



Automotive Sector in Romania Newsletter – July 2010

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Dacia reaches over 2% market share in Europe

In May 2010, the domestic autovehicle producer Automobile Dacia, owned by the Renault Group, recorded a market share of 2.1% in Europe. This is comparable to the market shares registered by other brands such as: Hyundai (1.9%), Kia (1.9%), Chevrolet (1.3%), Mazda (1.3%) and Suzuki (1.3%).

In the first five months of 2010, the Dacia registrations in Europe reached over 110,000 cars.



Dacia Duster records 50% market share on SUVs segment in Romania

Dacia Duster SUV, the newest model produced by Automobile Dacia, records a market share of 50% on the SUVs segment in Romania. According to the company's representatives, the Dacia Duster SUV model will maintain this level of the market share by the end of 2010.

The Duster model complies with the Dacia sales strategy, both in terms of local and European sales and represents an added-value to the Dacia image.

Out of the 17,300 Dacia Duster SUV units assembled since the start of 2010, 93% were exported to the West-European market.

Automobile Dacia produced 300,000 units of Logan MCV

At the beginning of July 2010, Automobile Dacia reached the production of 300,000 units of Logan MCV, after almost four years since the launching of the Logan break model. The model records high demands from the external markets.

In the first five months of 2010, Automobile Dacia produced 19,853 units of Logan MCV, out of which over 90% were exported.

Logan MCV is available in four versions (Ambiance, Preference, Laureate and Prestige) and can be configured with five and seven seats.

Ford produced over 1,400 cars in Craiova in first five months of 2010

In the first five months of 2010, the US auto vehicle manufacturer Ford produced over 1,400 cars in its plant in Romania, located in Craiova.

If the current production level (approx. 85 units per day) will be maintained by the end of the year, Ford will reach a total production of some 14,000 auto vehicles in 2010. According to the company's representatives, the future increases of the production depend on the market demand.



Continental to invest 70 million EUR in 2010

The producer of the auto components Continental announced investments of 70 million EUR in 2010 in Romania, out of which 30 million EUR are allocated for activities of research, development and production of auto components and 40 million EUR are allocated for the tyre plant in Timisoara.

Therefore, the total investments of the company on the Romanian market will reach 470 million EUR.

Continental has been present in Romania since 2000. Through greenfield investments and acquisitions in Timisoara, Sibiu, Slatina, Iasi, Arad and Satu Mare, the company has eight production centres and three research and development centres on the domestic market.

Autoliv estimates turnover growth by 10% in 2010

The producer of auto components Autoliv estimates a turnover of some 300 million EUR for its two plants in Romania in 2010, up by 10% compared to the previous year.

In 2009, the Swedish Group Autoliv increased its business on the Romanian market and reached 275 million EUR, following the transfer of some production contracts from other European plants to its units located in Brasov and Lugoj.

The company intends to invest 13 million EUR in 2010 in order to adapt the transferred production lines and to start the production of new components.

At present, the exports represent 90% in the business of Autoliv Romania, compared to some 52% in 2008.

Kuhnke estimates turnover growth by 30% in 2010

Kuhnke Production Romania, part of the German Group Kuhnke, produces electrical and electronic components for the auto industry.

The company estimates a turnover of 20 million EUR in 2010, this representing an increase by 30% compared to 2009. Also, the company will invest some two million EUR in 2010 in equipment and new production lines.

Kuhnke Production Romania works for Volkswagen, Audi, Porsche, Daimler or BMW and produces in its plant located in Sibiu coils and electrical components for the mother-company in Germany.

Rombat recorded sales increase by 26% in Q1 2010

The local producer of batteries Rombat Bistrita recorded sales of 15.8 million EUR in the first three months of 2010, this representing an increase by 26% compared to the similar period of the previous year. In the first three months of 2010, the company sold over 525,000 auto batteries, out of which 55% were exported.

Rombat supplies batteries to Automobile Dacia, PSA Peugeot and Renault. The company has a production capacity of 2.3 million batteries per year. In 2009, Rombat produced over 2 million batteries.

At the beginning of 2010, the company announced investments of ten million EUR, out of which four million EUR for the construction of a hydro-power station, the company intending to become a supplier of electricity.

Rombat recorded a turnover of some 50.7 million EUR in 2009 and estimates total sales of some 64 million EUR in 2010.

Draxlmaier to produce components for hybrid auto vehicles

The German producer of the auto components Draxlmaier implements a programme at its plants in Romania in order to start the production of the components for the hybrid auto vehicles.

The company announced investments of eight million EUR in 2010.

Draxlmaier supplies from its plants in Romania, located in Hunedoara, Satu Mare, Timisoara and Pitesti, auto components for Audi, BMW, Mercedes and Porsche.



Compa recorded turnover growth by 64% in Q1 2010

The producer of components for the automotive industry Compa Sibiu, reported a turnover of 19.6 million EUR in the first quarter of 2010, this representing an increase by 64% compared to the similar period of the previous year. The turnover growth was recorded mainly based on the exports that increased by 67%.

Also, the company recorded a net profit of some 0.4 million EUR in the first quarter of 2010.

Some of the company's main partners are Bosch and Delphi.

Compa is controlled by the Employees' Association (54%). The company is listed on the Bucharest Stock Exchange and its capitalization is of 21.7 million EUR.

Mahle recorded turnover growth by 50% in 2009

The producer of auto filters Mahle Romania recorded a turnover of 15 million EUR in 2009, this representing an increase by 50% compared to the previous year. The company intends to make investments of 2.8 million EUR in 2010.

Some of the company's main clients are: Automobile Dacia, Renault, VW, BMW and Mercedes.

Mahle entered the Romanian market in 2005, through the construction of a plant in Timisoara, following investments of five million EUR.

Michelin targets new projects in Romania

The French tyre producer Michelin owns three plants in Romania. The company targets new projects on the domestic market for the truck tyre plant located in Zalau. Also, the company intends to manufacture electric car tyres in the Floresti plant during the next period.

The company, with a turnover of some 400 million EUR per year in Romania, has at present around 3,200 employees (300 employees at the metallic cord plant, 1,400 employees at the truck tyre plant and 1,500 employees at the passenger car tyre).

One of the company's main clients is Automobile Dacia.





Elba to invest 8 - 9 million EUR in 2010

The company Elba produces lamps for the Logan auto vehicles, lighting equipment for production halls, office buildings or commercial centres. Elba is a main supplier of auto components for Automobile Dacia in Pitesti and also for the Logan plants in Morocco and Russia.

Elba announced investments of 8 - 9 million EUR in 2010 in order to finalise the construction of a new plant in Timisoara and to modernize the production lines.

In 2009, the company recorded a turnover of some 30 million EUR.



Takata Petri finalised production relocation process

The Japanese car parts manufacturer Takata Petri produces in Romania steering wheels and seatbelts in the plant in Arad and airbags in the plant in Sibiu. Some of the company's main clients are Honda and Mercedes.

The company finalised the relocation process of the steering wheels production from Walbryzych, Poland to its Romanian plant in Arad. The relocation process started at the end of 2009. The decision to move the production from Poland to Romania was made as part of a global operations restructuring programme.

Takata Petri Romania recorded a turnover of some 270 million EUR in 2008.



Leoni estimates sales of five million EUR in Beius plant

The German auto wiring producer Leoni has production units in Romania, located in Arad, Bistrita, Pitesti and Beius. The plant in Beius has been recently taken over from the Alcoa Fujikura producer. Leoni estimates that the new plant will record sales of some five million EUR per year.

Leoni recorded a turnover of some 200 million EUR in Romania in 2008. The company is a main supplier of auto components for Automobile Dacia.

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