

## SEAT invests in its future

- **Planned investment of 5 billion euros by 2025 will be allocated to R&D projects to develop new models and to equipment and facilities, with the aim of taking on new projects specially to electrify the range**
- **The company will be launching the 100% electric vehicle el-Born under the CUPRA brand**
- **Carsten Isensee: “To ensure the future of the car industry in Spain we need the collaboration of the central, regional and local Administrations. We cannot do it alone”**
- **Wayne Griffiths: “SEAT and CUPRA are essential for the development of the company. Each one has its clear role, its own personality and attributes and addresses different customer profiles”**
- **SEAT is going to recruit 100 people to work at SEAT:CODE, the new software development centre which will be established on the Rambla in Barcelona**

**Martorell, 08/07/2020.** SEAT is going to invest 5 billion euros from 2020 to 2025. The investment will go towards new R&D projects for vehicle development at SEAT’s Technical Centre, specially to electrify the range, and to equipment and facilities at the Martorell, Barcelona and Componentes plants. With this investment, SEAT is preparing to develop new models and take on the production of new projects to ensure employment and boost the company’s future.

SEAT President Carsten Isensee underscored that **“this investment plan is our way of dealing with the future with determination and optimism, so that we will have a stronger, more innovative and more sustainable company. Our willingness is that Martorell will manufacture electric vehicles from 2025 onward, when the electric vehicle market will have grown.”**

The President of SEAT also noted that **“our goal is to drive the transformation of the automotive sector in Spain. To ensure the future of the car industry in Spain we need the collaboration of the central, regional and local Administrations. We cannot do it alone. The plan presented by the Spanish Government is a move in the right direction to continue developing the automotive sector.”**

### **One company, two brands**

At a press conference held in the recently opened CASA SEAT to present the company’s future strategy, SEAT Vice-president for Sales and Marketing and CUPRA CEO Wayne Griffiths pointed out that **“SEAT and CUPRA are essential for the development of the company. Each one has its clear role, its own personality and attributes and addresses different customer profiles. They therefore fully complement and cannot substitute each other. SEAT is the entry gate to the Volkswagen Group: we have the youngest customers –on average 10 years younger – and many first-time buyers. CUPRA on the other hand, targets a new market segment that lies between the mass market and the traditional**

**premium market. We are sure that there is great potential for growth among customers who are looking for the uniqueness of CUPRA.”**

According to Carsten Isensee, **“SEAT is, and will be even more so in the future, a company with two well-defined brands within its structure: SEAT and CUPRA. SEAT and CUPRA are two sides of the same coin. SEAT gives CUPRA the volume basis for growth in terms of production, R&D and human resources, and CUPRA allows SEAT to move its centre of gravity towards more emotional cars with a higher positioning”**. Isensee added that **“unions and company management share a common vision and we are working hand in hand on the future of the company and its brands.”**

The investment capacity for both brands lies within SEAT’s structure, as well as assets such as more than 15,000 employees and three production sites: SEAT Martorell, SEAT Barcelona and SEAT Componentes. The company’s headquarters and the creative and technological potential brought together in the Technical Centre and the Design Centre are also located in Martorell under the SEAT company structure. And nearby, in Barcelona, are CASA SEAT and SEAT:CODE, SEAT’s software development centre.

Just today, the company announced that SEAT:CODE will have a new office in the heart of Barcelona’s Rambla, with a team of more than 150 software developers dedicated to driving the company’s digital transformation and that creates digital products and solutions for boosting SEAT and CUPRA, and as well defining digital solutions for the Volkswagen Group. SEAT has already added 20 new professionals to SEAT:CODE and from now and over the next few months is going to hire 100 more.

#### **CUPRA gains momentum with the new el-Born**

Since the birth of CUPRA in February 2018, the brand has grown exponentially, exceeding all expectations. Following the opening of the CUPRA Garage and the presentation of the CUPRA Leon and the CUPRA Formentor, which began its pre-booking today, the company has decided that the el-Born concept car will be launched as a CUPRA model.

**“The CUPRA el-Born displays all the genes of the CUPRA brand and is the living proof that performance and electrification are a great match. It will allow us to make an important step into the era of electrification, add more sales and increase the contribution margin”**, explained Wayne Griffiths.

The CUPRA el-Born is a car that is being wholly designed and developed in Barcelona, and as planned, it will be manufactured in Zwickau, Germany, on the MEB platform. el-Born will arrive on the market in 2021.

Griffiths underscored that **“the launch of the CUPRA brand two years ago has been a great success. The disruption taking place within the automotive industry is an ideal opportunity for new brands like CUPRA to emerge. We believe the potential of CUPRA is so big that we could hit €1 billion revenue when the full product range is available in the market.”**

Speaking about the Formentor, the CEO of CUPRA emphasised that **“it represents the next step in extending the CUPRA portfolio and marks a new phase in the development of the brand, and it’s a door opener to a new customer market. It is a turning point in our goal of winning over car enthusiasts around the world.”**

### **Moderate optimism for the second half of the year**

SEAT President Carsten Isensee also took stock of the first six months of the year, a period marked by the coronavirus. Isensee stated that **“the first half of the year has been possibly one of the most challenging in SEAT’s history. The 2020 and 2021 financial years were expected to be difficult and we must now add the very serious impact of COVID-19 on the automotive industry.”** In any event, Isensee expressed moderate optimism about the progress of the business in the coming months: **“in recent weeks we have begun to see a slight improvement as we began to resume activity. We are confident of a recovery, at least partially, during the second half of 2020.”**

From an industrial point of view, the SEAT plant in Martorell has almost completely regained its pre-coronavirus production rate and today is producing around 1,900 vehicles daily, and the Barcelona and Componentes plants are also close to returning to pre-coronavirus volumes. The Martorell factory now heads into the second half of a year which will be marked by the start of production of the new Formentor, the first 100% CUPRA model, and the new plug-in hybrid Leon. Both vehicles will be manufactured on line 2 at the Martorell plant, which this year has launched the fourth generation of the Leon.

### **Tomorrow SEAT MÓ debuts a new subscription service in Barcelona**

In addition to having 4-wheel vehicles, the SEAT brand is also going to offer 2-wheeler solutions through SEAT MÓ, a new brand committed to micromobility which has been integrated in the SEAT brand structure. SEAT MÓ was unveiled three weeks ago with two new products: the 100% electric SEAT MÓ eScooter 125 and the SEAT MÓ eKickScooter 65.

Starting tomorrow, SEAT MÓ is offering a new subscription model in Barcelona, an all-inclusive mobility service enabling access to the 100% electric sharing scooter for days, weeks or months (including maintenance, insurance, charging) without a permanency obligation for 150 €/month from three months rental. SEAT MÓ is also going to start the sharing service in the up-coming weeks in Barcelona.

**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), sells vehicles under the SEAT and CUPRA brands, while SEAT MÓ covers urban mobility products and solutions. SEAT exports 81% of its vehicles, and is present in more than 75 countries. In 2019, SEAT sold 574,100 cars, posted a profit after tax of 346 million euros and a record turnover of more than 11 billion euros.

SEAT employs over 15,000 professionals and has three production centres – Barcelona, El Prat de Llobregat and Martorell, where it manufactures the Ibiza, Arona and Leon. Additionally, the company produces the Ateca in the Czech Republic, the Tarraco in Germany, the Alhambra in Portugal and the Mii electric, SEAT’s first 100% electric car, in Slovakia. These plants are joined by SEAT:CODE, the software development centre located in Barcelona.

SEAT will invest 5 billion euros through to 2025 in R&D projects for vehicle development, specially to electrify the range, and to equipment and facilities. The company aims to make Martorell a zero carbon footprint plant by 2050.

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