



## NEWS

### **Kia Motors to build manufacturing plant in India**

- **India presents an opportunity for further sustained growth in the fifth largest new car market in the world**
- **Construction of Andhra Pradesh facility to commence in Q4 2017**
- **Mass production due to begin in 2019, with 300,000-unit annual capacity**
- **US\$1.1 billion investment agreement for establishment of manufacturing plant in India**

**(SEOUL) April 27, 2017** – Kia Motors has signed a memorandum of understanding (MOU) with the State Government of Andhra Pradesh, India to build a new manufacturing facility in Anantapur District. The MOU was signed today at a ceremony held in the city of Vijayawada, a part of Andhra Pradesh Capital Region, attended by executives from Kia Motors and the Chief Minister of Andhra Pradesh, Nara Chandrababu Naidu.

Construction of the new manufacturing facility, Kia Motors' first in India and representing approximately a US\$1.1 billion investment, will commence in the final quarter of 2017. The manufacturing facility is expected to begin production in the second half of 2019 and produce up to approximately 300,000 units each year.

Kia plans to produce a strategic compact sedan and compact SUV especially for the Indian market at the new plant, which will occupy around 23 million square feet (2.16 km<sup>2</sup> / 536 acres) and incorporate facilities for stamping, welding, painting and assembly. The site will also be home to numerous supplier companies' facilities.

"We are delighted to announce that Kia's newest manufacturing facility will be here in Andhra Pradesh," said Han-Woo Park, President of Kia Motors. "It will enable us to sell cars in the world's fifth largest market, while providing greater flexibility for our global business. Worldwide demand for Kia cars is growing and this is our latest step towards becoming a leading global car manufacturer."

#### **Manufacturing in the fastest-growing major new car market**

Construction of a new manufacturing facility in India will enable Kia to maintain its position as one of the world's fastest-growing automobile brands. The new facility in Anantapur will enable the company to start selling its models in India, and benefit from further sustainable sales growth, locally and internationally.

Kia plans to commence local sales of cars produced at the new facility towards the end of 2019, once mass production begins in Anantapur. Furthermore, the region's fast-developing

supply chain network and skilled labor force were other key reasons for the new investment by Kia Motors.

India is the fastest growing major new car market and the fifth largest in the world, with more than 3.3 million new cars sold in 2016. Forecasts suggest the country will become the third-largest car market by the end of 2020.

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### **About Kia Motors Corporation**

*Kia Motors Corporation ([www.kia.com](http://www.kia.com)) – a maker of world-class quality vehicles for the young-at-heart – was founded in 1944 and is Korea's oldest manufacturer of motor vehicles. Over 3 million Kia vehicles a year are produced at 14 manufacturing and assembly operations in five countries which are then sold and serviced through a network of distributors and dealers covering around 180 countries. Kia today has over 51,000 employees worldwide and annual revenues of over US\$45 billion. It is the major sponsor of the Australian Open and an official automotive partner of FIFA – the governing body of the FIFA World Cup™. Kia Motors Corporation's brand slogan – "The Power to Surprise" – represents the company's global commitment to surprise the world by providing exciting and inspiring experiences that go beyond expectations.*

*For more information about Kia Motors and our products, please visit our Global Media Center at [www.kianewscenter.com](http://www.kianewscenter.com).*