

## **Press Statement by ARTOC Auto**

Mr. M. Shafik Gabr completely rejects allegations by German VW Group of “manipulating actions in Congress against Volkswagen”.

In an obvious attempt designed to deflect from its criminal conduct in the context of dieselgate and beyond, Volkswagen issued a slanderous and defamatory July 2, 2018 letter to the Chairman of the Committee on Science, Space, and Technology of the U.S. House of Representatives, as published in the media. The Committee had requested various documents from VW relating to its manipulation of diesel emission systems, as admitted by VW, publicly known as “dieselgate”. In addition, it had asked VW’s CEO Herbert Diess to attend a hearing in Washington. VW’s attorney Robert Giuffra alleges that the information request was part of a “campaign” against VW and result of “attempted coercion” by ARTOC and Mr. M. Shafik Gabr. It is remarkable that VW tries to involve ARTOC Auto and Mr. Gabr with absurd conspiracy theories.

There is indeed a dispute between ARTOC Auto and VW/Skoda. In 2017, this dispute emerged due to the fact that ARTOC Auto refused to pay bribe money requested by Mr. Milan Zinke. Mr Zinke was Senior Executive in charge of the Middle East in VW/Skoda, and he was managed by Mr. Werner Eichhorn (Skoda board member at the time). Mr. Eichhorn is presently employed in a senior position at VW America, in Herndon, Virginia. Upon ARTOC’s refusal to pay the requested bribe and despite repeatedly bringing the matter to the attention of VW senior executives in Wolfsburg (ARTOC Auto having taped conversations and emails) and Prague, VW chose to terminate the relationship without cause. This was despite a 24-year relationship with ARTOC Auto, who took Skoda from zero market share to number one European car in Egypt.

In 2017, a mediation between Volkswagen and ARTOC Auto by a high-profile and senior German statesman culminated in an agreement on September 1 in Berlin to end the relationship amicably. This agreement was renegeged by Volkswagen 4 weeks later.

Moreover, ARTOC Auto’s lawyers have contacted Mr. Giuffra on two occasions in order to achieve an amicable solution. On the first occasion, Mr. Giuffra declined to meet ARTOC Auto’s German lawyers, and on the second occasion he did not respond to ARTOC Auto’s American lawyers.

Separate from any actions taken by the U.S. Congress, ARTOC Auto, an American-Egyptian investment group is seeking its agreed compensations for damages incurred by VW’s actions. This is a David vs. Goliath battle, where David (ARTOC Auto) firmly believes in the ultimate success of justice against a corporation which needs to practise ethics and good governance with transparency.

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ARTOC Contact: Aleks Medic – [aleks.medic@artocgroup.com](mailto:aleks.medic@artocgroup.com)