

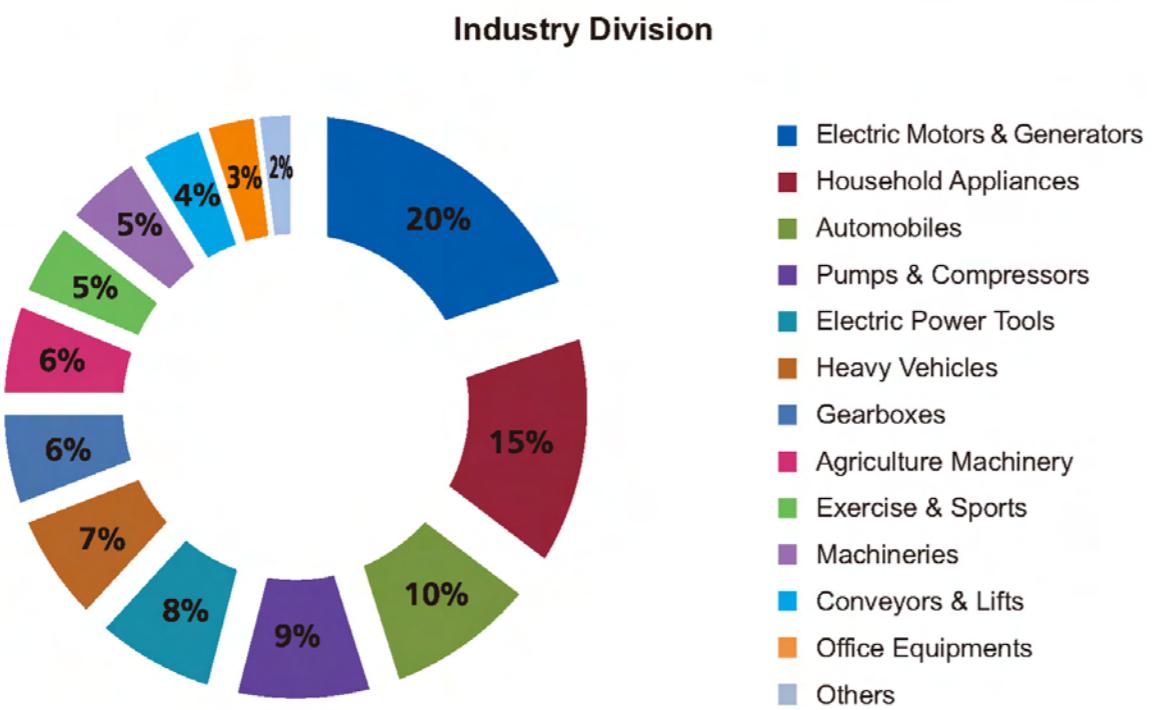
MAIN CLIENTS AND MARKETS

HCH Bearing has established wide distributorships in more than 70 countries throughout the world. Asia, Europe, North America, South America, Australia, Africa you can see our customers everywhere.

At the meantime, with good reputation in continuous stable and quality bearings' supplying, HCH aftermarket sales volume also increased rapidly. Current OEM market takes around 65% of HCH total bearing sales. At the meantime, HCH aftermarket takes around 35%. For the market proportion according to the area, there is around 70% in the international market and 30% in the domestic market.



We have obtained good market reputation by providing satisfactory services to our OEM clients. HCH's bearings are used in wide range of industries. Hundreds of manufacturers of household appliances, electric motors, pumps, gearbox, electric power tools, agriculture machineries, automotive etc., have established relationship with us. Current industry division for HCH sales is as following:



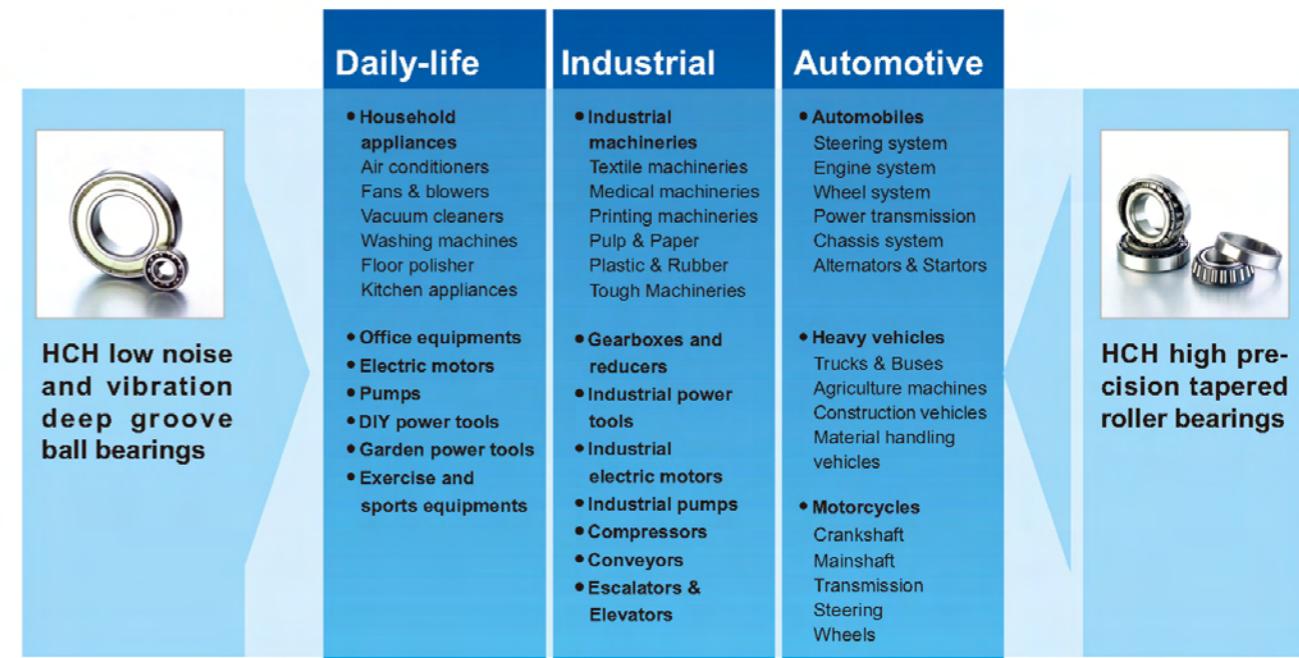
Both end-users and manufacturers expect high-performing bearings that are conformable to current and future legislation. As a world top quality-bearing manufacturer, we use high technology to expand and improve the quality and performance of our bearings; we continually upgrade our manufacturing and use the latest methods in process analysis and design, product design, modeling/simulation, and prototyping and application development. HCH is always improving its bearings to tomorrow's high quality to meet customers' high quality demand. By now, the HCH Group has obtained 7 quality management certificates and over 100 awards for technology and intellectual distribution. This clearly demonstrates HCH's world-class innovation capabilities in product R&D.

OEM Market

More than 500 world leading manufacturers like Sanyo, Toshiba, Panasonic, Mitsubishi, Samsung, Hyundai, GE, Midea, AUX, Gree etc. have further established relationship. By providing the specific application solutions, for OEM customers, the aim is to ensure the maximum utilization of their assets in order to increase their productivity and profitability. Our main OEM customers as follows:



According to different industries, HCH has divided services into daily-life OEM sector servicing household appliances, office equipments, consumer related electric motors, DIY and garden related OEM customers, conventional pumps etc.; industrial OEM sector servicing industrial goods such as gearboxes, conveyors, industrial pumps, industrial electric motors, industrial electric power tools, and machineries etc.; and automobile OEM sector servicing heavy vehicles, passenger buses, cars, two wheelers, agriculture machineries, etc.



HCH daily-life OEM sector

HCH understands your requirements of low noise, silent running, long life, high quality, less friction and more energy saving. HCH bearings are at the very heart of all the answers. Worldwide availability of HCH products is supported by a comprehensive technical advisory service by HCH daily-life OEM sector. HCH puts at the service its expertise acquired through years of research and commitment and we highly appreciate our customers to share their requirements and improve together with HCH. Now HCH is becoming the most preferred brand for virtually all leading household appliances and electric motor manufacturers. By working with HCH, you gain access to the resources of a proven leader that has earned OEM quality awards from many quality-conscious corporations.



● HCH bearings for household appliances

Requirements	Preferred sealing
Quiet running	Open
Energy saving	ZZ
Maintenance free	2RZ
Environmental friendly	2RS



● HCH bearings for office equipments

Requirements	Preferred sealing
Quiet running	ZZ
Energy saving	2RZ
Maintenance elimination	2RS
Environmental friendly	

HCH industrial OEM sector

The primary goal in this sector is always to provide a high level of machine availability while minimizing maintenance expenses. With many years of experience and highly qualified expertise, HCH sales engineers support customers in the mounting and operation of machines, install and run condition monitoring systems, repair rolling bearings and conduct analyses and study the causes of machine damage and malfunctions for customers all over the world. For industrial OEM customers, special training could also be got from HCH industrial OEM sector for their better service of end-users. Early detection of problems and failures in production plants enables users to plan their maintenance activities, carry out repairs when necessary and avoid unscheduled shutdowns.



● HCH bearings for industrial power tools

Requirements	Preferred sealing
Long service life and high reliability	Open
Good dust prevention function	ZZ
High reliability with high speed	2RZ
Environmental concerning	2RS



● HCH bearings for industrial gearboxes

Requirements	Preferred sealing
Optimized design	Open
Lower energy consumption	ZZ (Z)
Long service life with oil lubrication	RS
High reliability to prevent maintenance	2RS



● HCH bearings for electric motors

Requirements	Preferred sealing
Low noise and vibration	ZZ
Low friction	2RZ
High reliability	2RS
Environmental concerning	



● HCH bearings for pumps

Requirements	Preferred sealing
Low noise and vibration	ZZ
Energy saving	2RZ
High reliability	2RS
Environmental concerning	



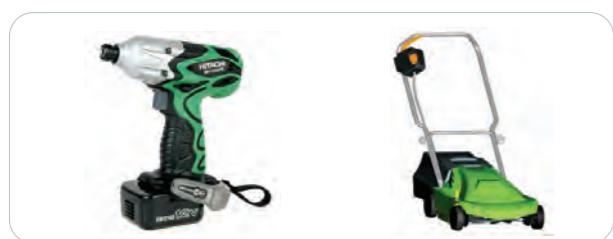
● HCH bearings for industrial pumps & motors

Requirements	Preferred sealing
Low noise and vibration level	ZZ
Lower energy consumption	2RZ
Long service life and high reliability	2RS
Environmental concerning	



● HCH bearings for conveyors

Requirements	Preferred sealing
Dust preventing	ZZ
High load capacity	2RS
Productivity with low maintenance	
Bearing metal to metal contact prevent	



● HCH bearings for DIY & Garden tools

Requirements	Preferred sealing
High reliability	Open
Long service life	ZZ
Prevention from dust	2RZ
Environmental concerning	2RS



● HCH bearings for sports & exercise

Requirements	Preferred sealing
Comfort	ZZ
Environmental concerning	2RZ
Rust inhibiting	2RS
Saved power from low friction	



● HCH bearings for lifts

Requirements	Preferred sealing
Low noise and vibration	Open
Energy saving with low friction	ZZ
Maintenance elimination	2RS
High reliability in low speed	



● HCH bearings for industrial compressors

Requirements	Preferred sealing
High reliability with high speed	ZZ
Save power by reducing friction	2RZ
Long service life in high temperature	2RS
Environmental concerning	

Note: For more detailed information, please check HCH application catalogue or consult HCH application engineers.

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HCH automobile OEM sector

No matter to direct automobile producers or Tier1, Tier2 OEM customers, the HCH service includes a complete range of system solutions, such as engine system, transmission, steering system, metro-electronics system, and chassis system, etc.

Cooperating with world famous automobile OEM customers for years, HCH has abundant knowledge of bearings for engine and transmission parts of automobile industry. In addition to the ripe technology of HCH bearings for traditional parts as starter motors, alternators, single belt drive, tension pulley, and transmissions, HCH has also put R&D efforts on improvement of its bearings in new version for the future together with our automobile OEM customers. The typical case of them is that HCH has approved for 5th generation of gearbox by Volvo and Volkswagen which will be in mass production in year 2012. HCH also contributes a lot to the steering system development such as steering column, steering gear and steering pumps. Moreover, customers can rely on HCH for its competence and ripe technology in the electric power steering.



● HCH bearings for motorcycles

Requirements	Preferred sealing
Comfort	Open
Energy saving by low friction	Z
High reliability for low maintenance	ZZ
Dust preventing for wheel bearings	RS
High temperature resistance	2RS
High load capacity for shaft bearings	CN Clearance are used for normal temperature
High reliability for less maintenance	C3 Clearance are used for dust preventing or high temperature
Cost efficient with standard bearings	
Low noise and vibration	
Environmental friendly	



● HCH bearings for cars

Requirements	Preferred sealing
Comfort	Open
Reduced noise and vibration level	ZZ
Energy saving	RS
Maintenance free	2RS
High reliability	C3 clearance in alternators
Consistent high speed in alternators	C3 & C4 clearance in gearboxes
Sudden high speed in starting motors	C2 clearance in steering column
High load capacity	C2 clearance for steering gears
High precision for easy assembly	
Environmental friendly	



● HCH bearings for agriculture machinaries

Requirements	Preferred sealing
High productivity with less maintenance	Open
Low energy consumption	ZZ
High reliability for less maintenance	RS
Working in tough environment	2RS
High load capacity	C3 clearance are used for high temperature
Water preventing	C3 clearance are used for dust prevention
Dust preventing	Larger clearance are used for unbalanced load
High temperature resistance	
Low temperature resistance	
Environmental concerning	



● HCH bearings for heavy vehicles

Requirements	Preferred sealing
High productivity with less maintenance	Open
Save power by reducing friction	ZZ
High reliability for less maintenance	RS
Working in tough environment	2RS
High load capacity	C3 clearance are used for high temperature
Water preventing	C3 clearance are used for dust prevention
Dust preventing	Larger clearance are used for unbalanced load
High temperature resistance	
Low temperature resistance	
Environmental concerning	

Note: For more detailed information, please check HCH application catalogue or consult HCH application engineers.

Aftermarket

HCH's aftermarket business has been based for many years on its "value added" concept. The idea is to offer garage mechanics a convenient solution to help speed up and facilitate repair work. Service has always had a real meaning for HCH aftermarket. Over the years, we have always sought to anticipate and consider our clients' requirements. Today, due to our strategy of continuous improvement, our clients can count on us.

● HCH Maintenance Partner Program

HCH continues to develop partnership services that combine global and local resources to provide customers with the best bottom-line value. One of these is the HCH certified maintenance partner program. HCH certified maintenance partners are carefully selected by HCH authorized distributors that have been trained to help customers look inside their machinery to find opportunities they never suspected were possible to:

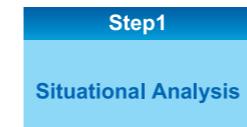
- > Virtually eliminate machine failures
- > Reduce maintenance costs
- > Increase plant productivity
- > Reduce overall cost of operation

HCH certified maintenance partner personnel are pre-qualified by HCH authorized distributors, and then trained to use the latest predictive maintenance technologies – though their capabilities go far beyond typical predictive maintenance.



● HCH Asset Improvement Program

Bearings for aftermarket are mostly going to the factory machinery mainenance. However, not every plant is the same. Each has its own set of challenges that sometimes makes it difficult to gauge the success of a project. At HCH, we can help create an asset improvement program for your application and monitor its progress.



Situational Analysis

An assessment to understand your problems - what is the problem, how often, what are the implications of the problem to our business, what is the cost of the problem? From this assessment, HCH considers how we can solve the problem.



Value Proposition

Having understood the extend of the problem, this is where we present our solution to you, including the costs and other associated issues (lead times, redesign, etc...).It is time for you to raise any other issues regarding our value proposition.



Value Implementation

Once you have accepted our value proposition we work with you as necessary, to create a mutually agreed implementation plan, taking into account any deadlines, key milestones and who is likely to be affected by our proposition.



Measuring Value

Once the HCH proposition has been implemented, we work with your own personnel to ensure that the forecasted savings are actually realized, through best practice maintenance of the implemented proposition. This is the verification step.

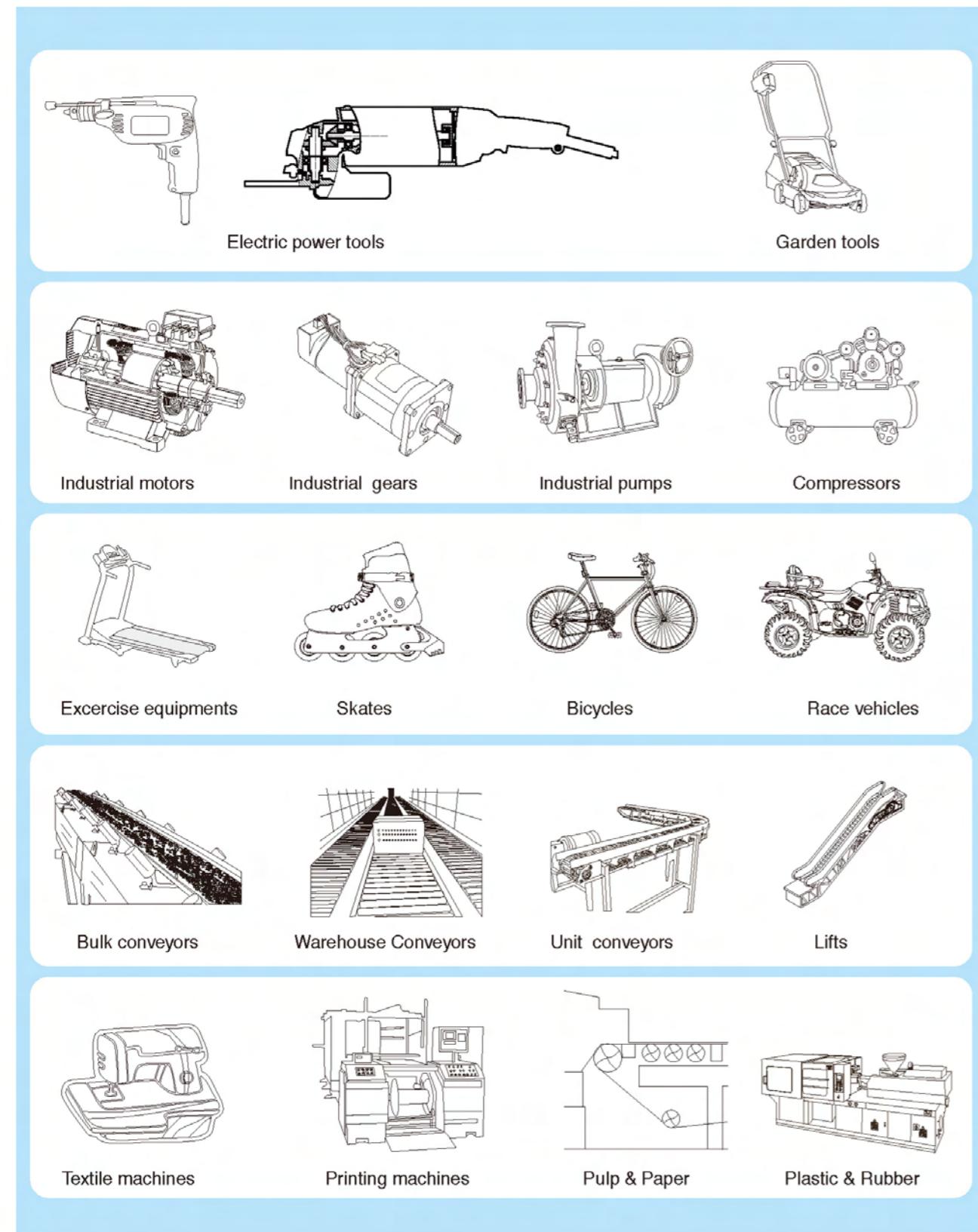


Share Best Practice

Once the HCH value proposition has proven its worth, we discuss with you any other departments or factories that may be having similar problems to those just resolved by our value proposition, and could therefore creating better value.

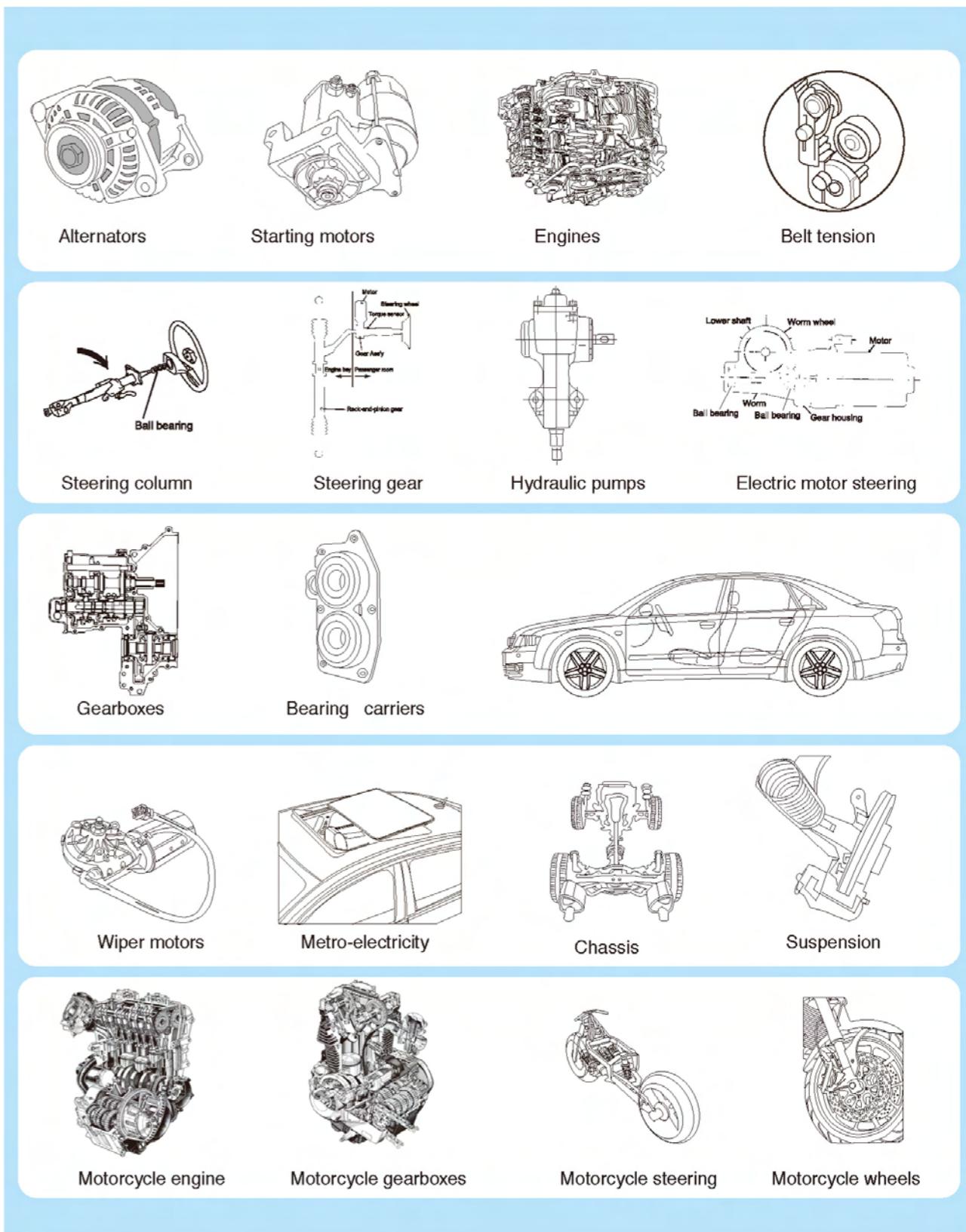
HCH industrial aftermarket sector

In this market, the key factor is to know what kind of products the customer needs, and to have these products readily available. Being an expertise for industrial bearings for decades of years, HCH has offered products to direct OEM customers all over the world. That is the basis of HCH aftermarket understanding of each application. HCH specialists provide a wide range of services for replacement of bearings for electric power tools, industrial motors and gears, industrial pumps and compressors, excercise and sports, textile machinery, pulp and paper, steel industry, conveyors, plastic rubber and so on. The service also includes installation instructions and maintenance plan.



HCH automobile aftermarket sector

The aftermarket sector of HCH Group automotive represents the HCH Group worldwide in the automotive replacement bearings market. We offer a variety of bearings for cars, passenger buses, heavy vehicles, two wheelers and agriculture machines. The replacement bearings from the original equipment manufacturer cover applications in steering system, starting motors, alternators, engines and transmissions, metro-electronics as well as in chassis. Wheel bearings are also available in HCH for customers in the heavy commercial vehicle sector. HCH group automotive aftermarket aims to continually develop its products and services in partnership and close cooperation with its customers.



International Market

HCH make all the effort to build a trust among the customers the entire world about our product. HCH is proud of its position as a leading bearing manufacturer. HCH began its global market expansion in the early 1980s with the establishment of distributor in USA. Having developed for tens of years, HCH has possessed a batch of loyal users, and extensive sales network. Now, HCH has established wide distributorships in more than 70 countries throughout the world. We continue to develop partnership services that combine global and local resources to provide customers with the best bottom-line value.

We aim to move the world more efficiently...



Main Market Overseas

Asia		Europe		North America		Australia	
1. China	11. Iran	20. Germany	29. Turkey	38. USA	48. Australia	49. New Zealand	
2. Japan	12. Syria	21. Italy	30. Austria	39. Canada			
3. Korea	13. UAE	22. France	31. Hungary	40. Mexico			
4. India	14. Philippines	23. UK	32. Poland				
5. Thailand	15. SriLanka	24. Spain	33. Czech				
6. Vietnam	16. Pakistan	25. Sweden	34. Slovenia				
7. Malaysia	17. Israel	26. Netherlands	35. Slovakia				
8. Singapore	18. Saudi Arabia	27. Russia	36. Belarus	41. Brazil			
9. Bangladesh	19. Myanmar	28. Ukraine	37. Bulgaria	42. Argentina			
10. Indonesia	50. South Africa			

South America

- 41. Brazil
- 42. Argentina
- 43. Chile
- 44. Uruguay
- 45. Ecuador
- 46. Colombia
- 47. Venezuela

Africa

- 51. Egypt
- 52. Nigeria
- 53. Sudan

The HCH Bearing has its own Imp. & Exp. Company called Ningbo Huanchi Imp. & Exp. Co., Ltd., which is in charge of exporting bearings to global market. Understanding of local market needs, efficient IT and logistics systems, and support from knowledgeable HCH application engineers and specialists, are among the essential tools that make the HCH distributor network a valuable resource for customers. Now there are more than 20 professional sales staffs to qualify and service our authorized distributors. If you think you would like to be our authorized distributors in your area, please contact us, and we will get back to you quickly.

Domestic Market

Being a native company, we have over thirty-year fruitful experiences in domestic market, and have a very detailed knowledge on Chinese domestic market. At the same time, we own a professional team who has abundant experiences in marketing analysis and operating, together with excellent major knowledge and technology. Now, the HCH Bearing has established a very wide sales channel. The bearings were sold to all the provinces of China. HCH will continue to supply a broad product lineup to a wide range of industries, with products that meet the varied needs of the next generation.

The HCH Bearing has established wide distributorship in major cities all over China...



Main Market Domestic

Yangtze River Delta	Pearl River Delta	Bohai Gulf	Along Yangtze River	Inland	Northeastern Provinces
1. Ningbo	13. Shenzheng	24. Qingdao	33. Nanchang	38. Hefei	51. Shenyang
2. Hangzhou	14. Dongguan	25. Jinan	34. Wuhu	39. Zhenzhou	52. Changchun
3. Taizhou	15. Guangzhou	26. Yantai	35. Wuhan	40. Luoyang	53. Haerbin
4. Wenzhou	16. Zhuhai	27. Linqing	36. Yichang	41. Xian	54. Qiqihar
5. Shaoxing	17. Shunde	28. Dalian	37. Chongqing	42. Baoji	
6. Jinhua	18. Zhongshan	29. Beijing		43. Taiyuan	
7. Shanghai	19. Shantou	30. Tianjing		44. Lanzhou	
8. Suzhou	20. Xiamen	31. Tangshan		45. Changsha	
9. Changzhou	21. Quanzhou	32. Shijiazhuang		46. Ganzhou	
10. Wuxi	22. Fuzhou			47. Liuzhou	
11. Qidong	23. Fuan			48. Nanning	
12. Nanjing				49. Guiyang	
				50. Chengdou	

Headquartered inside HCH Bearing Group in Ningbo, the HCH domestic sales department includes 10 direct sales offices with professional sales engineers and more than 50 authorized distributors all over China. Moreover, HCH domestic sales offer all the maintenance services and products that are needed by our customers. The range of domestic services covers everything from condition monitoring to mounting work and mounting tools to maintenance management. In cooperation with HCH research and development department, HCH domestic sales also develop comprehensive solutions for maintenance, training quality control and monitoring tasks.