



At Sanyang (hereafter SYM), we commit ourselves wholeheartedly to offer great products, technologies and services that enrich and fulfill the lives and needs of people. Our underlying promise is to provide real-time satisfaction through authentic product experiences. SYM's continuous efforts of bringing the greatest quality products to life has well been acknowledged by the public and our 50 year anniversary celebration in 2004 was the evident of optimal recognition - SYM's important role and position in the motor vehicle industry.

Throughout the last 5 decades, our ability to always foresee trends and be in the innovative frontline spotting and appropriating technologies that simply provide safer means of transportation and are more environmental friendly once again support our beliefs in managing and sustaining a company that is responsive to the needs of the society.

Under SYM's management principles, we truly appreciate positive contributions and value the intrinsic beauty of "integrity", "vibrancy", "innovation" and "customer satisfaction". We believe things we do at SYM are under the compliance of these principles - ones that are exclusively reserved for our customers. Based on these fundamental beliefs, we are now ready to stem from Taiwan to the global market, while trying to "think global and act local" for obtaining maximum value output. With our professionalism, superiority, and braveness, we assure to provide future generations genuine products that enhance every aspect of life.

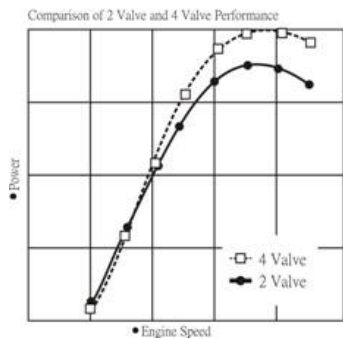
Products



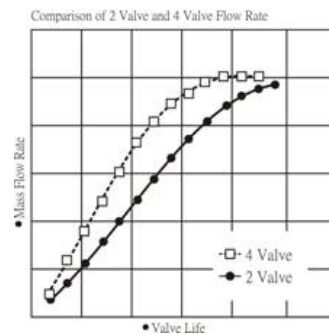
100% independently researched and developed products ranging from light-weight scooters to heavy recreational bikes, street motorcycles, electric mobility vehicles, Go-Karts, ATVs (All Terrain Vehicles) and general purpose engines. Specializing in car exterior design and industrial product styling design and manufacturing, we develop and manufacture a variety of starter motor moulds and mechanical processing equipments. Also Design / planning & manufacturing capability of automatic production equipments for the motor vehicle industry is within our field of expertise, as well as design and manufacturing of moulds and mechanical equipment for 3C industries.

One Piece Cylinder Head Design

Better Volumetric Efficiency



More Power



- * More Stiffness
- * Less Vibration and Noise
- * Better Heat Transfer

Cermic coated cylinder



The Ceramic Coated Cylinder is a high-tech product, which applies a special compound-electroplating process, by dispersing SiC ceramic particles evenly to the cylinder wall. SYM is the first company to mass produce motorcycle engines using the SiC ceramic coating technique.

The engineered Ceramic SiC material overcomes the typical problems with brittleness as known from other ceramic materials. It has excellent wear resistance (high hardness) and is also very heat resistant, making it an ideal match for the typical requirements of engine cylinders.

Ceramic Coating Cylinder VS. Traditional Cylinder

Item	Hardness	Wear (Maximum Power Test)	Temperature of Cylinder Wall
Traditional Cylinder	Cast Iron Sleeve Hv200~300	~49.5μm	236°C
Ceramics Coating Cylinder	SiC Particles >Hv2000	<2μm	221°C

History

1947. Mr. Huang Ji-Jun founded Ching Feng Hang in Taiwan

1948. Mr. Huang Ji-Jun hired schoolteacher, Mr. Chang Guo-An, to join Ching Feng Hang as technician through Magistrate Hsieh Shui-Liu of Neihu village.

1949. Ching Feng Hang imported the first shipment of motorcycles: BSA in 250cc, 350cc and 500cc capacities, priced at around NTD 25,000.

1951. Ching Feng Hang imported Honda engines to assemble mopeds.

1952. Ching Feng Hang imported motorcycle parts from a Japanese firm, Fuji Heavy Industry Co., Ltd., to assemble passenger carriages.

1954. **Sanyang** Electrics was established with a start-up capital of NTD 300,000 to manufacture generator lights, the key component of bicycles. The factory was a 132m² leased rice mill with 5 sets of horsepower motors and a basic manufacturing equipment line up consisting of 2 presses and 1 lathe. At that time, there were only four employees.

1959. Restructured the company into "Sanyang Electrics Co., Ltd." with an increase of capital of NTD 800,000 and an acquisition of 660m² of land to build a 396m² factory plant with additional expansion of production equipments.

1961. Sanyang Electrics restructured into Sanyang Industry Co., Ltd. with paid-up capital of NTD 10 million.

1962. Formed a joint venture with Honda Motor Japan to manufacture 50cc, 150cc and 160cc motorcycles and became the first motorcycle manufacturing company in Taiwan with 30% localized production.

1967. Entered a Technical Collaboration Agreement with Honda Motor Japan to produce automobiles.

1968. Founded Nanyang Industries Co., Ltd. to import automobiles and motorcycles.

1969. Construction of the automobile manufacturing plant was complete and opened to begin production: TN 360 Fah Tsai Tser, N600 Fu Gui.

1974. Total capital reached NTD 230 million with Honda Motor US investing NTD 30 million (13% of total capital); New debut of Wolf 125.

1976. Successfully developed "Steadite" alloy cylinder with a 50,000 km quality guarantee. Commencement of exporting cylinder heads to Honda Motor Japan.

1977. First Honda Civic 1200cc entered the market and Nanyang became the sole distributor of Sanyang Motor.

1978. Former chairman, Mr. Huang Ji-Jun, jointly inaugurated the groundbreaking ceremony with supporting satellite contractors, dealers, Taiwan transportation vehicle manufacturers association and Honda representatives on October 24 th at Hsinchu Industrial Park with a total capital of NTD 483 million.

1980. Mr. Huang Shi-Hui succeeded as the chairman, and the Hsinchu plant commenced production of the Civic 1400cc five-door sedan.

1981. In April, motorcycle production exceeded 1 million units, and the Silver Wolf 125 was introduced to the market. In October, the most technologically advanced electronic ignition scooter - the Sanyang Scooter 50 was produced.

1982. Started exporting motorcycles to Dominican Republic .

1989. In March, the company executed a group deed with its employees to extend attendance hours to 44 hours per week from July, while at the same time, Hsinchu automobile plant began production. The company celebrated its 35 th anniversary and motorcycle production reached 3 million units in October.

1990. Debut of Sanyang Di Fei 125, Duke 150 and Sanyang Accord 2000cc sedan. Sanyang L125A motorcycle engine began exporting to France . The company dormitory and training center were completed for use, and the first automated welder G/W, M/C for motor vehicle body in the country was commissioned into production.

1992. Technical collaboration with Vietnam VMEP to manufacture motorcycles.

1994. Motorcycle production broke through 5 million units.

1995. Awarded the outstanding industrial automation manufacturer; motorcycles passed ISO 9001, and automobiles passed ISO 9002.

1998. Achieved ISO 14001 environmental management system international certification.

1999. Launch of the CRV recreational vehicle in the market, the Attlia 125 attained the National Product Image Gold Award, the Fiddle 50 cited as a Taiwan Good Design Product; Achieved ISO 1800 national accreditation in June, machinery plant completed for operation in July, Neihu and Hsinchu combined their plants and offices in December.

2002. In March, ceramic coating cylinder and fuel injection engine models were launched, a total revolution in motorcycle engine technology, all 125cc motorcycles are equipped with aeronautic ceramic cylinders and fuel injection engine, a R&D center was founded in Hsinchu to complete integration of production and research.

2003. Motorcycles under 125cc are all fitted with ceramic coating cylinders that offer a lifetime warranty. In October, Sanyang motorcycles southern district marketing center was established, and in November, the Sinfong plant established a research and development center with the release of the RV180 injection engine, and President Chen Shui-Bian was present at the inauguration. The industrial machinery plant passed QS9000 certification.

2004. Sanyang celebrated its 50th anniversary in Taipei and President Chen, Shui-Bien was among the many guests who delivered personal congratulations; additional US\$50,000,000 was invested in its Vietnam R&D Center; local-manufactured Hyundai Getz was launched; the product life cycle management (PLM) system was applied; VMEP celebrated its 12th anniversary and its accumulated motorcycle production exceeded 1 million units.

2005. PT. Sanyang Industry Indonesia was established in May and granted permanent business license (Izin Usaha Tetap, IUT) to manufacture motorcycles; Sanyang Italia S. R. L. were established; local-manufactured Hyundai Tucson 2.0 was launched; Sanyang entered military truck operations by cooperating with International Truck and Engine Corporation, USA and manufactured military trucks for Ministry of National Defense; VMEP entered the field of car production and became the 13th foreign car manufacturer in Vietnam.

2006. Export of SYM motor scooters to the USA.



SYM & the Environment

SYM, along with its excellent corporate culture and governance, has engaged in automobile and motorcycle manufacturing, providing outstanding products for people around the world. Throughout the years, we have tried to discover innovative ways to reduce environmental impact for the loving earth that we live in .

As a global citizen, we use the environmental slogan "pollution prevention, energy preservation, resource recycling, environmental planting", reflecting our commitment to promoting environmental protection. Since 1998, we have implemented the Environmental Management System Project ISO-14001 to document, organize, and systematize environmental management. Furthermore, we incorporated a P-D-C-A structure to continuously improve our environmental management performance.

In the production process, a clean production approach has been adopted to reinforce the concepts of industrial waste prevention, energy preservation, resource recycling, and pollution prevention, and to implement the techniques throughout the process. This reinforcement therefore helps us minimize environmental harm created through production while at the same time enhancing production effectiveness, reducing costs, and improving product competitiveness.

Occupational safety and health and environmental protection are both essential to businesses that are committed to respecting life and pursuing sustainable success. In 1999, we established the V.P.P. system and subsequently implemented the occupational safety and health management system OHSAS-18001. In particular, the integration of environmental, safety, and health management systems into one has substantially improved our management performance.

With respect to pollution prevention, we are committed to complying with environmental protection standards and industrial safety laws and regulations. In an effort to better our pollution prevention, we are equipped with various waste disposal facilities to process and dispose of waste water, air pollution, and VOCS. In addition, we have spent ten of millions of dollars on waste incineration facilities and resource recycling zones in order to fully carry out our responsibility to reduce waste recycling.

The manufacturing or the use of automotive and motorcycle products will inevitably result in pollution. In an attempt to better control this resultant pollution, we are dedicated to minimizing the creation of pollution during the manufacturing process while at the same time developing so-called "green products" that are fuel-efficient, produce levels of emissions, and recyclable. Such advanced vehicles have been designed to exceed the emission standards required by environmental protection regulations. Additionally, in 2002 we spent 500 million dollars establishing the SYM R&D Technology Center , and of which, more than 200 million dollars was invested in environmental protection related designs and testing facilities.

In terms of environmental planting, our newly established R&D Technology Center was

designed and built to feature a low building coverage ratio and low floor area ratio, and is surrounded with extensive green planting, thereby making it a vitally green environment. The effort to promote the tree planting, furthermore, was extended to the Hsinchu factory with the completion of the SYM Garden and Kaitai Pool, which has made SYM a refreshing environment to work in and a role model for environmental planting in the industrial park.

We are certainly not satisfied with our achievements. Instead, we are committed to making continuous improvements and pursuing sustainable growth. As a way of showing consumers and the general public our continuous efforts and achievements, we will proactively compete for 2005's Corporate Environmental Protection Award and constantly strive to move toward the new environmental milestone of "Green Factory" and "Green Corporation".

