

INDEX

• International _____	1	• Russia/Uzbekistan _____	8
• Belarus/Russia _____	3	• Serbia _____	9
• Bulgaria _____	3	• Slovakia _____	9
• Czech Republic _____	3	• Slovenia _____	10
• Czech Republic/Iran/Egypt _____	4	• News from Middle East and Africa _	10
• Hungary _____	4	• Algeria _____	10
• Macedonia _____	5	• Iran _____	10
• Poland _____	6	• Kenya/Malawi/Uganda/Tanzania/ Zambia/Zimbabwe _____	12
• Russia _____	7	• This week on ceauto.co.hu _____	13
• Russia/Belarus/Kazakhstan _____	8	• Imprint _____	13
• Russia/Czech Republic _____	8		

NEWS

International

Joyson and Preh take over TechniSat Automotive

The Chinese company **Ningbo Joyson Electronic Corp.** and its German subsidiary **Preh Holding GmbH** are each taking over 50 percent of the **TechniSat Automotive** division from **TechniSat Digital GmbH** of Daun, Germany. Within the Joyson Group, TechniSat Automotive will be operated in the Automotive Electronics division together with Preh GmbH as **Preh TechniSat Car Connect GmbH**. With the combined competences of Preh and TechniSat Automotive, Joyson will form a technology group with a sales volume of over a billion euros that can develop into a global player for car connectivity and human machine interface systems (HMI). The approximately 1,200 employees at TechniSat Automotive will be taken over. Likewise, the TechniSat development locations in Dresden (Germany), San Carlos/California (USA) and Shanghai (China), as well as the production sites in Dippach/Thuringia (Germany) and Oborniki (Poland) and an operative location in Daun will all be retained. **Peter Kohlschmidt**, who served as the TechniSat Managing Director responsible for

Automotive business, will be the Managing Director of Preh TechniSat Car Connect. The contractual parties agreed not to divulge details of the transaction. The takeover is subject to approval by the relevant authorities. In future, TechniSat Digital GmbH will focus on its Consumer Electronics division and independently develop that field further. TechniSat Automotive develops and produces products and software solutions in the fields of car infotainment, navigation, vehicle networking and telematics.

Mecaplast receives investment from Equistone

Supplier **Mecaplast Group** has joined forces with the investment company **Equistone Partners Europe** which, through its **Fund V**, becomes the majority shareholder alongside **Thierry Manni**, a current major shareholder of the Group and Chairman of the Board, **Bpifrance** (via the **FAA**) and Mecaplast Group's management team. The transaction is subject to approval by the competition authorities. Mecaplast has reported revenues of over €700 million euros and employs more than 6,000 employees in 18 countries. The company was founded in 1955 in Monaco by **Charles Manni**, and has been chaired by his son Thierry Manni since 2008. In 2009, the **FAA (Fonds Avenir Automobile - ex FMEA**, an investment fund managed by **Bpifrance** and focused on the automotive industry) invested in the group, which at the time had been hit by a downturn in the automotive industry. Shareholders hired a new management team in 2012.

Laird completes acquisition of Novero

Laird PLC, a global provider of end-to-end automotive connectivity services, has completed the acquisition of German-based **Novero GmbH**. With the acquisition of Novero, Laird is able to unite connectivity solutions under one global technology designer and manufacturer. Laird's vehicle to vehicle and vehicle to infrastructure solutions ensure that cars and trucks are connected and able to receive traffic and safety alerts along with a 4G LTE signal. Novero's antenna coupling, near field, and in-car hot spot technologies help drivers and passengers process those alerts and utilize connected devices. Laird acquired Novero for a total consideration of €65 million from **Donares Limited**. The consideration includes the issue of 3.2 million shares in Laird to the vendors of Novero, valued at €15.5 million, as well as a cash payment from Laird's existing bank facilities. Novero, which is headquartered in Bochum, operates subsidiaries in Germany and has a cooperation partner in Bucharest, Romania. The company designs and manufactures telematics control units, wireless charging modules, USB hubs, wireless signal enhancement solutions and software applications that manage in-car connectivity systems. The **Volkswagen AG**, including its **VW, Audi, Bentley** and **Skoda** brands, is a major customer. Other customers include leading vehicle manufacturers such as **BMW, DAF, Jaguar Land Rover, MAN, Mercedes-Benz**, and **Ford**. Novero reported revenues of €83.7 million, EBITDA of €8.4 million and PBT of €1.3 million, and held gross assets of €60.3 million for 2014. In 2015, revenues were expected to be lower than in 2014 following delays to certain contracts which have impacted profitability.

Grupo Cosmos takes over Muffler Plastic

Spanish supplier **Grupo Cosmos XXI** has acquired the insolvent German manufacturer of large volume injection moulded components **Muffler Plastic GmbH** which is located in Pfullendorf. It takes all 45 people currently working at the German supplier. The sum was not disclosed. In July 2014, Muffler Plastic was forced to file for insolvency when bank credit was withdrawn after the failure of a tool supplier. Grupo Cosmos operates plants in Spain and in the Czech Republic and employs more than 400 people.

Belarus/Russia

Unison launches assembly of Zotye T600

SKD assembly of the **Zotye** T600 crossover is underway at the **ZAO Unison** plant in Obchak near Minsk. After the Zotye Z300 sedan, the T600 is the second Zotye model made at Unison. According to Kolyosa.ru, sales of the Belarus-assembled T600 are to start in Russia soon. The crossover is expected to start at about RUB 850,000 in Russia.

AvtoVAZ launches sales of Lada Vesta

Sales of the **Lada** Vesta commenced in Belarus. Currently, the Vesta is only available with the middle equipment level Comfort and starts at BYR 155 million. The basic equipment level Classic and the top level Luxe are expected to be launched in spring.

Bulgaria

Monbat reports higher sales and EBITDA

Bulgarian battery maker **Monbat Group** said its consolidated net sales amounted to BGN 245.9 million in 2015, up by 7.7 percent from 2014. The company's earnings before interest, tax, depreciation and amortisation (EBITDA) in 2015 were BGN 38.9 million, up 5.1 percent. Monbat generated a consolidated pre-tax profit of BGN 25.2 million, down 7.8 percent.

Czech Republic

Škoda shows sketches of VisionS design study



Škoda Auto a.s. has released sketches of the **Škoda** VisionS design study it will unveil at the Geneva motor show next month hinting at how the company's future SUV could look. The VisionS ('S' stands for SUV) is 4.70 metres long, 1.91 metres wide and 1.68 metres high. The production version of Škoda's new SUV is expected to be exhibited at the Paris motor show in October for the first time.

Škoda reduces number of Czech dealerships

Škoda Auto a.s. has reduced the number of its dealerships in the Czech Republic from 202 to 184 outlets as a result of a modernisation programme. Some of the former authorised dealers were not willing to invest in order to meet Škoda's new standards.

Kovolis Hedvíkov to construct new hall

Kovolis Hedvíkov a.s., a Czech foundry located in Třemošnice, plans to construct a new hall in the industry zone of Třemošnice. The machining and tool shops are to be transferred to the new premises in 2017. The hall is to be constructed either in one or in two phases, depending on customers needs for 2018 to 2020. About 500 workers are to be employed in the new hall in the future. While some employees are to be transferred from the company's current premises, the supplier also plans to create new jobs. According to **Miroslav Pavlas**, director and one of the owners of Kovolis Hedvíkov, construction work could start in late 2016/early 2017 and a part of the company may be transferred to the new premises in the second half of 2017. Kovolis Hedvíkov employs about 1,000 people and has an annual turnover of more than CZK 1,7 billion.

Czech Republic/Iran/Egypt

Tatra reports new contracts from Iran and Egypt

Tatra Trucks a.s. has received a contract for the export of 40 Tatra Phoenix heavy trucks to Iran, the company's CEO **Martin Bednarz** told E15.cz. "I believe that we will get more orders in this territory. The point is to persuade the Iranians to accept European homologation so that our vehicles do not have to attend in Iran complicated and especially long local homologation tests," Bednarz is quoted as saying. Tatra also prepares new shipments to Egypt. "Tatra returns there after two decades. We are just waiting for advance payments so we can start producing. It will be hundreds of 4x4 chassis for the Egyptian defence industry, of which we will deliver at least 150 this year. The contract scheduled to run until 2018 is worth tens of millions of euros," Bednarz said.

Hungary

State aid: Commission authorises Hungarian investment aid for Audi

The **European Commission** has found €133 million in state support by Hungary to **Audi Hungaria Motor Kft** for an investment project in Győr to be in line with EU state aid rules. Audi invested a total of €1.2 billion in a fully integrated plant for passenger cars on its existing site. This was expected to create 2 100 jobs in Győr in Western Transdanubia, a disadvantaged region of Hungary with a GDP per capita far below the EU average. The area is therefore entitled to benefit from aid to encourage investments, under the Hungarian regional aid

map applicable at the time of granting the aid. The Commission's assessment showed that the aid was necessary for the project to go ahead in Győr, as the aid merely compensated the company for extra investment costs incurred by carrying out the project in Győr and not in an alternative location. The Commission therefore concluded that the positive effects of the project on regional development clearly outweigh any distortion of competition created by the aid.

Opel appoints new CEO of Hungarian engine plant

Grzegorz Buchal has been appointed new CEO of the **Opel Szentgotthárd Kft** engine plant in Szentgotthárd. He replaces **Tamás Solt** who was named CEO of the Austrian **Opel Wien GmbH** engine and transmission plant some months ago. Polish-born Grzegorz Buchal recently served as Director, Manufacturing Strategy and Planning, at the **Adam Opel AG** in Rüsselsheim, Germany. Prior to that, he held various positions at GM's subsidiaries in Poland, Spain and Germany.

Daimler appoints new Member of the Board for Kecskemét plant

Tamás Kovács has been appointed as a Member of the Board of Directors responsible for technical affairs at **Mercedes-Benz Manufacturing Hungary Kft** plant in Kecskemét. He replaces **Matthias Buchmüller** who transfers to Daimler's plant in Rastatt, Germany. Kovács joined Mercedes-Benz Manufacturing Hungary in 2011. He initially worked in the field of quality management and later served as plant manager. Prior to that he worked 15 years for **Hilti AG**.

NNG and Renault signs another cooperation deal

NNG Kft, a Hungarian navigation software developer, will equip several new **Renault** models destined for the European market with its Android-based iGO Navigation software. According to the agreement, the new Megane, Talisman, Espace and Kadjar models will receive this equipment. NNG and **Renault S.A.** has been cooperating since 2011, when the Hungarian company equipped **Dacia** models with its self-developed navigation system.

Magyarnet becomes a supplier to BMW

Magyarnet Finomöntöde Kft, a privately owned casting company, has recently completed a HUF 600 million investment project which saw the refurbishment of an old production hall at the company's site in Bicske, installing new equipment and upgrading production safety. 35 new workplaces have been created. As a result Magyarnet was able to become a supplier for **BMW AG**.

Macedonia

Van Hool to expand plant in Skopje

Belgian bus manufacturer **Van Hool N.V.** will invest €15 million in the expansion of its production plant in the **Technological Industrial Development Zones Skopje 1** in Skopje, Macedonia. An investment agreement about the expansion was signed between Van Hool and the **Directorate for Technological Industrial**

Development Zones. The investment program covers a period of four years. In a first stage (2016), a new warehouse is to be constructed and the paint shop will be expanded. In a second phase (2017-2018) the four production lines will be doubled to 8 so that the production capacity will be raised to 900 vehicles per year instead of 500 vehicles currently. The covered space of Van Hool's plant will be about 72,000 square metres after the extension. The company plans to recruit about 400 employees in the coming years. By 2019, Van Hool will employ a total of 1,250 persons in Macedonia. "We would have preferred to realize this investment in Belgium, but as the need to safeguard the long term future of the Van Hool group is great, we are forced to invest in our branch in Macedonia," **Filip Van Hool**, CEO of Van Hool, said. According to the company's CEO, there are three reasons for the expansion of the Macedonian plant: 1. Van Hool wants to retain its position on the North American market. The CX45 built in Skopje is doing very well on the North American market. The CX35, a smaller bus, was introduced in the US market. For this new model the company has already 100 orders. 2. Van Hool wants to expand the EX range, which is manufactured in Macedonia. The company has received over 150 orders. 3. Van Hool will continue to play a significant role in the market of public transport. Besides the Exqui.City, the successful Trambus which is manufactured at the plant in Koningshooikt, Belgium, the company also wants to continue to invest in the standard segment of public transport. For this purpose a new vehicle will be designed and developed in Koningshooikt. To launch this vehicle competitive in the market, Van Hool said it is forced to produce this vehicle at the factory in Macedonia. In recent years, it has become clear that, for this type of city buses Van Hool no longer will be competitive with vehicles built in Belgium. In recent public tenders, it appeared that the company was considerably more expensive per vehicle than direct competitors who build these buses in Poland, Czech Republic and Turkey.

Johnson Controls signs investment agreement on new plant in Strumica

Johnson Controls Inc. and the **Directorate for Technological Industrial Development Zones** have signed an investment agreement on a new plant for the production of seat covers in the **Technological Industrial Development Zones Strumica**. The investment will be \$20 million. Initially, Johnson Controls starts operations at a brownfield facility, while a new plant with about 13,000 square metres covered space is scheduled to launch production in March 2017. Currently, Johnson Controls employs some 130 people in Strumica. The number of employees is to be increased to 400 by the end of 2016. The company plans to have more than 1,500 workers in the future. When fully operational, the new plant is expected to export products worth about €80 million per year.

Poland

Kongsberg Automotive wins new contract for Polish plant

Kongsberg Automotive ASA has been awarded the global supply of seat support and massage systems with an European premium automaker for its flagship vehicle. Kongsberg Automotive's seat comfort systems including lumbar, bolster and massage systems for front and rear seats utilising the latest innovative technological developments, will be on one of the top luxury SUV's in the market. The contract is worth an estimated €26.7 million over its lifetime and production is scheduled to start in the third quarter of 2017 at the **Kongsberg Automotive Sp. z o.o.** facility in Pruszków, Poland.

New Maserati dealership in Katowice

Grupa Pietrzak has been appointed as an authorised dealer of the **Maserati** brand in Katowice. The company already operates the **Ferrari Katowice** dealership.

Russia

Matušková leaves AvtoVAZ

Kateřina Matušková, the Czech-born **OAo AvtoVAZ** manager who is engaged to the company's President and CEO **Bo Andersson**, has left the company. According to AvtoVAZ, the decision was taken in accordance with the requirements of the new code of ethics which was created by the standards of the company's shareholders **GK Rostech** and the **Renault-Nissan Alliance**. Matušková served as Director of Corporate Development of AvtoVAZ. She was involved in the company's PR activities as well as other activities. Russian media have repeatedly criticised Matušková's sometimes unclear role in the company.

GM-AvtoVAZ cuts second shift, increases line speed

ZAO GM-AvtoVAZ will cut the second shift effective from the 24th of February. The plant will work on 5 days (40 hours) per week. According to the company, the planned annual production volume of the **Chevrolet Niva** will stay unchanged due to the increase of the conveyor line speed up to its maximum with organisational and technological adjustments on production lines. This production scheme change does not imply a staff reduction, GM-AvtoVAZ said.

AvtoVAZ starts production of Lada 4x4 5-door version at main plant

OAo AvtoVAZ has launched volume production of the **Lada** 4x4 5-door version at its main plant. The vehicle now shares the assembly line with the Lada Priora. In the past, the model was manufactured at AvtoVAZ's OPP department.

AvtoVAZ announces Lada Xray prices

OAo AvtoVAZ has announced Russian prices of its new **Lada Xray** crossover. The new model starts at RUB 589,000. The Lada Xray is available with three gasoline engines - 1.6 litre with 106 hp, 1.6 litre with 110 hp and 1.8 litre 122 hp. Sales of the Xray start on the 14th of February.

UAZ launches new welding line for the Patriot

PAo UAZ has launched operation of a new welding line for bodies of the **UAZ Patriot** range with technology sourced from Korean companies **Kyungki Industrial Co. Ltd.** and **Sejin Global**. As a result of the new line, the quality of the body welding was improved. According to UAZ, the quality of the welds became stable, the accuracy of the geometry of the body increased by 10-12 percent.

PCMA cuts work on Fridays

As announced earlier, the **OOO PCMA Rus** plant in Kaluga has launched a four-day-working week starting from the 1st of February. The company will work between Monday and Thursday. According to the current planning the factory is expected to run on four days per week until the 31st of July.

Avtotor launches assembly of new Kia Optima

OOO Avtotor Holding has launched volume assembly of the 4th generation **Kia Optima** at its plant in Kaliningrad. The car is available with three gasoline engines – 2 litre aspirated engine with 150 hp, 2.4 litre GDI powerplant with 188 hp and 2 litre T-GDI engine with 245 hp. Start of sales is scheduled for March. Kia sold 3,096 units of the previous-generation Optima in Russia last year, up 8 percent from 2014. Avtotor assembled 9,419 units of the third-generation Optima between November 2012 and December 2015.

Rehm opens branch in Moscow

Rehm Thermal Systems GmbH of Germany has opened its own branch **OOO Rehm Thermal Systems RUS** in Moscow. Before that, a distributor was responsible for looking after Russian customers. **Mikhail Kuzhelev** is the direct Rehm contact partner for sales and service. For the past few years, Kuzhelev has been senior process engineer at a Russian electronics service provider, which offers global customers solutions for manufacturing and testing memory modules, microprocessors and other electronic components.

Russia/Belarus/Kazakhstan

Renault reports higher exports

OAo Renault Russia exported some 16,300 **Renault** Logan, Sandero and Duster cars to Belarus and Kazakhstan last year, up 28 percent from 2014.

Russia/Czech Republic

Škoda: No plans for Fabia comeback

Škoda Auto a.s. currently has no plans to resume sales of the **Škoda Fabia** in Russia, **Lubomír Najman**, head of **Škoda Auto Russia**, a division of **OOO Volkswagen Group Rus**, said in an interview with Kolyosa.ru. The previous Fabia generation was assembled at Volkswagen's plant in Kaluga.

Russia/Uzbekistan

Ravon announces prices of R2 model

Russian **Ravon** importer has announced prices of the Uzbek-made Ravon R2 small car, which was earlier known as the Chevrolet Spark. The car, which is powered by a 1.2 gasoline engine mated to an automatic transmission, starts at RUB 369,000. The Ravon R2 is the cheapest car equipped an automatic gearbox at the Russian market. Sales of the R2 are to start in March.

Serbia

IGB Automotive buys land for plant expansion in Inđija

IGB Automotive Comp d.o.o., the Inđija-located subsidiary of German supplier **I.G. Bauerhin GmbH**, has bought land in the northeast industrial zone of Inđija next to its existing factory where it plans to build a new 7,000 square metre plant and employ 500 additional workers, the Inđija municipality announced today. The land purchase contract is signed between Inđija City Assembly President **Petar Filipović** and IGB Automotive's General Manager **Dalibor Berić**. This new investment is valued at over €4.5 million. According to Berić, construction work is expected to commence in April and the facility should be finished in September. Currently IGB Automotive employs some 1,500 people in Inđija.

ContiTech gets land for expansion in Subotica

ContiTech Fluid Serbia d.o.o., which already operates a plant in Subotica, will receive more than 25,000 square metres of land in the industrial zone Mali Bajmok in Subotica to build a new facility. The City Council of Subotica has adopted the decision on the alienation of construction land without compensation to the company. As announced by the **ContiTech AG** in July 2015, ContiTech Fluid Serbia is planning to expand the hose assembly plant in Subotica by another production building. The expansion is to include a 12,000 square metre hall in which the company will invest about €17 million. The new facility will more than double ContiTech's shop floor area in Subotica and create some 500 new jobs.

Slovakia

Bourbon to expand plant in Čab

Supplier **Bourbon Automotive Plastics Nitra s.r.o.** plans to expand its plant located in the industrial zone in Čab near Nitra. Currently, the factory consists of almost 9,000 square metres production space and 6,000 square metres of logistics space. Both production and logistics premises are to be increased by 1,900 square metres each. As a result of the expansion, the company plans to add 50 jobs in three shifts.

U.S. Steel Košice cancels shortened working week

Slovak steel manufacturer **U.S Steel Košice s.r.o.** has cancelled the four-day working weekend and restored production on five days per week starting from this week. The company shortened the work week at the beginning of 2016 in response to the difficult situation on the steel market.

Volkswagen Slovakia voted best employer of 2015

Volkswagen Slovakia a.s. has been voted as the Best Employer 2015 in a poll carried out by **Profesia** company, which runs one of the biggest job portals in Slovakia. A total of 14,203 respondents participated in the poll.

Slovenia

Acroni to launch new line for heat treatment

Slovenian steel manufacturer **Acroni d.o.o.** plans to launch a new line for heat treatment of special steels this year. The new line enables extremely precise heat regulation, which will enable Acroni to continue to change its sales mix in the direction of more profitable product ranges. "We'll get into niche markets that we haven't been present in so much this far," Acroni's director **Blaž Jasnič** told STA. The investment will be €32 million. Acroni plans to expand its number of employees of 1,130 by 50 with the launch of the new line.

NEWS FROM MIDDLE EAST AND AFRICA

Algeria

PSA may sign deal on Algerian plant on the 21st of February

The signing of an agreement about the Algerian **PSA Peugeot Citroën** assembly plant is expected for the 21st of February, **Abderrahmane Benhamadi**, Chairman of the **Benhamadi Group**, told Algerian media. **Condor Electronics**, a company which belongs to the Benhamadi Group, is to be one of the shareholders of the future PSA with 15 percent share. The company plans to produce some parts for Algerian-made PSA models. The factory is to be located in Ain El Kerma near Oran. First vehicles are expected to be assembled in July 2017.

Iran

PSA and Iran Khodro sign joint venture agreement

During President **Hassan Rouhani's** state visit to Paris, **PSA Peugeot Citroën** and **Iran Khodro Industrial Group (IKCO)** signed a joint venture agreement to produce new models in Iran. The 50:50 joint venture is expected to invest up to €400 million over the next five years in manufacturing and R&D capacity. Plans call for the production of the **Peugeot 208**, 2008 and 301 models, fitted with latest-generation engines. The agreement includes: The restoration of contractual relations concerning the manufacture of Peugeot-branded vehicles currently produced in Iran; the creation of a joint venture on an industrial site in Tehran to produce new latest-generation Peugeot vehicles, on a platform that will also be used by Iran Khodro to develop its own vehicles and the capacity to export JV products across the region. The agreement, which will be backed up by technology transfers and significant levels of local content, will come into effect once it is implemented, i.e., around mid-2016. The first vehicles will roll off the production line at the Tehran plant in the second half of 2017. "This strategic agreement turns the page on the period of international sanctions and enables PSA and Iran Khodro to start a new chapter in their 30-year history of cooperation," said **Carlos Tavares**, Chairman of PSA's Managing Board. **Hashem Yekehzare**, President and CEO of IKCO, underlined

that IKCO will take advantage of these products' export markets in the Middle East and North Africa. Currently, about two third of light vehicles manufactured by Iran Khodro wear the Peugeot badge. Current estimates put the number of Peugeot cars on the road in Iran at more than 4 million. Iran is a key component of PSA's development strategy in the Middle East & Africa region.

No official agreement with Renault yet

While **PSA Peugeot Citroën** has used the visit of the Iranian President to France for the signing of a joint venture contract with **Iran Khodro Industrial Group (IKCO)**, there was no official contract signing between **Renault S.A.** and its Iranian partners **IKCO** and **Saipa Automotive Group**. "During President Rouhani's visit to France, Renault reaffirmed Iran's position since 2003 as a very important market for company strategy, characterised by two key words: calm and consistent," the company said in a statement. "Thanks to the lifting of economic sanctions against Iran on the 16th of January, and as soon as smooth relations have resumed between French and Iranian banks, Renault will considerably intensify operations in Iran and prepare future model releases in association with its two local partners," it said. "For more than ten years without interruption, **Renault Pars**, a joint venture with Iran's two main auto manufacturers, Saipa and Iran Khodro, has enabled the Group to produce nearly 500,000 vehicles in the country," Renault explained, underlining its interrupted presence in Iran since the previous decade, which is in contrast to PSA which discontinued its contacts to Iran in 2012. "With a market amounting to two million vehicles by 2020, Iran has undeniable potential. Renault has ambitious plans in Iran and advanced discussions are currently underway with Saipa and Iran Khodro to step up our presence, develop our structures and support the automobile sector in Iran" said **Bernard Cambier**, Renault's Director of the Africa-Middle East-India region.

MVM and Chery to increase production capacity

Modiran Vehicle Manufacturing Company (MVM), a joint venture between **Kerman Khodro** and **Chery Automobile Co. Ltd.**, plans to increase its production capacity which is currently 60,000 units. **MVM** is assembling **Chery** models under the MVM badge. Last year the company launched assembly of the Chery Tiggo 5 which wears the Chery badge in Iran. In January, as the only representative from Chinese auto industry, **Tongyao Yin**, President and CEO of Chery, accompanied Chinese President **Xi Jinping** to Iran for a state visit. During the visit, the signing ceremony for Chery Iran Auto Industry Park Expansion Project was held. "The project is Chery's first move to implement its 'globalisation 2.0' strategy in the Middle East, a reflection of its transition from 'going out, going in' to 'globalization', as well as an important strategic step to build a globally competitive auto brand," the Chinese company said. Based on the current plant with a capacity of 60,000 units per year, Chery will build a new auto industry park with an added output of 100,000 units per year and supported by the production of key parts. "With the aim of building a vehicle-dominated park, the industrial park will bring in Chinese automotive parts manufacturers, automotive equipment manufacturers, automotive service enterprises and other relevant enterprises to form a regional manufacturing industry cluster," Chery said in a statement. Chery's Head Tongyao Yin said he is confident that Chery would achieve the goal of selling 100,000 units annually in the coming three years with the gradual launch of new-generation models in Iran.

Volkswagen is looking for ways to return to Iran

According to Iranian media reports **Volkswagen AG** is talking to both **Iran Khodro Industrial Group** and **Kerman Khodro** on setting up a production base in Iran. Previously **Bam Khodro**, a subsidiary of Kerman Khodro, assembled the **Volkswagen Gol** in the previous decade.

RVMCo unveils second model under its new brand Rayen

Rayen Vehicle Manufacturing Co. (RVMCo) has unveiled their second model to wear the company's new brand **Rayen** at an auto show in Kerman last week. The Rayen D60 crossover is an Iranian version of the Chinese model **FAW Junpai D60**. The first Rayen model V5, which is based on the **FAW Vita V5** sedan, celebrated its premiere at the Shiraz auto show in June 2015.

DS Automobiles launches first store in Iran

DS Automobiles officially opened its first dealership in Iran. **Yves Bonnefont**, **DS** brand CEO and **Daryoush Biria**, President of DS' importer **Arian Group**, were joined by 200 VIPs, journalists and potential DS customers to open the DS Store in Tehran and announce the local launch of two models: DS 5 and DS 6. The launch of the brand in Iran follows the October announcement of a deal between DS and Arian Group to operate and oversee the automotive brand's first venture into the Middle East. The 275 square metre DS Store is located in the northern districts of Tehran on one of the most attractive avenues, the Andarzgou Boulevard. The range will be expanded during 2016 with the arrival of DS 5LS sedan and other models.

Kenya/Malawi/Uganda/Tanzania/Zambia/Zimbabwe

Austrian Porsche Holding observes East African markets

Porsche Holding GmbH, the Austrian **Volkswagen AG** subsidiary which is responsible for import and retail activities in various countries, is observing the market in Eastern Africa through its minority holding in the joint venture **African Automotive Trading (AAT)**. The joint venture between **CFAO Automotive** of France and Porsche Holding was founded in 2015. It is responsible for import and distribution of the **VW Cars** and **VW Commercial Vehicles** brands in Kenya, Malawi, Uganda, Tanzania, Zambia and Zimbabwe. "We are a minority shareholder and not operational active," **Richard Mieling**, Head of Porsche Holding's PR department, said. "Through our participation we observe the market." The annual sales volume is estimated at **Algeria** approximately 2,000 new vehicles.

THIS WEEK ON CEAUTO.CO.HU

New car market in Russia: 146,963 new cars and light trucks were sold in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-russia-december-2015-figures-are-released>

New car market in the Czech Republic: 21,806 new cars and LCVs were registered in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-the-czech-republic-december-2015-figures-are-released>

New car market in Romania: 10,213 new cars and LCVs were supplied to dealers in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-romania-december-2015-figures-are-released>

New car market in Slovenia: 4289 new cars and LCVs were registered in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-slovenia-december-2015-figures-are-now-available>

New car market in Bulgaria: 2767 new cars were sold in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-bulgaria-december-2015-figures-are-released>

New car market in Serbia: 2,136 new cars were sold in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-serbia-december-2015-figures-are-released>

New car market in Bosnia-Herzegovina: 4289 new cars and LCVs were registered in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-bosnia-december-2015-figures-are-now-available>

New car market in Moldova: 362 new cars and LCVs were registered in December, 2015

<http://ceauto.co.hu/news/new-car-market-in-moldova-december-2015-figures-are-released>

IMPRINT

Editor: Peter Homola, Phone: +43 664 124 4870 E-mail: peterhomola@ceauto.at

Chief Correspondent: Csaba Delényi, Phone: +36 30 862 7287. E-mail: dcsaba@ceauto.co.hu

Copy Editor: Timothy Rawson

Layout Editor: Katalin Böröcz

Publisher: Pal Negyesi, Phone: +43 664 883 60 677. E-mail: pnegyesi@ceauto.at
ceauto GmbH, Garnisonsgasse 7/21, 1090 Wien, Austria

CeAuto Newsletter is published on every Wednesday.

Annual subscription price: €209/US\$280/¥28600/INR17600/RMB¥1,710

Subscription service: Boglarka Nemeth, bnemeth@ceauto.co.hu