



PRESS RELEASE

Solaris achieves record year in 2007 - Market leader in Poland

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Solaris Bus & Coach achieved record results in 2007 and has claimed the leading position in the Polish bus and coach market. The Bolechowo-based manufacturer sold 302 vehicles on its home market, giving it a market share of

23%. Export sales also yielded successful results, with 400 units sold abroad. In the important German market, Solaris was the largest importer of buses with a market share of more than 5%. In total, Solaris Bus & Coach sold 702 buses and coaches, resulting in a 20% year-on-year increase.

In 2007, 702 vehicles left the production of Solaris Bus & Coach in Bolechowo. For the manufacturer, which celebrated its twelfth year in the market, the production figures amount to a record result. Vehicle sales were up 20% on 2006, when 579 units were sold, and also surpassed the previous record of 610 units, achieved in 2005.

In the course of 2007, Solaris Bus & Coach sold 302 buses and coaches to customers in Poland. Foreign customers from twelve European countries took a total of 400 Solaris vehicles.

The biggest share of Solaris Bus & Coach sales traditionally are low floor city and suburban buses of the Solaris Urbino family, of which 656 were sold in the past year. 35 Solaris Trollino trolleybuses were handed over to their customers. Furthermore, 2007 sales included 11 Solaris Vacanza coaches, of which 4 were special vehicles equipped as mobile blood donation stations.

Solaris Bus & Coach vehicle sales in 2007 Solaris Urbino

Export

Poland

TOTAL

Solaris is Market Leader in Poland

In 2007, Solaris Bus & Coach was the market leader for city and suburban buses in Poland. Achieving sales of 302 units, the manufacturer outstripped all its competitors and for the first time in the company's history not only claimed the top spot for city and suburban buses, but became the leader in the entire Polish bus and coach market.

In the overall Polish bus and coach market, Solaris Bus & Coach achieved a 23% market share in 2007. Looking at the city and suburban buses market segment only, the figure rises to 44%.

Polish bus and coach market in 2007 **Manufacturer**

SOLARIS (Solaris Bus & Coach)

AUTOSAN (Polskie Autobusy)

KAPENA-IRISBUS (Kapena S.A.)

JELCZ (Polskie Autobusy)

SOLBUS (FA Solbus)

SCANIA (Scania Polska)

MAN (MAN - Star Trucks)

MERCEDES-BENZ (EvoBus Polska)

VOLVO (Volvo Polska Autobusy)

VDL BOVA (VDL Bova Polska)

AMZ (AMZ Kutno)

SETRA (EvoBus Polska)

SOR (SOR Libchavy)

ISUZU (Wowo Białystok)

NEOPLAN (MAN - Star Trucks)

Source: JMK Analizy Rynku Transportowego

The largest share of Solaris Urbino delivered in 2007 went to the Municipal Bus Company (MZA) of Warsaw, which took 150 Urbino. However, these were not the only new buses with the dachshund on the streets of the Polish capital: Independent operator Mobilis took a further 53 Solaris Urbino. A table listing all Polish customers in 2007 is included in the extended version of the press release, available from the download section.

In the market segment for coaches, Solaris Bus & Coach sold 6 Solaris Vacanza in the past year. The customers were the College of Hotel and Catering Industry in Poznań, tour operator ITAKA of Opole (3 coaches) and coach operators Heltour of Cracow and Selment of Ełk.

Furthermore, Solaris holds the significant position as the foremost producer of mobile blood donation stations based on adapted coaches. In the past year, such "bloodsuckers" based on the Solaris Vacanza coach were sold to the regional blood donation centres in Poznań, Gdańsk and Katowice.

- We hope that these trends on the Polish market will continue in 2008. However, the development of the market is dependent on our customers and their funds for fleet renewal. It should be expected that the upcoming 2012 European Football Championships, to be hosted by Poland and the Ukraine, will be a significant stimulus for the economic performance of the public transport industry - said Krzysztof Olszewski, owner and managing director of Solaris Bus & Coach.

Export Sales

In 2007, Solaris Bus & Coach exported a total of 400 buses and coaches to customers in 12 European countries. Germany, traditionally the most important export market for Solaris, took 225 units. With a market share of 5.41%, Solaris was placed third in the German market behind major groups EvoBus and NEOMAN. Solaris was the largest importer to the German market.

Further customers for Solaris buses and coaches were operators in Norway (54 units), the Czech Republic (29 units), Denmark (22 units), Lithuania (20 units), Austria (12 units), Switzerland (11 units), Hungary (9 units), Estonia (8 units), Latvia (5 units), Sweden (3 units) and Italy (2 units). A table listing all international customers in 2007 is included in the extended version of the press release, available from the download section.

- Among Solaris buses exported in 2007 were three hybrid buses, which found customers in the German cities of Leipzig and Bochum and in Lenzburg in Switzerland. This was a very good start

for the sales of this product, especially considering the fact that its premiere had only taken place in the autumn of 2006. Today, we already have further orders for Solaris hybrid buses. We will shortly deliver a Solaris Urbino 18 Hybrid to Bremen and examples will enter service in Munich and Hanover in early summer. Meanwhile, we are continuously improving the hybrid technology used in our buses in order to extend our lead over our competitors -said Krzysztof Olszewski, owner and managing director of Solaris Bus & Coach.

Financial Results

In the past financial year, the turnover of Solaris Bus & Coach S.A. was 714m PLN (189m EUR). Compared with the 2006 turnover of 542m PLN (139m EUR), this shows a increase in turnover of 172m PLN (44.2m EUR).

Major Investments in 2007

In August 2005, Solaris Bus & Coach started major investments in the expansion of production facilities at its Bolechowo plant. The main part of the new factory was opened in April 2006, when 23,000 m² were inaugurated. Investment in further expansion stages followed. In 2007, 9,455 m² of production floor area and offices were finished; additionally, 5,000 m² of new surfaced areas around the factory were put into use. The investment in 2007 was more than 35m PLN (9.3m EUR).

- The decision to expand the bus manufacturing plant was necessary because of the steady year-on-year increase in sales. We sold 489 buses and coaches in 2004, but last year this number reached 702 and this year we expect a sales volume of 1,000 units. Along with the expansion of factory buildings, the Solaris workforce grows as well. At the end of the past year, Solaris employed around 1,300 people - said Krzysztof Olszewski, owner and managing director of Solaris Bus & Coach.

Solaris in the Ukraine

Solaris Bus & Coach has for many years gradually increased its field of activity in export sales. As part of this growth, it was decided in mid-2007 to pursue an active role in the Ukrainian market. *- The formation of our new subsidiary, Solaris Ukraina, is nearing completion. The new company will be responsible for sales and service of Solaris vehicles in Ukraine. The first demonstrators already are on their way to the largest Ukrainian cities. As in Poland, we expect an increased demand for modern public transport in Ukraine over the next years. This is largely due to the 2012 European Football Championships, which Ukraine will host jointly with Poland. Ukraine needs modern city buses and Solaris buses certainly are among the leading products on the market* - Solaris owner and managing director Krzysztof Olszewski explained the decision to enter the Ukrainian market.

Solaris Hybrid Bus in Warsaw

In spring, a Solaris Urbino 18 Hybrid will take to the streets of the Polish capital, Warsaw. A demonstrator will be tested by Warsaw Municipal Bus Company. *- We hope that the Solaris hybrid bus will be an attractive option for Warsaw Municipal Bus Company. It currently is the most economical and cleanest European bus in serial production. We are proud that this innovative vehicle is built in Poland by our company. We hope that Warsaw will be among the first cities in Poland to decide to operate Solaris hybrid buses* - said Solaris managing director Krzysztof Olszewski.

In 2006, Solaris Bus & Coach was the first European bus builder to produce a hybrid bus using volume-

production technology. The Solaris Urbino 18 Hybrid has a diesel-electric drive train, which uses between 15 and 26% less fuel. Solaris hybrid buses already are operated in Dresden, Leipzig and Bochum in Germany as well as in the Swiss city of Lenzburg. Over the course of the next months, further units will be delivered to customers in the German cities of Bremen, Munich and Hanover.

Awards and Distinctions

In 2007, Solaris Bus & Coach received a number of significant awards and distinctions. The most notable were:

- The Leviathan Award 2007, dedicated to Andrzej Wierzbicki, given to Mrs Solange and Mr Krzysztof Olszewski, owners and managing directors of Solaris Bus & Coach. The award acknowledges their vision, courage and consistency in developing a modern enterprise which systematically and successfully stands the test in competition within both the domestic and international bus manufacturing industry.
- The title of "Entrepreneur of the Year" in the production category, awarded by Ernst & Young consultancy
- Accolade as the Best Exporter in Greater Poland as part of the Economic Prize of the Greater Poland Voivodship
- The title "Engineers of the Year", awarded by the trade magazine Design News to engineers at Solaris Bus & Coach for the development of the hybrid bus Solaris Urbino 18 Hybrid

- All regional and national prizes and distinctions we received last year are a particular motivation for us for the future development of the Solaris brand in the European bus industry - said Solange Olszewska, deputy managing director of Solaris Bus & Coach.

Solaris for Safety

For three years, Solaris has been actively working to improve road safety in Poland. This commitment is dedicated to drivers of both buses and coaches as well as to children, who as the youngest participants in traffic are particularly vulnerable.

- We are consistently providing driver safety training for drivers of buses and coaches. In this field, we work in partnership with Test i Trening driving school. In the past year, we also organised workshops for children and teenagers designed to show dangers on the roads and how to avoid them - said Solange Olszewska about the Bezpieczny Kierowca ("The Safe Driver") programme.

Furthermore, Solaris became a member of the Global Road Safety Partnership in 2007. *- The Global Road Safety Partnership is a cooperation of government and society players with the aim of lastingly reducing the number of road accidents. Together with other companies from the automotive industry we are able to effectively and innovatively work towards improving road safety - said Solange Olszewska, deputy managing director of Solaris Bus & Coach.*

More information about the programmes for road safety which Solaris Bus & Coach is involved in is available online at www.partnerstwodlabezpieczenstwa.pl and www.solarisbus.pl.

Plans for 2008

- For 2008 we plan to reach a production volume of more than 1,000 units. Among that will be 225 Solaris Urbino for the Dubai Roads & Transport Authority. Furthermore, we are currently working on a number of interesting new technological solutions, which we will present in our buses at the IAA Nutzfahrzeuge exhibition in Hanover and at Transexpo in the Polish city of Kielce. Among our most important jobs for 2008 is the sale of Solaris-built trams. The project stage has been completed and production is scheduled to start shortly. We are planning to have the first Solaris trams running in European cities by early 2009 - said Krzysztof Olszewski, owner and managing director of Solaris Bus & Coach.

Additional information

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About our company

Solaris Bus & Coach sp. z o.o. is a leading producer of city and intercity buses in Europe. It focuses on the development of low-emission and zero-emission vehicles, i. e. electric and hydrogen buses as well as trolleybuses. Over 25,000 Solaris vehicles have been delivered so far and they ply the streets in 850 towns and cities across 33 countries located throughout Europe as well as beyond it. Solaris is part of the Spanish CAF Group (Construcciones y Auxiliar de Ferrocarriles) S.A. From conception, to the design and manufacturing phases, all Solaris buses are produced in Poland. All activities undertaken by the company are in line with its mission, which is reflected in the brand's promise: to change the image of public transport. Solaris also actively partners with public transport operators and provides them with comprehensive support in their transition to zero-emission mobility. Solaris products have been repeatedly awarded for quality and innovation. The Urbino 18 hydrogen bus has won the prestigious 'Bus of the Year 2025' title.