



ГОСУДАРСТВЕННАЯ КОРПОРАЦИЯ  
РОСТЕХНОЛОГИИ



Тройка<sup>Диалог</sup>



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## **RENAULT, RUSSIAN TECHNOLOGIES AND TROIKA DIALOG AGREE ON AVTOVAZ RESTRUCTURING MEASURES**

On 27 November 2009, Serguey Chemezov (General Director of Russian Technologies and Chairman of the AVTOVAZ board), Igor Komarov (President of AVTOVAZ), Christian Estève (Senior Vice-President of the Renault group and President of its Eurasia Region) and Serguei Skvortsov (Managing Director of Troika Dialog), signed a memorandum of understanding in Paris (France) at a ceremony attended by Vladimir Putin (Prime Minister of the Russian Federation), François Fillon (Prime Minister of France) and Vladimir Artyakov (Governor of Russia's Samara region).

The AVTOVAZ shareholders have agreed on measures to ensure the sustainability of the company through debt restructuring, a new product plan and investment plan. These measures are designed to:

- enable the Togliatti plant to produce 900,000 vehicles per year by 2015,
- allow AVTOVAZ to maintain its market share in Russia at 25%,
- develop export operations.

The plan to reduce costs and grow the company through an ambitious product plan, which includes the development of new vehicle ranges adapted to the needs of the Russian automobile market, will be supported by:

- the Russian government, which will increase its financial support for AVTOVAZ from 25 to 75 billion roubles (€1.67 billion) to reimburse bank debt and cover the company's short-term cash needs;
- the Samara regional government, which will take over the payroll costs for the 14,600 employees to be transferred to two AVTOVAZ subsidiaries;
- personnel and installations used for social purposes will be transferred to federal and local authorities.
- Renault will contribute the equivalent of €240 million (10,8 billion rubles) in-kind through the transfer of technologies, production machinery, equipment and expertise in support of the production of new vehicles based on the BO (Logan) platform. Renault will also help AVTOVAZ develop a new entry-level vehicle to replace the Lada Classic and create new powertrain production capacity.

Renault together with Alliance partner Nissan are planning to utilize capacity at the Togliatti plant to build vehicles for each brand.

All these measures will help Avtovaz to restore its margin and increase market shares of combined sales of Lada, Renault and Nissan in the Russian market. The Lada brand will constitute at least 70% of the total production volume of AVTOVAZ in Togliatti.

The final signing of the agreements is scheduled for March 2010.

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