We are able to promote clean air, less noise, less pollution and reduced parking demands in the city. With the increasing cost of fuel not to mention insurance, parking and services, it just makes sense to use a bus with excellent operating economy."

"I am convinced that the functional and safety design of Scania Touring Coach including entertainment system and amenities has added comfort to our passengers especially during long journeys. The operating cost is economical and I believe more operators will agree that this is the solution to the challenging industry of transportation services."



L-R: Moeen Bin Brook, Ziad Nahass (Al Mariah), Walid Eldessouki, Ozcan Barmoro (Scania), and Ayman Hafez at the Scania Touring Launch in Shangri-La Abu Dhabi.

SWEDEN NATIONAL DAY CELEBRATION IN DOHA

THE EMBASSY OF SWEDEN in Doha celebrated the growing relations between Qatar-Sweden with a magical Midsummer themed National Day Celebration, last April 25th. Sweden's green technology, sustainable development experts, and SymbioCity solutions are highly relevant to infrastructure and city planning projects being developed in Qatar, in line with the highly ambitious Qatar National Vision 2030.

This celebration was a great opportunity for Scania to support its sole partner in Qatar (ARACO) and showcase together the former's strong reputation on sustainable transport, which is ultimately aimed for the benefit and improved profitability of its customers.



SAUDI TRANSPORT PIONEER



Shikh Abed Al-Sobhi, Owner & Managing Director, Al Sobhi Transport



Al-Sobhi with Mina Raafat and Amir Salib of GCC Olayan.

SAUDI. Al Sobhi Transport was established in 1984 as one of the oldest and biggest transporters in the western area. The company is also one of the oldest transporters for ARAMCO, for the transport and delivery of the latter's bulk petroleum products.

They started their transport fleet with various brands, but recently shifted to Scania after discovering its outstanding operational performance. They made their first trial with ten (10) units Scania G410 4x2 LA tractors with manual transmission –and learned how a SCANIA vehicles made impact on quality and efficiency with least break-down & down time, least spare parts consumption, and above all, a very competitive fuel consumption compared to others. Such results led them to decide to continue with another fifteen (15) units of Scania G410 4x2 LA with opti-cruise. Mr. Shikh Abed Al-Sobhi testified the same about their Scania trucks, "I knew Scania very well but I was afraid to try it due some rumors in the market, after I tried it I can say that it was one of the best decisions I have ever taken."

The services from GCC Olayan, Scania's sole distributor in the kingdom, further added value to the company through its quick after sales support and consignment stock within Al Sobhi's site in Yanbu, ensuring its continued and long-term partnership together.

BETON CONQUERS READY-MIX MARKET WITH SCANIA

QATAR. Beton is a leading supplier of ready-mix in Qatar with four different batching plants located in Al Saad-Doha, Lusail, Messaeed and Al Rayyan. With 500 employees working in different sites composing of 30 engineers, with 300 vehicles working, out of which is 110 transit mixers working in different locations.

Among the largest projects of Beton is supplying a 1.3 million cbm of ready-mix concrete to Doha-Dukhan Highway which started last December 2015 and expected to be finished in 2018. Recently, the company have acquired 10 Scania Trucks covered by the new Scania in-house financing packaged with a four year service maintenance contract from ARACO.

"Qatari market is having a lot of challenges that inspires us to work harder in providing more efficient and creative solutions which will satisfy our market and customer's needs", says Mr. Antoine Azar, General Manager of ARACO.

"The Scania in-house financing is a very good facility and this attracts us to buy new fleets and helps our business kept the ball rolling. Not only that, Scania truck is well-known for its reliability, durability and robustness. The technology and features that Scania has, also urges us to add these into our fleets' population", added by Mr. Robert Tarazi, Managing Director of Beton.

"ARACO has a better service and this is what we need to keep our operations always up and running," added by Mr. Tarazi.



WHO SAID "BUSINESS CLASS" IS ONLY IN THE AIR?

DUBAI & NORTHERN EMIRATES. Sharjah Football Club has recently purchased two SCANIA K410 super luxury coaches for their football team. The coaches were specially crafted by Scania and Irizar to offer luxurious comfort to the passengers. It's elegant 14.34 meters length, hosts 36 cozy reclining seats with head rest, arm rest, leg rest and foot rest. Seating layout offers easy leg space. Each seat has personal TV console equipped with WIFI, USB charger and satellite access that enable passenger to enjoy live entertainment and view live, their favorite sport event anywhere in the world. Adding to the comfort are the 2 refrigerators, lockable overhead lockers, plenty of luggage space and toilet.

The Coaches were designed to also offer luxury of group meeting around round tables on the go. The driver's seating and dashboard controls are ergonomically set; looking like a cockpit of an international craft SSC: K410. Mr. Ehab, CEO Sharjah Football Club remarked, "it looks like an aero plane moving on the road." Mr. Samir Salamoun, General Manager (Sales- Commercial Vehicles), Al Shirawi Enterprises, is proud to deliver an exclusive experience for the football team, especially since soccer is also his favorite sport. Al Shirawi aftersales team is committed to bring alive the business class experience on land.



PEAK PERFORMANCE

OMAN. Mr. Elias Al Abri, owner of Arabian Sea Mountain Trading Company, has specialised in the transportation of heavy machinery and equipment to the top of the highest mountains in Oman. He operates out of his hometown of Nizwa which is located at the foot of the Al Hajar Mountain Range. Here you find the Jebel Akhdar peak (around 2200m altitude) and with 3009m the highest mountain of the eastern Arabian peninsula –Jebel Shams.

This area is one of the most popular tourist destinations in Oman. Tourist camps and top international luxury resorts atop the mountains, stations of the Ministry of Defense as well as local towns and villages need heavy loads delivered.

That's when Elias and his fleet of Scania R580LA6x4ESZ and G460CA6x4ESZ are called upon to carry out this demanding transport task, which is not for the faint at heart. All his trucks are equipped with Scania Retarder and Hill Hold that gives the drivers the confidence to attempt this dangerous ascent and descent. Loads have included mobile crushers, excavators, water tanks and wheel loaders – the heaviest load was 76 tons. This requires extraordinary driving skills and superb handling of the trucks. He and his team of drivers are constantly refining their skills and the most demanding jobs are done by the boss himself. ■



SIMPLY THE BEST

TOP UP WITH SCANIA OIL BETWEEN SERVICES