HUNGARY
SMART.
AMBITION.
COMPETITIVE.
ABOUT HUNGARY

MAIN FIGURES

- **AREA**: 93,023 km²
- **TIME ZONE**: GMT + 1 HOUR
- **POPULATION**: 9,772,756 (2019, HCSO)
- **CAPITAL**: Budapest
  - Population: 1,752,286 (2019, HCSO)
- **FORM OF GOVERNMENT**: PARLIAMENTARY REPUBLIC
- **CURRENCY**: FORINT (HUF)
- **GDP (PPS)**: EUR 199,028 MILLION (2017, HCSO)
- **GDP GROWTH**: 4.9% (2018, HCSO)
- **INFLATION**: 2.8% (2018, HCSO)
- **CLIMATE**: TEMPERATE (similar to the rest of the continental zone)
- **RISK OF NATURAL DISASTERS**: VERY LOW
- **MEMBERSHIP IN INTERNATIONAL ORGANISATIONS**: EU, UN, OECD, WTO, NATO, IMF, EC
  - EU member since 2004

OTHER MAJOR CITIES

- **POPULATION**: Debrecen (202,214), Szeged (161,122), Miskolc (155,650), Pécs (144,188), Győr (130,094)

(Source: HCSO - Hungarian Central Statistical Office)
Hungary is an open economy where particular emphasis is placed on encouraging foreign direct investment (FDI). Partnership with potential investors is a national priority; special attention is paid to the needs of companies already settled in Hungary, and to the further improvement of the business climate.

Hungary has one of the most open economies of Europe, with an FDI stock of around EUR 80 billion.

INWARD FDI STOCK IN 2018
(PERCENTAGE OF GDP)

- **Czech Republic:** 65%
- **Hungary:** 56%
- **Croatia:** 56%
- **Slovakia:** 55%
- **Poland:** 42%
- **Romania:** 40%
- **Slovenia:** 32%

Source: wiiw FDI Database
ABOUT HUNGARY
LOGISTICS & INFRASTRUCTURE

EXCELLENT
TRANSPORT NETWORK

TEN-T CORE CORRIDORS CROSSING HUNGARY
MEDITERRANEAN • ORIENT-LEAST-MED • RHINE - DANUBE

3
AT THE CROSSROADS
OF THREE
TEN-T
CORRIDORS

EXTENSIVE
ROAD & RAILWAY
TRANSPORTATION
NETWORK

HIGHLY DEVELOPED
LOGISTICS &
TELECOMMUNICATIONS
INFRASTRUCTURE

COMMERCIAL CORRIDORS
& INFRASTRUCTURE

Kersten Bachmann
Vice President, EMEA Operations Airbag
Joyson Safety Systems

“The initial evaluation of ten countries resulted in a short list of three countries, in which we analyzed several regions and cities. Finally, we made a decision for Hungary and more specifically in favour of Miskolc. Hungary was chosen as our investment location among other reasons due to the availability of a developed infrastructure, logistics conditions, strong industrial traditions and background, as well as due to the availability of skilled workforce and an investor-friendly environment. Also, the renowned technical university of Miskolc as well as the availability of technical and vocational schools played a crucial role while considering our long term plans and strategy.”

MOTORWAYS IN HUNGARY
M1 Budapest – AUT
M3 Budapest – RO/UKR/SK
M5 Budapest – SRB
M6 Budapest – Pécs
M7 Budapest – HR/SLO
In order to improve the business climate, the Hungarian government...

- has optimised the incentive scheme supporting technology intensive investments.
- has created the most competitive CIT in the EU with 9% flat rate.
- has modified its taxation and incentive system related to R&D activities to make Hungary the innovation hub of CEE.
- is committed to further reduce taxes on employment.
- is helping companies function reliably by providing a clear agenda on economic development and FDI strategy.
- offers companies a strategic partnership and provides them with fast access to the Government.
- further improved the practice-based dual education system built on industry needs.
- has introduced its unique economic development plan based on Industry 4.0 requirements.

InVESTMENTS IN FOCUS

Automotive Industry in Hungary
BUDAPEST ranked #1 European destination for 2019 European Best Destinations

BUDAPEST
the Most Livable City in Eastern Europe according to The Economist’s annual list

GASTRO STORY
The dining scene in Budapest is livelier than ever, practically you can find the cuisines of every culture in the capital, from high-end Michelin-star restaurants to no-frill eateries, small bistros and must-try food trucks.

EXPATS LIKE HUNGARY
Budapest is a city full of surprises and wonders, with its lively centre, pretty parks, majestic river, tall church spires, and lavish spas. One of the most exciting cities in the world, Budapest is full of secrets, hidden spots to explore, and old favourites to revisit. This is the city where being bored is not an option.

EXPLORE THE COUNTRYSIDE
Hungary’s diverse countryside offers a wide range of outdoor activities: 22,000 kilometres of hiking routes; more than 4,200 kilometres of cycle paths; 14 golf courses; 10 national parks; and many protected nature reserves for those in love with fresh air. The protected Puszta-region, the Great Plain, the romantic Danube Bend with its historic sites, and pretty baroque towns, such as Eger, attract visitors all over the year. Lake Balaton, the largest fresh water lake in Central Europe, is a perfect holiday resort.

INTERNATIONAL SCHOOLS
Expatriates looking to stick with the curricula of their home countries can choose from a range of private international schools for their children. There are also many English, German or French public and private pre-schools for children aged from three to six. The school year starts in September and ends in June, and school buses are usually available at private schools. There are many opportunities to study in a foreign language at universities too.

Did you know that…
…the kindergarten and the elementary school division of the International School of Debrecen has started to operate in September 2019 and its upper school education starts running from September 2020?
János Csonka and Donát Bánki constructed the first petrol vaporizer, (carburettor), which they patented in February 1893. János Csonka was the first to utilise the use of aluminium in the manufacturing of engines, he also developed controlled inlet valves and high voltage magneto ignition for petrol engines.

József Galamb with others together framed the concept of the famous Model-T Ford. His intention was to create a car that would be cheap and simple to manufacture. In this model he applied technical innovations, such as the planetary gear and the removable cylinder head. In 1913, with his lead, the Ford Factory switched to serial production on its production lines. This resulted in the Model-T becoming the world’s first mass produced affordable car. During its 20 year production, over 155 million units were manufactured.

Ferenc Pavlics was a technical director for General Motors, later participating in the formation of the Lunar Roving Vehicle in the Apollo Space Programme.

Ferenc Anisits (Dr.) played a hugely significant role in the development of the first eight-cylinder, direct-injection diesel engine and headed up the BMW Diesel Development Centre in Steyr, Austria. Under his leadership the electronically controlled diesel injection system was introduced in 1993, for which he was awarded Ernst Blickle Innovation Award in 1995.
Over 40 of the top 100 global OEM parts suppliers are in Hungary. More than 700 suppliers in the automotive industry.

- Production value of the automotive industry amounted to EUR 26.8 billion in 2018.
- The production value of the automotive industry achieved an annual average growth of 12% between 2010 and 2018.
- The automotive industry accounted for 27.9% of manufacturing output in 2018.
- The automotive industry had 4.9% contribution to the GDP in 2018.
- 172,500 – The number of people employed in the automotive industry in 2018 Q4, which is 3.8% of total employment.

- 5 OEMs have already chosen us for manufacturing activities (Audi, BMW, Mercedes, Opel, Suzuki).
- More than 400,000 passenger cars were manufactured in Hungary in 2018.
- 1,286 EUR/month average gross earnings in the automotive industry (HCSO, 2018).
- 90.9% of the automotive industry’s output is exported.
- The automotive industry gives around 20% of Hungary’s total exports.
- Main export market: EU 88%.
AUTOMOTIVE INDUSTRY
STRONG AUTOMOTIVE ECOSYSTEM

FROM Made in Hungary
TO Invented in Hungary

R&D centre and autonomous driving

Battery businesses

TIER1

OEMs

HANON
the leading South-Korean automotive supplier is establishing a new plant in Pécs, moreover, it is extending its current capacities in Székesfehérvár and Rétság.

ZF is expanding its Hungarian presence by creating more than 700 new jobs in Eger by the end of 2019.

REHAU
the world’s market leader automotive polymer supplier is building a new manufacturing plant in Újhartyán and simultaneously expanding its facility in Győr.
BMW GROUP to build its new production facility in Debrecen, Hungary

JLR opened its new technical engineering office in Budapest to support the company’s European supply chain management.

Nissan is developing its only European financial business service centre.

The Budapest SSC is Ford’s biggest European administrative centre.

"The BMW Group replies the expected growth with further production capacity in Europe. For two years we have been looking for a suitable region to achieve that goal. A long evaluation process across Europe and its regions led us to Hungary. With Debrecen, we found an ideal location and region; good infrastructure, a decent supplier base and qualified workforce.

Since the beginning of 2019 our future plant site is under preparation by the city of Debrecen. Everything is well done and on time. Once the property is transferred to us completely in spring 2020 we will start with our own construction. We are excited to build up our new plant in Debrecen and prepare for production."
YOU CAN COUNT ON THE QUALITY LABOUR FORCE ACROSS HUNGARY

Did you know that... one of the world's largest engine factories is in Győr, Hungary?

STRATEGIC PARTNERSHIP with Széchenyi István University providing dual education in Győr

Alfons Dintner
Chairman of the Board of Management
Audi Hungaria Zrt.

“We decided to establish a production unit in Hungary 26 years ago. Since the AUDI HUNGARIA Zrt. has become the biggest engine factory and one of the most modern car production of the world. It employs more than 13,000 people. The central location of Hungary, the advanced infrastructure, the stable political and economic condition of Hungary as an industrial site and skilled workforce all contribute to the success of our company. We are at home in Hungary, in a beautiful city, in Győr.”

Highlights:
• Serial production of e-engines in Győr
• Production of Q3 model in Hungary
• The e-transformation project is targeting the e-motor production expansion in Győr

AUDI HUNGARIA Zrt.

LOCATION
Győr

FOUNDATION
1993

NUMBER OF EMPLOYEES
13,084 (2018)

CAR PRODUCTION
100,000 (2018)

ENGINE PRODUCTION
1,954,301 (2018)

PRODUCTS OF CARS
Audi TT Coupé, TT Roadster, A3 Cabriolet, Q3
NEW PRODUCTS
Q3 Sportback (2019)

PRODUCTS OF ENGINES
Combustion engine:
3-cylinder engine
4-cylinder engine
5-cylinder engine
6-cylinder engine
8-cylinder engine
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E-ENGINE:
front-wheel-drive
rear-wheel-drive

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AUTOMOTIVE INDUSTRY

OEMs

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Did you know that...
...a total of 770 robots cover the entire manufacturing process in the Esztergom plant?

Dr. László Urbán
Deputy CEO
Magyar Suzuki Corporation

“Thanks to the development of the nearly three decades since the change of regime, the domestic automobile production and the large camp of the car industry suppliers have been constantly growing and are nowadays living their adult age. Together with my colleagues at Magyar Suzuki, Esztergom, we are proud to have been the driving force behind this development with the launch of full-scale car production in 1992. Newer and newer technical solutions, digitalisation and automation coincide in time and space with labour market problems, as well as with stricter environmental requirements. In a specific way, these all together pose a new challenge for automotive manufacturers and their suppliers’ background industries: they need to create so-called “smart factories” of the industry, where cars complying with the requirements for e-mobility and self-driving vehicles, will be released. Reaching all these goals is only a reality if the industry as a whole, the principles and practices of innovation are followed.”
Did you know that...
...the 8000 m² on-site dual training centre is using the latest technology to prepare automotive experts for Industry 4.0. It hosts practical courses for over 350 vocational and university students as well as for Mercedes-Benz employees?

In the past years, the Mercedes-Benz plant in Kecskemét has manifested its status as a cornerstone in the production network of the Daimler Group. We are certainly very proud of the cars produced in Kecskemét, but even more proud of the people, our skilled Hungarian colleagues, who work at the Kecskemét plant. Thanks to their dedicated effort, we have been able to prove repeatedly that the label “Made in Kecskemét” not only stands for steady numbers in our production sheets, but also for excellent quality of our products. Our focus is on the people, and a major part to this strategy is our investment in future generations. One important milestone on this road is the new Mercedes-Benz Academy Kecskemét training centre that started its operation in October 2018. It opened up space for up to 250 students in the dual education to study with help of the most innovative educational tools. These continuous investments are a clear sign of our commitment to Hungary – as we have said on several occasions, we came here to stay.”

Christian Wolff
CEO
Mercedes-Benz Manufacturing Hungary Kft.
AUTOMOTIVE INDUSTRY

OEMs

Did you know that...
...the 1.2 litre Turbo PureTech engine – new product of the Szentgotthard Plant – was elected International Engine of the Year in his category for four times in a row?

Highlights:
From 2020 the plant in Szentgotthárd will manufacture several PSA engine varieties.

“After 25 years of production and a total investment of over 1.5 billion Euros, Opel Szentgotthárd reached a new historical milestone in 2017, becoming part of Groupe PSA. With new owner came expansion of the product portfolio, which now will also include the award winning 1.2 liter three cylinder turbo gasoline PSA engine. Hungary is important for us, not only because of our manufacturing presence – Opel has the largest carpark with over 500,000 vehicles running on the Hungarian roads and for 25 years the brand has always been in the top three in terms of sales. I trust that with the new engine project we have everything in place to look forward to another successful chapter for Opel in Hungary”

Grzegorz Buchal
Managing Director
Opel Szentgotthárd Ltd.

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“DENSO Manufacturing Hungary Ltd. currently has - including rented associates - more than 5,000 employees so we can say that we are one of the biggest employers of our Central-Transdanubian region. The cause for this great performance is that in Hungary we found a real good place to invest and to develop our business. The central location of Hungary on the continent ensures continuous economical development to the country. Besides that the Hungarian workforce have real good features as the people are clever, hardworking and the school system gives a sincere and useful knowledge on each level. I believe that Hungary was a wise choice for our mother company as in 2017 DENSO celebrates its 20th year of operation in Hungary and the company plans to stay in the country for much more decades.”

Kato Yukihiro
President
DENSO Manufacturing Hungary Ltd.
In 2018, the number of students engaged in vocational dual training was around 54,000.

In the 2018/2019 academic year, 24 higher education institutions offered dual education programmes. The number of partner organisations increased to over 2,000.

Owing to the practice-based education system, highly-skilled graduates will enter the labour market annually meeting the ever-growing demand of enterprises.

Great number of available productive labour with competitive costs

In the 2018/2019 academic year, higher education in the dual form in Hungary is provided in the agricultural, economic, engineering, natural sciences and information technology areas, thus highly qualified young graduates will continue to be available for companies.

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We are investing systematically, logically and substantially in the ecosystem for future mobility. The technology company, Continental develops pioneering technologies and services for sustainable and connected transportation of people and their goods. Autonomous driving, electrification and connectivity: we are the architects of an ecosystem of safe, clean and intelligent mobility. When people talk about the ‘mobility of the future,’ they mean Continental. Our research and development (R&D) activities focus on developing innovative and sustainable products, systems and services for our customers in a wide variety of industries.

Mihály Nagy
Head of Focus Country, Continental Group Hungary

VIP cash grant for the support of R&D activity available throughout the country including Budapest

Marc de Bastos Eckstein
General Manager, thyssenkrupp Components Technology Hungary

“Thyssenkrupp is a technology leader in the field of steering systems and a major innovative partner of the automotive industry worldwide. Our Competence Center in Budapest develops complex steering systems and novel functions that include software and also hardware for both passenger cars and light trucks. We give our OEM partners a way to differentiate themselves by a unique steering and precise handling feel. With production plants of steering systems and integrated camshafts located also in Hungary, we can fully leverage the know-how of our Competence Center in Budapest. Our company also operates a springs and stabilizers plant in the Eastern part of the country.”
MAIN R&D ACTIVITIES IN HUNGARY IN THE AUTOMOTIVE INDUSTRY

**BOSCH**
- Electro systems
- Has more than 2,700 R&D personnel and is expanding autonomous driving and e-mobility related projects

**Audi Hungary**
- Engine development (CNG engine), humanoid robot hands

** Valeo**
- Product development of electronic control and camera control units, driving assistance systems

**Continental**
- Product development of capital equipment, Advanced Driver Assistance Systems (ADAS)

**AVL**
- Powertrains, measuring tools and software development
- Opened its ADAS development office in Budapest

**KNORR-BREMSE**
- Mechanical components (for brakes and drive trains) and electrical systems and components (software, hardware), pneumatic brake systems, SW components, I-Com Assist (Drives Advisory System)
- AVL has 3 R&D and testing locations in Hungary, and the R&D base in Erd will be the second largest one after the unit located in Graz

**IBIDEN**
- Design and manufacturing Diesel Particle Filters for vehicle exhaust gas and Sealing Materials for automotive catalytic converters

**AMOBTIVE**
- Two Hungarian innovative companies
- Also have R&D activity in the field of artificial intelligence and autonomous driving

**TDM**
- Smart-car parts development such as keyless entry and ignition system, optical parking assist systems, lane departure warning systems, or various board recognition

**Ning**
- Development of navigation and various software for the automotive industry, which are used by more than 30 OEMs

**byssenag**
- Electronic and autonomous steering systems (e.g. cross-wind compensation, lane keeping assist, parking assistance), autonomous driving

**Commsignia**
- Automotive industry activity of
- Research and development of electric propulsion control systems at the expert level in an international environment with the background of SIEMENS AG

**Evosoft**
- Development of plastic and mechanical components

**Phoenix Mecano**
- Cutting-edge measurement and automation devices

**NATIONAL INSTRUMENTS**
- Cutting-edge measurement and automation devices

**Automotive Industry in Hungary**

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**Innovation**
- Design and manufacturing Diesel Particle Filters for vehicle exhaust gas and Sealing Materials for automotive catalytic converters

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**Main R&D Activities in Hungary in the Automotive Industry**

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**Expansion of R&D Capacity**
- Expanding its R&D capacity with the second campus in Budapest, which is already the second largest R&D facility outside Germany
HUNGARY TO BECOME THE LARGEST EV BATTERY MANUFACTURER IN EUROPE

- EV battery cell manufacturing
- Battery components manufacturing and recycling
- Aluminium jacks for electric car batteries
- 12 V Li-ion battery production
- Separator films production required for lithium-ion batteries
- Battery components manufacturing
- Recycling of Li-ion battery materials
- Production of red copper foil
- Battery module production for EVs
- Komárom
- Szigetszentmiklós
- Monor
- Miskolc
- Tatabánya
- Salgótarján
- Nyergesújfalu
- Göd
The aim of the Hungarian government’s so-called Jedlik Ányos Plan is to support the e-mobility, such as R&D&I activities, infrastructure and charging station developments.

Daniel Korioth
Representative of the Bosch Group in Hungary

"The world is changing and this requires us to change as well. We at Bosch do not want only to keep the pace in the business, our intention is to actively shape the dynamic change through technology and competence. This offers a promising future. We believe that improving quality of life and helping to conserve natural resources by developing and producing products and services that sparks enthusiasm, gives our daily work meaning and develop our company and the world to a brighter future. To make it simple: Invented for Life. Bosch has been present in Hungary since 1991. After its re-establishment as a regional trading company in 1991, Bosch has grown into Hungary’s largest foreign industrial employers with currently nine Hungarian subsidiaries. In Hungary more than 13,500 committed associates (as per January 1, 2018), amongst them more than 2,700 in research and development day by day with passion on one of the most exciting things ever: shaping the future. I believe Hungary is capable of being in the driver seat for a successful change."
ZALAZONE TEST TRACK
GOVERNMENTAL INVESTMENT IN AUTONOMOUS DRIVING

FURTHER PROVING GROUND DEVELOPMENT
• 5G & ITS GS Networks testing environment
• Bad roads
• Slopes
• Noise measurement surface
• Additional vehicle dynamical modules
• Expansion of the Smart City urban and suburban environment

AVAILABLE ELEMENTS & SERVICES FROM H2 2019
• Dynamic platform
• High-speed handling course
• Smart City zone
• Workshops & Offices
• Engineering Services: Workshop support & testing environment preparation services
• Conference Centre

COMING SOON:
• Braking platform
• Motorway
• Rural road
• Smart City zone completion

R&D AND EDUCATIONAL BACKGROUND, DEDICATED COURSES
• Autonomous Vehicle Control MSc (English) in Budapest
• Autonomous Vehicle Programming MSc (English) in Budapest
• Automotive Test Engineer BEng in Zalaegerszeg
• Mechatronic Engineering BSc in Zalaegerszeg
• Basic and advanced research in Artificial Intelligence, Co-operative control, Cyber security and Driverless technologies

The 1st phase was opened in 2019 H1
Attila Bogár
General Manager of BorgWarner Oroszlány Ltd.

"The BorgWarner turbocharger plant in Oroszlány was originally built to serve one of the most important Audi factories located in the region, but it soon began to manufacture the products itself as well and broadens its customer portfolio. From the very beginning, the company has seen strong growth, doubling its turnover year by year. BorgWarner have been committed to make this growth possible along the following reasons.

• Investments creating workplaces and providing opportunities for the economic development of different regions have highly been encouraged by Hungarian Government incentives.

• BorgWarner has an excellent customer footprint in Hungary.

• Hungary and the region itself have an adequate industrial culture well trained in the automotive industry. The region's technical universities in Hungary and seasoned workforce can be hired from countrywide.

• The region itself has also been providing available labor force: both white collars and blue collars.

• Hungary’s advantage is also its great logistics opportunities and infrastructure.”

Automotive Industry in Hungary

Major Automotive Suppliers in Hungary

Western Transdanubia
- Advanced Decorative Systems
- Bosch
- Continental
- Delphi
- Ellex
- Exedy
- Federal Mogul
- Flex
- Györi Plast
- Hirschler
- Kraytex
- Schaeffler
- Savaria
- Steyr
- Nemak
- Rába
- Rehau
- Rekard Produkt
- Veritas
- Smr
- Wuppermann

Central Transdanubia
- A.KAI Elektronika
- Albert Weber
- Arconic-Köfém
- Alumetal
- Agc Glass Hungary
- Benteler
- BorgWarner
- Bourns
- Bridgestone
- Byd
- Coloplast
- Continental Autom.
- Denso
- Diamond Electric
- Exedy Dymax
- Eysy
- Visteon
- Győri Plast
- Gestamp
- Hankook
- Sertec
- Auto Structures
- Johnson Controls
- Karsai Alba
- Kirchhoff
- Le Bélier
- Magyarmet
- Musashif
- Plasticor
- Plastimat
- Fsk Battery Hungary

Central Hungary
- Cascade Engineering Europe
- Clarion
- Continental Autom.
- Contitech Fluid
- Deh
- D(SE)A Exelmaier
- Emt
- Excel Csepel
- Festo
- Flex
- Tungram
- Ibiden
- Knorr-Bremse
- Lear
- New MGM
- Michelin
- Monopolyfabric
- Pemü
- Samsung Sdi
- Schwarzmueller
- Siemens Vdo
- Tauril
- Thysenkrupp
- Toyoseat
- Tungram
- Webasto
- Gentherm
- Zollner

Northern Hungary
- Akzo Nobel Coatings
- Apollo
- Bosch
- CsabaCast
- Delcast
- Deltatex
- Deka
- Fag Schaeffler
- Faurecia
- Jopp Interiors
- Fseguera
- Haldu Autotechnika
- Hallux
- Hübner
- Jasco
- Jasa Plastzik
- Le Bélier
- Lejon
- Michelin
- Modine
- PreC Cast
- Johnson Electric
- Salglas
- Shinwa
- Stanley Electric
- Joyson Safety Systems
- Technoplast
- Zf
- Hubner

Northern Great Plan
- Caroflex
- Coloplast
- Eagle Ottawa
- Eissmann
- Fag Schaeffler
- Faurecia
- Jopp Interiors
- Fseguera
- Haldu Autotechnika
- Hallux
- Hübner
- Jasco
- Jasa Plastzik
- Le Bélier
- Lejon
- Michelin
- Phoenix Mecano
- Rosenberger
- Thysenkrupp
- Smr
- Sona

Southern Great Plan
- Brose
- Contitech Fluid
- Castec
- Contitech Rubber
- Csaba Metal
- Eckler
- Emra
- Ffreudenberg
- Hinsum
- Heyndliche
- Jonsson Controls
- Kaloplastik
- Knorr-Bremse
- Kunplast
- Karsai
- Lanmar
- Antolin
- Hungary
- Pata
- Phoenix Mecano
- Zorge
Continental has a more than 25 years history in Hungary. The company has 10 locations across the country, in the following cities: Budapest, Budaörs, Debrecen, Veszprém, Makó, Mosonmagyaróvár, Nyíregyháza, Szeged and Vác, employing more than 8,000 persons.

ContiTech manufactures in Szeged two main product groups: textile conveyor belts mainly for the mining industry and rubber as well as composite hoses mainly for the oil industry. The site has the world's biggest capacity of textile conveyor belt production and supplies approximately one third of the oil hose market. Contitech plants in Makó, Nyíregyháza and Vác provide the biggest portion of heating-cooling tubes within Continental. The Automotive plants in Budapest and Veszprém produce vehicle electronic components and microelectronic circuit modules, using state-of-the-art and innovative technologies, being engaged in almost all areas of vehicle electronics for the Continental divisions Chassis & Safety, Powertrain and Interior, and supplies all major car producers worldwide. The groundbreaking ceremony of our new smart factory in Debrecen was held in September 2018. This greenfield investment is the footprint of the electronic manufacturing of the powertrain part of the company. We officially opened our Deep Learning Competence Center in the downtown of Budapest in February 2019, which new site is going to contribute solutions for automated driving. Tire division is represented by a commercial office and a logistic center in Budaörs and Mosonmagyaróvár.

Bosch has been present in Hungary since 1898 with its products and it has grown into one of Hungary’s largest foreign industrial employers with currently nine Hungarian subsidiaries, including 7 manufacturing plants. The Engineering Center Budapest is the largest European development center outside Germany. The Bosch Group employs more than 13,500 people in Hungary, including more than 2,700 engineers in R&D. The company’s growth is also supported by the activities of the Hungarian Investment Promotion Agency.

SUPPLIER NETWORK

OVER 40 OF THE TOP 100 GLOBAL OEM PARTS SUPPLIERS are available in Hungary
HIPA Introduction

How do we support your **AUTOMOTIVE** project?

**BEFORE YOU MAKE A DECISION WE OFFER YOU...**

- Location search & evaluation + site visits
- Tailor-made incentive offers and information packages on the business environment, labour market, tax regulations, etc.
- Reference visits at companies that are already established in Hungary
- Assistance with your incentive application
- Meetings with HR & real estate agencies, law firms and other consultants based on your needs

**AFTER YOU HAVE CHOSEN HUNGARY**

We are open to your feedback and offer mediation between government and business based on your inputs.

- We support your further expansion and plans
- Please contact us

Customer service: investment@hipa.hu
Telephone: +36 1 872 6520
Web: www.hipa.hu

Hungarian Investment Promotion Agency (HIPA) is the national investment promotion organisation of Hungary governed by the Ministry of Foreign Affairs and Trade.

We contribute to the economic development of the country by promoting Hungary as an ideal location for investments and by providing management consultancy services to investors and prospective investors. In the framework of our policy advisory activities we mediate between business and government and collect company feedback in order to prepare policy proposals to further improve the business environment.

We are also responsible for the government incentives for investments and work as the managing body of the VIP cash subsidy system based on individual government decisions. We provide management consultancy services in the fields of location selection, supplier development and mergers and acquisitions in a one-stop-shop service model on a free of charge basis.
For INTEGRATORS

Market information
Providing information about the existing supplier ecosystem before the investment decisions.

Supplier database
Extended database about the companies in Hungary with active connections and references to the automotive sector.

For SUPPLIERS

For INTEGRATORS & SUPPLIERS

B2B meetings
Creating business opportunities through face to face meetings between integrators and suppliers.

Supplier development trainings
Focusing on quality and efficiency in order to help suppliers enter and grow within the added value chain of OEMs and TIER1 partners.

Exhibitions
Creating opportunities for the suppliers to participate on the biggest international fairs and trade shows.

Supplier Forums
Enhancing horizontal and vertical connections among our partners.

István Németh
Engineering and Sales Manager
Cascade Engineering Europe Kft.

"Cascade Engineering Europe Kft. has become a major player of the Tier2 supplier system during the past two decades. Besides of our special kinematic products, we also produce 30 million assembled quick connectors for the cooling and heating of engines and batteries annually. In recent years more and more emphasis has been laid in our production on the manufacturing of multi-component (2K) products and unique battery components required for the EV segment. We had the opportunity several times to present the product portfolio of our company at representative Hungarian stands organised by HIPA at international exhibitions in a high-quality environment, at preferential participation conditions to a wider scope of customers and suppliers."

Automotive Industry in Hungary
As a member of the European Union, Hungary’s regulations on incentive opportunities are in accordance with the EU rules. One of Hungary’s competitive advantages over other countries in the region is the Government’s strong commitment to increase the competitiveness of SMEs and large enterprises in Hungary. Alongside the regulatory tools that contribute to the competitive business environment of local companies, Hungary offers wide-ranging incentives to facilitate foreign direct investments and reinvestments by local enterprises. In addition to the “Made in Hungary” type investments, increasing emphasis is being put on “Invented in Hungary” type of projects with the aim of supporting the implementation of Industry 4.0 solutions and the strengthening of Hungary as an innovation hub of Europe. From the beginning of 2017, favorable changes have been introduced in the non-refundable VIP cash grant system supporting R&D projects and technology-intensive investments.

**THESE INCENTIVES INCLUDE, BUT ARE NOT LIMITED TO**

- **CASH SUBSIDIES** for investments, training, job creation and R&D
- **LOW-INTEREST LOANS**
- **TAX INCENTIVES** reduction of corporate tax, social tax, or for encouraging R&D activities
- **TRAINING SUBSIDIES**

The maximum available aid intensity decreases if the investment is a large investment (exceeding EUR 50 million): 50% of the maximum aid intensity determined in the regional aid map is available for investment between EUR 50 and EUR 100 million, with 34% of the maximum aid intensity for investment over EUR 100 million.

For information on up-to-date and individual incentive packages please contact HIPA directly.
THEY HAVE ALREADY CHOSEN US!

ROSENBERGER

BMW

TOYO SEAT

BORGWARNER

THYSSENKRUPP

ZF

BOSCH

HARMAN BECKER

EAGLE OTTAWA

CONTITECH

DAELIM

ALPINE

MERCEDES-BENZ

SUZUKI

AUDI

AGC GLASS

NEMAK

VALEO

LE BÉLIER

IBIDEN

DELPHI

FAG

TAKATA

FREUNDENBERG SIMMERINGE

HALLA VISTEON

MAGNA

MAT\n
CINTAS

RONGSHI

GESTAMP

BROSE

HANKOOK TIRE

EISSMANN

NEXTEC

MPK

JOHNSON CONTROLS

KONN ELEKTRONIK

I-BUSINESS

LEONI

LENZ

FUJI

AVL

HALLA"