



Strategic pillar for globalisation

SEAT to lead the Volkswagen Group's expansion in North Africa

/ The Group decentralises its territorial structure to gain speed and efficiency

Martorell, 22/06/2018. - SEAT has been designated by the Volkswagen AG to lead the Group's growth in North Africa. The Spanish company will now begin to coordinate the strategy of the Group and on-site brands in the region, identify synergies and foster partnerships with other companies. This decision is framed within the Volkswagen Group's strategy to decentralise its organisation with the goal of gaining in speed and efficiency.

SEAT President Luca de Meo pointed out that **"the Volkswagen Group has trusted SEAT with being the lead brand to steer responsibility for North Africa following the successful project initiated last year in Algeria with the assembly plant in Relizane, which is currently operating at full capacity. Leading the Group strategy in an emerging market such as North Africa is a great responsibility, and we are fully committed to making it happen."**

North Africa is one of the key regions in SEAT's globalisation strategy. The company's aim is to increase its international presence outside Europe and strengthen its presence on all five continents. Algeria plays an essential role in this strategy, as it is a worldwide market with one of SEAT's highest sales volumes in 2018, together with Germany, Spain, the UK and France, and it is the country with the fastest growing number of deliveries, with 10,700 vehicles sold from January to May, compared to 1,000 in the same period the previous year. In addition, SEAT has a solid footprint in other countries of the region, such as Morocco and Tunisia.

The Relizane plant, SEAT's pillar in North Africa

The Volkswagen Group and SOVAC, the Group's importer in Algeria, inaugurated a multibrand assembly plant in July 2017 in the city of Relizane, 280 kilometres south-west of Algiers. SEAT has led this project from the beginning, and now its responsibility has spread to the entire region.

The rollout of the Relizane plant has caused SEAT sales to increase dramatically this year in Algeria, thanks to the assembly of the new generation Ibiza. Furthermore, in the next few weeks the brand is also going to begin selling the Leon and the Arona in the Algerian market. All three models are manufactured in Martorell and the final assembly of the latter will also take place in Relizane. The same facility is also being used to assemble several Volkswagen, Škoda and Volkswagen Commercial Vehicle models, all geared towards the Algerian market. Moreover, one of SEAT's missions is to contribute to the creation of a supplier network to the



automotive industry in Algeria, with the aim of developing and assembling new models in the country.

SEAT is the only company that designs, develops, manufactures and markets cars in Spain. A member of the Volkswagen Group, the multinational has its headquarters in Martorell (Barcelona), exporting 80% of its vehicles, and is present in over 80 countries. In 2017, SEAT obtained an after tax profit of 281 million euros and achieved worldwide sales of nearly 470,000 vehicles.

The SEAT Group employs more than 15,000 professionals and has three production centres – Barcelona, El Prat de Llobregat and Martorell, where it manufactures the highly successful Ibiza, Leon and Arona. Additionally, the company produces the Ateca and the Toledo in the Czech Republic, the Alhambra in Portugal and the Mii in Slovakia.

The multinational has a Technical Centre, which operates as a knowledge hub that brings together 1,000 engineers who are focussed on developing innovation for Spain's largest industrial investor in R&D. SEAT already features the latest connectivity technology in its vehicle range and is currently engaged in the company's global digitalisation process to promote the mobility of the future.

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