



# Hyundai Motor to build two more plants in China

South Korea's Hyundai Motor said on Tuesday it would build two more plants in China, each with a production capacity of 300,000 vehicles, to expand its share of the world's largest auto market.



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Hyundai, which already has three car plants in the country, said it would complete construction of its fourth plant at Changzhou in 2016 and of another plant at Chongqing in 2017.

"The two new plants in China will be used to produce small and strategic cars," the company said.

Hyundai with affiliate Kia Motors is the world's fifth-largest car producer. Its three current Chinese plants can produce a combined 1.05 million vehicles per year.

Hyundai also has a commercial vehicle plant in China with an annual capacity of 160,000.

The company said Kia would expand its annual output capacity at its third Chinese plant from 300,000 units to 450,000 by the first half of 2016.

Kia has three plants in Jiangsu province that can produce a total of 740,000 units a year.

Within three years, Hyundai and Kia will be able to expand their combined annual production capacity to 2.7 million units in China, the statement said.

"The construction of new plants will help the Hyundai-Kia Automotive Group emerge as a leading car maker and raise its market share of around 10% in China," it said.

Hyundai has been struggling with capacity constraints abroad, while its rivals are raising output.

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