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NEWS

International

Valeo to acquire peiker

Valeo S.A. has announced the acquisition of the German company **peiker acoustic GmbH & Co. KG**, a major supplier of on-board telematics and mobile connectivity solutions. The acquisition will enable Valeo to widen its range of connectivity-related products. "Valeo's know-how in on-board electronics, enriched with peiker's technological expertise, will allow the Group to offer automakers new telematics systems equipped with the high-speed connectivity and cybersecurity features that this high-growth market demands," Valeo said. Headquartered in Friedrichsdorf, Germany, peiker has subsidiaries in France, USA, China, and Mexico. In the 2015 fiscal year, the peiker group of companies, which employs some 1,000 people worldwide, will report sales of approximately €310 million. The transaction is subject to the approval of the relevant anti-trust authorities.

Valeo to take over Spheros

Valeo S.A. has signed an agreement with **Deutsche Beteiligungs AG (DBAG)**, a listed private equity company, to acquire **Spheros GmbH**, the worldwide leader in air conditioning systems for buses. With annual revenue of around €250 million, Spheros, which is headquartered in Gilching, Germany, has a worldwide sales network and plants in Germany, Finland, Turkey, the United States, Brazil, China and India. The company employs some 1,100 people. With the acquisition, Valeo will extend its thermal management activities to the bus market which is expected to grow by more than 5 percent annually over the coming years. The deal is subject to the approval of the relevant anti-trust authorities.

Magna closes Getrag acquisition

Magna International Inc. announced that it has completed its acquisition of the transmission manufacturer **Getrag Getriebe- und Zahnradfabrik Hermann Hagenmeyer GmbH & Cie KG**. "Expanding our business to provide complete powertrain solutions has been a strategic priority for us," said **Jake Hirsch**, **Magna Powertrain** President. Getrag offers a range of transmission systems including manual, automated-manual, dual-clutch, hybrid and other advanced systems. Beyond enhancing Magna's powertrain systems capabilities the combined product portfolio will enhance vertical integration opportunities. Getrag employ about 14,000 people.

Delphi acquires HellermannTyton

Delphi Automotive PLC has acquired the **HellermannTyton Group PLC**, a manufacturer of high-performance and innovative cable management solutions. The transaction is valued at £1.07 billion on a cash and debt-free basis. Delphi expects the transaction to be 15 cents accretive to earnings per share starting in 2016, excluding one-time expenses for integration.

Grammer completes acquisition of Reum

Grammer AG has completed the acquisition of **Reum Kunststoff- und Metalltechnik GmbH** (Germany) and **Reum Polska Sp.z.o.o.** (Poland), and hence the entire Reum Group following the clearance of the transaction by the competition authorities. The Reum Group has 950 employees and generated sales of around €130 million in 2014. The purchase price for the share capital of Reum including the acquired properties totals €50 million. The transaction is being financed via Grammer's existing credit facilities.

Grupo Industrial Saltillo acquires 100 percent in A.C.E.

Grupo Industrial Saltillo, S.A.B. de C.V. (GIS) of Mexico has finalised the acquisition of 100 percent of shares in the company **Automotive Components Europe S.A. (A.C.E.)**. GIS acquired the total number of 21,230,515 shares of A.C.E., constituting 100 percent of its share capital. Following that, GIS sold all A.C.E. to the **Islo Automotive S.L.** with its registered seat at Bilbao, Spain. After the Transaction GIS does not hold directly any shares in the A.C.E. Indirectly through its subsidiary Islo GIS holds all shares of A.C.E.

Belarus

Belshina completes two investment projects

Tyre manufacturer **OAO Belshina** has completed two investment projects worth a total of more than €70 million. The first project included the expansion of the passenger car tyres production so that tyres of up to 20 inches can be manufactured. "We have expanded the range of tyres at the mass market tyres plant. As of today, it offers tyres with a rim diameter of up to 17 inches. Previously we did not produce tyres with a rim diameter of more than 16 inches. We are planning to make tyres with a rim diameter of 18 inches, 19 inches and 20 inches. Plans have been made to complete all tests and launch the batch production in mid-2016," Belshina's General Manager **Alexei Yakovlev** is quoted as saying by BelTA. The second project was aimed at the renovation of the plant that makes large tyres, expanding the line-up and raising the output of wide-section agricultural radial tyres with a low contact pressure factor.

Czech Republic

Hyundai reports record output, plans production of 350,000 cars in 2016

Hyundai Motor Manufacturing Czech s.r.o. (HMMC) manufactured about 342,200 vehicles at its plant in Nošovice in 2015, up 11.3 percent from 2014 and a new record. Last year's production was 3.7 percent higher than the planned figure of 330,000 units which was announced in January 2015. The company said it plans to produce 350,000 cars in 2016. Last year's total figure included 59 percent SUVs. The new **Hyundai Tucson** with volume production start on the 15th of June accounted for 33 percent while the share of its predecessor ix35, which was phased on the 19th of June, was 26 percent. The i30 model range accounted for 31 percent of total production and the ix20 for 10 percent. 95.3 percent of the total output were exported to 66 countries and destinations in Europe, the Middle East, Africa, Latin America and Australia. The largest market for Czech-made Hyundai cars was Germany, followed by UK, Spain, Italy, Russia, Czech Republic, Australia, Turkey, Austria and Belgium. Russia, the number 2 destination in 2014, changed to the 5th position among export markets last year, while Australia moved from the 10th to the 7th position. Main non-European export markets were Australia, Egypt, South Africa and Mexico. In 2015, HMMC added new export markets in the Middle East.

Gaudlitz takes over remaining shares in Czech joint venture

German supplier **Gaudlitz GmbH** acquired the remaining shares in the Czech joint venture **Gaudlitz Precision s.r.o.** in Dačice from the Austrian company **Intensa Holding GmbH** and now owns 100 percent of the Czech plant. Established in 2007, Gaudlitz Precision has 24 injection moulding machines and 78 full-time employees. Core competences lay in the overmoulding of insert parts, the assembly of plugs, the LSR overmoulding of plastic parts, as well as the assembly of systems in the ESD production area. "From the strategic and structural point of view, as well as to further promote the reciprocative know-how transfer, the merger now enables a closer linkage to the headquarter in Coburg," Gaudlitz said in a statement. Except the General Manager, 100 percent of the staff was taken over. The next steps include the implementation of the internal ERP-System and the launch of the new corporate design in all relevant business areas.

Škoda manufactured 7 millionth MQ gearbox

The 7 millionth MQ gearbox came off the production line at **Škoda Auto a.s.**' Mladá Boleslav plant. This number is divided into about six million gearboxes of type MQ 200 and one million gearboxes of type MQ 100. The MQ 200 gearbox has been manufactured in Mladá Boleslav since 2000. It is installed in vehicles powered by 1.0 to 1.6 litre gasoline engines. These include **Škoda's** current vehicles, as well as **Volkswagen, Audi** and **Seat** models. The production volume for the MQ 200 is currently around 1200 units per day. The MQ 100 transmission has been produced in Mladá Boleslav since 2011. It was originally conceived for the **Volkswagen Group's** 'New Small Family' range, which includes the Škoda Citigo, VW up! and Seat Mii. The MQ 100 gearbox has since also been used in the Škoda Fabia as well as other small cars manufactured within the Volkswagen Group, each in combination with 1.0-litre petrol engines. The daily production capacity is approximately 1400 units. Almost 700 people are employed in the production of gearboxes in Mladá Boleslav.

Czech Republic/Middle East

Hyundai adds new engine for Middle East bound Tucson

Hyundai Motor Manufacturing Czech s.r.o. (HMMC) has launched production of a new engine version of the **Hyundai Tucson**. The vehicle, which is powered by the 2.4 litre Theta gasoline engine, is destined for the Middle East markets. In addition to Egypt, HMMC started exports to 10 Middle East countries, including Saudi Arabia, United Arab Emirates, Kuwait, Qatar or Jordan, in 2015.

Hungary

Bosch to receive HUF 5.37 billion in government support by 2020

The Hungarian government has announced that it will support the R&D activity of **Robert Bosch Kft** by HUF 5.37 billion over the next five year. The company will receive HUF 320 million this year, HUF 730 million in 2017, HUF 1.07 billion in 2018, HUF 1.39 billion in 2019 and HUF 1.86 billion in 2020. Robert Bosch Kft operates three R&D facilities in Budapest and Miskolc, employing around 1,500 engineers. In 2014 the Hungarian company spent HUF 24 billion on research activities.

Trans-Sped is set to construct a new warehouse in Tatabánya

In December **Trans-Sped Kft**, a privately owned logistics company, signed a contract with **AGC Glass Hungary Kft**. The 5+3 year long agreement is valued at HUF 2 billion and includes a new warehouse complex which will be built at the Tatabánya industrial park. The 6,000 square metre facility is set to be operational by the end of 2016.

BorgWarner finalises plant expansion in Oroszlány, applies for new investment grant

BorgWarner Turbo Systems Kft has increased production capacity at its turbocharger plant in Oroszlány. **Attila Bogár**, managing director of the Hungarian company, said that the HUF 3.5 billion project was aided by EU and Hungarian government support valued at HUF 913.7 million. 50 new workplaces have been created so the company now has over 1,000 workers. He also mentioned that the three BorgWarner facilities in

Oroszlány jointly applied for a new grant to support their new, €50 million investment plan which will see the construction of a new 7,000 square metre hall.

Delphi completes plant expansion in Tatabánya

Delphi Connection Systems Hungary Kft, a supplier of automotive cables and connectors, announced the results of its two-year project. Realised with an investment of HUF 3.33 billion which was supported by a HUF 996 million EU grant, 25 new machines have been installed at the Tatabánya plant, including new production lines and moulding machines. 50 new workplaces have been created

Hungary/Russia

New Lada importer launches sales

Lada Hungary Disztribúció Kft, a subsidiary of Budapest-based multibrand car dealer **Duna Autó Zrt.**, has officially launched sales in Hungary. Duna Autó and Russia's **OA O AvtoVAZ** have signed an import agreement last July. Currently, the Hungarian dealer network consists of nine dealerships. The newly appointed Lada dealers typically also sell other brands. Lada Hungary is currently selling the Granta, Kalina and 4x4 model ranges until new models arrive. Sales are expected to reach some 1,000 cars this year, AvtoVAZ's Export Director **Fred van Putten** said at a press conference in Budapest.

Kazakhstan/Russia

Chery makes comeback on Kazakh market

The Chinese brand **Chery** has started its comeback in Kazakhstan. Chery cars were already available in Kazakhstan in the previous decade but sales were stopped after the 2008 crisis. In the second attempt the newly formed import company **TOO Chery (Kazakhstan) Automobile Co. Ltd.** will initially launch sales at four dealerships in the north Kazakh cities of Aktobe, Astana, Pavlodar and Uralsk. At least three more cities are to be added by the end of 2016. Chery will start with three models - Tiggo FL, Tiggo 5 and Bonus 3 - in Kazakhstan, two of them are assembled at the **OOO AK Derways** plant in Cherkessk, Russia. Plans call for the sales of about 500 vehicles in 2016.

Datsun brand is available in Kazakhstan

Sales of Russian-made **Datsun** cars commenced in Kazakhstan in December. The Datsun on-DO and mi-DO models are sourced from the **OA O AvtoVAZ** plant in Togliatti. Initially, Datsun models are offered at three dealerships in Almaty, Astana and Aktobe. Another three dealers are to be added by the end of March.

Lada Vesta starts in Kazakhstan

OA O AvtoVAZ launched sales of the **Lada Vesta** on the Kazakh market. Currently the cars are sourced as CBU imports from Russia. SKD assembly of the Vesta may be launched at the **AO Azia Avto** plant in Ust-Kamenogorsk later this year.

Poland

Borgers to construct plant in Złotoryja

German supplier **Borgers AG** will construct a new plant in Złotoryja, about 20 kilometres Southeast from Legnica in Western Poland. The site will be located in the Złotoryja subzone of the Legnicka Specjalna Strefa Ekonomiczna (Legnica Special Economy Zone). According to the administration of Złotoryja, Borgers' new Polish subsidiary **Borgers Polska Sp. z o.o.** has finalised the acquisition of 10.5 hectares land on the 30th of December. The city also explained that Złotoryja was competing with Zielona Góra for the investment. Borgers plans to invest more than PLN 127 million in the first phase while the total investment connected to the project is to be more than PLN 220 million. Plans call for the construction of four halls. Production in the first hall, with about 15,000 square metres of covered space, is scheduled to be launched in January 2017. At least 150 new jobs will be created in the first phase and Borgers plans to increase the number of employees to 600 in the future. The facility in Złotoryja will be Borgers' first plant in Poland. In Eastern Europe, Borgers already operates sites in the Czech Republic.

Boryszew: More details on investment plans for Toruń

Boryszew Components Poland plans to invest at least PLN 50 million in a plant for production of plastic parts in Toruń. Plans call for the creation of at least 200 jobs during the next two and half years.

Romania

Eberspächer to construct new plant in Oradea

German supplier **Eberspächer Climate Control Systems GmbH & Co. KG** will construct a new factory for the production of exhaust systems located in the **Eurobusiness Industrial Park Oradea**, said the city of Oradea. The company will acquire an 11.2 hectares plot. The factory will cover 22,000 square metres, including 15,000 square metres of production space and 7,000 square metres of storage and office areas. According to **Delia Ungur**, general director of the Eurobusiness industrial park, the investment will be about €32 million. The new plant will hire 150 people next year, but the number of employees will grow to 700 in the future, said Ungur. "In January we will sign the lease with the German investor," Ungur told ZF Transilvania.

Faist to add jobs in Oradea

Faist Mekatronic srl, a subsidiary of the British **Faist** group, plans to recruit 200 people at its site in Oradea, ZF Transilvania reports. Currently the company employs about 1,400 people. Last year the company invested about €15 million in expanding production capacity and the purchase of new machines. The factory area was expanded from 16,500 square metres to 25,000 square metres. The capacity in Oradea was increased by 30 percent. "This year we are planning investments of about €10 million," **Remus Cotuț**, General Manager of Faist Mekatronic, told ZF Transilvania. The portfolio of the Oradea plant includes NPI and manufacturing of aluminium die casting, precision machining, surface plating components and assemblies for telecom, automotive, railway and industrial markets as well as NPI and assemblies of electro-mechanical and electronic systems. Automotive clients include companies such as **Mahle, BorgWarner, Hella, Ina Schaeffler**,

Kongsberg, Brose or Magna. In 2014 Faist Mechatronic had a turnover of €65.9 million and net profit of €6 million. It expects a total turnover of €72 million for 2015.

Russia

Russia to support automotive industry with RUB 20 billion in first half of 2016

Russia's government will spend RUB 20 billion to support the country's automotive industry in the first half of this year, Industry and Trade Minister **Denis Manturov** said in an interview with Rossiya 24 TV. "The decision has been made by the prime minister to extend the programme of supporting demand into next year ... So far, the decision has been made for the first half year for around 20 billion roubles," Manturov said in December. The measures include discounts to people trading in their old vehicles, a scheme for scrapping cars and subsidies for car loans and leasing.

AvtoVAZ confirms four-day-week in Togliatti from mid-February

ОАО AvtoVAZ has confirmed it will switch to a four-day-week at its plant in Togliatti effective from the 15th of February. According to the current planning, the measure is expected to last at least half a year.

Sollers sells shares in Sollers Isuzu joint venture

PAO Sollers has sold a 50 percent stake in the **ZAO Sollers-Isuzu** joint venture to its partners. **Isuzu Motors Limited** has acquired a 29 percent stake in Sollers-Isuzu, and the second joint venture partner, **Sojitz Corporation**, has bought out a 21 percent interest in the company. Following the deal, which took place in mid-December, Isuzu increased its shareholding to 74 percent, whereas the stake of Sojitz grew to 26 percent. **Vadim Shvetsov**, Sollers' CEO, explained his decision to exit the truck manufacturing business with the need to focus on the development of SUV and LCV segments which are strategically important for the company. "We are grateful to our Japanese partners for the successful partnership and collaboration over the years. Sollers-Isuzu has become one of the leaders on the Russian light-duty truck market and has every chance to succeed further. At the same time, in the current environment, we need to concentrate our efforts on the development of SUV and LCV segments, which can provide maximum growth potential and which are our long-term value drivers," Shvetsov said. Sollers-Isuzu is located on the territory of the **ОАО UAZ** plant in Ulyanovsk.

Hyundai expects production decrease by 6.3 percent in St. Petersburg this year

ООО Hyundai Motor Manufacturing Rus plans to produce about 215,000 cars at its plant in St. Petersburg this year, down 6.3 percent from about 229,500 vehicles manufactured in 2015. Last year's production was about 3.2 percent lower compared to 2014. "After a short stop in January, which is necessary for us to install a large number of additional equipment in the welding and assembly shops for the launch of new models, we will continue stable operation without any changes, and plan to produce 215,000," the company's general director **Choi Dong El** said in a statement about plans for this year. The company exported about 14,200 cars in 2015. Kazakhstan was the main export destination with 10,300 vehicles. In addition to **Hyundai Solaris** and **Kia Rio** sedans and hatchbacks currently manufactured in St. Petersburg, the plant will launch production of the Hyundai Creta compact crossover this year. The company operates in three shifts.

Petrunin leaves AvtoVAZ

Denis Petrunin (48), who served as Executive Vice President responsible for sales and marketing at **OA O AvtoVAZ** since the 1st of October 2014, left the company. **Vitaly Osipov**, AvtoVAZ's director for car sales, replaces Petrunin on interim basis. In October 2014, Petrunin replaced **Martin Soest**, who spent only few months in the job.

GM-AvtoVAZ reports lower production

ZAO GM-AvtoVAZ manufactured 34,218 **Chevrolet** Niva vehicles last year, which is 24.1 percent less than in 2014. In 2014, the company produced 45,067 units. GM-AvtoVAZ reached its highest ever production output with 62,981 vehicles in 2012. During last year, the wholesale to dealers made 34,726 Nivas, including 32,352 units sent to Russian dealers and 2,374 vehicles exported to other CIS countries. Since production was launched in 2002, 606,578 Chevrolet Niva vehicles were sold, including 44,700 vehicles shipped to other CIS countries. GM-AvtoVAZ stopped production on the 23rd of December and will resume output on the 19th of January.

GM-AvtoVAZ increases price for Chevrolet Niva

From the 1st of January, the retail price for **Chevrolet** Niva vehicles of all trim levels increased. Thus the price for the Niva L becomes RUB 555,000, LC - RUB 589,000, LE with air conditioning - RUB 619,000, LE+ - RUB 662,000, GLS - RUB 630,000, GLC - RUB 658,000 and LC, Winter Edition - RUB 634,000.

Russia/Egypt/Lebanon

Hyundai reports 2,500 cars exported to Egypt and Lebanon in 2015

OOO Hyundai Motor Manufacturing Rus has exported 2,500 Hyundai Solaris/Accent cars to its new export markets Egypt and Lebanon last year. Production for the new export destinations was launched at the St. Petersburg plant last August. Original plans called for the shipment of more than 4,000 cars to the two countries until the end of 2015.

Serbia

KOTRA opens office in Belgrade

The **Korea Trade-Investment Promotion Agency (KOTRA)** has opened a new office in Belgrade. The recent opening of new offices in Serbia and Slovakia increases the number of the agency's overseas branches to 125 in 85 countries.

Slovakia

PSA prepares for fourth shift in Trnava

PCA Slovakia s.r.o. has started preparations for the introduction of a fourth shift to be launched in the first half of 2017 at the plant in Trnava. The factory, which manufactured about 303,000 cars last year, up 18.7 percent

from 2014, plans to increase its production to 345,000 vehicles in 2017 and 360,000 in 2018 in conjunction with the production launch of a new **Citroën** B segment model scheduled for 2016. The company plans to hire some 800 people for the fourth shift. The recruiting will start later this year. "Out of the 800 new posts, seven are management jobs, 41 mid-level technical jobs, 225 highly qualified worker jobs and 530 operator jobs," HR department director **Lubomír Kollár** told TASR. The introduction of a third shift will mean that the plant will work on six days per week. Currently, some 3,500 people are working at PCA Slovakia, about 900 of them are employed by agencies. A small portion of employees comes from Hungary, Bulgaria, Romania and Serbia.

KOTRA opens office in Bratislava, signs Memorandum with Automotive Industry Association

The **Korea Trade-Investment Promotion Agency (KOTRA)** has opened a new office in Bratislava. A Memorandum of Understanding between KOTRA and **ZAP SR (Zväz Automobilového Priemyslu Slovenskej republiky** or **Automotive Industry Association of the Slovak Republic** in English) was signed during the opening ceremony.

MWS to close plant in Austria, move production to Slovakia

Austrian supplier **MWS Industrieholding GmbH** will close its plant for permanent mould casting in Kufstein-Schwoich, Austria and transfer the production activities to its existing Slovak subsidiary **MWS Casting s.r.o.** in Hliník nad Hronom by the end of January. About 30 workers in Austria will lose their jobs.

Turkey

Hyundai reaches new milestone in 2015

Hyundai Assan Otomotiv Sanayi ve Ticaret A.Ş. had a record year in 2015. The company used its capacity at its Izmit plant to its fullest, producing 226,500 cars, which is an increase of about 13 percent compared to 2014. 89 percent of this volume has been exported to Europe. The Turkish Hyundai plant is engaged in the production of i10 and i20 models.

Turkish automotive industry is honoured in Bursa

In the presence of Turkish President **Recep Tayyip Erdoğan**, Interior Minister **Efkar Âlâ** and other government and municipal leaders, the Bursa Chamber of Commerce and Industry held its annual awards ceremony in late December. In the export category the **Oyak Renault Otomobil Fabrikaları A.Ş.** plant was honoured, while **Tofaş Türk Otomobil Fabrikası A.Ş.** received a prize in the innovation category.

Ukraine

Ukraine launches Euro 5 emission standard

Ukraine has launched the Euro 6 emission standard starting from the 1st of January 2016. That means that import of new or used vehicles, which are not meeting the Euro 5 standard, is not allowed. Some models such as for example the Iranian-made **Saipa** Tiba or some Chinese cars will disappear from the market. Ukrainian manufacturers have to fulfil the Euro 5 standard as well. The Euro 6 emission standard is expected to be launched from the 1st of January 2018.

Ukraine/Iran

Bogdan phases out import of Saipa Tiba sedan

Bogdan-Avtotrade, the distribution company which belongs to **Korporatsya Bogdan**, has phased out import of the Iranian-made **Saipa Tiba** small sedan. The Tiba, which was previously distributed by another importer in the Ukraine, was launched in Bogdan-Avtotrade's dealer network in late 2014. The new importer planned to replace its previous **Bogdan 2110** and **2111** models in the budget segment with the Tiba. Plans called for the sales of 600 to 900 Tibas in 2015. However, only some 70 cars were sold by Bogdan-Avtotrade. The weak Ukrainian currency made Tiba's price less attractive. Finally, the import had to be stopped because the Tiba could not meet the Euro 5 emission standard which was introduced in Ukraine from the 1st of January.

Uzbekistan

GM Uzbekistan to start Aveo production in May

GM Uzbekistan YoAJ will launch volume production of a new model based on the previous-generation **Chevrolet Aveo (T250)** in May, RIA Novosti reported quoting a source at **AK Uzavtosanoat**. According to the source, the localisation will be about 25 percent in initial phase. In Russia, the car will be sold as **Ravon Nexia R3**.

NEWS FROM MIDDLE EAST AND AFRICA

Algeria

Famoval may establish assembly plants for Lifan and Sokon

Famoval, the Algerian importer of **Lifan** cars, may establish assembly of Lifan 330 and X50 cars. According to **Gary Liao**, Lifan's manager for the MENA region, the Chinese car maker made a request via Famoval to the Algerian government regarding permits to begin assembly and investments. Famoval also may assembled Chinese-made **Sokon** light commercial vehicles. According to Algerian media, Famoval is considering the possibility to open two assembly sites in Oued S'Mar and Relizane. The initial capacity would be about 20,000 vehicles per year. First vehicles may be assembled this year.

Iran

Saipa receives homologation for Saina

Saipa Auto Group has received the necessary homologation papers to sell its new **Saipa Saina**. From now on the car is to be produced in bigger series - 40 units per hour. It will be manufactured at Saipa's Kashan plant, sharing the body production line with the Tiba.

Saipa underlines importance of export

Mohsen Javan, Saipa Auto Group's Vice President responsible for export, underlines the importance of export shipments for the company. "In a condition that local market is facing many ups and downs it is important to pay attention to foreign markets," said Javan. "It is about two decades that Saipa has started its activities in exporting and fortunately it has determined effective plans for exports" he explained. "According to this goal Saipa could be present in 4 regions of the world," Javan said about the company's plans for export development. He also spoke about Saipa's assembly activities abroad. "Opening production sites (abroad) has created good export and economic benefits for Saipa as in recent decade we have succeeded to export about 220,000 units of vehicles, which have made about \$1.2 billion of exchange income for the company." He also mentioned plans for a new assembly site in Algeria (see separate news). "Now Saipa has effective presence in Egypt and Libya and had negotiations with Tunisia," Javan said about the company's activities in North Africa.

Audi: Unclear situation regarding sales in Iran

Ramak Khodro, the Iranian importer of **SsangYong** vehicles, has recently celebrated the launch of **Audi** cars. The event, which was organised in the Milad Tower in Tehran and included presentation of nine Audi models, was joined by many celebrity guests. Some Iranian media have presented the event as the official arrival of the Audi brand in Iran. However, some days later Iranian media published a statement of the **Audi AG** which denies that Ramak Khodro is an official importer or dealer of the brand. "The Audi AG company, as the manufacturer of Audi cars and exclusive owner of the Audi brand, has no official representative, distributor or importer in Iran. Audi AG has not granted any real or juridical Iranian or foreign person the authorisation to import its products," the statement published by local media said. The company also stressed that it has not granted representation to third parties for the import of Audi products to Iran and that no entity has the authorization to use their name in Iran. "Audi AG will not guarantee the compliance of quality of products offered in the Iranian market without the authorisation of Audi," Audi is quoted as saying. In July 2015, Financial Tribune reported that **Bahar Khodro**, another Iranian company, announced it had the official license for distributing Audi cars in the country but Audi quickly denied it has signed any contract with Bahar Khodro. "Due to sanctions, an unofficial deal currently remains between Audi and Bahar Khodro," **Kia Hosseinsahi**, Bahar Khodro's CEO, now told Financial Tribune when asked about the current situation.

Iran/Algeria

IKCO's site installation agreement in Algeria signed

Iran Khodro Industrial Group (IKCO) has signed an agreement with an Algerian partner on establishment of an assembly plant. "This project requires no investment by Iran Khodro and the Algerian partner will provide all budget needed," the Iranian vehicle maker said. "At the first phase of the agreement, IKCO's vehicles including Dena, Soren, Runa and Arisun would be exported to Algeria in SKD-2 format and will be assembled there," said **Saeed Tafazzoli**, IKCO's Deputy CEO for Export. "IKCO's operation in Algeria would begin in January-February. Meanwhile, of 15,000 vehicles ordered by the Algerian company for the new year, 1,500 Dena vehicles would be exported by spring of 2016 and the rest would be exported in SKD-0 format," Tafazzoli said at the sidelines of the ceremonial signing of the agreement. According to Tafazzoli, a CKD plant including

body, paint and assembly shops, will become operational in 2017. The new site is to be established in a region about 300 kilometres away from the capital Algiers with a production capacity of 30,000 vehicles per year. This will enable IKCO to supply other North African and North-West African markets from Algeria. "Based on the new export strategy, IKCO would not invest directly in establishment of any site abroad and the Algerian site is going to be established in line with this strategy," Tafazzoli explained.

Saipa cars to be assembled in Algeria

Saipa Auto Group said it plans to launch an assembly project in Algeria. "According to talks, production line of Saipa products will be started in Algeria in 2016," said **Mohsen Javan**, Saipa's Vice President responsible for export. "For the opening of this site, which will be named **Saipa Algeria**, \$20 million investments are expected from which 75 percent would be done by the Algerian partner and 25 percent would be due to Saipa," he added. "The site would be built at a 20 hectare land with production capacity of 20,000 units in the first stage," the Saipa executive said. According to Javan, **Saipa** 132, 111, Tiba sedan, Tiba hatchback and 151 models are to be assembled in Algeria.

UPCOMING EVENTS

2016

- » **March, 3-13:** GENEVA, SWITZERLAND: 86TH INTERNATIONAL MOTOR SHOW
<http://www.salon-auto.ch/>
- » **March, 15-17:** MOSCOW, RUSSIA: RUSSIAN AUTOMOTIVE FORUM
<http://www.russianautomotive.com/>
- » **March, 15-17:** ST. PETERSBURG, RUSSIA: AUTOPROMO RUSSIA
<http://autopromrussia.ru>
- » **March, 31-3 April:** POZNAN, POLAND: POZNAN MOTOR SHOW
<http://www.motorshow.pl>

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