

November 11, 1992
Ref. #92025

HONDA-DAEWOO MOTORS TECHNICAL COLLABORATION AGREEMENT SIGN

Honda Motor Co.,Ltd. announced today that it will sign a technical collaboration agreement for the production of passenger cars with Daewoo Motor Co.,Ltd.

The signing will take place at the headquarters of Daewoo Motor Co. in South Korea. Honda President Nobuhiko Kawamoto and EVP Yoshihide Munekuni will attend, as will Chairman Kim Woo-Choong of the parent Daewoo Corp. and Daewoo Motor President Kim Tae-Gou.

Under the agreement, Honda will share production technology for the manufacture of large-size passenger cars with Daewoo Motor. Daewoo plans to produce a passenger car based on the Honda Legend under its own label.

Production will begin in the fall of 1993, with annual capacity of 5,000 units, increasing to 10,000 units annually by the late 1990s.

Daewoo's Pupyong Plant near Seoul will be the manufacturing site. That plant currently produces 200,000 passenger cars annually. Honda will supply its exclusive production machinery to the plant as well as technical support.

Sales in the South Korean passenger car market surpassed 720,000 units in 1991. Daewoo Motor has about a 19% share of this market. Total South Korean vehicle market sales, including trucks and buses, were 1.1 million units in 1991. Based on overall economic growth forecasts, the total vehicle market is expected to reach about 2 million units by the year of 2000.

OUTLINE OF DAEWOO MOTOR CO., LTD.

Founded : June, 1972

Head Office : 199 Chongchon-Dong, Puk-Gu, Inchon, Korea

Representative: Kim Tae-Gou, President

Capital : 262,435 million won

Investment Ratio: 100% owned by Daewoo Corporation

Sales : 1,595.6 billion won (in 1991)

No. of Employees: 18,760 (in 1991)

Production Models: LeMans, Espero, Royale Prince, Super Salon
Imperial

Production Base: Pupyong Plant (passenger car, truck)
Pusan Plant (large bus)
Inchon Plant (engine, etc.)