

# Automotive News Congress Bilbao 2010

**Solutions After a Crisis: Navigating out of a  
European Downturn**  
**22. June 2010**

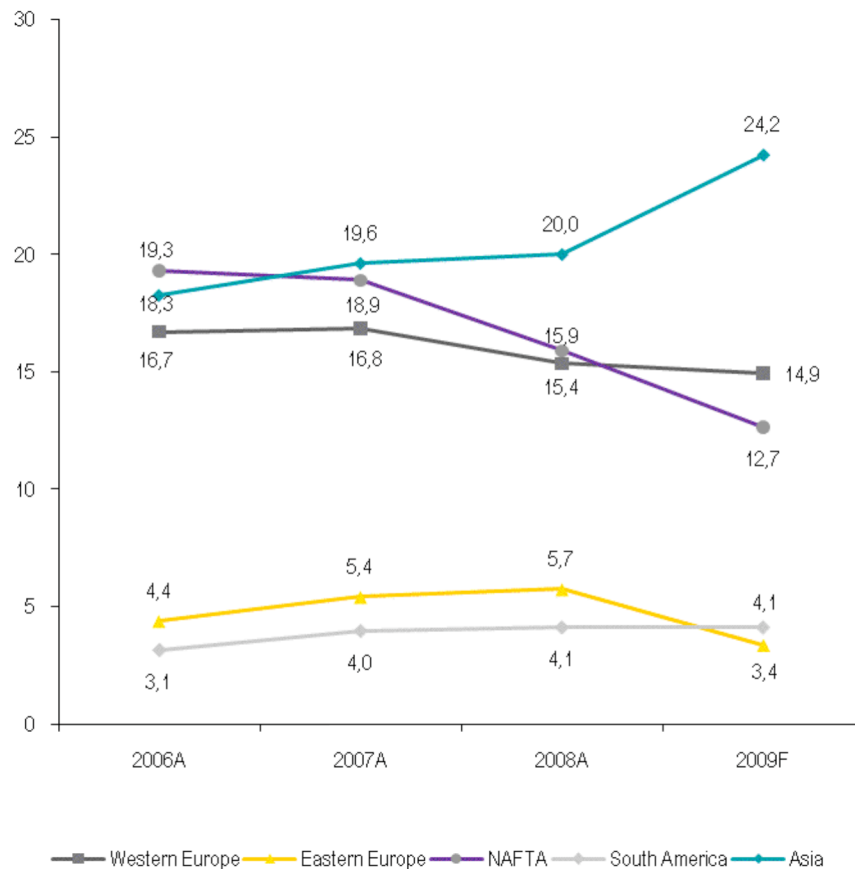
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# The Downturn on the Automotive Market

## The downturn was not truly global

Light Vehicle sales, in million units



	2006A		2007A		2008A		2009F		
	PC	LCV	PC	LCV	PC	LCV	PC	LCV	
W. Europe	14,8	1,9	14,8	2,0	13,6	1,8	13,6	1,3	↓
E. Europe	3,7	0,7	4,6	0,8	5,0	0,7	2,9	0,5	↓
Russia	1,7	0,2	2,4	0,2	2,7	0,2	1,4	0,1	↓
Germany	3,5	0,2	3,1	0,2	3,1	0,2	3,8	0,2	→
Italy	2,4	0,2	2,5	0,2	2,2	0,2	2,2	0,2	→
China	4,3	2,4	5,3	2,7	5,7	2,9	8,7	4,3	↑
India	1,1	0,4	1,3	0,4	1,3	0,4	1,5	0,5	↔
US	7,8	8,8	7,6	8,6	6,8	6,4	5,4	5,0	↓

Looking at the forecasted numbers for 2009 the global sales numbers are only 8% below its peak in 2007

Countries like China grew rapidly in the last years and are expected to become the most important automotive market

Russia, on the other hand, took a remarkably hit



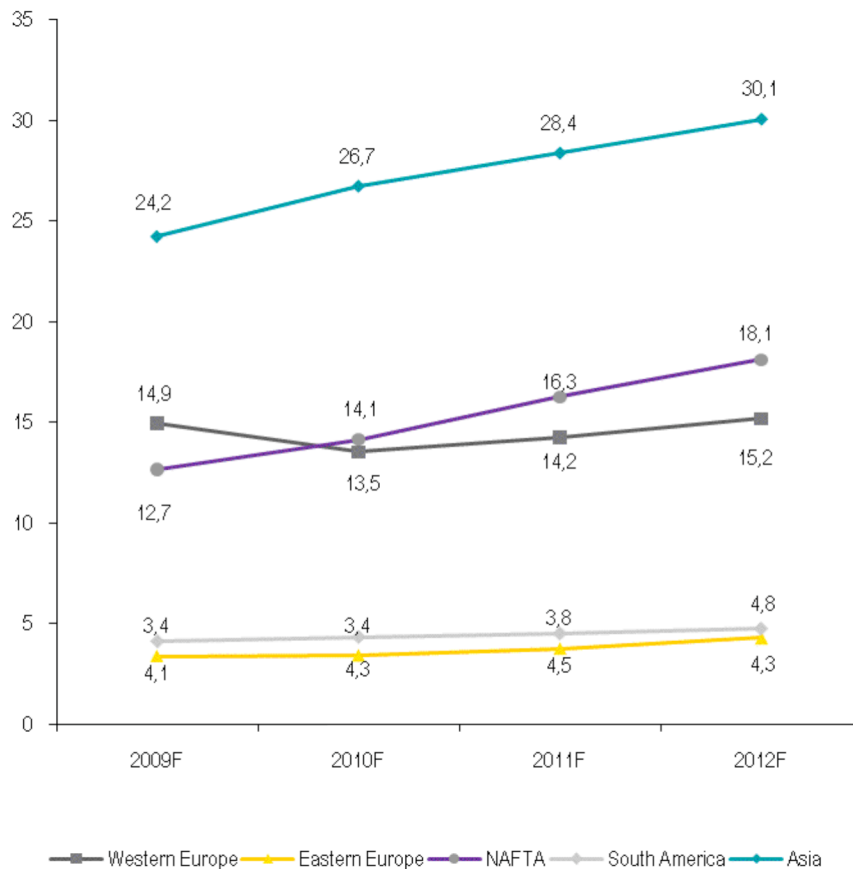
The crisis hit countries very differently

Source: Global Insight Q1 2010

# Sales will return to pre crisis niveau

## But not necessarily in the same countries

Light Vehicle sales, in million units



Source: Global Insight Q1 2010

	2009F		2010F		2011F		2012F		
	PC	LCV	PC	LCV	PC	LCV	PC	LCV	

W. Europe	13,6	1,3	12,1	1,4	12,7	1,6	13,5	1,7	▶
E. Europe	2,9	0,5	2,9	0,5	3,2	0,5	3,8	0,6	◀
Russia	1,4	0,1	1,4	0,1	1,5	0,1	1,7	0,2	◀
Germany	3,8	0,2	2,8	0,2	3,1	0,2	3,3	0,2	◀
Italy	2,2	0,2	1,9	0,2	2,0	0,2	2,1	0,2	▶
China	8,7	4,3	9,9	4,6	10,8	4,9	11,6	5,1	▲
India	1,5	0,5	1,8	0,6	2,0	0,7	2,2	0,8	▲
US	5,4	5,0	6,1	5,7	7,3	6,5	8,4	7,2	▲

China will be fast the most growing market and succeed the United States as the most important car market in world

In Europe we see differences between Eastern and Western Europe with Eastern as the growth engine

Interestingly, the United States are expected be in 2012 on pre-crisis sales level

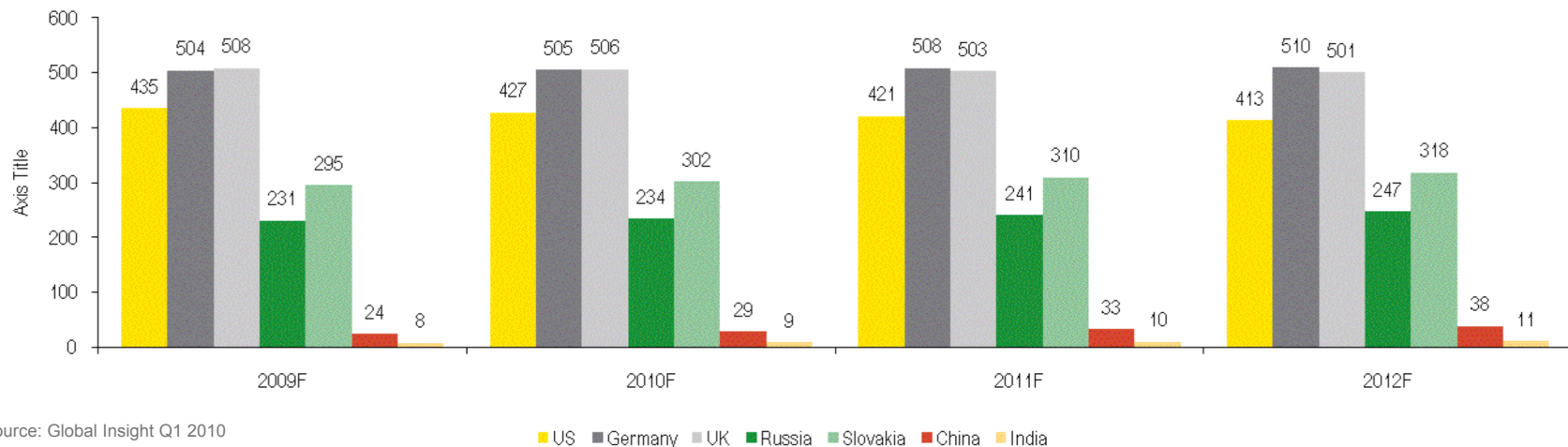


In general, the established markets will slower recover

# After the crisis

## The need for cars might show the way

Average density of cars, per 1,000 population



Source: Global Insight Q1 2010

- Compared to Western European and US standards the density for light vehicles in the growth markets China and especially India is extremely low
- While in the established market the density is expected to decrease, the developing markets have a huge potential



While the established markets have almost reached saturation levels, in the developing countries we see a strong need for simple, payable vehicles

# The future growth markets have different priorities

OEs and supplier need to adapt to the changed environment

