

IVECO joint venture NAVECO inaugurates new manufacturing plant in Nanjing, China

A brand new manufacturing plant for the production of light commercial vehicles, transmissions and engines has been inaugurated in Qiaolin, Nanjing, China.

With NAVECO's investment of 1.8 Billion RMB for relocation and new manufacturing setup, the new plant in Qiaolin is among the most advanced commercial vehicles operations in China in terms of product technology and manufacturing facilities.

The new plant follows rules and processes of CNH Industrial's World Class Manufacturing (WCM) standards.



Nanjing, 7th July 2017

NAVECO, the 50:50 joint venture between IVECO and SAIC for the manufacture and sale of light commercial vehicles, transmissions and engines, inaugurated today **the brand new manufacturing plant in Qiaolin, Nanjing**, Jiangsu Province (China). During the inauguration ceremony, NAVECO also celebrated the first New China Daily unit coming off the line.

The event took place in the presence of Pierre Lahutte, IVECO Brand President, Stefano Pampalone, CNH Industrial COO APAC, Yu Jianwei, Vice President of SAIC Motor and NAVECO BOD Member and Feng Yuan, Deputy General Manager of Commercial Vehicle Business Division, SAIC Motor. In attendance was also Stefano Beltrame, Consul General of Italy in Shanghai.

The plant, which spreads over 843,000 square metres of which 250,000 covered, increases NAVECO's production capacity up to 100,000 vehicles per year. The new Qiaolin manufacturing plant is a world-class green operation. It uses energy regeneration with solutions such as its solar photovoltaic system and rainwater and process water recycling system. It reduces the environmental impact of its operations through practices such as TNV waste gas burning, rain and sewage diversion and wastewater treatment. At this facility, thanks to its sustainable technologies and processes, NAVECO aims to reduce energy consumption by 30% and to increase per capita output value by 25%.

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The new facility follows rules and processes of CNH Industrial's World Class Manufacturing (WCM) standards. The WCM production system aims to eliminate all forms of waste and losses, aiming for zero quality defects, zero failures and zero accidents, to reduce inventory and operate a just-in-time delivery system. WCM is designed to manage highly efficiently industrial operations and to achieve great flexibility to respond quickly to changes in demand.

The entire logistic flows and workplace organisation of the Qiaolin plant have been optimised. The production of the major components such as engines, suspensions and gearboxes are concentrated in one location to maximise efficiency, and engine production is almost fully automated. A large area is dedicated to product development and body building activities.

Extensive automation of the processes contributes to the plant delivering consistently top quality, high productivity and safety. High precision welding is ensured by more than 130 robots working in a modern, flexible welding workshop. A new robotized press shop uses 3D laser cutting.

The high quality painting process relies on the state-of-the art paint line: advanced pre-treatment process, immersion ecoat, fully robotized 3 layer paint application and additional PVC underbody protection ensure the excellent protection and quality finish of the cab. An ample and modern assembly area completes the manufacturing process.

Pierre Lahutte, IVECO Brand President commented: *"Today is an important milestone for us at IVECO and for our NAVECO partnership in China. We enter strongly into the 4th decade of our presence and partnership with NAVECO's investment of 1.8 Billion RMB in this brand new state-of-the-art manufacturing setup. Along with the New China Daily, the new plant is a commitment to deliver a top quality product to the Chinese market. Through World Class Manufacturing, this facility puts quality and sustainability at the heart of its operation and will play a central role in our strategy support China's transition to sustainable transport and manufacturing."*

IVECO in China: a long history of success

IVECO's presence in China dates back to 1986, when Nanjing Automobile Corporation (NAC) acquired the license to produce the IVECO Daily. IVECO became the first European OEM to establish a partnership with a local CV manufacturer. IVECO in China has since become synonymous with safe and efficient commercial vehicles, complementing the NAVECO Daily range with the European Daily and its vehicles of higher tonnage, appreciated by highly professional customers.

Located in Nanjing and employing about 3,200 people, NAVECO operates through a network of 8 regional centers, which support 119 dealer outlets and 349 service points that cover the country's entire territory.

NAVECO competes in the evolving light bus and van segment, with a total market volume of 365,000 units in China in 2016. In the "European style" sub-segment, which is expected to grow driven by customer demand for higher levels of efficiency and comfort, NAVECO holds a 25.9% market share.

IVECO

IVECO is a brand of CNH Industrial N.V., a World leader in Capital Goods listed on the New York Stock Exchange (NYSE: CNHI) and on the Mercato Telematico Azionario of the Borsa Italiana (MI: CNHI). IVECO designs, manufactures and markets a wide range of light, medium and heavy commercial vehicles, off-road trucks, and vehicles for applications such as off-road missions.

The brand's wide range of products include the Daily, a vehicle that covers the 3 – 7.2 ton vehicle weight segment, the Eurocargo from 6 – 19 tons, the Trakker (dedicated to off-road missions) and the Stralis, both over 16 tons. In addition, the IVECO Astra brand builds off-road trucks, rigid and articulated dumpers as well as special vehicles.

IVECO employs close to 21,000 individuals globally. It manages production sites in 7 countries throughout Europe, Asia, Africa, Oceania and Latin America where it produces vehicles featuring the latest advanced technologies. 4,200 sales and service outlets in over 160 countries guarantee technical support wherever an IVECO vehicle is at work.

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For further information about CNH Industrial: www.cnhindustrial.com

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