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ASCENDUM ARRIVES IN MEXICO

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Editorial



RICARDO MIEIRO
President of the Executive Board

A DECISIVE STEP

The ASCENDUM Group's ongoing commitment to international expansion has yielded a number of success stories to date in Spain, the United States and Turkey. The recent opening of our new facilities in Mexico City represents one additional step forward in our effort to consolidate our global expansion plans, representing the longstanding experience and values of a business group formed in Portugal more than 50 years ago.

Our entry into the Mexican market was officially celebrated with a delightful party attended by all of our major local stakeholders, bringing together a set of special conditions that make this challenge even more fascinating and demanding, putting the full scope of all collective knowledge acquired by the Group in past international expansion efforts to the test.

Rather than acquiring local companies, our traditional approach to setting up operations abroad, this time we decided to start up a new business from square one by building a new business structure from the ground up that is properly tailored to establish a position for us as the sole distributor of Volvo equipment throughout Mexico. Clearly, this project presents high levels of organizational risk and complexity, which are coupled with a number of additional challenges posed by the Mexican market for business operations, and this combination of factors was undoubtedly responsible for Volvo's three unsuccessful attempts to set up operations in Mexico in the past.

While fully aware of the magnitude of this challenge, we nonetheless believe that our ventures in Mexico will prove an unqualified success, thanks to our well-known ability to tailor our profound business know-

-how to the needs of local communities. While a wide range of different needs must be met, the Mexican market also offers us a whole new world of opportunities that are vastly promising.

Therefore, this Mexican venture represents a particularly decisive step along the ongoing path toward international growth, which we intend to continue pursuing, in line with our strategy of geographical diversification. **Due of the scope, complexity and uniqueness of this challenge, the success we are seeking through these operations in Mexico will make the ASCENDUM Group unquestionably stronger and all the more prepared to replicate this experience in other parts of the world, as part of our effort to export our business knowledge methodologies to other areas, which are somewhat poorly recognized inside Portugal.**

We are certain that our competent team of employees headed by Marco Liz will be able to instill a dynamic of success at ASCENDUM Maquinaria México, thereby rapidly transforming this enterprise into a case study of efficiency and profitability that will be a source of pride for us all.

The current edition of ASCENDUM Magazine, a publication that also showcases other information and initiatives concerning our Group's performance, highlights the importance of the inaugural activities for these Mexican operations.

Interview with Marco Liz - CEO of ASCENDUM Mexico

“THIS IS A VERY STIMULATING
CHALLENGE FOR ME!”



MARCO LIZ
CEO ASCENDUM MEXICO

MARCO LIZ WAS BORN IN MEXICO 40 YEARS AGO, ALTHOUGH HE HAS SPENT A GOOD PORTION OF HIS LIFE LIVING IN OTHER GEOGRAPHICAL AREAS. HE STUDIED INTERNATIONAL BUSINESS AND POLITICAL SCIENCE AT RICHMOND UNIVERSITY IN LONDON AND LATER ON WORKED IN SPAIN FOR 11 YEARS, WHERE HE WAS MARRIED. FOUR YEARS AGO HE RETURNED HOME TO MEXICO TO WORK FOR THE SUBSIDIARY OF A SPANISH COMPANY ACTIVE IN THE CONSTRUCTION EQUIPMENT AND MACHINERY SECTOR. THIS IS WHERE THE ASCENDUM GROUP FOUND HIM WHEN IT RECRUITED HIM FOR ITS NEW OPERATIONS IN MEXICO, AN EXCITING AND PASSIONATE PROJECT FOR MARCO LIZ.

WHAT HAS THE START-UP PHASE OF THE ASCENDUM GROUP'S ACTIVITIES IN MEXICO BEEN LIKE?

I approach every minute of it with enormous enthusiasm, because the project is both challenging and stimulating.

We are re-launching a brand and introducing a new business philosophy to the market, all of which involves a great deal of effort, above all in the creation of a successful work team.

AND HOW HAS THE TRAINING OF THAT TEAM BEEN PROGRESSING?

I think we are doing a good job and bringing together a number of very capable and committed people, which is essential for our ability to win the complete confidence of the market, all while demonstrating that our strategy is different and more advantageous for customers. We want to have a closer relationship with our customers than in order to satisfy their needs more effectively and quickly.

WHAT ARE THE UNIQUE CHARACTERISTICS OF THE ASCENDUM GROUP'S POSITIONING STRATEGY?

The long-term vision for the business. The ASCENDUM Group's investment in Mexico is a sure reflection of the group's long-term commitment to

the future of this country. Likewise, I have been pleasantly surprised by the encouraging support that the Group's greater worldwide organization has offered to the Mexico team. We have received tremendous support in terms of human resources, business experience, technical and financial knowledge, etc. But most important of all is the enthusiasm with which this support has been offered, reminding us that we are not in this alone, that we are not starting from square one, even though the Group has just arrived in Mexico. Finally, I've been impressed with the entrepreneurial spirit that I've encountered among the Group's representatives and employees. Entrepreneurship is clearly part of the corporate DNA of our organization, and this is the only explanation for the speed with which these operations have been brought together in Mexico.

WHAT ARE THE ASCENDUM GROUP'S MAIN COMPETITIVE ADVANTAGES IN MEXICO?

Mexico is a market that is totally open to new ideas and willing to try out new alternatives to traditional brands. Despite a natural sense of comfort with the most longstanding brands, Mexicans are still open-minded and very will to embrace change, as well as to try out new solutions. This makes it easier for businesses like us, who are working to provide innovative offerings in terms of quality of service. Yet, above all, it is important to point out that

Mexico is a country with a strong potential for growth over the next five years (approximately 4% per year), a stable economic environment and a great appetite for investment in infrastructure and services as a result of heightened internal demand. As a result, this is a very compelling opportunity for the ASCENDUM Group.

AND WHAT ARE THE MAIN OBSTACLES TO SUCCESS IN THE MEXICAN MARKET?

For any company new to Mexico that hopes to make a name for itself, the main obstacle is the large size of the country and its vast population. It is 21 times larger than Portugal, with a population of nearly 110 million. Thus, reaching customers throughout the country entails making a continual effort to open new offices. In light of this, we expect to have eight branches open by the end of the 2012 year, and 20 by the close of 2014.

Turkish Volvo Machine Operators on Facebook

THE VOLVO BENIM (MY VOLVO) IS THE ASC TURK WEBSITE STRATEGICALLY CREATED FOR VOLVO MACHINES OPERATORS IN TURKEY AND ITS INTERACTION WITH THE COMPANY.

Through videos and photos of equipment, technical information of the products as well as hobbies that appeal to participation and user involvement, the Benim Volvo website aims to strengthen the loyalty of machine operators with the company, the brand and with employees of ASC Turk.

The website Benim Volvo is constantly updated and adapted according to the inputs, ideas and needs of the operators themselves.

The ASC Turk knowing the current importance of social networks associated the Benim Volvo website with a Facebook page where Volvo machine operators share photos, experiences, post technical questions and even order parts.



Benim Volvo Photo Contest



ONLINE CLUB FOR VOLVO MACHINE OPERATORS IN TURKEY

FACEBOOK SUCCESS - 12 000 FANS

VOLVO MACHINE OPERATORS IN TURKEY, SHARE THROUGH THE FACEBOOK PAGE CREATED BY ASC TURK, PHOTOGRAPHS OPERATING MACHINERY IN THE MOST DIFFICULT SITUATIONS.



EBRU CELKAN
CRM Manager
ASC Turk

New communications technologies and social networking have been crucial to the success of a project developed by the marketing team of ASC Turk. This is an innovative initiative designed to promote the quality, productivity and ergonomic operation of Volvo machines, for the dual purpose of expanding the coverage of information about Volvo machinery to reach all of the diverse operations that make use of it, while simultaneously building a more effective and close-knit relationship with machinery operators, in other words, those who use this equipment.

Dubbed "Benim Volvo" (My Volvo), this unique project includes a publicly available website and a Facebook page (www.benimvolvom.com and [facebook.com/BenimVolvom](https://www.facebook.com/BenimVolvom)) where ASC provides information, photos and videos about its products and brands, as well as a number of highly attractive applications, such as online games and entertainment, which appeal to users through interactive design.

"A significant portion of this project's success and associated growth in traffic have been driven by a photography contest open to all registered users of the website and visitors of the Facebook page. Machinery operators post their own photos of Volvo machinery being operated under the most difficult circumstances. The photos are then evaluated by a judging panel and through a vote cast by the general public, with special offers extended to all participants and prizes awarded to the winners of the competition," says Ebru Celkan, CRM Manager of the ASC Turk marketing team.

According to Ebru, public participation in this project has been spectacular (close to 12,000 friends on Facebook), **requiring continual effort to respond all of the user requests – ranging from technical questions about Volvo equipment to orders for spare parts – within a span of 12 hours.** This timing represents a crucial factor in the project's success.

"In fact, we have been able to promote a very direct and close relationship with those who work with our Volvo equipment. In the end, they are our best ambassadors for promoting the brand's quality, productivity and prestige." These individuals influence the ultimate decision-makers, says Ebru Celkan, who is soon to announce an even more unique project to be made available to "friends" of "Benim Volvo." We can't wait...

ASCENDUM Mexico



MARCO LIZ - ASCENDUM MEXICO CEO, JOÃO MIEIRO - CHAIRMAN ASCENDUM MEXICO AND AFRANIO CHUEIRE - PRESIDENT OF VOLVO CE LATIN AMERICA.

MARCO LIZ WITH THE ASCENDUM MEXICO TERRITORY MANAGERS



ASCENDUM ARRIVES IN MEXICO

OPENING OF NEW FACILITIES IN MEXICO CITY



On the evening of November 21, the ASCENDUM Group's brand new facilities in Mexico City were decked out in order to welcome some 200 guests for the unveiling of its new facilities, thus introducing the Mexican market to its new business partnership with the Volvo brand in the construction equipment and machinery industry.

"Though we have already been operating as of the month of March, we wanted to celebrate the end of construction for our main facilities. This is our first formal get-together with current and prospective clients, as well as with the ASCENDUM Group's main business partners in Mexico," explains Marco Liz, CEO of ASCENDUM Maquinaria México, who also emphasizes the importance of raising awareness among attendees about the project and the innovative working philosophy surrounding the Volvo brand that is now being applied to the Mexican market.

Key representatives from the ASCENDUM Group, along with senior-level management from Volvo North America and Volvo Latin America, delivered short speeches to guests, giving them the opportunity to

speak about the true scope of the investment and commitment taken on by ASCENDUM and Volvo in the Mexican market. They explained not only the success of ASCENDUM's partnership with Volvo in many various regions of the world, but also the core elements of the new project in Mexico, including nationwide coverage to ensure high-quality customer assistance accessible to all customers.

Guests also had the opportunity to view a company video outlining the Mexican project's key indicators, afterward witnessing a spectacular hands-on demonstration of the most prominent items of Volvo machinery sold by ASCENDUM Maquinaria México.

This lively gathering of stakeholders ended with a cocktail party, where attendees were entertained by a group of mariachis performing traditional Mexican music.



GORAN LINDGREN - PRESIDENT OF VOLVO CE AMERICAS WITH ERNESTO G. VIEIRA

Corporate Social Responsibility

TEACHING OTHERS HOW TO “FISH”

It makes all the sense in the world that a business group with a history steeped in entrepreneurship would maintain a corporate social responsibility policy focused on fostering the same entrepreneurial spirit among the communities in which the group operates.

Since its creation more than 50 years ago, the ASCENDUM Group’s corporate practices have included developing social initiatives to provide support to entities devoted to addressing basic needs across all levels of society, in conjunction with its ongoing commitment to protecting the environment, pursuing these goals through the adoption of a set of best practices and an ongoing commitment to comply with the most rigorous standards for quality control and environmental protection.

Even while maintaining its commitment to providing traditional philanthropic support to cultural programs, such as the Central Classical Orchestra

(see p.09), and the sponsorship of community programs such as the Grupo Desportivo de Direito Rugby Club (see p.10), the ASCENDUM Group more directly intends to gear the focus of its corporate social responsibility policy toward promoting the ideals of entrepreneurship, maintaining its firm conviction that this is the most effective way to contribute to the creation of wealth and, in turn, to social progress.

“Inspired by the Chinese proverb that, by giving a man a fish, you feed him for a day, but by teaching him how to fish you feed him for a lifetime, we prefer to invest in social responsibility projects geared toward instilling an individual sense of entrepreneurial spirit, which is undoubtedly the most effective formula for ensuring that the support we provide is used both productively and profitably.” The purpose of the organization’s social responsibility program is to bolster its commitment to teaching others “how to fish,” rather than more convenient but less effective solution of “giving them a fish,” that is, by making

a one-time donation to support occasional initiatives.

THE EPIS MODEL

During the selection phase, the ASCENDUM Group has been developing specific initiatives for adopting new projects to promote entrepreneurship, including its support for **EPIS- Entrepreneurs for Social Inclusion, an agency founded in 2007 with the sponsorship of the office of the Presidency of the Portuguese Republic, through a contribution provided to the Professional Internship Support Fund. This fund supports internships in the business world provided to young adults with learning difficulties, who are likely to drop out of school, while also providing them with better training and job opportunities.**

This investment has yielded very positive results, helping many young adults with problematic academic records to embark on their professional careers.

Philanthropy in the Service of Health

In fulfillment of one of the pillars of its corporate social responsibility policy – the commitment made by the company to provide direct support to services meeting the basic needs of communities in the regions in which it operates – the ASCENDUM Group has awarded a financial contribution and a donation of new equipment to the Portuguese Lung Foundation’s project to restore and modernize its facilities in Coimbra. **The PLF is a foundation that is a nationwide trendsetter in the field of respiratory ailments.**

The newly renovated facilities of the Coimbra Chapter of the PLF were inaugurated this past 27th of October. Quite naturally, it was with a great sense of pride and gusto that the ASCENDUM Group presented itself as a sponsor of the event: in addition to providing financial support for the construction work that was performed, the Group also contributed a data show projector, a tool indispensable for properly running of the institute.

The inaugural ceremonies held by the chapter included the planting of several trees in the courtyard, a tour of the new facilities, and a musical performance by musician and pulmonologist Rui Pato. The event was brought to a close with a Port wine reception toasting the beginning of this new “life” for the chapter.

The ASCENDUM Group’s participation in this project has been engraved on a plaque that was unveiled in the entryway of the new centre, bearing witness to the corporation’s pledge to provide support to health care professionals and patients alike, all in the effort to prevent respiratory disease.



ERNESTO VIEIRA

CHAIRMAN OF THE ASCENDUM GROUP, PLANT A TREE AS A SYMBOL OF THE INAUGURATION OF THE NEW PREMISES OF THE PORTUGUESE LUNG FOUNDATION.



THE ASCENDUM GROUP SUPPORTS THE CENTRAL CLASSICAL ORCHESTRA

Good music and friendly fellowship were the main ingredients of a party in Coimbra to celebrate the public unveiling of the new Volvo V40 by ASC Veículos, an ASCENDUM Group company.

On September 14, the Central Portugal Pavilion welcomed an audience of stakeholders invited to have a first look at the new Volvo model. "We thought it was essential to promote this meeting between friends and business partners from around the city and region where our dream first began," says Ernesto G. Vieira, Chairman of the ASCENDUM Group, who acted as the host and coordinator for this festive event, which was highlighted by presentation of Volvo's new automobile, the V40.

The performance given, whose virtuoso repertoire completely captivated the audience, was the icing on the cake, serving as a public testament to the Coimbra region's artistic and cultural values, while also reflecting the successful sponsorship choices made by the ASCENDUM Group.

"Exhibiting the very same values of discipline and quality so deeply valued by the ASCENDUM Group, the Orchestra is worthy our full appreciation and esteem," says Ernesto G. Vieira, explaining the Group's support of an institution that has contributed profoundly to the region's cultural life.

The ASCENDUM Group is committed to promoting and upholding the quality of life of the communities in which it conducts business.



ASCENDUM GROUP – Main Sponsor of GDD Rugby Club





UPHOLDING THE VALUES OF RUGBY

ASCENDUM/GDD TOURNAMENT
TRAINING LEVELS

The core objective of the ASCENDUM Group's sponsorship of GDD for the 2012-2013 season -marking the 60th anniversary of this prestigious sports club, during with a commemoration of the club's storied past - is to support the development of the national rugby program and encourage the participation of hundreds of youth who practice the sport, beginning at the age of seven.

In addition to meeting its social responsibility component by supporting a club that opens the doors of its sports complex to nearly 500 rugby players primarily coming from various schools in Lisbon with which GDD maintains partnership agreements, the ASCENDUM Group's commitment to rugby further underscores the commonality in values shared between ASCENDUM and this sport, which, like few others, truly embodies the spirit of teamwork and sacrifice, a respect for one's adversary, and a sense of integrity.

The ASCENDUM/GDD Tournament was held on October 6 at the Monsanto training facilities in Lisbon, with the ASCENDUM Group acting as the club's main sponsor for this project, in an event that was especially notable for its high level of competition. This tournament was a true celebration of rugby, bringing together hundreds of young rugby players and numerous families, all the while demonstrating that this act of sponsorship will provide the ASCENDUM Group with an excellent opportunity to promote its new identity among a broad and vastly significant public audience.



ASCENDUM GROUP VISION

TO BE ONE OF THE BIGGEST
WORLDWIDE GLOBAL
SOLUTIONS PROVIDER
OF INFRASTRUCTURES
AND CONSTRUCTION
EQUIPMENT.

NEW FACES

ASCENDUM MEXICO



BRUNO ALVES
CFO - Finance & Administration
Director



EUGENIO OSORIO
CST Director
(After Sales)



JOSÉ MANUEL GARCÍA
Logistics Director



JOSÉ RAMÓN LAVADO
Sales Director



MÓNICA HUITRÓN
Marketing Manager



ALEJANDRO ALLIOUD
Territory Manager - North



JOSÉ DE JESÚS MARTÍNEZ
Territory Manager - Bajío



MARTÍN LEIJA
Territory Manager - Central



NICOLÁS MOLINA
Territory Manager - Southeast



SAMUEL GÓMEZ
Territory Manager - West