
INDEX

• International _____	1	• Turkey _____	8
• Czech Republic _____	2	• Ukraine/Belarus _____	8
• Hungary _____	3	• News from Middle East and Africa ____	9
• Russia _____	4	• Algeria _____	9
• Russia/Algeria _____	6	• Iran _____	9
• Russia/Romania _____	6	• Iran/Algeria _____	10
• Russia/Slovakia _____	7	• South Africa _____	10
• Serbia _____	7	• Upcoming events _____	11
• Slovakia _____	8	• Imprint _____	11

NEWS

International

Yinyi Group to buy 100 percent shares of Punch Powertrain

Punch Powertrain N.V.'s shareholders **LRM, Gimv, Capricorn** and **New Horizon** have reached an agreement with the **Yinyi Group** on the sale of Punch Powertrain. The Yinyi Group will acquire 100 percent of the shares. The sale is subject to the usual procedural conditions. "In Yinyi Group we found the right partner to support us in the ambition to further grow and expand internationally. To achieve this ambition, our Belgian R&D team is set to further expand from around 300 engineers to around 700 in the coming five years. The operations team will also expand accordingly. This will allow the company to continue to develop new cutting-edge technologies. On top, plant capacity will jump from 300,000 to over a million units per year, both in Belgium and in China," said **Cor van Otterloo**, CEO of Punch Powertrain. In 2014 the Yinyi Group had a turnover of €7.6 billion. The group is active in a wide range of industries such as mining, real estate, semi-conductors, aluminium rims for cars and airbag inflators.

Alpha to acquire Assa Abloy's Car Access/Security Business

Alpha Corporation, a leading Japanese manufacturer of locks and access systems, entered into a definitive agreement with **Assa Abloy AB**, a Sweden based global supplier of door opening solutions, to acquire Assa Abloy's car access/security business (Car Lock Business) with operations in the Czech Republic, Mexico, Germany, Switzerland and China for €17.0 million. Regarding the operations of the Car Lock Business in each country, it is Alpha's intention to retain its current management and organization. The acquisition will increase Alpha's global footprint by 5 sites and 3 countries to reach a total of 19 sites located in 11 countries.

Alcoa's Future Value-Add Company to be Named "Arconic"

Alcoa Inc. unveiled the name, logo and tagline of its future Value-Add company: "**Arconic. Innovation, Engineered.**" The future Upstream company will operate under the Alcoa name. The company's separation into two, independent, publicly-traded companies in the second half of 2016 remains on track. According to Alcoa, the "Arconic" brand represents the future Value-Add company's iconic heritage and continued commitment to industry-shaping innovation: The "A" echoes Arconic's proud Alcoa heritage; "Arc" represents the arc of progress and the continued pursuit of advancement for customers, employees, shareholders and communities; and "-conic" speaks to the company's history of creating iconic products and its constant focus on the next breakthrough innovation. The company also unveiled a fresh iteration of the Alcoa mark for the Upstream company. Both Arconic and Alcoa will be domiciled in the US and listed on the New York Stock Exchange.

Czech Republic

Škoda increases transmission production in Vrchlabí

Škoda Auto a.s. is increasing the production of DQ200 direct-shift gearboxes at its plant in Vrchlabí. "Production will rise to a projected 1,900 (units) per day, most likely in April," **Jaromír Kobrle**, head of the trade unions in Vrchlabí, told *Škodováký odborář*, the newspaper of Škoda's trade unions.

Škoda's Vrchlabí plant receives award

Škoda Auto a.s.' Vrchlabí plant has received the "Factory of the Year" award from German industry publication *Produktion* and **A.T. Kearney** management consultancy. The quick and successful transformation of the plant in Vrchlabí from a vehicle assembly to component production facility was decisive in the jury's decision to award Škoda's Vrchlabí plant with the "Factory of the Year" award in the category "Outstanding Location Development".

Milacron to shift Ferromatik production from Germany to Czech Republic

Denis Poelman, managing director of **Milacron Holdings Corp.**'s injection moulding in Europe, announced that the company is moving production and assembly of injection moulding machines from the **Ferromatic Milacron GmbH** plant in Malterdingen, Germany, to its facilities in Polička, Czech Republic. 132 of the total of 241 employees in Malterdingen are to lose their jobs. Milacron will keep the majority of positions of Ferromatik's sales, engineering, applications and field service units in Malterdingen. "We haven't held the

company above water with restricted salaries years, to now just see jobs going," **Mathias Rombach**, head of the works council, told German media. "We will fight for the jobs in Malterdingen with as much production and assembly as possible to be retained," said **Thomas Bittner** of the IG Metall union.

Hungary

Daimler to unveil Mercedes-Benz CLA and CLA Shooting Brake facelifts

Daimler AG will unveil facelifts of its Hungarian-made models **Mercedes-Benz CLA** and **CLA Shooting Brake** soon. The facelifted version of the CLA Coupé will make its debut at the New York International Auto Show (25th of March to 3rd of April), while the modified CLA Shooting Brake will be launched to the public on the occasion of the awards ceremony for the Laureus World Sports Awards in Berlin on the 17th and 18th April. Both models will be available to order from April and will land in dealerships in July. All versions now will have a diamond radiator grille in black as standard, plus a new front bumper with a silver, black or chrome trim strip. The rear bumper is optionally available with a panel incorporating a trim strip in chrome or black (Night package) between the tailpipes. The tailpipe trim panels themselves are now integrated flush into the bumper. This adds visual width to the vehicle and ensures a superior high-quality appearance thanks to even and narrow gaps where the panels join. The interior also benefits from features such as new seat covers and trim parts, as well as chrome-plated controls. Daimler is also offering new engine options. Both models are produced at the **Mercedes-Benz Manufacturing Hungary Kft** plant in Kecskémet. Production of the CLA four-door coupé started in January 2013; that of the CLA Shooting Brake in January 2015.



New Technical Plant Manager at Robert Bosch Automotive Steering

Paul Klinzing has been appointed as the new technical plant manager of **Robert Bosch Automotive Steering Kft**. US-born Klinzing became production manager at the site of **ZF Steering Systems** in Florence, Kentucky,

in 2007 and production director there in 2012. When **Robert Bosch GmbH** acquired ZF's share of the steering gear group to become sole owner, it asked Klinzing to take charge of the Hungarian subsidiary in 2015. Klinzing replaces **Daniel Pridal** who is continuing his career as vice president manufacturing at **Robert Bosch Automotive Steering GmbH** in Schwäbisch Gmünd, Germany. **Stefan Basso** remains commercial plant manager at the Hungarian subsidiary.

Russia

AvtoVAZ: Ryabov about possible transfer of Vesta production from Izhevsk to Togliatti

Among the arguments against **Bo Andersson**, President and CEO of **OAo AvtoVAZ** who will leave the company in early April (see separate news in this issue) was the decision to produce the new **Lada Vesta** at the **Lada Izhevsk** (formerly **IzhAvto**) plant in Izhevsk instead AvtoVAZ's main plant in Togliatti. **Mikhail Ryabov**, Managing Director of Lada Izhevsk who replaced Andersson as speaker at his week's Rossiysky Avtomobilny Forum 2016 conference in Moscow, was asked whether Andersson's mistake will be corrected and the Vesta production transferred to Togliatti. "I do not comment Andersson's actions. I think the Vesta transfer from IzhAvto is technically possible but it is absurd from the point of view of expediency. This would kill the Izhevsk site, the Granta is not enough for the plant," Ryabov is quoted as saying by Rusky Avtomobil. According to the report, there also are talks about the transfer of the Granta liftback from Izhevsk to Togliatti. Lada Izhevsk is also manufacturing the **Nissan Sentra** and **Tiida** models, but the production of the **Tiida** is interrupted for a longer time.

Renault shows first picture of Russian-made Kaptur 4x4 crossover

Renault S.A. has published the first teaser picture of its new **Renault Kaptur** 4x4 crossover for the Russian market. The new vehicle will be produced at the **OAo Renault Russia** plant in Moscow. "It is no coincidence that the name of the new model starts with the letter "K", in Russia: when Renault Kaptur was designed,



the company conducted a survey among Russian customers that showed the “K” underscores the “Russian Touch” of the new model,” Renault said about the new model’s name. In contrast to the Renault Captur which is offered on many European markets but not in Russia, the Kaptur is based on the B0 platform which is also used for the Logan, Sandero and Duster models. Thanks to this platform, Renault can achieve a high local content for the Russian-made Kaptur. More detailed information about the new Kaptur will be announced by the end of March.

GAZ plans electric version of Gazel Next

Gruppa GAZ is preparing electric versions of its **GAZ** Gazel Next light commercial vehicle range. According to a presentation made by the company’s President **Vadim Sorokin** at the Rossiysky Avtomobilny Forum 2016 conference in Moscow, the first pilot series of Gazel Next Electro is to be manufactured in the second quarter of 2016. The vehicles are to be tested by **PAO MOESK**.

Nissan unveils modernized Terrano

Nissan Motor Co. Ltd. has announced a modernized version of the **Nissan** Terrano SUV. A new version of the model which includes a 2 litre gasoline engine, all-wheel-drive and automatic transmission will be available. There are also changes in the interior. The Nissan Terrano is based on the **Renault** Duster and manufactured at the **OA0 Renault Russia** plant in Moscow.

Toyota confirms Russian production of the RAV4

Toyota Motor Corp. has confirmed it will start producing the **Toyota** RAV4 at its plant in St. Petersburg from August 2016 onwards. The plant currently produces the Camry. The RAV4 will become the ninth model currently produced by Toyota in Europe. The additional investment in the plant to date amounts to RUB 7.1 billion (€90.1 million), bringing the total investment in the plant to RUB 18.2 billion (€233 million). Preparations at the plant included enlargement of manufacturing shops, expansion of production lines, installation of new equipment in all shops, including automation of body welding line and installation of equipment to increase automation in assembly and stamping shops. Total production capacity was therefore doubled from 50,000 to 100,000 cars per year. The modernised production lines will enable to increase the conveyor speed by more than two-fold in May 2016. With this production volume increase, 800 new jobs will be created. Both the Camry, currently made in St. Petersburg, as well as the RAV4 are destined for the markets of Kazakhstan and Belarus as well.

Ford Sollers builds 5,000th engine in Elabuga

OOO Ford Sollers Holding has manufactured the 5,000th engine at its new engine plant in Elabuga, which was inaugurated in September 2015. The annual capacity of the factory is 105,000 engines. According to Ford Sollers, the local content is currently 45 percent. Locally-made 1.6 litre engines are currently installed in the **Ford** Fiesta and EcoSport models. The third model to be powered by engines sourced from Elabuga will be the Focus.

Edscha opens plant in Togliatti

German supplier **Edscha Holding GmbH**, which belongs to the Spanish **Gestamp Automoción S.A.**, has opened its first Russian plant in Togliatti. The plant will produce door hinges, liftgate hinges and rear door hinges.

“Our entry into the Russian market is another milestone in our globalisation strategy,” said **Torsten Greiner**, CEO of Edscha. “Although the situation in Russia is difficult at present, we are confident that we have made the right long-term decision.” This year some 50 employees have started assembling and manufacturing parts at the new plant for the Russian market, with an expected total production of some 2.5 million hinges for 2016. In the medium term Edscha plans to employ more than 150 employees in Togliatti. The production area comes to approximately 5,000 square metres. An additional area of almost 6,000 square metres is available for later expansion. As Edscha is a part of Gestamp, the new facility in Togliatti is Gestamp’s fourth plant in Russia.

AvtoVAZ launches deliveries of budget Priora to dealers

Shipments of a new low-cost version of the **Lada Priora** to dealers are underway. The Lada Priora sedan with the standard equipment level starts at RUB 389,000.

Ford Sollers establishes dealer centres for LCVs

OOO Ford Solles Holding has announced the establishment of a new network of dealer centres dedicated to light commercial vehicles and called the **Transit-Center**. The first Transit-Centers will be opened this month. Ford Sollers plans to open a total of 50 Transit-Centers this year.

Russia/Algeria

AvtoVAZ may produce Logan and Sandero bodies for Algeria

Renault S.A. is considering the possibility to source bodies of **Renault Logan** and **Sandero** cars made at **OOO AvtoVAZ** for its assembly plant in Algeria. “There is one important project, the decision on which has not been made yet, but we are discussing it very tight and work with the Russian government in order to implement it - it is the export of finished bodies with from the Togliatti plant to Algeria,” **Jean-Christoph Kugler**, Renault’s Senior Vice President and Chairman of Eurasia Region, told Interfax. “When I was responsible for our activities in Africa, I worked on the launch of the plant in Algeria. At the first stage, it is a very small scale enterprise, without a base of local suppliers, so there must be a significant amount of supply of automotive components from Europe. They use components from Romania and Turkey and we are now considering the possibility to supply finished bodies produced in Togliatti to Algeria. Thus, we will help our factory in the promising Algerian market and utilize our capacities in Togliatti at the same time.” According to Kugler, there are “talks about thousands of units” per year. The decision is expected to be made by the end of 2016.

Russia/Romania

Alliance Rostec Auto appoints Dacia Head Maure as new CEO of AvtoVAZ

Alliance Rostec Auto BV have announced that **Nicolas Maure** (55) will become CEO of **OOO AvtoVAZ** effective as of the 4th of April. He will replace **Bo Andersson** (60) who will step down from the role on the 4th of April. Nicolas Maure is currently Managing Director for **Renault Group** operations in Romania, where he

is in charge of all commercial and industrial activities. He also serves as President and CEO of **Automobile Dacia S.A.** Maure, born in 1960 in Orléans, graduated from **Ecole Centrale Paris** and earned an MBA from **Institut Européen d'Administration des Affaires (INSEAD)**. From 1985 to 1987 he was a consultant with **Boston Consulting Group (BCG)**. He pursued his career in the automobile industry at **Valeo S.A.** (1988-1993) and then **Faurecia S.A.** (1993-2000). In 2000 he was appointed SVP of Parts and Accessories Sourcing at **Renault S.A.**, then SVP of the Quality Plan and General Manager of **Société de Transmissions Automatiques**. Between September 2006 and August 2008, Maure was director of the Dacia's Powertrain Plant in Mioveni, Romania. He then became Vice President of Powertrain at **Renault-Nissan Purchasing Organization** and, in March 2013, was appointed SVP of **Groupe Renault Manufacturing Performance**. Since January 2014, he has been General Manager of Groupe Renault Romania and President and CEO of Dacia. As of the 4th of April, **Yves Caracatzanis** (51), who has been SVP of production and Supply Chain for the Renault Eurasia Region since 2013, will be General Manager of Dacia and of Groupe Renault Romania, replacing Nicolas Maure. Caracatzanis was born in 1964 in Marseilles and earned an engineering degree from **Ecole Centrale Paris**. He began his career with **Bossard Consultants** and then **Hewlett Packard** before joining Renault in 1992 as a Logistics Organisation Project Manager. He started working at the Flins plant in 1995 where he successively managed the Manufacture Assembly Workshop, then the Paint Department beginning in 1999 and the Quality Department as from 2002 for the launch of the Clio 3. In 2005, he was appointed SVP of Group Vehicle Prototype Engineering. In 2008, he participated in the creation of the Group Supply Chain, and became Groupe Renault SVP of the Global Supply Chain in 2010.

Russia/Slovakia

Avtotor starts assembly of fourth-generation Kia Sportage

OOO Avtotor Holding has launched SKD assembly of the fourth-generation **Kia Sportage** from assembly kits sourced from **Kia Motors Slovakia s.r.o.** Sales of the new model will commence on the 1st of April. Avtotor has also assembled all three previous Sportage generations. A total of 189,239 units of the first, second and third generation were assembled at Avtotor between 1998 and 2016. In 2002, the Sportage was the first model welded and painted at Avtotor. However, the Sportage assembly switched back to SKD later.

Serbia

Magna to expand capacity in Odžaci

Magna International Inc. plans to expand capacity of its **Magna Seating d.o.o.** plant in Odžaci. Currently, about 900 workers are producing seat covers at the site which was opened in 2013. "If we will receive the necessary permits and agreements quickly and in time, we plan to invest seven million euros," said **Dieter Althaus**, Vice President Governmental Affairs Magna Europe, during his visit to Odžaci. According to **Dušan Marjan**, the mayor of Odžaci, about 500 new jobs are expected to be created with the expansion of the Magna factory.

Slovakia

PSA shows new model to workers in Trnava

Employees of the **PCA Slovakia s.r.o.** plant in Trnava have had the possibility to see the new **Citroën** model which will go into production in Trnava later this year and which has not yet been officially unveiled. Last week the car was shown in different parts of the Trnava plant.

Volkswagen Slovakia adds Audi SQ7 TDI

Volkswagen Slovakia a.s. is adding the Audi SQ7 TDI, the first S model in the Audi Q7 model line, into its portfolio. With 435 hp and 900 Nm of torque, the Audi SQ7 TDI powered by the newly developed 4.0 TDI V8 engine is the most powerful diesel SUV on the market. In Europe, the Audi SQ7 TDI can be ordered beginning spring 2016. It will be offered in Germany for a base price of €89,900.

Turkey

Lexus opens first Turkish showroom in Istanbul

Lexus has officially opened its first showroom in Turkey during a ceremony hosted by **Toyota Turkey Marketing and Sales (TMMS)** President and CEO, **Ali Haydar Bozkurt** and attended by Head of Lexus Europe, **Alain Uyttenhoven**. Located in the prestigious neighbourhood of Maslak in Istanbul, the opening of the new 1,000 square metre facility marks the start of sales of Lexus in Turkey. "We expect the Turkish automotive premium market to grow from about 80,000 units in 2015 to more than 100,000 units in the near future. This puts Turkey in the top 7 in Europe. We are therefore extremely happy to launch Lexus in this strategic emerging market" said Alain Uyttenhoven. Lexus expects to sell 250 vehicles in Turkey in the inaugural year and to reach 1,000 units per year within 5 years. New showrooms are planned in other major cities, such as Ankara, Izmir, Bursa, Antalya and Adana. In addition, Lexus owners will benefit from a network of nearly 60 service points across the country.

Ukraine/Belarus

Bogdan to assemble MAZ trucks

Ukrainian vehicle maker **Korporatsya Bogdan** and the truck and bus manufacturer **MAZ** of Belarus have agreed assembly of MAZ vehicles at Bogdan's plant in Cherkassy. Initially plans call for the assembly of MAZ 5316 4x4 and 6317 6x6 trucks. The assembly of the MAZ 6425 6x6 truck tractor is expected to be added later. The vehicles will wear the **Bogdan** brand. According to Bogdan, Ukrainian companies such as **PAT KrKZ**, **PAT Rosava** and **ISTA** may become local suppliers for the project in the future.

NEWS FROM MIDDLE EAST AND AFRICA

Algeria

Renault to add assembly of second model in Algeria

Renault S.A., which has been assembling the **Renault** Symbol sedan from SKD kits at a joint venture with a local partner in Oued Tlalat since November 2014, will add the assembly of a second model in Algeria, **Bernard Cambier**, Senior Vice President and Chairman of the Region Africa-Middle East-India at Renault, told Ceauto Newsletter. The second model is to be announced soon.

Iran

Renault plans to double its market share compared to 2012

Renault S.A. would like to grab 20 percent of the Iranian new car market, said **Peyman Kargar**, the CEO of **Renault Pars** and vice president of Renault's Africa, Middle East and India region, on the sidelines of a conference in London hosted by the Financial Times. Renault achieved a market share of 10 percent in Iran in 2012. In 2015, Renault sold 51,500 vehicles in Iran, giving it a market share of 4.8 percent. In order to reach the company's mid-term plan, capacity will need to be doubled, Kargar said. According to Iranian media reports, this plan has one obstacle now as the **Saipa Auto Group** is demanding exclusivity and has asked Renault to cancel its cooperation with **Iran Khodro Industrial Group**.

ZF signs Memorandum of Understanding with Charkheshgar

ZF Friedrichshafen AG of Germany and **Charkheshgar Co.**, the Iranian transmission manufacturer and long-term partner of ZF, have signed a Memorandum of Understanding regarding new projects. **Dr. Hassan Vafadar**, Charkheshgar's Managing Director, spoke of the high technology used in the manufacturing of Ecolife, Ecomide and Ecosplite4 gearboxes intended to be used in city buses and trucks. It is estimated that 75,000 of these gearbox types could be produced to satisfy the domestic market as well as to be exported. He mentioned late June as a beginning date of the manufacturing of these products. In the first phase up to 40 percent of productions are to be localized. **Jan Krajewski**, head of affiliates and investment controlling of ZF and Member of Charkheshgar's Board of directors, said that ZF signed this MoU after a lot of investigation and confirmation of the capabilities of Charkheshgar. He added that this MoU was finalized after 30 months of investigation and will pave the way for the future cooperation. He explained that after lifting of sanctions against Iran a lot of companies announced their readiness for cooperation with Charkheshgar and "if we didn't finalize this MoU, we would lose our share in the Iranian market". ZF, which owns 17 percent of Charkheshgar, has cooperated with the company for more than 30 years.

Iran Khodro eyes partnership with Datsun

Iran Khodro Industrial Group would like to introduce **Nissan Motor Co. Ltd.**'s **Datsun** no-frills models to the Iranian customers. A report in the Financial Tribune claims that Datsun cars would be able to replace outdated entry-level models in the line-up of the company.

Iran/Algeria

Saipa sends first kits to Algeria

Saipa Auto Group has sent a shipment of 96 assembly kits of the **Saipa** Tiba to **Cima Motors**, its industrial partner in Algeria. Earlier it was reported that Cima Motors, a member of **Mahiedine Tahkout's** industrial group, will set up a local assembly plant with a production capacity of 20,000 units a year.

South Africa

BMW starts enlargement of Rosslyn plant

BMW AG has launched expansion of its plant in Rosslyn, South Africa. The R6 billion investment is destined for the production of the new generation BMW X3 which was announced in last November. **BMW South Africa** acquired a vacant stand adjacent to its plant in Rosslyn for a new body shop. "That was the first piece of investment. We just broke ground there last week and are beginning to clear the site" **Tim Abbott**, the managing director of BMW South Africa, recently said on the sidelines of the celebrations for BMW's centenary in Munich according to iol.za. Abbott told iol.za the roof of the main building in the plant was too low for the new model, because the X3 was a taller vehicle and 24 concrete pillars were installed in the sides of the building over the Christmas period to enable them to jack up the roof by 3 metres. According to Abbott, 40 percent of the plant will be renewed for the production of the X3. The existing paint shop, which would have to be enlarged to accommodate the new vehicle.

Volkswagen appoints new directors

Volkswagen of South Africa (Pty) Ltd. has appointed two new directors to its board of management. **Stefan Mecha** had succeeded **Petra Hoffmann** as the director for sales and marketing. Mecha was the regional director for sales and marketing for the **Volkswagen Passenger Car** brand in northern Germany prior to joining VW Group South Africa. Prior to that, he served as managing director as **Volkswagen Middle East** between 2009 and 2012. **Henning Jens**, who served as chief finance officer and board member for finance controlling, information technology and purchasing at the German **Volkswagen Osnabrück GmbH** car plant, had taken over from **Carsten Stapel** as the finance director at Volkswagen South Africa.

UPCOMING EVENTS

- » **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>
- » **April, 5-10:** ZAGREB, CROATIA: ZAGREB AUTO SHOW, 2016
<http://www.zv.hr/default.aspx?id=523>
- » **April, 19-24:** BRATISLAVA, SLOVAKIA: 26TH INTERNATIONAL MOTOR SHOW
http://www.incheba.sk/vystavy/autosalon-9979.html?page_id=9979
- » **April, 22-24:** BUCHAREST, ROMANIA: AUTOEXPOTEHNICA, 2016
<http://www.autoexpotehnica.ro>

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