Automotive Sector in SLOVAKIA
Automotive Sector in Slovakia

This publication is designed to introduce Slovakia’s dynamically growing automotive sector — facts and figures, its strengths and vision — to illustrate why Slovakia is an ideal location for doing business in this industry.

TOTAL AREA 49,035 km²
POPULATION 5.4 million
CAPITAL CITY Bratislava
MEMBER OF European Union, Eurozone, Schengen Area, OECD, WTO, NATO
TIME ZONE GMT +1 hour

300 million clients in the radius of 1,000 km
600 million clients in the radius of 2,000 km
Overview of the Automotive Industry in Slovakia

The automotive industry has a strong tradition in Slovakia and became the most important sector and driving force of the Slovak economy. Over the past 20 years it has been an important source of foreign direct investment as well as industrial innovation.

- **177,000** People employed directly by the 4 car producers & Tier 1 suppliers
- **275,000** People employed directly & indirectly by the automotive industry
- **15** Electric & partly electric models being produced in Slovakia — 4 BEV & 11 PHEV/MHEV\(^*\) (including planned models)
- **50%** Share of the automotive industry on total industrial production
- **13%** Share of the automotive industry on the GDP of Slovakia

\(^*\)Note: PHEV/MHEV Plug-In Hybrid Electric Vehicle/Mild Hybrid Electric Vehicle; Source: SARIO, Financial statements of the respective car producers (2019); Automotive Industry Association of the Slovak Republic ZAP SR (2019); Automobile Industry Pocket Guide 2019—2020

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Top 10 Reasons to Invest in Automotive Industry in Slovakia

1. Strategic location in Europe with great export potential
2. Wide supplier network in automotive sector
3. High potential for e-mobility
4. Political & economic stability & attractive investment incentives
5. Euro currency as one of a few in CEE
6. CEE leader in labour productivity
7. Cost effective, skilled & educated labour force
8. Numerous technical schools & implementation of dual education scheme
9. Developed and steadily growing R&D centers & innovation network
10. Well-developed infrastructure
Growing Car Production

Slovakia already belongs to the key players of the global automotive industry. Its position will be further strengthened by the world class facility of Jaguar Land Rover, which should reach full capacity in 2020.

Car Production in Slovakia

<table>
<thead>
<tr>
<th>Year</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020E</td>
<td>1 250 000</td>
</tr>
<tr>
<td>2019E</td>
<td>1 100 000</td>
</tr>
<tr>
<td>2018</td>
<td>1 093 290</td>
</tr>
<tr>
<td>2017</td>
<td>1 032 445</td>
</tr>
<tr>
<td>2016</td>
<td>1 043 237</td>
</tr>
<tr>
<td>2015</td>
<td>1 038 503</td>
</tr>
<tr>
<td>2014</td>
<td>971 160</td>
</tr>
<tr>
<td>2013</td>
<td>987 718</td>
</tr>
<tr>
<td>2012</td>
<td>926 555</td>
</tr>
<tr>
<td>2011</td>
<td>639 763</td>
</tr>
<tr>
<td>2010</td>
<td>561 933</td>
</tr>
<tr>
<td>2005</td>
<td>218 349</td>
</tr>
</tbody>
</table>


Car Production per 1,000 Inhabitants

Taking into consideration the number of inhabitants, Slovakia is by far the global leader in car production per capita.

Car Producers in Slovakia

**VOLKSWAGEN SLOVAKIA**

- Year of establishment: 1991
- Production (2018): 408,208 vehicles
- Turnover: €10.4 bn
- Number of employees: 14,800
- Models: Škoda Karoq, Audi Q7 & Q8, Porsche Cayenne & Cayene Coupé, Volkswagen Tuareg, Volkswagen UP!, Škoda Citigo, Seat Mii

**KIA MOTORS SLOVAKIA**

- Year of establishment: 2004
- Production (2018): 333,000 vehicles
- Turnover: €5.2 bn
- Number of employees: 3,787
- Models: Kia Ceed SW, Kia XCeed, Kia Ceed GT, Kia ProCeed, Kia Sportage, Kia Ceed

**PSA PEUGEOT CITROËN SLOVAKIA**

- Year of establishment: 2003
- Production (2018): 352,082 vehicles
- Turnover: €2.8 bn
- Number of employees: 4,500
- Models: Citroën C3, Peugeot 208

**JAGUAR LAND ROVER**

- Start of production: October 2018
- Production capacity: 150,000
- Estimated investment: €1.5 bn
- Models: Land Rover Discovery, 3 versions of Land Rover Defender

Source: SARIO; Respective Car Producers (2019), All images used are for illustrative purposes only.
### E–Mobility Sector in Slovakia

**ELECTRIC MOTORS & COMPONENTS**
- BSH Drives and Pumps, Eiben, Elektrokarbon, Sisme, Slores, TRW Automotive, VEM

**CHARGING STATIONS**
- GreenWay Infrastructure, Ejoin, Delta Electronics, MSM E-mobility Division

**BATTERY/CHARGING COMPONENTS**
- Panasonic, Intercable, Van Doren Engineers, NES, Voltia Automotive

**MACHINERY & EQUIPMENT COMPONENTS**
- U.S. Steel, Transmisie Engineering

**ELECTRIC & PARTLY ELECTRIC MODELS OF 7 BRANDS PRODUCED IN SLOVAKIA**

#### BEV
- **VW e–Up**
- **Seat e–Mii**
- **Škoda e–Citigo**
- **Peugeot e–208**

#### PHEV
- **VW Touareg**
- **Porsche Cayenne**
- **Porsche Cayenne Coupe**
- **Kia XCeед**

#### MHEV
- **Kia XCeed**
- **Kia Sportswagon**
- **Kia Sportage**
- **Kia Ceed**
- **Kia Ceed GT**
- **Kia Ceed PRO**
- **Audi Q7**
- **Audi Q8**

*Note: to be produced in 2020*
# The Largest Suppliers in the Automotive Sector

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>COUNTRY</th>
<th>LOCALITY</th>
<th>SALES REVENUE 2018 (EUR)</th>
<th>EMPLOYEES 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobis Slovakia</td>
<td>South Korea</td>
<td>Gbelfany</td>
<td>1,473,631</td>
<td>2,047</td>
</tr>
<tr>
<td>Schaeffler Slovensko</td>
<td>Germany</td>
<td>Kysucké Nové</td>
<td>1,131,219</td>
<td>10,096</td>
</tr>
<tr>
<td>Continental Matador Rubber</td>
<td>Germany</td>
<td>Púchov</td>
<td>1,089,290</td>
<td>3,205</td>
</tr>
<tr>
<td>SAS Automotive</td>
<td>Germany</td>
<td>Bratislava</td>
<td>909,870</td>
<td>596</td>
</tr>
<tr>
<td>Faurecia Automotive Slovakia</td>
<td>France</td>
<td>Bratislava, Košice</td>
<td>863,542</td>
<td>2,504</td>
</tr>
<tr>
<td>Continental Matador Truck Tires</td>
<td>Germany</td>
<td>Púchov</td>
<td>585,016</td>
<td>1,518</td>
</tr>
<tr>
<td>ZF Slovakia</td>
<td>Germany</td>
<td>Trnava</td>
<td>479,221</td>
<td>3,215</td>
</tr>
<tr>
<td>Hanon Systems Slovakia</td>
<td>South Korea</td>
<td>Ilava</td>
<td>405,255</td>
<td>734</td>
</tr>
<tr>
<td>Yura Corporation Slovakia</td>
<td>South Korea</td>
<td>Lednické Rovne</td>
<td>381,053</td>
<td>1,630</td>
</tr>
<tr>
<td>Adient Slovakia</td>
<td>USA</td>
<td>Bratislava</td>
<td>345,639</td>
<td>2,578</td>
</tr>
<tr>
<td>Continental Automotive Systems Slovakia</td>
<td>Germany</td>
<td>Zvolen</td>
<td>340,809</td>
<td>1,236</td>
</tr>
<tr>
<td>ZKW Slovakia</td>
<td>Austria</td>
<td>Krušovce</td>
<td>336,018</td>
<td>2,398</td>
</tr>
<tr>
<td>Lear Corporation Seating Slovakia</td>
<td>USA</td>
<td>Prešov</td>
<td>333,565</td>
<td>1,602</td>
</tr>
<tr>
<td>Magneti Marelli Slovakia</td>
<td>Italy</td>
<td>Kechnec</td>
<td>298,192</td>
<td>681</td>
</tr>
<tr>
<td>ArcelorMittal Gonvarri SSC Slovakia</td>
<td>Luxembourg</td>
<td>Senica</td>
<td>264,515</td>
<td>134</td>
</tr>
<tr>
<td>TRW Automotive (Slovakia)</td>
<td>USA</td>
<td>Nové Mesto n. Váhom</td>
<td>256,676</td>
<td>633</td>
</tr>
<tr>
<td>HBPO Slovakia</td>
<td>Germany</td>
<td>Lozorno</td>
<td>244,408</td>
<td>215</td>
</tr>
<tr>
<td>Sungwoo Hitech Slovakia</td>
<td>South Korea</td>
<td>Žilina</td>
<td>211,985</td>
<td>651</td>
</tr>
<tr>
<td>Visteon Electronics Slovakia</td>
<td>USA</td>
<td>Námestovo</td>
<td>200,339</td>
<td>504</td>
</tr>
<tr>
<td>Panasonic Industrial Devices Slovakia</td>
<td>Japan</td>
<td>Trstená</td>
<td>198,867</td>
<td>1,712</td>
</tr>
<tr>
<td>Hyundai Transys Slovakia</td>
<td>South Korea</td>
<td>Žilina</td>
<td>197,259</td>
<td>380</td>
</tr>
<tr>
<td>Leoni Slovakia</td>
<td>Germany</td>
<td>Trenčín</td>
<td>191,978</td>
<td>2,348</td>
</tr>
<tr>
<td>Inteva Products Slovakia</td>
<td>Netherlands</td>
<td>Lozorno</td>
<td>190,790</td>
<td>765</td>
</tr>
<tr>
<td>Magna PT</td>
<td>Canada</td>
<td>Kechnec</td>
<td>186,860</td>
<td>705</td>
</tr>
<tr>
<td>Matador Automotive Vráble</td>
<td>Slovakia /Portugal</td>
<td>Vráble</td>
<td>176,734</td>
<td>1,181</td>
</tr>
<tr>
<td>U-Shin Slovakia</td>
<td>Japan</td>
<td>Košice</td>
<td>175,070</td>
<td>1,334</td>
</tr>
<tr>
<td>Iljin Slovakia</td>
<td>South Korea</td>
<td>Pravenec</td>
<td>160,734</td>
<td>274</td>
</tr>
</tbody>
</table>

Source: SARIO, Trend Top 2018
Automotive Suppliers in Slovakia

Apart from the four operating carmakers, the Slovak automotive industry is also defined by its well developed and high quality supplier network. As Slovakia is well located within the European automotive production hub, Tier 1—2 suppliers can also benefit from a wider regional market. Given its favourable conditions, numerous companies have also chosen Slovakia for supplying overseas clients.

Source: SARIO, Online Matchmaking Fair For Automotive Slovakia (OKBA, 2019), FinStat (2019)
350+ AUTOMOTIVE SUPPLIERS
More than 350 automotive suppliers are operating in Slovakia. While Western Slovakia still tends to offer numerous benefits to incoming investors, we are experiencing and further expecting an even quicker growth of FDI in the Central and Eastern part of the country.

DIVERSIFICATION POSSIBILITIES FOR SUPPLIERS
In spite of the dominant position of the automotive industry, suppliers based in Slovakia tend to diversify their client portfolio by producing for different segments.
Overview of Major Tier 1–3 Suppliers in the Slovak Automotive Industry

**INTERIOR MODULES, DASHBOARDS**
Daejung, Faurecia, Eurostyle Systems, IAC Group, KOAM, LPH Vranov, Synothece, Lear Corporation, SAS Automotive, Grupo Antolin, TREVES Slovakia, Eissmann, CRW Slovakia, Bourbon Automotive plastics, Magneti Marelli, Mobis Slovakia, Yanfeng Automotive, Dongwon SK, FREMACH Trnava, JOBELSA, NP Slovakia, Röchling Automotive Slovakia
SMRC Automotive Solutions, SMRC Automotive Solutions Slovakia, SEOYON E-HWA Automotive Slovakia

**TEXTILE, COVERS, LEATHER**
Eissmann Automotive, ADTOOL, HOWE, IAC Group, Jobelsa, Automotive group SK, Treves, Trim Leader

**SEATS**
Adient, Faurecia, Lear Corporation

**MIRRORS**
Magna

**WIRING HARNESS & ELECTRONIC COMPONENTS**
Leoni, SE Bordnetze, Callearo, Kromberg & Schubert, JOHRAmont, Mkem, SILX EMS, Služba Nitra, MTA, CEMM THOME, Pryamian, Kablo, REPRO Elektronik, TESLA Stropkov, Klauke Slovakia, GG Cables and Wires, Cable Connect, Electroconnect, NP Slovakia, Vertiv, YURA Corporation, PRETTL Electrical Systems Potvorice, KE Prešov Elektrik, CRT ELECTRONIC, Panasonic Industrial Devices

**STEERING WHEELS**
TRW Automotive

**AIR-CONDITIONING**
Hanon Systems Slovakia, Mahle Behr, Nissens, Daejung Europe

**MODUL FRONT END**
HBPO, Mobis, Faurecia

**SHOCK ABSORBERS**
Plastic Omnium, Mobis, Rehau, Matador, ZF, BOGE Elastometall, ContiTech Vibration Control, MOPS Press, Tristone Flowtech, Craemer Slovakia

**ENGINE, ENGINE PARTS & COMPONENTS**
Mobis, Pankl Automotive, Miba Sinter, Nemak, Magna PT, MAR SK, Štrično strojárne, ZF, Magneti Marelli, EUROPALT, Miba Steeltex, ZVL Slovakia, HUHN PressTech, Plastic Omnium, Nissens, GetWiS, Panasonic-Sanyo, Garrett Motion (Honeywell Turbo Technologies), Booster Precision Components (Belusa), MAHLE Engine Components, STREIT Trnava

**SPRINGS**
C.E.P. Scherdel Pružiny, PFS, Subtil Slovakia, ContiTech Vibration Control Slovakia, RIBE

**BEARINGS**
KINEX, Omnia KL, GGB, DANEX, INA Kysuce/Skalica, MAHLE Behr, ZVL Auto, GGB Slovakia, ILJIN, Thyssenkrupp Rothe Erde Slovakia

**EXTERIOR & INTERIOR LIGHTS**
OSRAM, SEC, CEMM THOME, HELLA Front Lighting, HELLA Signal Lighting, Clamason, SLUŽBA NITRA, ZKW, Hella Innenleuchten
CABRIO SYSTEMS
Webasto Donghee, Matador, Webasto
Edscha Cabrio, INALFA Roof systems,
INTEVA Products, Howa Tramico

ANTENNAS
CALEARO, 2J Antennas

MODUL REAR END
Mobis, Handtmann

SAFETY EQUIPMENT
Garay, Belt & Buckle, IEE Sensing, Gnotec Čadca, Ernst Keller

TYRES, BALANCE WEIGHTS
Continental Matador Rubber, Continental
Matador Truck Tires, Rotobalance, Bekarret

SUSPENSIONS
Donghee, Iijin, C.E.P. Scherdel Pružiny,
PFS, RIBE

STEPS & SYSTEMS
Continental Matador Rubber, Continental
Matador Truck Tires, Rotobalance, Bekaert

DOOR SYSTEMS & MODULES
Brose, PHA Slovakia, SEYOYON E-HWA Automotive, Bourbon
Automotive Plastics, Pyeong Hwa Automotive, Slovakian Door
Connapy, U – Shin, Dongwon, Faurecia, Grupo Antolin

SEALS AND SILENTBLOCS & OTHER RUBBER COMPONENTS
ALDOBEC, CICAKUTXO, COBA Automotive, DONGIL RUBBER BELT, Elastomer
Solutions, Eldisy, MIKON, Rubena, Vegum, SaarGummi, Contitech, Boge Elastmetall,
Tristone Flowtech, DRON Industries, GERGONNE, LANDER Automotive

FUEL TANKS & SYSTEMS
Plastic Omnium Auto Inergy,
Donghee, Martinrea, Nobel
Automotive, Coavis, Oerlikon,
Hyundai, Clamason, TI Automotive,
Reutter SK

BRAKES, BRAKE SYSTEMS, DAMPERS
Fragokov , Continental Automotive Systems, Europalt, FTE
Automotive, HUHN PressTech, Nobel Automotive, Ti-Hanil,
TI Automotive, Mobis, Akebono Brake, KNOTT, PROKEŠ & CO.SK

PLASTIC COMPONENTS
POLYTEC, Fremach Slovakia, HTP,
THERMOPLASTIK, Nobel Automotive,
Bourbon Automotive, Rehau, RF, K-plast,
MTA, Steep Plast, Z Industries, Polytec
Composites, Versaco, Rochling, Tristone
Flowtech, NP SLOVAKIA, Aspel Slovakia,
KB Components DKI, Seoyon E-HWA
Automotive, Eurostyle Systems

EXHAUST SYSTEMS
TAICO, SEJONG, Faurecia, Matador
Automotive, Liaz

STAMPING
ArcelorMittal Gonvarri SSC, COMAX TT,
Autotest Bratislava, Benteler, Matador,
Švec a Spol, Donghee, TOWER Automotive,
Bekaert, Sungwoo Hitech, Farguell,
Gestamp, G-Tek, LKW Komponenten

DRIVELINE COMPONENTS
Küster, GAMMA, Kongsberg Automotive,
Bauer Gear Motor, AVC Raková

Source: SARIO; Online Matchmaking Fair For Automotive Slovakia (OKBA, 2019); FinStat (2019)
Qualified & Productive Labour Force

Due to high and steadily increasing productivity in the Slovak automotive sector, the production in this industry is not categorized as low cost anymore. Nevertheless, it remains cost–competitive on a regional as well as European level. The Slovak labour force is known for its flexibility, excellent qualification and high productivity.

AVERAGE GROSS MONTHLY SALARY
Selected Positions in the Automotive Sector (supplier network)

BRATISLAVA WEST CENTRAL EAST
Welder
1 125 € 1 050 € 1 215 € 1 040 €
Manufacturing Engineer
1 700 € 1 515 € 1 500 € 1 525 €
Production Operative
950 € 825 € 790 € 660 €
Production Manager
3 500 € 2 980 € 2 875 € 3 250 €
CNC Operative
950 € 930 € 950 € 825 €
Quality Engineer
2 100 € 1 830 € 1 625 € 1 300 €
CNC Programmer
1 550 € 1 600 € 1 550 € 1 350 €
Mechanical Design Engineer
1 600 € 1 570 € 1 425 € 1 300 €

Note: The employer’s compulsory contribution to social and health insurance is not included and represents 35.2% of employee’s gross salary. Source: Grafton Recruitment Slovakia, 2018

Technical Education in Slovakia

Thanks to Slovak universities with technical backgrounds companies can find many suitable engineers for R&D jobs.

7 Technical Universities

32
Technical & IT faculties

35,000
Students in technical & IT programmes

11,000
Graduates in technical & IT programmes

180+ Technical Vocational Secondary Schools

31,000
Students in automotive related technical field

7,800
Graduates in automotive related technical fields

Existing Dual Education Scheme

Combined theoretical education in schools with practical training in companies

340 secondary vocational schools already established cooperation with almost 140 companies around Slovakia

Source: Institute of Education Information & Prognosis of Slovakia for the Academic Year 2017/2018, State Vocational Training Institute
Growing R&D & Innovation Network

More and more subcontractors move their R&D divisions to Slovakia due to the growing potential of the Slovak market. The decision to relocate and establish R&D capacities results not only in cost saving, but also contributes to the company's flexibility to become more responsive to the needs of their clients.

Success Stories in Automotive R&D

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADIENT</td>
<td>Part of the global R&amp;D network for seat systems</td>
</tr>
<tr>
<td>CEMM THOME</td>
<td>Car interior lighting</td>
</tr>
<tr>
<td>CONTINENTAL AUTOMOTIVE</td>
<td>Development of brake calipers</td>
</tr>
<tr>
<td>YANFENG</td>
<td>Engineering centre for interior systems</td>
</tr>
<tr>
<td>SCHAEFFLER</td>
<td>Development of rolling and ball bearings</td>
</tr>
<tr>
<td>MINEBEAMITSUMI</td>
<td>Micro bearings &amp; actuators</td>
</tr>
<tr>
<td>BROSE</td>
<td>Mechatronic door &amp; seat components</td>
</tr>
<tr>
<td>AeroMobil</td>
<td>Slovak developer and designer of the most advanced flying car to-date</td>
</tr>
<tr>
<td>Matador Group</td>
<td>Slovak Tier 1 automotive stamping supplier, industrial design company, process innovator &amp; automation solution provider</td>
</tr>
<tr>
<td>CEIT</td>
<td>University spin off with 200+ employees focusing on process innovation, digital twin solutions and Automated guided vehicles</td>
</tr>
<tr>
<td>c2i</td>
<td>Automotive &amp; aerospace Tier 1 carbon fiber component designer &amp; producer</td>
</tr>
<tr>
<td>Institute of Materials &amp; Machine Mechanics</td>
<td>Focused on R&amp;D of advanced non-ferrous metals, production technologies and applied mechanics</td>
</tr>
</tbody>
</table>
The primary role of the investment incentives is to motivate investors to place their new projects in regions with higher unemployment and to attract projects with higher added value. The positive impact of a new investment shall be proved by job creation, improved chances for the graduates to get a job, as well as by creation of new entrepreneurial opportunities for local companies.

**INVESTMENT INCENTIVES**

**ELIGIBLE PROJECTS**

The Act on Investment Aid divides the projects which may be supported into four categories:

- **Industry**
- **Technology Centers**
- **Combined Projects of Industrial Production and Technology Center**
- **Shared Services Centers**

**TECHNOLOGY CENTERS**

- Minimum investment of 200 ths. EUR on fixed assets in all regions
- Minimum of 20 newly created jobs
- Minimum 1.7 fold of average salary in the district paid to new employees

**ELIGIBLE COSTS**

- Costs of land acquisition
- Costs of buildings acquisition & construction
- Costs of new technological equipment and machinery acquisition
- Intangible long-term assets — licences, patents, etc.
- Rent of new land/building

**FORMS OF INVESTMENT INCENTIVES**

- Tax relief
- Cash grant
- Contributions for the newly created jobs
- Rent/Sale of real estate for a discounted price

For more information, please contact us at invest@sario.sk.
Slovak Investment and Trade Development Agency (SARIO) is a governmental investment and trade promotion agency of the Slovak Republic. The agency was established in 2001 and it operates under the Ministry of Economy of the SR.

INVESTMENT SERVICES

SERVICES FOR POTENTIAL INVESTORS
- Investment environment overview
- Assistance with investment projects implementation
- Starting a business consultancy
- Sector and regional analyses
- Investment incentives consultancy
- Site location and suitable real estate consultancy

SERVICES FOR ESTABLISHED INVESTORS
- Identification of local suppliers, service providers
- Assistance with expansion preparation and execution
- Relocation assistance, work/stay permits
- Support of innovation and R&D activities
- Social networking

FOREIGN TRADE SERVICES

IF YOU ARE LOOKING FOR
- Slovak supplier or subcontractor
- Information about Slovak export/trade environment
- Sourcing opportunities
- Forming a joint venture, production cooperation or other forms of partnership with a Slovak partner

SERVICES FOR EXPORTERS
- Information on foreign territories
- Customized search for foreign partners
- On-line database of business opportunities
- Export Training Centre
- Subcontracting assistance

INNOVATION SUPPORT
- Support activities for development and popularization of Slovak innovations and R&D environment
- Establishment of relations with domestic and foreign well-established innovative companies
- Interconnection of Slovak R&D capacities with industrial production and investors’ needs in order to transfer leading innovative technology processes closer to production praxis
- Encouragement to foreign investors to bring investments with substantial R&D components to the SR
- Ecosystem analysis of local investment opportunities as well as domestic and foreign investors in order to support acquisitions and joint ventures projects
- Specific information from the field, in order to obtain capital and foreign markets penetration

All our services are free of charge!