**Sweden-China Technology, Manufacturing, and Industry Ties**

*-- Last Updated on 5 May 2011 --*

This report is an open source compilation of information on Swedish-Chinese technology, manufacturing, and industry ties from January 2008 to May 2011. Its focus is on economic deals; particularly pertaining to heavy industries, technology companies and transfers, and aircraft industries; between the two countries.

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**2008**

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| **1. ENTITIES INVOLVED**   * Datang Telecom Technology * Industry Group and Ericsson |
| **2. DATE**  January 2008 |
| **3. DETAILS**  Datang Telecom Technology and Industry Group and Ericsson announced Monday that the two companies have launched a research center in Beijing focusing on L (long term evaluation/time division duplex) technology development. According to an MOU signed by the two companies in Sweden in September 2007, Datang Telecom and Ericsson will cooperate in such fields as LTE and IMT-Advanced (international mobile telecommunication-advanced) development. The establishment of the research center is a part of the MOU. |
| **4. SOURCE**  China IT & Telecom Report |

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| **1. ENTITIES INVOLVED**   * Perstorp * Zibo Linzi Yongliu Chemical Industry Stock Co. |
| **2. DATE**  January 2008 |
| **3. DETAILS**  Perstorp (Perstorp, Sweden) says it has acquired the neopentyl glycol (NPG) manufacturing business of polyol producer Zibo Linzi Yongliu Chemical Industry Stock Co. (Zibo, China). The acquisition will consolidate Perstorp's leading position in the international polyols industry, the company says. Zibo Linzi is China's second-largest manufacturer of NPG and has 20,000 m.t./year of production capacity at Zibo. |
| **4. SOURCE**   Chemical Week |

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| **1. ENTITIES INVOLVED**   * Dongfeng Motor Corporation * Volvo Group |
| **2. DATE**  February 2008 |
| **3. DETAILS**  Dongfeng Motor Corporation, a leading carmaker in central China, and Volvo Group, a manufacturer of trucks, buses, construction equipment, etc., will set up a 50-50 joint venture to make heavy-duty trucks including a model to be launched globally. |
| **4. SOURCE**  SinoCast |

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| **1. ENTITIES INVOLVED**   * Scandinavian airline company * Air China |
| **2. DATE**  April 2008 |
| **3. DETAILS**  Scandinavian airline company has signed a code sharing agreement with Air China. Air China is to manage SAS' ground service in China, while SAS will take care of Air China's ditto in Scandinavia. SAS's euro bonus system will be valid on Air China's flights. Air China is preparing to join the Star Alliance, by adapting IT and booking systems. |
| **4. SOURCE**  Dagens Industri |

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| **1. ENTITIES INVOLVED**   * Autoliv * Autoliv Maw Hung Vehicle Safety Systems |
| **2. DATE**  April 2008 |
| **3. DETAILS**  Swedish Autoliv has acquired the remaining 41% of its Chinese joint venture Autoliv Maw Hung Vehicle Safety Systems. The acquisition sum was close to US$ 14mn (EUR 9.9mn). Safety belts are Autoliv Maw Hung Vehicle Safety Systems main production. |
| **4. SOURCE**  Göteborgs Posten |

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| **1. ENTITIES INVOLVED**   * Autoliv * Nanjing Hongguang Autoliv |
| **2. DATE**  April 2008 |
| **3. DETAILS**  Swedish Autoliv has acquired an additional 20% stake in the Chinese seat belt manufacturer Nanjing Hongguang Autoliv. Following the acquisition, Autoliv owns 70% of the joint venture. |
| **4. SOURCE**  Dagens Industri |

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| **1. ENTITIES INVOLVED**   * Ford * Changan * Volvo Cars |
| **2. DATE**  December 2008 |
| **3. DETAILS**  Ford is in talks with its Chinese joint-venture (JV) partner, Changan, over a possible sale of its Swedish brand, Volvo Cars, according to a National Business Daily report. The report quotes an unnamed executive from Changan saying that talks between the two parties took place during November at the Guangzhou Motor Show, although no details regarding the outcome of these have been revealed. |
| **4. SOURCE**  Global Insight |

**2009**

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| **1. ENTITIES INVOLVED**   * Ericsson * China Mobile * China Unicom |
| **2. DATE**  July 2009 |
| **3. DETAILS**  Chinese and Swedish companies signed nine contracts and framework agreements during a visit by a Chinese trade and investment promotion mission to Sweden on Wednesday and Thursday. More than 300 representatives from the business communities of both countries attended on Wednesday the China-Sweden Economic and Trade Cooperation Forum with the theme "Enhanced cooperation for mutual benefits and win-win."   * The two framework agreements signed by Swedish telecommunications equipment maker ERICSSON and China's two main telecom companies -- CHINA MOBILE (SEHK:0941) and CHINA UNICOM (SSE:600050, SEHK:0762)), are valued at $1US.7 billion. * Gao Hucheng, Vice Minister of Commerce and head of the mission, said Sweden has become China's second largest trading partner and largest source of foreign investment and technology in Northern Europe. |
| **4. SOURCE**  Asia Pulse |

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| **1. ENTITIES INVOLVED**   * Volvo AB * Volvo Powertrain * Volvo Penta * First Automotive Works (FAW) Group |
| **2. DATE**  August 2009 |
| **3. DETAILS**  Swedish vehicle group Volvo AB does not plan to sell Volvo Powertrain or Volvo Penta to Chinese carmaker First Automotive Works (FAW) Group, Volvo's spokesman Marten Wikforss told today Swedish newswire Nyhetsbyran Direkt. "We have a small joint venture (JV) with FAW in China, where Volvo Penta produces engines in limited volumes," Wikforss said, denying that there were any negotiations about a potential sale of Volvo Penta or Volvo Powertrain. |
| **4. SOURCE**  ADP News Nordic |

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| **1. ENTITIES INVOLVED**   * Beijing Automotive Industry Holdings Company (BAIC) * Saab Automobile * Koenigsegg Group |
| **2. DATE**  September 2009 |
| **3. DETAILS**  Chinese automaker Beijing Automotive Industry Holdings Company (BAIC) is to invest in the deal to buy Sweden's Saab Automobile AB orchestrated by the Koenigsegg Group. According to a statement released by Koenigsegg, a memorandum of understanding (MoU) has been signed by the pair that will see BAIC become a non-controlling minority shareholder in the Koenigsegg Group. BAIC and Koenigsegg will also explore growth opportunities for Saab and BAIC products in China and international markets. The statement added that the Swedish government has already been briefed on the MoU and that the intention is to complete the deal before the end of the year. |
| **4. SOURCE**  Global Insight |

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| **1. ENTITIES INVOLVED**   * AstraZeneca plc (UK) * Atlas Copco AB (Sweden) * Sandvik AB (Sweden) |
| **2. DATE**  October 2009 |
| **3. DETAILS**  Signed agreements with Wuxi New District to contribute to building a green city in Wuxi, Jiangsu. Wuxi is reportedly the 7th most competitive city in China. Witha population of six million, Wuxi achieved a per capita GDP of 10,000 U.S. dollars in 2008. |
| **4. SOURCE**  <http://www.chinabusinessreview.com>  <http://www.ccchina.gov.cn/en/NewsInfo.asp?NewsId=19878> |

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| **1. ENTITIES INVOLVED**   * Paynova * Chinapay * Lei Xun |
| **2. DATE**  October 2009 |
| **3. DETAILS**  Swedish company Paynova is to develop an e-commerce solution for Chinese payment card giant Chinapay, which has 640mn customers. For this purpose, a joint venture has been established with Chinese company Lei Xun. Paynova, which has developed a software program for Internet payments, expects its revenues to increase significantly following the deal. |
| **4. SOURCE**  Dagens Industri |

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| **1. ENTITIES INVOLVED**   * GC China Turbine Corp * Wuhan Guoce Nordic New Energy |
| **2. DATE**  October 2009 |
| **3. DETAILS**  Two Chinese manufacturers have joined hands to create a design and research institute for twin-blade turbines in Sweden, where the technology originated. Under the new joint venture institute, GC China Turbine Corp (OTC:GCHT) and Wuhan Guoce Nordic New Energy (GC Nordic) will develop 2 MW and 3 MW two-blade turbines for large-scale onshore and offshore projects. GC China Turbine will contribute US$1.75 million in initial funding. |
| **4. SOURCE**  ADP News Renewable Energy Track |

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| **1. ENTITIES INVOLVED**   * EcoEnergy (Sweden) * Changzhou Xinbei District Government * Jiangsu Guoyu Electric Co Ltd. |
| **2. DATE**  November 2009 |
| **3. DETAILS**  Today at the Swedish Department of Foreign Affairs, Swedish EcoEnergy has signed a memorandum of understanding with Changzhou Xinbei District Government and Jiangsu Guoyu Electric Co Ltd. regarding building local waste-to-energy facilities in the Changzhou Xinbei district. |
| **4. SOURCE**  Business Wire |

**2010**

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| **1. ENTITIES INVOLVED**   * East Capital Holding AB (Sweden) |
| **2. DATE**  April 2010 |
| **3. DETAILS**  Acquired asset management operations of Sweden-based Asia Growth Investors AB. |
| **4. SOURCE**  <http://www.chinabusinessreview.com> |

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| **1. ENTITIES INVOLVED**   * Telefonaktiebolaget LM Ericsson * Datang Telecom Technology & Industry Holdings Co., Ltd. |
| **2. DATE**  April 2010 |
| **3. DETAILS**  Telefonaktiebolaget LM Ericsson has signed a memorandum of understanding with Datang Telecom Technology & Industry Holdings Co., Ltd. to establish strategic cooperation to jointly develop advanced TDD solutions, to deliver mobile communications to consumers in China and around the world. |
| **4. SOURCE**  TendersInfo |

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| **1. ENTITIES INVOLVED**   * Sapa AB (Sweden) * Aluminum Corp. of China Ltd. (Beijing) |
| **2. DATE**  July 2010 |
| **3. DETAILS**  Signed MOU to form JV in southern China to serve China's rolling stock industry. (Sweden: 50% PRC: 50%) |
| **4. SOURCE**  <http://www.chinabusinessreview.com> |

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| **1. ENTITIES INVOLVED**   * Zhejiang Geely Holding Group * Volvo * Geely-Volvo Research and Development * Shanghai Automotive Industry Corporation * Shanghai Volkswagen * Fiat Powertrain Technologies * Schaeffler Group |
| **2. DATE**  July 2010 |
| **3. DETAILS**  Chinese automaker Zhejiang Geely Holding Group has confirmed plans to construct a local research and development (R&D) facility for premium Swedish brand Volvo. Xu Ming, vice general manager of Shanghai city, added that the Geely-Volvo Research and Development Centre will be based in the Shanghai International Automobile City. The industrial park, covering an area of 90 square kilometres, currently includes facilities operated by local automaker Shanghai Automotive Industry Corporation (SAIC) and its joint venture (JV), Shanghai Volkswagen (VW), along with those of component manufacturers such as Fiat Powertrain Technologies and the Schaeffler Group. Local sources have reaffirmed that Geely is currently scouting locations for an assembly plant to build Volvo vehicles in China. Geely will spend $2.7 billion on the deal, which includes the original price tag of $1.8 billion plus $900 million in working capital to improve the brand. Geely aims to sell 150,000 Volvo cars in China annually by 2015. |
| **4. SOURCE**  Global Insight  <http://www.autoparts-marketplace.com/2010/07/geely-to-base-volvo-china-hq-rd-in-shanghai.html> |

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| **1. ENTITIES INVOLVED**   * Invest Sweden * Geely (China Auto Manufactuer) |
| **2. DATE**  August 2010 |
| **3. DETAILS**  Invest Sweden and Geely, one of China's top ten auto manufacturers, officially signed a Memorandum of Understanding (MOU) concerning their cooperation in Beijing on August 13. The signing of the MOU will smooth the way for the progress of Geely's projects and businesses in Sweden, and has set an model to interest other business executives in Sweden to invest in China and interest executives on both sides in mutual collaborations. |
| **4. SOURCE**  Chinese Business News |

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| **1. ENTITIES INVOLVED**   * The Sapa Group (Sweden) * Aluminum Corp. of China Ltd. (Beijing) |
| **2. DATE**  August 2010 |
| **3. DETAILS**  Signed MOU to form JV to construct an aluminum extrusion and fabrication facility in southern China. (Sweden: 50% PRC: 50%) |
| **4. SOURCE**  <http://www.chinabusinessreview.com> |

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| **1. ENTITIES INVOLVED**   * Autoliv, Inc. * Beijing Delphi Automotive Safety Products (BDS) * Delphi |
| **2. DATE**  October 2010 |
| **3. DETAILS**  Autoliv, Inc. (NYSE: ALV) (STO:ALIVSDB), the worldwide leader in automotive safety, has acquired Delphi's 51% share in the Chinese seatbelt maker Beijing Delphi Automotive Safety Products (BDS). BDS is a joint venture between Delphi and the Chinese company BHAP. Including the latest acquisition Autoliv now has ten manufacturing facilities in China and is China's leading automotive safety system supplier, both to global vehicle manufacturers in the country and to domestic Chinese vehicle manufacturers. Recently, Autoliv opened a new airbag cushion facility and technical center with the capacity to perform full crash tests of complete vehicles. |
| **4. SOURCE**  Business Wire |

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| **1. ENTITIES INVOLVED**   * SSAB Svenskt Stal Aktiebolag (Sweden) |
| **2. DATE**  October 2010 |
| **3. DETAILS**  Will set up an R&D center in Kunshan, Jiangsu, to develop high-strength steel. The total investment amounts to SEK 320 million. |
| **4. SOURCE**  <http://www.chinabusinessreview.com> |

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| **1. ENTITIES INVOLVED**   * Guernsey's Chief Minister, Lyndon Trott * Deputy Director General of the Shanghai Municipal Financial Services Office, Fan Yongjin |
| **2. DATE**  November 2010 |
| **3. DETAILS**  The Guernsey Government has signed a Memorandum of Understanding (MoU) with the Shanghai Municipal Financial Services Office. Guernsey's Chief Minister, Lyndon Trott and Fan Yongjin, Deputy Director General of the Shanghai Municipal Financial Services Office, signed an agreement which establishes a framework for exchange and cooperation between the two jurisdictions. |
| **4. SOURCE**  Mondaq |

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| **1. ENTITIES INVOLVED**   * Sandvik AB (Sweden) |
| **2. DATE**  December 2010 |
| **3. DETAILS**  Will acquire an 80% stake in Shanghai Jianshe Luqiao Machinery Co. Ltd. for approximately CNY 150 million on December 21, 2010. |
| **4. SOURCE**  <http://www.chinabusinessreview.com>  <http://investing.businessweek.com/research/stocks/transactions/transactions.asp?ticker=SAND:SS> |

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| **1. ENTITIES INVOLVED**   * LM Ericsson Telephone Company * Guangdong Nortel Telecommunication Equipment Company Ltd (GDNT) (China Based) |
| **2. DATE**  December 2010 |
| **3. DETAILS**  LM Ericsson (NASDAQ:ERICY) Telephone Company is acquiring the assets of Guangdong Nortel Telecommunication Equipment Company Ltd (GDNT). The transaction is structured as an asset sale for $50 million on a cash and debt free basis.   * GDNT is a research, development and manufacturing organization based in China and a supplier of Ericsson following the acquisitions of the CDMA and GSM businesses of Nortel. * Headquartered in Stockholm, Sweden, LM Ericsson Telephone Company is a multinational company engaged in manufacturing and selling wireless infrastructure equipment to the telecom sector. It is a total network solutions provider, serving wireless and wireline operators, enterprises and consumers. |
| **4. SOURCE**  Zacks Investment Research |

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| **1. ENTITIES INVOLVED**   * Saab Automobile * China Automobile Trading Co (CATC) |
| **2. DATE**  December 2010 |
| **3. DETAILS**  Saab Automobile has signed a Memorandum of Understanding with China Automobile Trading Co (CATC) regarding the import of vehicles and spare parts for the Chinese market. In the MOU, CATC will assume responsibility for the import of Saab cars and parts to China. A contract is expected to be signed in the first quarter of 2011, with official sales starting in July 2011. |
| **4. SOURCE**  just-auto global news |

**2011**

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| **1. ENTITIES INVOLVED**   * Aluminum Corporation of China * Sapa Group (Sweden) |
| **2. DATE**  April 2011 |
| **3. DETAILS**  Aluminum Corporation of China has signed a contract with Sweden's Sapa Group, the world's biggest supplier of aluminum extruded section, on April 8 to establish a joint venture company. Each party will hold a 50 percent share in the venture, which will develop high-end aluminum extruded section. The contract involves a front-end investment of 6 billion yuan ($918 million), which is estimated to produce 20,000 tons each year. |
| **4. SOURCE**  China Economic Review - Daily & Industry |

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| **1. ENTITIES INVOLVED**   * Sandvik Mining and Construction (Sweden) * Shandong Energy Machinery Co. (Xintai, Shandong Province) |
| **2. DATE**  April 2011 |
| **3. DETAILS**  Sandvik Mining and Construction and Shandong Energy Machinery Co. in Xintai, Shandong Province, China, have signed an agreement to form a 50/50 owned joint venture for the production and sales of coal mining equipment. The joint venture is expected to be established within 6 months, following customary regulatory approvals. It is planned to be operational by the end of 2011 and will be fully consolidated in the Sandvik reporting. |
| **4. SOURCE**  Business Wire |

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| **1. ENTITIES INVOLVED**   * Opcon AB * Shanghai Baosteel Energy Tech Co., Ltd., of China |
| **2. DATE**  April 2011 |
| **3. DETAILS**  Opcon AB, the energy and environmental technology Group, has signed a memorandum of understanding (MOU) with state-owned Shanghai Baosteel Energy Tech Co., Ltd., of China, concerning the establishing of a joint venture for collaboration around Opcon Powerbox on the Chinese market. The memorandum of understanding concerns a joint venture for land-based sales, installation and assembly of Opcon Powerbox on the Chinese market. |
| **4. SOURCE**  News Bites - Nordic : Sweden |

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| **1. ENTITIES INVOLVED**   * Saab Automobile AB * Spyker Cars N.V. * Hawtai Motor Group Company |
| **2. DATE**  May 2011 |
| **3. DETAILS**  Saab Automobile AB and its parent company Spyker Cars N.V. have announced that they have signed a strategic agreement today (3 May) with China's Hawtai Motor Group Company, which includes an agreement to form joint ventures (JVs) on manufacturing, technology, and the distribution of Saab cars in China for $223 million. |
| **4. SOURCE**  Global Insight |

*--Compiled by the Research Department at STRATFOR--*