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First China-built Volvo S90 sedans arrive in Europe via ground-breaking rail link

Volvo Cars has become the first automaker in the world to export China made cars to Europe by train via China’s new ‘One Belt, One Road’ trade initiative.

The first S90 premium sedans, built at its Daqing plant in China, will arrive at a distribution centre in Zeebrugge, Belgium this week.

The cars have been transported to Belgium via the recently opened, China-Europe railway link. The connection brings down the time it takes to transport vehicles to Europe by two thirds compared with the naval route, meaning customers receive their car faster after ordering.

The train route ties Volvo’s global manufacturing and logistics strategy to the multi-billion euro trade flows between China and Europe and the so-called One Belt, One Road initiative that seeks to resurrect the age old Silk Road trade route for a new era of global trade.

The railway link also illustrates how China is turning into a global manufacturing and export hub for high-end consumer products.

Volvo was the first Western car maker to export a premium China-made car to the US in 2015 with the S60 Inscription. In November of last year Volvo started building high-end versions of its S90 premium sedan in Daqing for global exports, and will soon be building all S90 vehicles in the factory for global export.

Beyond shorter waiting times for customers, rail is also a smarter choice in terms of the environmental impact of logistics operations. Given the same distance the CO2 emissions per tonne/km are reduced by a third by choosing rail over sea transport. In this case the savings will be even higher based on the shorter distance.

Each of the Volvo-dedicated trains traveling between Daqing and Zeebrugge carry around 120 Volvo cars, which are transported in specially designed containers.

One container holds three cars at different angles in order to maximize the use of space available inside. Special fixtures ensure that the cars are fastened during transport and do not move.

Initially, trains will depart from Daqing once a week. The plan is to increase this frequency in line with growing
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The first S90 sedans will arrive in Zeebrugge on May 31, the same week as China's Prime Minister Li Keqiang visits Belgium. In connection with his visit in the country, Li Keqiang is also scheduled to meet with Volvo Cars' chairman Li Shufu and CEO Håkan Samuelsson.

Volvo Car Group in 2016
For the 2016 financial year, Volvo Car Group recorded an operating profit of 11,014 MSEK (6,620 MSEK in 2015). Revenue over the period amounted to 180,672 MSEK (164,043 MSEK). For the full year 2016, global sales reached a record 534,332 cars, an increase of 6.2 per cent versus 2015. The record sales and operating profit cleared the way for Volvo Car Group to continue investing in its global transformation plan.

About Volvo Car Group
Volvo has been in operation since 1927. Today, Volvo Cars is one of the most well-known and respected car brands in the world with sales of 534,332 cars in 2016 in about 100 countries. Volvo Cars has been under the ownership of the Zhejiang Geely Holding (Geely Holding) of China since 2010. It formed part of the Swedish Volvo Group until 1999, when the company was bought by Ford Motor Company of the US. In 2010, Volvo Cars was acquired by Geely Holding.

As of December 2016, Volvo Cars had over 31,000 employees worldwide. Volvo Cars head office, product development, marketing and administration functions are mainly located in Gothenburg, Sweden. Volvo Cars head office for China is located in Shanghai. The company's main car production plants are located in Gothenburg (Sweden), Ghent (Belgium), Chengdu and Daqing (China), while engines are manufactured in Skövde (Sweden) and Zhangjiakou (China) and body components in Olofström (Sweden).

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