



ZF and Foton Open Joint Transmission Plant in China, Advancing Automation for Commercial Vehicles

- **Joint plant in Jiaxing to produce automatic commercial vehicle transmissions for the Chinese market**
- **Partners see excellent market potential for automated commercial vehicles in the next five years**

Friedrichshafen/Jiaxing. At the end of 2016, ZF entered into two joint ventures with Foton, a Chinese commercial vehicle manufacturer, to produce and sell commercial vehicle transmissions. The partners have now opened a production plant in Jiaxing, to the south of Shanghai. The companies will focus primarily on the production of automated transmissions for heavy and light commercial vehicles.

The joint venture, known as ZF Foton HCV Automated Transmissions (Jiaxing) Co., Ltd., in which ZF holds a 51% share, is focused on heavy commercial vehicles. The main objectives of this enterprise are the production and marketing in China of ZF's automatic commercial vehicle transmission system, TraXon. The system will be integrated into commercial vehicles produced by manufacturer and joint venture partner, Foton.

"In China, the demand for automated transmission systems for light and heavy commercial vehicles is growing strongly," explains Wolf-Henning Scheider, Chief Executive Officer of ZF Friedrichshafen AG. "Together with our partner Foton, we will produce our latest transmission technology in China and thus offer our local customers more efficiency, comfort and safety." Compared to manual transmissions, the TraXon transmission, for example, reduces fleet average fuel consumption by up to 5 percent.

Heyi Xu, CEO of Foton's parent company BAIC Group, added: "This joint venture sees the joined hands of two industry leaders. It speaks for the product innovation and business capabilities of BAIC, and ZF global leadership in transmission products and manufacturing. Both parties will



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leverage on their respective technology and strengths, form a modular and standard production platform, in order to produce cutting-edge, efficient and intelligent transmission products for the world. We will provide Chinese customers of commercial vehicles the desired world-class products, leading the development of the sector.”

ZF Foton HCV Automated Transmissions (Jiaxing) Co., Ltd. began production today. Production capacities in Jiaxing will be expanded successively and this is where ZF will produce the TraXon 12-speed transmission for the Chinese market. With an efficiency factor of 99.7 percent, TraXon is the most efficient commercial vehicle transmission on the market today and can be combined with additional functions, ensuring its viability for future market developments. These functions include, for example, ZF’s predictive gearshift strategy PreVision GPS. With improved use of the rolling function this can further increase efficiency. The off-road and rock-free functions can improve the transmission performance during winter months, or in special vehicle applications. Moreover, ZF Foton HCV will offer the TraXon transmission system together with the Intarder transmission brake. This effectively brakes heavy trucks without strain or wear on the service brakes. The Intarder can increase safety and extend the service interval, thus offering additional cost advantages in practice. Production of the Intarder will also begin in Jiaxing, imminently.

A second joint venture, Foton ZF LCV Automated Transmissions (Jiaxing) Co., Ltd., in which ZF holds a 40-percent share, produces transmissions for light commercial vehicles in Jiaxing for the Chinese market.

Captions:

1) Wolf-Henning Scheider, CEO of ZF Friedrichshafen AG, speaks at the grand opening of the joint venture production plant of ZF and Foton in Jiaxing, south of Shanghai.



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2) Joint venture partners ZF and Foton will produce the innovative automatic transmission system TraXon for the Chinese market in Jiaxing.

Images: ZF

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ZF Friedrichshafen AG

ZF is a global technology company and supplies systems for passenger cars, commercial vehicles and industrial technology, enabling the next generation of mobility. With its comprehensive technology portfolio, the company offers integrated solutions for established vehicle manufacturers, mobility providers and start-up companies in the fields of transportation and mobility. ZF continually enhances its systems in the areas of digital connectivity and automation in order to allow vehicles to see, think and act.

In 2018, ZF achieved sales of €36.9 billion. The company has a global workforce of 149,000 with approximately 230 locations in 40 countries. ZF invests over six percent of its sales in research and development annually.

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