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### NEWS

#### Belarus

##### **Belarus to privatise supplier BATE**

The Belarusian government plans to privatise 60 companies (in which it owns shares between 10 and 100 percent), local media reports. Supplier **OA O BATE** is among the companies to be privatised. "The investor has to be a multinational corporation specialising in the manufacture of a wide range of automotive components, with the help of which the technical level of the holding's participants (development of new products, retooling) as well as access to new markets, primarily for export, will be realised," the **State Property Committee of the Republic of Belarus** said. Initial investment is to be at least \$40 million.

#### Bulgaria

##### **Vidachim to cut jobs**

Bulgarian tyre maker **Vidachim AD** plans to cut jobs at its factory in Vidin. Originally, the company informed the local employment office about lay-offs of 314 of its 446 workers. It has downsized the scale of planned cuts from 314 to 150 following a meeting of Energy Minister **Temenuzhka Petkova** with senior executives and employees. Vidachim's problems are connected to the production of rubber products as

well as to the company's own power plant. According to the Segal daily, Vidachim downsized its staff by almost 100 persons in the past four months.

### Croatia

#### **Rimac acts as supplier for Koenigsegg Regera**

Croatian company **Rimac Automobili d.o.o.** is the supplier of the power-dense battery-system and other systems for the **Koenigsegg Regera** - the world's most powerful production car. The Koenigsegg Direct Drive Transmission (KDD) uses power-dense electric motors and an innovative coupling system to replace the vehicle's gearbox. The Rimac battery-pack is able to deliver 500 kW of power and to absorb 150 kW during regenerative braking. According to the Croatian company, a standard battery-pack would weigh more than half a ton to deliver those kind of performance figures. Rimac developed a complex Fully Flooded Thermal Management System and a fully machined structural housing in order to fulfil Koenigsegg's radical requirements. This way, Rimac managed to develop a 9.27 kWh battery-pack consisting of over 3,000 individual parts that is able to deliver 4.35 kW per kilogram in a package that weighs 115 kg and takes only 67 litres of volume in the centre of the vehicle. The result is a 1500 hp combined ICE+E power output, 2000 Nm of torque, under 20 second acceleration from 0 to 400 km/h and only 88 kg added weight compared to a powertrain with a 7-speed DTC transmission. The Regera will be handcrafted in 80 units.

### Czech Republic

#### **Škoda reports profit jump**

**Škoda Auto a.s.** has set a new record in terms of revenues and profit. Sales revenue increased 13.9 percent to €11.8 billion. Operating profit rose 56.5 percent to €817 million, representing 7 percent of the sales revenue. The company raised profit after tax by 46 percent to a new record of €665 million in 2014. Profit before tax reached €775 million, which represents an increase of 44.6 percent. Net liquidity rose 40.3 percent to €2.065 billion. Investments amounted to €698 million in 2014, compared to €741 million in 2013. The company sold 1,037,200 vehicles last year, up 12.7 percent from 2013.

#### **Škoda: More details on capacity increase in Vrchlaví**

As reported in the last issue of the Ceauto Newsletter, **Škoda Auto a.s.** plans to increase capacity for the production of DQ 200 transmissions at its plant in Vrchlaví and now the company has published more details. Škoda will increase capacity for DQ 200 gearboxes from 1,500 to 2,000 units per day during the next 12 months. The investment will be about €25 million and the project will create up to 200 new jobs. The company launched production of DG 200 transmissions in October 2012. About 640,000 units were manufactured until now. The investment, which was made by Škoda together with **Volkswagen AG**, was about €210 million. Some 1,000 people are currently employed at the Vrchlaví facility.

### ***Škoda's goal to reach annual sales of 1.5 million vehicles in 2018 is at risk on Russia crisis***

**Škoda Auto a.s.** may need an extra year to reach its target of selling 1.5 million vehicles annually because of Russia's slumping car market, **Werner Eichhorn**, Škoda's Member of the Board responsible for sales, told Automotive News Europe. The current deadline is 2018. "The target still stands, but whether we reach it one year later is not of vital importance. Profitable growth is crucial. We are not going to buy market share," Eichhorn is quoted as saying. "The UK may well replace Russia this year as our third-largest market". In 2014, Škoda sold 84,437 cars in Russia, down 3.5 percent from 2013. Sales in the UK rose more than 14 percent to nearly 75,500 units. In the first two months of 2015, Škoda's sales in Russia were down 3.5 percent to 10,743 cars.

### ***Škoda launches volume production of new Superb***

**Škoda Auto a.s.** has officially launched volume production of the third-generation **Škoda Superb** sedan at its plant in Kvasiny. Significant investments in production technologies, assembly and logistics areas have been made in Kvasiny for the new Superb. A total of CZK 1.7 billion was invested in the new body production facility alone and other premises were expanded as well. The market launch of the new Superb will begin in June.

### ***Škoda urges Euro adoption again***

**Škoda Auto a.s.** continues to urge the adoption of Euro by the Czech Republic. "I am convinced that anyone who wants to function properly within the EU must adopt the Euro" **Winfried Vahland**, Škoda's Chairman of the Board, told journalists after announcing 2014 results in Mladá Boleslav according to Bloomberg. "It would be a good signal toward Europe" Vahland is quoted as saying. According to Vahland, 2018 would be a favourable moment for the Czech Republic to make the currency switch. "For us, Euro adoption would have a calming effect," Vahland said. "It would help to be backed by a strong currency".

### ***Koh-I-Noor's owner Bríza named Entrepreneur of the Year***

**Vlastislav Bríza**, owner of the **Koh-I-Noor** holding, has been voted as EY Entrepreneur of the Year 2014 in the Czech Republic by an independent jury. The contest is organized by **EY (Ernst & Young)**. Bríza will represent the Czech Republic in the finale of the international competition EY World Entrepreneur of the Year. Koh-I-Noor's subsidiaries includes automotive suppliers.

### ***TPCA celebrated 10 years of production***

The Czech joint venture **Toyota Peugeot Citroën Automobile Czech s.r.o. (TPCA)** has celebrated 10 years of car production. The company has manufactured some 2.57 million **Toyota Aygo**, **Peugeot 107/108** and **Citroën C1** cars since start of volume production on the 28th of February 2005.

### Georgia

#### ***Japan allocates grant to finance purchase of environmentally friendly vehicles***

The governments of Georgia and Japan have concluded an agreement for the allocation of a grant financing in the volume of JPY 500 million (around \$4.2 million). Part of the grant financing will be used for the acquisition of new generation buses for the Tbilisi Municipality. Namely, hybrid (electric) buses will be deployed for downtown public transport. In addition, two small size electric vehicles will be purchased within the grant to promote the concept of a so called Green Transport. They will be used by the Ministry of Environment and Natural Resources of Georgia.

### Hungary

#### ***NHK Spring to set up a plant in Hungary***

The **NHK Spring Co. Ltd**, a Japanese supplier, has announced that it will set up a new plant in Komárom-Esztergom county. Established with capital of €1 million **NHK Spring Hungary Kft** will produce coil springs and stabiliser bars. Production is scheduled to start in December 2015 with designated capacity of 3.5 million springs and 1.2 million bars is set to be reached by 2020.

#### ***Rosenberger finished its expansion project***

**Rosenberger Magyarország Kft** has announced that it has successfully completed its HUF 2.7 billion expansion plan in Jászárokszállás. The company, which specialises in the production of fibre optic connectors for the automotive, telecom and electronics industry, has created 50 new jobs. The project was supported by a HUF 780 million subsidy from the Hungarian government.

### Kazakhstan

#### ***Allur Group to assemble Iveco buses***

**GK AllurGroup** will launch assembly of **Iveco** Citelis buses at the **TOO SaryarkaAvtoProm** joint venture located at the premises of the **AO AgromashHolding plant** in Kostanay in the near future. The company already assembles two Iveco models - the Iveco Power Daily light commercial vehicle and the Iveco 682 heavy truck.

### Kazakhstan/Russia

#### ***Russia's Antimonopoly Service approves acquisition of Lada dealerships by Bipek-Avto***

The **Federal Antimonopoly Service of the Russian Federation (Federalnaya Antimonopolnaya Sluzhba)** has approved the acquisition of six **Lada** dealerships in the Russian cities Novosibirsk, Novokuznetsk, Omsk,

Barnaul, Shchadrinsk and Chelyabinsk by **OOO Azia Avto Ust-Kamenogorsk**, a subsidiary of Kazakhstan's **GK Bipek Avto-Azia Avto**, Russian media report. The acquisition is the result of an agreement about the distribution of Lada cars in the Russian region Siberia by Bipek Avto which was signed with Lada manufacturer **OOO AvtoVAZ** last year.

### **Azia Avto to assemble Lada Priora**

**AO Azia Avto** plans to assemble the **Lada Priora** at its plant in Ust-Kamenogorsk, motor.kz writes. According to the report, Priora assembly kits will start to arrive in Ust-Kamenogorsk this autumn and plans call for the assembly of about 1,000 cars per month.

## **Poland**

### **NGK to bolster capacity for diesel particulate filters with second brand**

**NGK Insulators, Ltd.** has decided to construct a new, second plant for its Polish subsidiary, **NGK Ceramics Polska Sp. z o.o.** which is located in Gliwice, Silesia Province, to keep up with increasing demand for ceramic products for diesel automotive exhaust gas purifiers. The new plant is to enhance NGK's production capacity for silicon carbide (SiC) diesel particulate filters (DPFs) by approximately 30 percent. NGK Ceramics Polska is NGK Group's only production plant for SiC DPFs. Since the start of production in 2004, capacity has been ramped up in stages. Faced with the forecast for even further demand growth in the future and a lack of space for further expansion of the existing facility, NGK decided to construct a second plant in Poland with the covered area of about 36,000 square metres at the **Tuczawa Industrial Park** in Dabrowa Górnicza, Silesia Province. It will require a capital investment of approximately JPY 17.0 billion yen. Construction work will commence in August 2015 with production scheduled to start from January 2017.

### **Finnveden Metal Structures changes its name**

The supplier **Finnveden Metal Structures Sp. z o.o.** which is located in Bielsko-Biała has changed its name to **Shiloh Industries Sp. z o.o.** The name change is the result of the sales of **FinnvedenBulten AB's** Metal Structures division to the US company **Shiloh Industries Inc.** last year.

## **Russia**

### **GM to cancel Opel sales and reduce Chevrolet sales, close production facilities in Russia**

**General Motors Co.** announced plans to significantly change its business model in Russia. The **Chevrolet** brand will minimise its presence in Russia and the **Opel** brand will leave the market by December 2015. GM will focus on the premium segment of the Russian market with **Cadillac** and U.S.-built Chevrolet products such as the Corvette, Camaro and Tahoe. The **OOO GM Avto** plant in St. Petersburg, which currently assembles Opel Astra and Chevrolet Cruze cars from CKD kits as well as some additional models from SKD kits will halt production by the middle of 2015. GM is planning to idle the plant. Furthermore, the contract assembly of

Chevrolet Aveo cars at **Gruppa GAZ** in Nizhny Novogorod will be discontinued in 2015. The **ZAO GM-AvtoVAZ** joint venture will continue to build and market the current generation Chevrolet Niva. An Opel spokesman declined to provide any comments regarding the future of GM-AvtoVAZ and the next-generation Chevrolet Niva. "This change in our business model in Russia is part of our global strategy to ensure long-term sustainability in markets where we operate," said GM President **Dan Ammann**. "This decision avoids significant investment into a market that has very challenging long-term prospects". Opel Group CEO **Karl-Thomas Neumann** said, "We do not have the appropriate localisation level for important vehicles built in Russia and the market environment does not justify a major investment to further localise". Chevrolet and Opel will work closely with their dealer networks in Russia to define future steps while ensuring the company will honour its obligations to existing customers in the coming years. "We can assure our customers that we will continue to provide warranty, parts and services for their Chevrolet and Opel vehicles. We want to thank our customers and dealers for their loyalty to the Chevrolet and Opel brands," said Neumann. "We had to take decisive action in Russia to protect our business. We confirm our outlook to return the European business to profitability in 2016 and stick to our long-term goals as defined in our DRIVE!2022 strategy" said Neumann. As a result of the decision to change the business model in Russia, GM expects to record net special charges of up to approximately \$600 million primarily in the first quarter of 2015. The special charges include sales incentives, dealer restructuring, contract cancellations and severance-related costs. Approximately \$200 million of the net special charges will be non-cash expenses.

### ***GM-AvtoVAZ suspends construction of new production facilities***

**ZAO GM-AvtoVAZ** has suspended the construction of facilities needed for the next-generation **Chevrolet Niva** (press and body shops) at the site of the subsidiary **JV Systems** in the Special Economic Zone of Togliatti. GM-AvtoVAZ's PR department told Autostat that the contract with the company Avtozavodstroy, which was the general construction subcontractor of the project, had been terminated. "Currently, we analyse how it could affect the terms of the project realisation" GM-AvtoVAZ is quoted as saying.

### ***AvtoVAZ's Head Andersson calls for higher import duties***

**Bo Andersson**, President and CEO of **OAO AvtoVAZ**, has called for higher import duties at the meeting of the Committee on development, cooperation and localisation of production in the automotive industry of **Soyuz Mashinostroiteley Rossiya (Russian Engineering Union)**. Andersson was named head of the newly created committee in February. Andersson summarised the targets of the committee in five points. "First, we must clearly understand the global trends in the automotive industry and understand where we are, as the automotive industry in Russia is one of the leading industries and the number of workers in our sector is more than 700 thousand. The second task of the committee is to protect. The third - to develop. The fourth - to strengthen cooperation and compete simultaneously. Last but not least, we have to prepare protectionist proposals for the Russian government. As a foreigner, I can say that in some cases our import duty is too low". Andersson mentioned the USA, Brazil and China as an example of countries which actively protect their domestic industry.

### ***Nissan interrupts production in St. Petersburg***

**OOO Nissan Manufacturing Rus** has interrupted production at its plant in St. Petersburg for more than two weeks for the time between the 16th and 31st of March.

### ***GAZ launches four day week in Škoda and VW production***

**Gruppa GAZ** has switched to a four day working week in the contract assembly of **Škoda** and **Volkswagen** cars in Nizhny Novgorod earlier this month. There is no assembly on Fridays. According to current planning, the measure is expected to be continued by the end of April.

### ***AvtoVAZ expects sales decrease by about 24 percent in the first quarter***

**OOO AvtoVAZ** expects the sales of about 70,000 **Lada** cars in Russia in the first quarter of this year, **Denis Petrunin**, AvtoVAZ's Vice President for Sales and Marketing, told journalists. The company sold about 91,600 cars in Russia in the first quarter of 2014.

### ***SsangYong may establish own distribution subsidiary in Russia***

South Korean vehicle manufacturer **SsangYong Motor Company** plans to establish its own distribution subsidiary in Russia instead of the current cooperation with **OOO Sollers**, Izvestiya reports, quoting unnamed sources in the automotive business and the government. Currently, SsangYong models are distributed by a subsidiary of Sollers. Some of the vehicles are assembled at the **OOO Mazda Sollers Manufacturing Rus** plant in Vladivostok. 1,294 SsangYong vehicles were sold in Russia in the first two months of 2015, down 61.2 percent from the same period in 2014.

### ***JAC considers assembly at TagAZ***

Chinese manufacturer **Anhui Jianghuai Automobile Co. Ltd. (JAC Motors)** is considering assembly of its vehicle at the bankrupt **TagAZ** plant in Taganrog. Representatives of JAC visited the Rostov Region and met **Alexandr Grebenshchikov**, first deputy of the governor of the Rostov Region in order to discuss the issue. They also studied the technical condition of the plant. According to **U Syanbao**, the Chairman of the **Association of Entrepreneurs of the Chinese province of Anhui in Russia**, who joined the negotiations, about 20,000 JAC vehicles per year could be assembled in an initial stage.

### ***Mazda Sollers: More details on job cut***

As we reported in the last issue, **OOO Mazda Sollers Manufacturing Rus** will cut jobs at its plant in Vladivostok. Now the number of workers affected by the measure was published. The company informed the local employment office about lay-offs of 198 employees from a total workforce of 752 people.



### ***Nissan announces its second model from Izhevsk***

**Nissan Motor Co. Ltd**, has announced its second model manufactured at the **IzhAvto (OOO OAG)** plant in Izhevsk which belongs to **OOO AvtoVAZ**. The new **Nissan Tiida** hatchback is the Russian version of the European Nissan Pulsar. The car, which is powered by a 1.6 litre gasoline engine with 117 hp, starts at RUB 839,000. Sales of the new model will be launched on the 30th of March.



### ***Kia shows pictures of facelifted Rio***

Sales of the facelifted **Kia Rio** will be launched on the 1st of April. More than 300,000 **Kia Rio** cars manufactured at the **OOO Hyundai Motor Manufacturing Rus** plant in St. Petersburg were sold to Russian customers since the launch of sales in October 2011. In 2014, Kia Rio was the no. 3 among Russia's best selling models with 93,648 units. Prices for the facelifted version will be published on the 1st of April.





### **Strike at Ford Sollers plant in Vsevolozhsk**

Trade unions at the **OOO Ford Sollers Holding**'s plant in Vsevolozhsk have organised a strike. Less than 10 percent of the total workforce are involved in the strike and there was no need to halt the production, Ford Sollers told Russian media. The payment of up to 18 monthly wages in case of dismissal from the company and the payment of the average salary rather than 2/3 of it in case of a production outage are among the demands of the unions.

### **RM Rail reports new contract from Trans Alliance - Center**

The company **OOO UK RM Rail**, which belongs to **OOO Ruskiye Mashiny**, has signed a contract with the transport company **OOO TEK Trans Alliance - Center** about the production of 150 closed double deck rail wagons for the transport of cars (type 11-291). The maximal loading length of the rail wagon is 25.34 m, which allows the transport of up to 14 cars.

### **AvtoVAZ: Production of Lada Kalina NFR to be launched in few months**

Production of the **Lada Kalina NFR** sporty hatchback will be launched at the end of spring or beginning of summer at **OOO AvtoVAZ**'s sister company **Lada Sport**, Avtosreda reports quoting a source at AvtoVAZ. The car is expected to be powered by a 1.6 litre engine with 140 hp.

### **Mazda denies stop of sales of the Mazda3**

Russian **Mazda** distributor **OOO Mazda Motor Rus** has denied media reports about the stop of sales of the **Mazda3** in Russia. "The truth is this: a few months dealers were unable to place orders for the production of the Mazda3 due to jumps of the exchange rate. Now the rate has stabilised and orders for the Mazda3 are again placed," **Andrey Glazkov**, marketing director of Mazda Motor Rus, is quoted as saying by Autostat.ru. Last year 13,960 Mazda3 cars were sold in Russia.

## **Russia/Slovakia**

### **Volkswagen reduces portfolio of Audi models assembled in Kaluga**

**OOO Volkswagen Group Rus** has phased out the SKD assembly of **Audi Q5, Q7 and A7** models at its plant in Kaluga, ZaRulyom.RF reports quoting a source at the company. The assembly of **Audi A6 and A8** cars is continued. According to **Achim Reimold**, Chairman of the Board of **Volkswagen Slovakia a.s.**, there is currently no decision about the assembly of the next-generation **Audi Q7** in Russia. Volume production of the new **Q7** started in Slovakia in January.

## **Serbia**

### **HPK to take over management Železara Smederevo**

The company **HPK Engineering B.V.** will take over the management of the **Železara Smederevo d.o.o.** steel work according to a decision made by the Serbian government. The government authorised the Ministry of Economy to carry out the activities necessary for the conclusion of the agreement on the provision of

management and consulting services for Železara Smederevo.

## Slovakia

### *Volkswagen reports lower car production*

**Volkswagen Slovakia a.s.** manufactured 394,747 cars and car bodies in 2014, down 7.5 percent from 2013. The total figure includes **Volkswagen**, **Škoda** and **Seat** minicars (52 percent) as well as **Audi** and Volkswagen SUVs and bodies for the **Porsche** Cayenne. The company also manufactured about 285,000 transmissions at the plant in Bratislava and achieved a new record with the production of 34.9 million components at its part plant in the city of Martin. The company closed 2014 with a turnover of €6.17 billion and a pre-tax profit of €196 million, up from €176 million in 2013. Investments amounted to €232.9 million last year with the largest portion destined for the construction of a new body shop. The company's exports totalled €6.1 billion. The company exported 99.7 percent of produced cars in 2014. The largest markets was Germany with 33.7 percent, followed by China with 17.5 percent and the USA with 11.3 percent. Last year Volkswagen Slovakia recruited about 500 new employees. Currently the company employs some 9,900 persons.

### *Volkswagen launches pilot production of Bentley bodies*

**Volkswagen Slovakia a.s.** is currently starting pilot production of bodies for the **Bentley** Bentayga SUV at its plant in Bratislava, said **Achim Reimold**, Chairman of the Board of Volkswagen Slovakia. Volume production of the vehicle will start in the UK in 2016.

## Turkey

### *DJ COOL opens new plant*

**DJ COOL Corporation**, a joint venture between **DENSO Corp.** and **Abdul Latif Jameel Co., Ltd. (ALJ)**, a major automotive distributor in the Middle East region, has opened its manufacturing plant in Izmir. DJ COOL designs, manufactures, and sells air-conditioning systems for buses and tractors and refrigerator systems. The new 3,000 square metre plant has a monthly capacity of 1,000 units which is intended for locally produced commercial vehicles.

### *New design competition is announced*

**Uludag Automotive Industry Exporters' Association** is organising an automotive component design contest as part of its 4th Annual Turkish R&D Market Project. The project is supported by the Ministry of Economy. The winners will be announced on the 28th of May and the prize will be two-years overseas training.

## Turkey/Africa

### *Automotive exports to Africa decline this year*

According to statistics compiled by **Uludag Otomotiv Endüstrisi İhracatçılar Birliği (Automotive Industry Exporters' Association)** and **Türkiye İhracatçılar Meclisi (Turkey Exporters Assembly)** exports to North

Africa during January-February 2015 fell to \$298.7 million from \$403 million during the same period last year. Political unrest and uncertainty in several key countries are the major causes for this drop said **Orhan Sabuncu**, Chairman of the Exporters' Association

### Ukraine

#### **Bogdan-Avtotrade launches sales of JAC S3**

Ukrainian **JAC** importer **OOO Bogdan-Avtotrade** has launched sales of the new **JAC S3** SUV. The car, offered as CBU import from China, starts at UAH 364,900.

## NEWS FROM THE MIDDLE EAST AND AFRICA

### Middle East/Africa

#### **Nissan appoints new Head for Africa, the Middle East and India**

**Christian Mardrus** was appointed Senior Vice President, Chairman of the Management Committee for Africa, the Middle East and India at the **Nissan Motor Co., Ltd.** effective from the 1st of April. He replaces **Takashi Hata** who was named Senior Vice President, Management Committee Chairman of Affiliate Companies at Nissan. Mardrus currently serves as Alliance Executive Vice President, **Renault-Nissan BV** and Alliance CEO Office. Mardrus will be replaced by **Arnaud Deboeuf**, currently Program Director of **Renault S.A.**'s Entry Range.

### Egypt

#### **JAC Launches S3 SUV in Egypt**

The new **JAC S3** SUV celebrated its Egyptian premiere at the Cairo Automech Auto Show last week. The first batch of 100 JAC S3 was expected to arrive in Egypt this week. Egypt and Ukraine (see separate news) are the first export markets for the S3 SUV.

### Iran

#### **IKCO: Nuclear talks results crucial for foreign partners**

**Iran Khodro Co. (IKCO)** CEO and President **Hashem Yekehzare** said the company is closely monitoring the ongoing nuclear talks between Iran and the P5+1 group in order to choose its reliable partners. He referred to IKCO's efforts in pursuing the policy of resistance economy over the past year and also mentioned the "huge and successful efforts made so far to cope with the illegal sanctions on Iran's automotive industry". "Today we are not in a position of a dependent company but a reliable industrial partner with advanced technology which can sit for talks with world's leading automakers on equal terms," Yekehzare explained. IKCO's Head also emphasized that proportionality between political and economic ties is an immutable

principle in cooperation between countries. "Some countries have had hostile stances against Iran and played a role in unnecessary and artificial crisis against Iran. So, these countries will not be welcomed in Iran's automotive industry if their policies remain unchanged," Yekehzare said. "In cooperation with foreign companies, our main priority, besides economic and technical ones, is ensuring stable coordination and getting a firm guarantee for long-term working in designing and producing new advanced automobiles." Yekehzare also mentioned the new conditions created in relations with other countries particularly Iranian government's constructive exchanges with European and Asian countries saying: "Today, we are witnessing a considerable enthusiasm by investors and economic players to enter Iran's market. So, Iran's automotive industry will certainly play a leading role in this field in future". Yekehzare called Iran's market for global automakers considerably attractive and outlined IKCO's plan for choosing a reliable European partner. "There are many reliable companies interested in cooperating with IKCO but we would never forget the past. We would write the contracts in a way which can not be nullified by the simplest problem," he said. IKCO's CEO also said the company has managed to resolve the problems of **Peugeot 206** through cooperation with domestic suppliers. "Today no part of Peugeot 206 is produced by the Peugeot company," he explained. He pointed out that last year Iran Khodro had about 80,000 incomplete cars at hand but today with huge efforts of domestic experts, the company has managed to complete the cars despite an acute shortage of parts resulted from West's illegal sanctions, the company said. "We have plans for meaningful cooperation with leading European and Asian automakers which will be implemented step by step," Yekehzare concluded.

### **Saipa launches production of Saipa Persis**

The first **Saipa Persis** sedan rolled off the production line of **Saipa Auto Group**. Saipa Persis is the Iranian name for the Chinese car **Brilliance H230**. Volume production is to start after the Iranian New Year holidays which begins on the 21st March. The sedan is powered by a 1.6 litre gasoline engine with 102 hp.

### **Iran Khodro appoints new CEO of Iran Khodro Diesel**

**Gholamreza Razazi** was appointed as the new CEO of **Iran Khodro Diesel Company (IKD)**, the commercial vehicle subsidiary of **Iran Khodro Co. (IKCO)**. Prior to his new appointment he served as IKD's Vice-Chairman of the Board and Senior Vice-President. Razazi replaces **Mehdi Younesian** at IKD.

## **Kenya**

### **Toyota may expand vehicle assembly in Kenya**

Assembly of **Toyota Motor Corporation's** vehicles may be expanded. "We are keen to build on our investment portfolio in Kenya because of the country's strategic position as a gateway to the East and Central African regions," **Jun Karube**, President and CEO of **Toyota Tsusho Corporation**, said at the Kenya-Japan business forum in Tokyo attended by Kenya's President **Uhuru Kenyatta**. According to Karube, a company team will look into the prospects of a multi-million shilling investment billed to significantly transform Kenya's motor vehicle industry at a meeting in Kenya in April. Currently, **Hino** commercial vehicles are assembled in Kenya at **Associated Vehicle Assemblers Ltd. (AVA)**.

### UPCOMING EVENTS

- » **March, 17-19:** MOSCOW, RUSSIA: RUSSIAN AUTOMOTIVE FORUM  
<http://www.russianautomotive.com/>
- » **March, 24-26:** ST. PETERSBURG, RUSSIA: AUTOPROM RUSSIA, 2015  
<http://www.autopromrussia.ru>
- » **April, 9-12:** POZNAN, POLAND: MOTOR SHOW  
<http://www.motorshow.pl>
- » **April, 23-24:** ALMATY, KAZAKHSTAN: EURASIA BUSINESS FORUM  
<http://www.ebf.kz>
- » **June, 8-10** GYÖR, HUNGARY: EUROPEAN AUTOMOTIVE CONGRESS  
<http://eaec2015.org/>

### IMPRINT

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