



# FORUM.ASC

MAGAZINE



ASC GROUP  
CULTURE

P.04

PRESIDENT AND VICE PRESIDENT  
OF VOLVO CE VISIT ASC GROUP  
P.09

**ASC** Grupo  
Auto-Sueco Coimbra



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## EDITORIAL

### A CHANGING WORLD...



**ANGELA VIEIRA**  
Corporate Image and  
Communication  
ASC Group

We live in a society marked by rapid changes. Change is part of the essence of the world, a constant succession of beginnings and transformations. What is unusual today is how quickly things now change.

This is the age of globalization, the information age, when two of the main variables that help change societies are diversity and innovation. The great questions of our time are largely about how we will adapt to these changes.

I think the process of adaptation and learning that accompanies change should ideally focus on the values that make us grow rather than dogmas. But how to do this?

Above all, I think the answer is in the ability to overcome fear of change and move outside our comfort zone, to be proactive in order to improve our results.

Because the history of our Group also consists of change and new eras, in this edition of ASC Forum Magazine we are announcing the Group's new corporate values. Values that aim to spark a desire to be fearless agents of change, and accept a serious commitment to ourselves, to the company and to the team, so we all contribute to the sustainability of the entire organization. In my opinion we cannot sit by and observe change. We must strive to be active elements of it and, as Gandhi advised, **"You must be the change you wish to see in the world."**

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### GRUPO ASC

Praça Marquês de Pombal, 3A - 5.º, 1250-161 Lisboa

Tel.: + 351 213 808 600 • www.grupoasc.com

## LETTER FROM RICARDO MIEIRO



**RICARDO MIEIRO**  
CEO ASC Group

### HELLO, ASC GROUP. HELLO, EVERYONE.

Recently we were honored with a visit from the two new VCE senior managers, Pat Olney (President) and Eberhard Wedekind (Vice-President). This is the sixth change of VCE's President and Vice-President that I witness, and I hope everyone will pitch in to create the goodwill we have enjoyed in the past.

I was even more pleased to find that VCE is more committed than ever on helping us meet our Strategic Target for 2015: 1 billion euros in sales, with VCE contributing about 70% to that sum. Clearly this is great news and makes us all increasingly confident that our strategy, with our Shareholders commitment, is feasible.

Therefore we need new territories, in addition to whatever new businesses our creativity and intuition can add to our current portfolio of businesses. Our hopes for this long-term strategy have grown even stronger because this year, we can anticipate being able to pass the 500 million euro mark in sales, just above the target in the Group's 2011 Business Plan.

Clearly, as of September 2011, not all territories where we do business are contributing equally to this performance. Spain and Portugal are breaking even and the U.S. is performing above the Business Plan projection, while Turkey, currently the jewel in the crown, is having a performance above expectations.

We all see hard times ahead. The crisis facing the euro and Europe's economy as a whole, the increased U.S. deficit and some instability in Turkey's areas of influence are helping to slow worldwide economic growth (not expected to exceed 4%). These factors will contribute to a related unemployment crisis and a resulting contraction of global wealth. This worrying macroeconomic situation can be overcome only if we all redouble our efforts and act with tremendous skill.

In terms of our goals for 2011, we feel rewarded and that our mission has been accomplished. As for the future, that's something we must keep building with our partners. Otherwise we will stagnate and fall far short of the goals we have been fighting to achieve for many years.

On behalf of the Executive Committee and the Board, I wish to congratulate our Company on some specific successes that help to better understand the Group's overall success:

- **ASC Group recently received the BES/Jornal de Negócios award as one of the three Portuguese corporations with the best internationalization strategy, selected from hundreds of nominees.**

- **Three technicians/specialists from ASC USA – Scott Cox, Billy Byers and Jimmy Dorton – won the 2011 Volvo Masters Cup competition, as the best mechanics in the World of Volvo.**

- **Late October, ASC Turk will open its new headquarters in Istanbul, formally take on its ASC identity and will surely choose other businesses to pursue in addition to its Volvo lines;**

- **We are in the process of formalizing a new investment in Latin America, thus expanding into a fifth international region;**

- **We are seriously considering an investment in South Africa through one of our new subsidiaries, to gain a foothold throughout the "great basin" of southern Africa (Angola, Mozambique and neighboring countries);**

- **An employee satisfaction study we commissioned from the Hay Group was completed. Thank you for the strong participation. The results, as you will learn, are extremely encouraging and clearly show high morale and a sense of belonging among the overwhelming majority of ASC Group Employees.**

- **In August, Air-Rail expanded internationally into Turkey;**

- **This past July, we began representing Sandvik (a Swedish brand of high-tech solutions for tools, construction and mining);**

- **Tractorrastos expanded internationally into the Angolan market.**

Clearly, to achieve everything we plan or intend, some structural adjustments will need to be made to our organizations. Some organizations are proving impossible to sustain them in the short, medium and long term, forcing us to act resolutely and without hesitation, to avoid mortgaging our future and that of our successors.

**Thank you again for the work and dedication you devote to Our Group every day.**

My appreciation to everyone.  
Ricardo Mieiro

## ASC GROUP CULTURE

Discovering the aspirations, motivations and perceptions of its nearly one thousand employees was the reason the ASC Group hired the Hay Group to work on a satisfaction study.

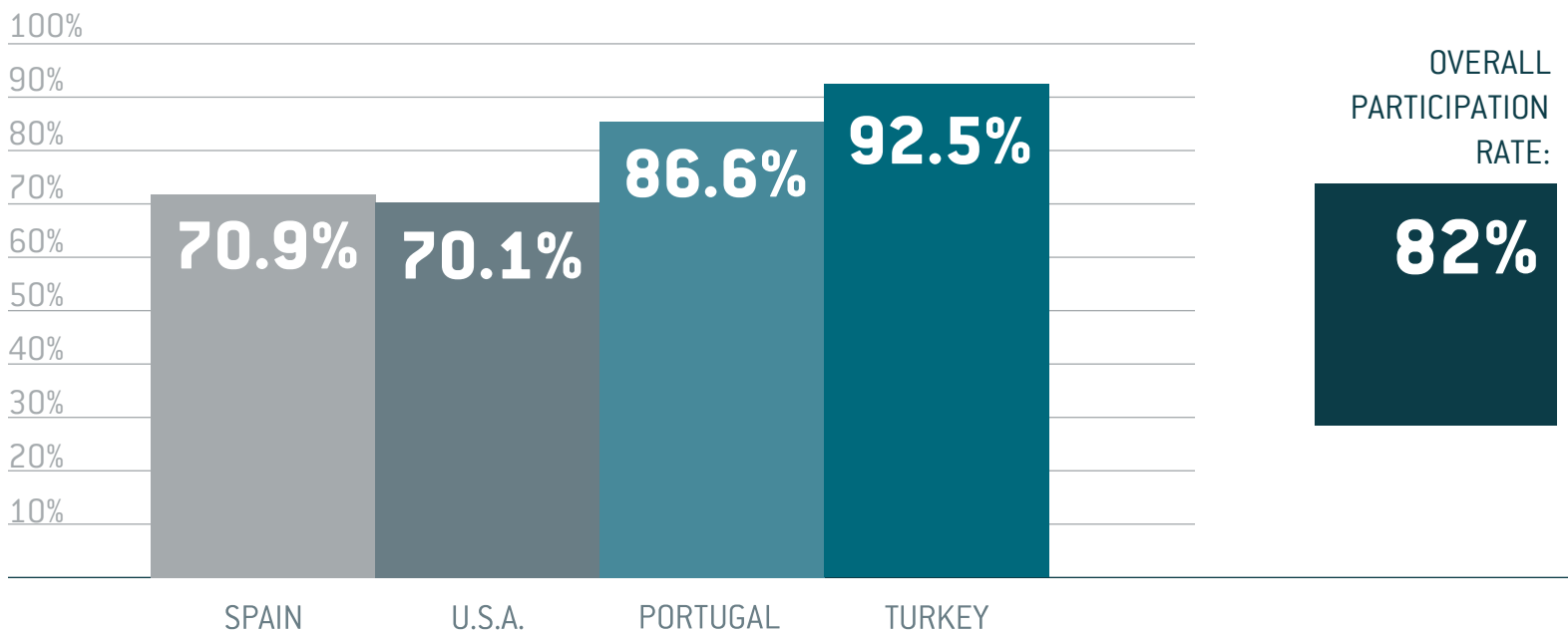
THE MAIN FINDING WAS THAT MOST EMPLOYEES ARE PLEASED TO BE PART OF THE ASC GROUP AND ARE SATISFIED WITH THEIR JOB RESPONSIBILITIES. BUT THERE IS STILL WORK TO DO.

In the current economic context, as we are challenged to do more with less during a worldwide crisis, it's even more important to inspire extra motivation and additional commitment among employees. So the ASC Group thought it wise to conduct an Organizational Culture Diagnosis to get a better picture of everyone who works here and identify new approaches.

Developed in four languages – Portuguese, Spanish, English and Turkish – the Organizational Culture Diagnosis survey was conducted from April 23 to June 14, 2011 and was given to the nearly one thousand employees throughout the Group, based in Portugal, Spain, Turkey and the United States. Of all those employees, 82% took part in the survey, an **outstanding participation rate** well above the rate generally produced by the best market practices. The highest response rate was in Turkey, with 92.5%, followed by 86.6% in Portugal, 70.1% in the U.S.A. and 70.9% in Spain.

*The ASC Group thanks everyone for taking time to participate in the Culture Diagnosis.*

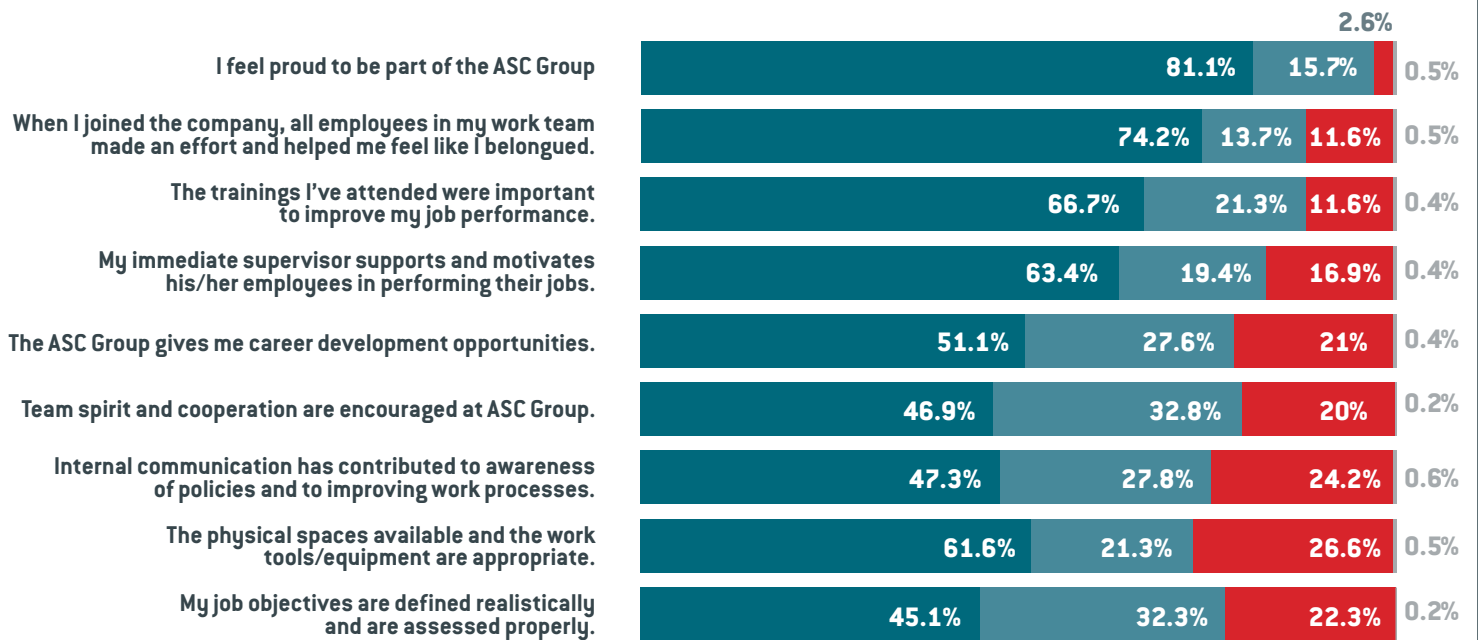
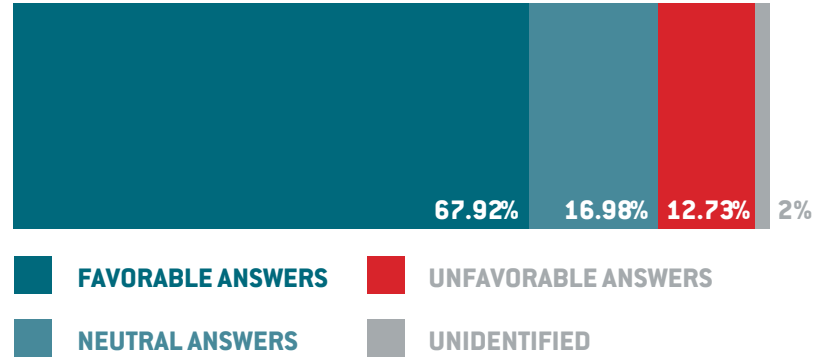
### PARTICIPATION RATE



One major finding reflected employees' overall satisfaction: about 68% said they were satisfied or very satisfied to be working in the Group. This is an excellent result, in keeping with those seen in the best multinationals worldwide.

This is reinforced by the 81.1% of employees who said they feel proud to be part of the ASC Group. It is also worth noting that 74.2% mentioned that when they joined the company, all their coworkers went out of their way to help them feel like part of the team. A total of 66.7% feel that the trainings they attend are important in improving their job performance, and 63.4% highlight the support and motivation given by their immediate supervisors. In addition, 51.1% of the employees feel that the company offers good professional development opportunities.

## OVERALL SATISFACTION



## TRAITS THAT MOST INFLUENCE THE GROUP NOW AND IN THE FUTURE...



## FIRST HR CORPORATE WORKSHOP

The study's conclusions reveal that there is still much work to do. Four main focus areas were identified: developing new products, services or business lines; attracting, retaining and developing the best in-house talent; speeding up decision-making, despite uncertainties; and encouraging multi-skilling among employees.

In response to these conclusions, the four geographic platforms' Directors of Human Resources met in Lisbon on September 12 for a workshop. The meeting, which went very well, brought together the four Directors: Maria de Jesus Prieto from ASC Portugal, Alicia Díaz from Volmaquinaria Spain, Suzanne McKinney from ASC USA and Burcu Acar from ASC Turk, who debated and worked together to define a joint action plan to improve the identified areas.



Maria de Jesus Prieto - ASC Portugal, Suzanne McKinney - ASC USA, Burcu Acar - ASC Turk, Alicia Díaz – Volmaquinaria Spain.

## ASC CORPORATE VALUES

THE ASC GROUP'S ONGOING DEVELOPMENT INVOLVES DEFINING NEW CORPORATE VALUES THAT CAN EXPRESS THE NATURE AND MISSION THAT GUIDE US EVERY DAY.

The history of the ASC Group is shaped by every step taken in our day-to-day operations. And that is why we have decided to define new corporate values that better reflect our identity.

**A**CHIEVEMENT  
**S**USTAINABILITY  
**C**OMMITMENT



Mahir Hocaoglu, Rui Faustino, Brad Stimmel, Angela Vieira, Ernesto Vieira, Carlos Vieira, Ricardo Mieirol, Tomaz Jervell, João Mieirol and Paulo Mieirol

## A ACHIEVEMENT

OUR *ACHIEVEMENT* DEPENDS ON FIVE BASIC PRINCIPLES INHERENT IN WHO WE ARE:

- Ability to execute and deliver results, with excellence and quality;
- Exigency and continuous improvement, revealing a sense of responsiveness and professionalism in everything we do;
- Entrepreneurial spirit, anticipating opportunities, innovating in the solutions and acting with initiative and pro-activity;
- Determining in the decision-making and resilience in times of adversity;
- Ambition and a desire to grow, seeking new challenges to continuously build a better future.

## S SUSTAINABILITY

IT IS THIS AMBITION TO *GROW SUSTAINABLY* THAT IS LEADING US TO THE CHALLENGES OF SUSTAINABILITY.

- Long-term vision based on the endless search for sustained growth;
- Value creation for all our stakeholders (shareholders, customers, partners, employees and society);
- Financial strength of our business;
- Actions guided by the strictest principles of ethics, transparency and citizenship;
- Respect for our history and for the multicultural diversity that characterizes us.

## C COMMITMENT

THE THIRD VALUE – *COMMITMENT* – REFLECTS THE PASSION FOR WHAT WE DO.

- Commitment to our customers, acting in order to maximize their satisfaction;
- Commitment to our suppliers and partners, developing solid relationships based on trust and mutual gain;
- Commitment to shareholders, creating value in the delivery and continuous improvement for the business results;
- Commitment between all, marked by mutual trust, respect and team spirit;
- Commitment with the Organization, manifested by dedication, pride and sense of belonging to a multinational Group that aims to grow.



## PRESIDENT AND VICE PRESIDENT OF VOLVO CE VISIT ASC GROUP

During the visits to Volvo CE main dealers the President and CEO, Pat Olney, and Eberhard Wedekind Executive Vice President of Sales & Marketing visited ASC Group. They took this opportunity to announce in first-hand the realignment of Sales & Marketing Division.

This structure remained unchanged for 11 years, the growth prospects have significantly shifted, it was time for a better balance in market sizes and therefore to align organization in time zones and geographies.



Angela Vieira, Mahir Hocaoglu, Brad Stimmel, João Mieirol, Rui Faustino, Carl Gustaf Goransson, Eberhard Wedekind, Paulo Mieirol, Pat Olney and Ricardo Mieirol.

## VOLVO CE WORLD IS NOW DIVIDED IN 4 REGIONS REALIGNMENT OF VOLVO CE SALES & MARKETING DIVISION



- REGION AMERICAS**
- REGION EMEA**  
EUROPE, MIDDLE EAST, AFRICA
- REGION APAC**
- REGION CHINA**

**4 REGIONS OF SIMILAR SIZE  
BETTER FOCUS FOR SPECIFIC MARKET NEEDS  
CHINA FOCUS**

## EXPORT AND INTERNATIONALIZATION AWARDS

ASC Group honored by BES bank and by the highest print-run daily business newspaper in Portugal.



PRÉMIOS • EXPORTAÇÃO  
& INTERNACIONALIZAÇÃO



BANCO  
ESPIRITO SANTO

**negócios**  
JORNAL

THE ASC GROUP WAS HONORED AT THE 2011 EXPORT AND INTERNATIONALIZATION AWARDS ORGANIZED BY BES BANK (BANCO ESPÍRITO SANTO) AND BY THE HIGHEST PRINT-RUN DAILY BUSINESS NEWSPAPER IN PORTUGAL. THE ASC GROUP RECEIVED HONORABLE MENTION IN THE LARGE CORPORATION AWARD CATEGORY.

The annual Export and Internationalization Awards are a joint initiative of BES and the Jornal de Negócios to reward and promote the success of Portuguese Small/Medium-sized Businesses and Large Corporations that do business in foreign markets. They are presented in partnership with Coface and with McKinsey & Company.

These days, exports are the effective driving force for economic growth, and internationalization is the alternative route that many companies are traveling. Therefore this initiative aims to help resolve the economic crisis Portugal has been experiencing, by focusing on market-tested positive behaviors.

It was in the Large Corporation Award category that the ASC Group was recognized with an honorable mention for its successful internationalization strategy.

The Small/Medium-sized Business and Large Corporation Awards went to Frezite and to Cotesi, respectively. The jury also chose to commend four other companies. Honorable mentions went to Frulact and to Pecol in the Small/Medium-sized Business category and to Efacec Engenharia and to the ASC Group in the Large Corporation category.

The three awards (Breakout, Small/Medium-sized Business and Large Corporation) were announced in June, in a ceremony at the Ritz Hotel in Lisbon.

### INTERNATIONALIZATION

IN THE FIRST HALF OF THIS YEAR, CANDIDATES WERE SELECTED AND CHOSEN FOR THE INTERNATIONALIZATION AWARDS IN THREE SUBCATEGORIES:

- The Small/Medium-sized Business embodying the best internationalization success story;
- The Large Corporation embodying the best internationalization success story;
- The Breakout Award for the company that stood out for its innovative, enterprising approach to internationalization.

## VOLVO MASTERS 2011

### ASC USA TEAM WINS WORLD CHAMPIONSHIP

The ASC Construction Equipment team Tarheels from Charlotte, NC was the big winner in the 2011 international Volvo Masters competition. The finals were held from June 28 to July 2 in Eskilstuna, Sweden.

Led by David Turner, as a consultant, the winning team consisted of service technicians Scott Cox and Billy Byers and Volvo parts technician Jimmy Dorton. Together they competed against other teams from Europe, Latin America and Asia.

First held in 1990, the Volvo Masters is a team competition that brings together Volvo technicians from around the globe and aims to improve their skills and help them gain experience for a more positive customer interaction.

This year's contest included a broad set of theoretical and practical tasks at seven stations, including electrical and hydraulic, involving six products, such as excavators articulated haulers.

The teams were judged on their performance, how they handled common, everyday service and technical problems, how they used tools and how they applied Volvo's core values: quality, safety and environmental care.

***The ASC Group is pleased to have a winning team in this championship and congratulates all the participants. The Group is very proud of the effort put forth by the ASC USA team.***

## VOLMAQUINARIA AT EXPOMATEC 2011

### MISSION ACCOMPLISHED

This year marked the first time Volmaquinaria had a booth at the Expomatec trade show (Infrastructure, Public Construction Machinery and Mining Fair), held in Madrid for five days in late May.

Organized by the IFEMA convention center in cooperation with the TPI Group, the fair featured 78 companies, representing a total of 228 brands, including some industry leaders, who showed off the latest, most advanced public works machinery and technology.

In all, Expomatec credentialed 5,371 qualified professionals from various fields, all associated with the infrastructure sector and all with decision-making authority.

The Volmaquinaria booth, which the company designed itself in compliance with Volvo guidelines, occupied an area of 8,600 square feet, with 12 machines on display in zones representing the different business lines.

The displayed equipment included a Volvo FMX truck and two Sandvik mobile crushers. The Volvo CE machines included three new loaders that comply with the European Union's new Stage 3b emissions standard: A40F, EC380F and L150G, and a BL71B painted in the Blue Ocean Race color scheme. The product range was rounded out with ABG8820B, L25F, EC18, SD25 and DD24 units.

During Expomatec 2011, Volmaquinaria collected contact information from 580 potential customers. All were told about the main technical aspects of the various pieces of equipment and associated services, and how Volmaquinaria and ASC's distribution and assistance network operates in the Iberian Peninsula.



In an auditorium that seats about twenty people, Volmaquinaria product specialists gave presentations about Caretrack with real-time demonstrations of the system, talks about Road Machinery, and about the new 3b-compliant units.

Each visitor to the Volmaquinaria booth was offered a DVD and a set of brochures with detailed information about the company and its products and services. The potential customers' contact information will be used by the sales department throughout Spain, especially in the Madrid area.

In a separate room, away from the booth, the Volmaquinaria Sales Meeting brought together some 50 Volvo and Sandvik representatives from around Spain.

According to Volmaquinaria's sales director, Luis Puertas García, ***"the company met its goals at Expomatec 2011 since the show was a great opportunity to meet our clients, and it paid off magnificently."***

Air-Rail also had a booth at Expomatec, spotlighting its business. Since Air-Rail and Volmaquinaria have many customers in common, there was a very positive interaction.



At the center from left to right: Scott Cox, Billy Byers and Jimmy Dorton

## FRANKFURT AUTO SHOW

### Volvo You concept is the shape of things to come

The sleek Volvo concept unveiled at the Frankfurt auto show is headed to production, said Volvo Chairman Li Shufu.

"The board has approved production of the concept, known as You, but the timetable has to be finalized," Li said during an interview at the Frankfurt auto show. He said it will be "somewhere around 2015."

It's part of the plan by Chinese owner Zhejiang Geely to move the Volvo brand upscale.

***The concept is a four-door fastback with rear doors that are hinged at the rear, commonly known in the industry as "suicide doors." It was created on Volvo's new front-wheel-drive platform, known as SPA, which stands for Scalable Platform Architecture. The platform will be used for the next generation of the 60, 70, 80 and 90 series.***

The production version of the You will be the largest and most expensive car produced by Volvo, Li said.

Vehicles developed off that platform will be offered only with a four-cylinder engine.

The dimensions are similar to those of today's Volvo 80 sedan. The car is intended to compete with the Audi A6, BMW 5 series and Mercedes-Benz E class, according to Per-Ake Froberg, a company spokesman.



Li said Volvo will expand its product line and is willing to consider joint ventures. "Like any other car companies in the world, we are open and welcome any strategic cooperation opportunities. But there are no talks going on except with Geely in China," he said.

Volvo was sold last year by Ford Motor Co. to China's Zhejiang Geely for about \$1.5 billion. Li also is president of Geely.

Volvo is trying to attract luxury car owners. Being in "a position between not truly being premium and losing ground against volume competitors is not a sustainable position," said Volvo Car Corp. CEO Stefan Jacoby. "We will clearly go upscale."

Volvo wants worldwide sales of 800,000 units by 2020, more than double the 373,525 vehicles it sold in 2010. This year's sales likely will grow to 400,000 units, possibly 430,000 vehicles, Jacoby said.

As Volvo sales grow, the brand will consider a factory in the United States, he said. But a decision won't be made for about five years.

Volvo's 2020 sales target for the United States is to more than double sales to 120,000 units.

This year Volvo predicted it would sell 60,000 to 70,000 cars in the United States in 2011 based on strong sales of the redesigned S60 sedan. Through August, it sold 47,113.

## NEW FACES

### ASC TURK MAKINA



**Burcu Acar**  
37 Years Old  
Human Resources & Quality  
Manager



**Mustafa Ozan Babacan**  
45 Years Old  
Non Volvo Business  
Development Manager



**Serdar Karaer**  
32 Years Old  
Non Volvo Parts Manager