

Press Release

Voith Industrial Services
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Voith Industrial Services starts with production of wheel assembly at automobile plant in Changshu

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- **With an investment of around RMB 50 million, the plant has a capacity of assembling 1.1 million wheels and tyres per year.**
- **The plant focuses on serving the luxury vehicle sector, tapping into the rapid growth of the automobile market in China.**

A plant of Voith Industrial Services in Changshu, Jiangsu Province of China, provides wheel and tyre assembly services for luxury vehicles in China. The plant, with an investment of around RMB 50 million, underscores the Voith Group's intensified business expansion in the world's most dynamic vehicle market. Voith Industrial Services delivers completely assembled wheels in production sequence to an automotive plant in Changshu, which is 1.5 hours away from Shanghai.

The services include a wheel and tyre assembly line, purchase and delivery of rubber valves and weights as well as the delivery of the assembled wheels via trucks. The Changshu plant has a capacity of assembling 1.1 million wheels and tyres per year in each development stage.

"Voith has a proven track record of providing a broad spectrum of technical services to automobile manufacturers and suppliers by accompanying them throughout their entire production process and global footprint. Our Changshu plant marks a further step in intensifying our efforts to tap into the Chinese automobile market," said Gerwin Gädigk, Managing Director at Voith Industrial Services, China.

Voith Industrial Services provides industrial services for the automobile industry ranging from planning, engineering and assembly to maintenance, technical cleaning and facility management.

The Changshu plant assembles wheels and tyres for luxury vehicles. According to the China Association of Automobile Manufacturers (CAAM), automobile production in China increased year-on-year by 7.26% to 23.72

million units in 2014 while sales grew by 6.86% to 23.49 million units last year. It is estimated that sales will reach 25.13 million in 2015. The sale of luxury cars even grew by 23.9% in 2014.

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“Due to the increasing competition in China’s automobile sector, we are seeing that more and more manufacturers outsource the service business to optimize their cost structure while focusing on their own competencies. That provides a major boost to our business growth,” said Gädigk. In the fiscal year 2013/2014 (ends in Sept.), Voith Industrial Services achieved a new sales record of RMB 240 million in China, which is 20% more compared to the previous fiscal year. “We are expecting an average annual growth of more than 25% in the coming years in China,” said Mr. Gädigk.

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At the end of 2014, Voith Industrial Services reached a first milestone, which meant that the new plant in Changshu was ready for engaging in the wheel and tyre assembly for luxury vehicles and prepared for full operation in alignment with the customer’s requirements. The industrial service providers worked according to the customer’s plan providing great quality and quantity every month. Due to growing market demands, the production volume is above plan.

About Voith Industrial Services:

Voith Industrial Services, a Group Division of Voith GmbH, is one of the leading providers of technical services for key industries such as the automotive, energy, chemical and petrochemical industries as well as mechanical engineering. In 2013/2014, the company generated sales of EUR 1.18 billion at its more than 170 locations worldwide.

About Voith:

Voith sets standards in the energy, oil & gas, paper, raw materials and transport & automotive markets. Founded in 1867, Voith has nearly 39,000 employees today and generates EUR 5.3 billion in sales. It has locations in around 50 countries worldwide and is one of the large family-owned companies in Europe.

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