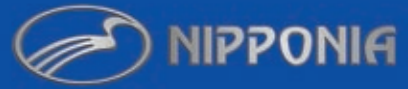




**NIPPONIA**

COMPANY PROFILE



#### The Nipponia Group

Nipponia Holding & Management S.A. - Athens, Greece

Nipponia Boeki Ltd. - Saitama, Japan

Nipponia Caribe C.xA. - St. Domingo, Dominican Republic

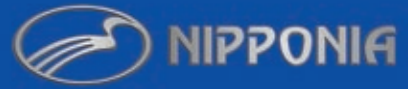
Nipponia Venezuela C.A. - La Victoria, Venezuela

Nipponia Shanghai Ltd. - Shanghai, China



#### INTRODUCTION

Nipponia is a name that has been connected with the motorcycle market for many years. It has spread its area of activities throughout the globe, initially, via the exporting office in Japan, but has also focused on specific markets such as the Dominican Republic in the Caribbean and Venezuela in South America.



#### Core values

innovative design

originality

reliability

constant presence & support

value for money



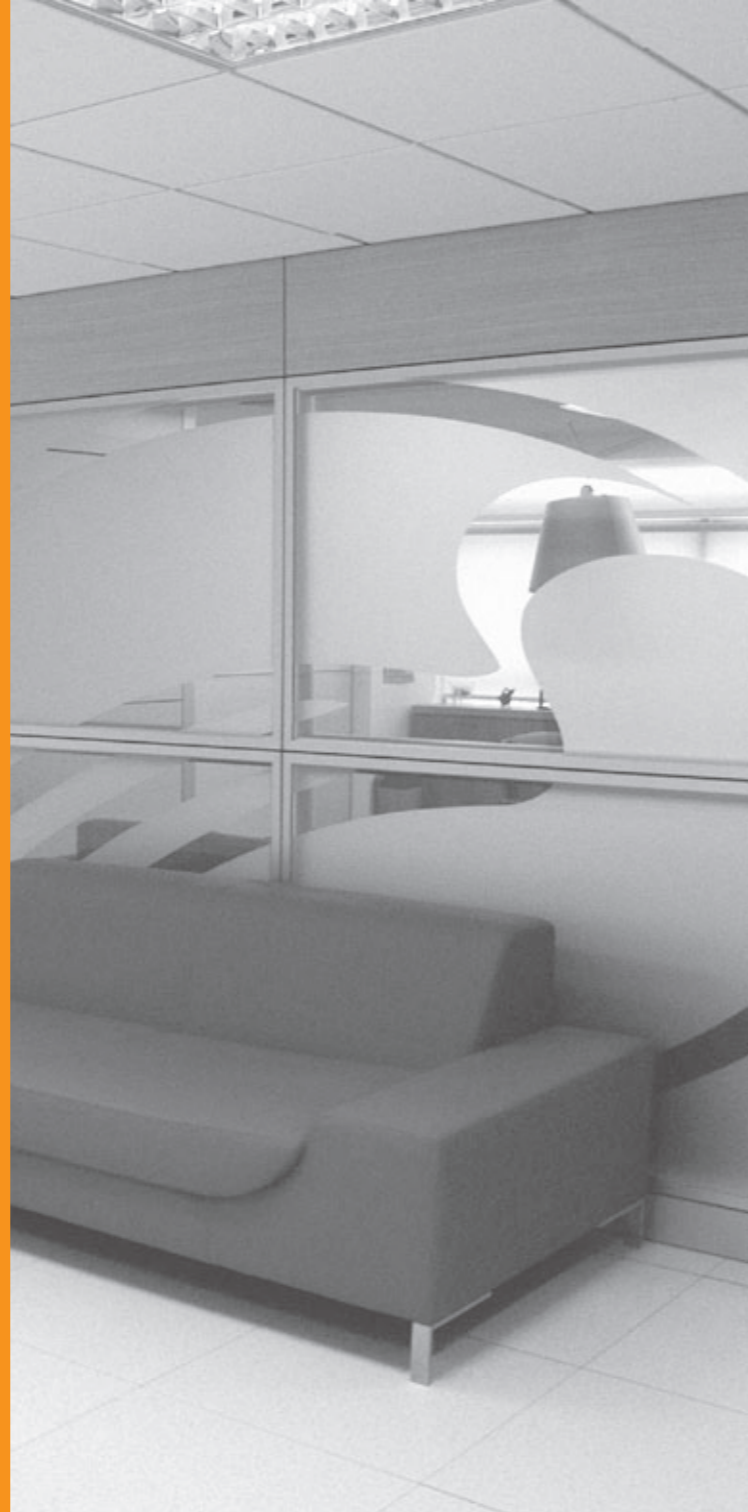
#### MISSION STATEMENT

Nipponia is active in the global motorcycle market with the technological know-how that results from a long presence in the field. Nipponia's main goal is to supply its customers with motorcycles that meet their everyday needs for safe and reliable use, while maintaining a constant presence and offering continuous support. Nipponia makes a difference because its motorcycles are characterized by innovative design and unique style, appealing to those who want to stand out from the crowd.



Andreas Gorgolis - CEO

A graduate of the Economics Department of Athens University of Economics and Business, Mr. Gorgolis is the founder of Nipponia and the Chairman of the Board. He speaks English fluently and can communicate in Italian, Spanish and Japanese. He is married and father of two sons aged 29 and 26. After having worked for more than 10 years in the family company Mego S.A., as a manager and shareholder and design contributor, Andreas Gorgolis formed - together with his brother Vasilis - Gorgolis S.A. in 1990. Two years later, he founded Nipponia Boeki in Japan, which was the first of the Nipponia Companies.



## NIPPONIA'S LEGACY

While Nipponia has been active in the global motorcycle market for more than a decade, its history began in the mid 20th century. It was back in 1947, when Nikos Gorgolis started his bicycle selling business in the town of Trikala, Greece and made the company's first step into the world of two wheels. In 1962 he founded Mego, a light vehicle manufacturing company, through which he began to manufacture motorcycles. From then on, Mego maintained an activity in the Greek market which lasted for almost three decades, producing both two-wheeled and three-wheeled motorcycles.

In 1977, Mego became an S.A. and the two sons of the owner, Andreas and Vasilis Gorgolis, joined the company.

Design was in general one of Mego's strengths. In terms of commercial achievement, Mego was popular and successful. In Greece, the company traded with the public sector for several years, for which it produced almost 2,000 motorbikes between 1983 and 1986. Moreover, during this time, Mego developed important exporting activities, mainly in Italy and the Netherlands. It was the only company to produce motorcycles of Greek design, having a close cooperation with Minarelli Spa in Italy and Sachs Motors in Germany.

Through the course of the years and due to the increase in demand for Japanese motorcycles, the Gorgolis brothers created Gorgolis S.A., its primary objective being the import and trade of two-wheelers from Japan to Greece. From its foundation in 1990 until now,

the company has made numerous exclusive deals concerning the distribution of motorcycles of companies including Italian Benelli, Chinese Dayang, Malaysian Modenas and Taiwanese PGO, TGB and SYM. It was also the first company that presented an EU approved cub or business bike on the Greek market. Today, Gorgolis S.A. is the exclusive representative of Modenas, SYM and Daytona Motors brands in the Greek market, ranked third among the Greek two-wheeler importers for 2007, in terms of total market shares, and first in the up-to-125cc displacement category, the most popular in Greece.

The name Nipponia appeared a short while after Gorgolis S.A. was established when, in 1992, Andreas Gorgolis founded Nipponia Boeki Ltd. in Saitama, Japan.



#### Aims

Customer satisfaction

Distribution of exceptional merchandise

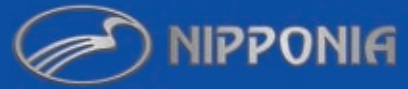
Long-term and mutually beneficial business relationships



#### NIPPONIA BOEKI LTD.

The first of the Nipponia companies, Nipponia Boeki Ltd. was established in 1992 as a member of the Gorgolis Group of Companies. Nipponia Boeki is based in Saitama, Japan and specializes in the international trade of motorcycles, mopeds and scooters.

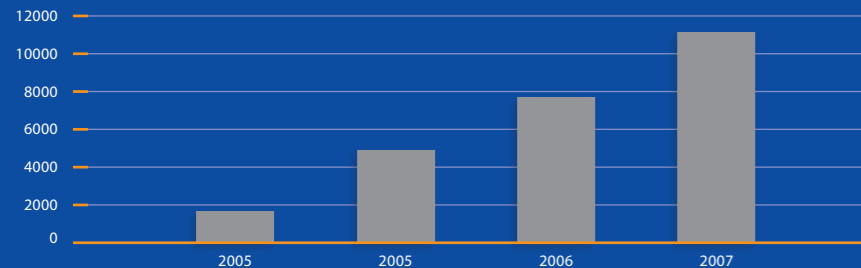
It maintains a client network around the world ranging from Southeast Asia, the Middle East, Africa and Eastern Europe to Latin America and the Caribbean. The company's persistence in monitoring the quality of the merchandise it handles and executing orders in accordance with the customers' requirements has gained itself the reputation of being one of the most consistent international motorcycle trading houses in Japan.



### Facts

- Nipponia is the 3rd most recognizable brand on the Dominican market.
- Nipponia Caribe sales have increased by over 400% in 4 years.
- Nipponia Caribe personnel has increased from 5 to 27 employees in 4 years.

Nipponia Caribe Sales Development

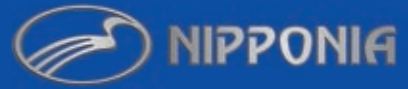


### NIPPONIA CARIBE C.XA.

Nipponia Caribe C.xA. is based in St. Domingo, the Dominican Republic and was established in 2002. It deals in motorcycles, mopeds and scooters supplied directly by Nipponia S.A. and Nipponia Boeki.

It is housed in a 1.000 sq. m. warehouse with office accommodation in an adjacent annex. A fully equipped workshop is maintained on-site for the final assembly and P.D.I. procedure of the motorcycles and scooters.

Nipponia Caribe covers the territories of the Dominican Republic and Haiti serving a longstanding client network.



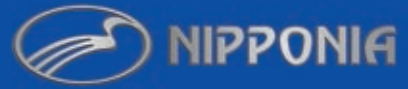
The proximity and similarities of Venezuela to the Dominican Republic has made it possible to present a uniform model range in both markets but also to focus on developing new models for both Venezuela and the Dominican Republic.

Nipponia Venezuela and Nipponia Caribe represent the starting points for Nipponia's expansion in the Latin American area.



## NIPPONIA VENEZUELA C.A.

Nipponia Venezuela C.A. was established in March 2006 in La Victoria, Venezuela. As a natural step after the experience gained in the market, Nipponia Venezuela was formed in order to import, handle and distribute Nipponia brand motorcycles and their spare parts in Venezuela on both a wholesale and retail level. It has invested in a prime (property) location of 1,000 sq. m. in the centre of La Victoria which houses storage, service and spare parts and also a showroom for retail sales.



The role of this branch is to further raise the quality level of the Nipponia products by closely monitoring production and assembly procedures. Additionally, though independent services are offered to our clientele around the globe with an aim to further facilitate their transactions or investments in China. Nipponia Shanghai's personnel consists mainly of engineers, specialized in various fields of expertise.



## NIPPONIA SHANGHAI LTD.

At the end of 2006, Nipponia Shanghai Ltd. was established in China. The purpose of the Shanghai branch is threefold:

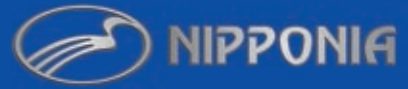
1. To act as an intermediary between suppliers and the headquarters.

Communication entails many matters, such as quality issues, component selection and supply, production improvement and alterations, shipment and loading details.

2. To seek out new suppliers (both of components but also of motorcycles) who are able to meet our stringent quality demands.

3. To offer independent consulting services.





## Company organization - Main Departments

Purchases

Sales

Accounting

Technical

Marketing

Managerial



## NIPPONIA HOLDING AND MANAGEMENT S.A.

Nipponia S.A. was established in 2006 in Athens, Greece and serves multiple purposes. It offers organizational support and coordination on a managerial, financial and commercial level to the other Nipponia companies. While trying to manage each company independently and in harmony with the local conditions, Nipponia also promotes a uniform image for its brand name on a worldwide basis.

In addition to this, the corporate HQ is in charge of shaping the corporate strategy and defining ways to implement it.

Nipponia has a very aggressive business plan, aiming to penetrate into new national markets, strengthen its existing market presence and develop an exclusive product range to cover the needs of the everyday consumer.

The central offices of Nipponia are situated in brand new office facilities with state-of-the-art telecommunication equipment.



In 1947, Nikos Gorgolis, father of the Nipponia Group's president, Andreas Gorgolis, started manufacturing and selling bicycles.

In 1951, motorized tricycles were produced and sold from the same plant.

In 1962, Mego Ltd. was formed and began production of 50cc mopeds.

1968 saw the production of 125cc Mego motorcycles with Sachs engines.

In 1971, the production of the most successful Mego 50cc moped began.

Nikos Gorgolis' sons, Andreas and Vasilis, joined the company in 1977.

Gorgolis S.A. was formed in 1990 importing and distributing motorcycles

from Japan. It currently holds a dominating 17% market share in the Greek market.

In 1992, Nipponia Boeki Ltd., the first of the Nipponia companies was founded in Saitama, Japan. Its main activity is the export of Japanese motorcycles.

2000 saw Nipponia Boeki establishing a liaison office in Athens, Greece.

In 2002, Nipponia Caribe C.xA. was established in the Dominican Republic. Import and sales of Nipponia branded motorcycles, among others, took off.

Nipponia Europe Ltd. was established in Athens, Greece in 2003 as an affiliate of Gorgolis S.A., creating an independent sales network on the Greek market and distributing Nipponia branded models among others.

 MILESTONES

In 2006 Nipponia Venezuela C.A. was formed in La Victoria, Venezuela.

2006 also saw the founding of Nipponia Holding and Management S.A. in Athens, Greece created in order to offer managerial support to the other Group companies.

Nipponia Shanghai Ltd. was established in Shanghai, China in the end of the same year.

In 2007 Nipponia Caribe sales reached 11,350 units.

In 2007, cooperation with automotive designer, Sotiris Kovos, marked a new era of model development and production.

 **COMMERCIAL & DEVELOPMENT GOALS****Commercial goals:**

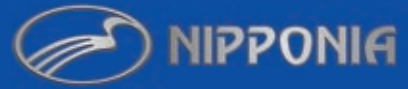
- To strengthen current market presence
  - To penetrate into new markets
  - To establish the Nipponia brand internationally as a high quality and competitively priced brand

**Post-sale goals:**

- To set a high standard of after-sales service provided
- To maintain full access to spare parts
  - Pioneering web-based software application will ensure easy and practical spare parts selection and ordering

**Product development goals:**

- Design based on future market trends
  - Engineering based on quality and innovative solutions
- Use of engines with increased output and improved quality
- Improvement of performance and design of frames as far as safety and comfort is concerned
  - Complete and thorough inspection of technical solutions and improvements as well as production
- Consistent, competitive and quality production



Sotiris Kovos - Designer

Sotiris Kovos, Ex-Chief Designer for Toyota and Chief Exterior Designer for Audi, is a Greek automotive designer born in Athens in 1965. He studied Sociology in Athens and is also a graduate of the renowned London Royal College of Art. He became widely known after his design of the Toyota Yaris, introduced in 1999, also being responsible for several other models on the automotive market including the Lexus SC430 coupe cabrio as well as a number of concept cars. His cooperation with Nipponia for the design of a new scooter series started in 2006.



## NEW RANGE OF MODELS

With an aim of presenting the scooter market with something that is entirely new and refreshing, Nipponia embarked on a development project of scooter models without precedent.

In order to achieve the utmost in innovative design and function, Nipponia co-operated with Sotiris Kovos, an internationally renowned automotive designer, in the creation of a series of scooters based on newly-developed engines from 50 to 200cc.

Mr. Kovos has created a reputation in the automotive world through various recent and stylish car designs for leading brands. The clear lines, practical designs and discreetly innovative ideas are aspects that have made his concepts outstanding in the automotive industry. Accordingly, the new Nipponia range of

scooters is designed to include all the functional traits required of a modern scooter, in a form of exceptional elegance and stylish composition.

The initial range consists of three models with 12", 13" and 16" wheels. Carefully designed, exactly chosen and constructed key components make sure that quality, durability and reliability are common characteristics.

With years of experience in the motorcycle field, Nipponia has given equal attention to the importance of after-sales service, warranty and spare parts availability. A full warranty system and timely access to spare parts through an innovative online ordering system, along with comprehensive service and spare parts manuals ensure that all necessary support will be available when needed.



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