Advancing Growth

2015 North American Light Vehicle Aluminum Content Study

Executive Summary
June 2014

drivealuminum.org
Executive Summary

2015 Key Findings

In 2015:

- Pickup trucks will contain the most aluminum at 548.9 lbs. per vehicle, followed closely by E Segment sedans at 546.9 lbs., SUVs at 410.3 lbs. and minivans at 396.5 lbs. All other segments will be below the average content of 394 pounds per vehicle.
- Tesla, Mercedes, BMW and Ford will all exceed the average aluminum content and the average aluminum share of curb weight.
- The F-150 will contain 1,080 pounds of aluminum. Aluminum sheet and extruded products for the body and closures are over one half of this content.
- The total aluminum content for the 17.46 million vehicles of expected production will equal nearly 7 billion pounds. Body and closure parts will be 11% of the total.
- Total North American light vehicle aluminum consumption will increase by 28% in 2015 over 2012.
- Consumption will surpass all records set in previous decades by one billion pounds.
- Aluminum hood penetration will increase from 34% in 2012 to 48% in 2015.
- More than 500,000 pickup trucks and EV’s (a combined total) will have complete aluminum bodies, and have a content of over 500 million pounds of aluminum.
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**Key Future Projections**

**Within the Decade:**
- Seven out of 10 new pickup trucks produced in North American will be aluminum-bodied.
- Every leading automaker will have an aluminum body program in place.
- Ford, General Motors and Fiat Chrysler will be the biggest users of aluminum sheet.
- Aluminum hood penetration will reach 85% and doors will reach 46%; complete bodies will reach 18%, from less than one percent today. This will drive total aluminum content to 547 pounds per vehicle.
- The total North American aluminum content will be 10 billion pounds.
- Aluminum will comprise more than 75% of pickup truck body and closure parts, 24% of E Segment body and closure parts, 22% of SUV body and closure parts and 18% of minivan body and closure parts.
- Aluminum sheet for light vehicle body and closure parts will grow from less than 200 million pounds in 2012 to nearly 4 billion pounds.
- On a volume basis, 26.6% of all the body and closure parts will be made of aluminum.
- The gross weight savings from aluminum body and closure use will be 175 pounds per vehicle.
- Globally, light vehicle aluminum content will approach 35 billion pounds, making light vehicles the most important global market for aluminum.
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- Aluminum content will break with the long term 40 year trend line in 2015 as aluminum penetration for body parts, doors and closures (other than hoods) finally reaches the critical mass for an explosive period of growth from 2015 to 2025.
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- Large content increases for body parts, closures and larger transmission cases will more than offset small content losses for smaller engines and stiff competition from new steels for suspension control arms over the period 2012 to 2015.
- The net increase is expected to be a plus 44.3 pounds per vehicle from 2012 to 2015 compared to an increase of only 10 pounds per vehicle from 2010 to 2012.
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- Total North American light vehicle aluminum consumption will increase by 28% in 2015 over 2012.
  - The increase is an equal combination of more vehicles and more aluminum content per vehicle.
- Consumption in 2015 will surpass any records set in previous decades by one billion pounds.
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- In 2015, the total aluminum content for the 17.46 million vehicles of expected production will equal nearly 7 billion pounds.
  - Body and closure parts will be 11% of the total.
  - 33% of the content will be for engine parts.

**Millions of Net Al Pounds by Component/System**

- **Body & Closures**: 777
- **Bumpers**: 80
- **Suspension**: 143
- **Steering**: 243
- **Brakes**: 173
- **Wheels**: 1083
- **Heat Transfer**: 658
- **Transmission & Driveline**: 1325
- **Other Engine**: 629
- **Heads**: 812
- **Blocks**: 803
- **All other**: 161

**Component/System Share of Al Consumption**

- **Body & Closures**: 11%
- **Transmission & Driveline**: 16%
- **Heads**: 12%
- **Blocks**: 10%
- **Wheels**: 19%
- **Suspension**: 2%
- **Brakes**: 4%
- **Steering**: 4%
- **Suspension**: 1%
- **All other**: 2%

Total: 6.9 Billion Pounds
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- Aluminum’s share of the 3,798-pound curb weight in 2015 is expected to be 10.4%.
  - This is compared to the 9% share of the 3,828-pound curb weight in 2012.
- Tesla, Mercedes, BMW and Ford will exceed the average aluminum content and the average aluminum share of curb weight for 2015.

![Aluminum Share of Curb Weight](chart)

![Average Aluminum Content in Pounds](chart)
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- As aluminum content spreads across vehicle segments, the E Segment, SUV Segment and PUP Segment emerge as content leaders.

### 2015 Vehicle Segment Average Aluminum Pounds and Share of 2015 Production

<table>
<thead>
<tr>
<th>Segment</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/B</td>
<td>Fiat 500</td>
<td>Ford Fiesta</td>
<td>251.6 lb.’s</td>
<td>3% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Ford Focus</td>
<td>Honda Civic</td>
<td>273.9 lb.’s</td>
<td>17% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Chevy Malibu</td>
<td>Dodge Charger</td>
<td>363.3 lb.’s</td>
<td>21% of Production</td>
</tr>
<tr>
<td></td>
<td>MUSTANG</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Cadillac XTS</td>
<td>STING RAY</td>
<td>546.9 lb.’s</td>
<td>2% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MPV</td>
<td>Honda Odyssey</td>
<td>Chrysler Town &amp; Country</td>
<td>396.5 lb.’s</td>
<td>4% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUV</td>
<td>Chevy Suburban</td>
<td>Jeep Grand Cherokee</td>
<td>410.3 lb.’s</td>
<td>33% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VAN</td>
<td>Dodge Sprinter</td>
<td>Ford Transit</td>
<td>273.2 lb.’s</td>
<td>2% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUP</td>
<td>Ford F150</td>
<td>Ram 1500</td>
<td>548.9 lb.’s</td>
<td>17% of Production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Executive Summary

- The 2015 Ford F-150 is a test case for a high-volume aluminum vehicle, achieving ~ 700 lbs. of weight savings over the current model.

- The aluminum-bodied F-150 goes into production later this year.
- This is the first high-volume aluminum-bodied vehicle to go into production in the world.
- When the program reaches full production in 2016, Ford will be making 850,000 trucks per year and require 350,000 tons of aluminum sheet per annum.
The 2015 Ford F-150 will have over 1,000 pounds of net aluminum content, or approximately 25% of its curb weight.

<table>
<thead>
<tr>
<th>Component</th>
<th>Lbs. / Vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blocks</td>
<td>71</td>
</tr>
<tr>
<td>Heads</td>
<td>66</td>
</tr>
<tr>
<td>Other Engine</td>
<td>37</td>
</tr>
<tr>
<td>Transmission Cases</td>
<td>68</td>
</tr>
<tr>
<td>Other Transmission</td>
<td>12</td>
</tr>
<tr>
<td>Differential Carriers</td>
<td>17</td>
</tr>
<tr>
<td>Drive shafts &amp; Yokes</td>
<td>7</td>
</tr>
<tr>
<td>Heat Exchangers</td>
<td>32</td>
</tr>
<tr>
<td>Heat Shields and Sinks</td>
<td>10</td>
</tr>
<tr>
<td>Wheels</td>
<td>72</td>
</tr>
<tr>
<td>Brakes</td>
<td>6</td>
</tr>
<tr>
<td>Steering</td>
<td>5</td>
</tr>
<tr>
<td>Closures</td>
<td>223</td>
</tr>
<tr>
<td>Body Sheet HT</td>
<td>281</td>
</tr>
<tr>
<td>Body Sheet NHT</td>
<td>96</td>
</tr>
<tr>
<td>Body Shapes</td>
<td>31</td>
</tr>
<tr>
<td>Body Tube</td>
<td>37</td>
</tr>
<tr>
<td>All other</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1080</strong></td>
</tr>
</tbody>
</table>

2015 F-150 Crew Cab
Net Aluminum Content

- Blocks: 3%
- Heads: 7%
- Other Engine: 6%
- Transmission Cases: 3%
- Other Transmission: 6%
- Differential Carriers: 2%
- Drive shafts & Yokes: 1%
- Heat Exchangers: 1%
- Heat Shields and Sinks: 3%
- Wheels: 26%
- Brakes: 7%
- Steering: 21%
- Closures: 0%
- Body Sheet HT: 1%
- Body Sheet NHT: 1%
- Body Shapes: 1%
- Body Tube: 1%
- All other: 1%

1,080 Pounds
25% of Curb Weight
Executive Summary

- Aluminum sheet for light vehicle body and closure parts will grow from less than 200 million pounds in 2012 to nearly 4 billion pounds by 2025.
- This growth of aluminum rolled products for automotive applications will require a tremendous increase in heat treating capacity.
- Ford, General Motors and Fiat Chrysler will be the biggest users of aluminum sheet.
- Every leading automaker will have several aluminum body and closure panel programs by 2025.
- 26.6% of all the body and closure parts on a volume basis will be made of aluminum in 2025.
- 70% of the aluminum sheet will need to be 6xxx heat treatable sheet.
The number of vehicles with aluminum closures and complete body structures will increase by significant proportions over the next ten years.

The chart does not include the numerous vehicles that will also have partial body structures, vacuum die cast shock towers and other VD cast body parts.
The material mix for body and closure parts will change dramatically over the next ten years.

On a weight basis, aluminum will grow to 19% of the weight for body and closure parts by 2025.
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- A mild, HSLA and bake hard steel body structure with closures weighs on average 1,060 pounds.
- This excludes bumpers and the 500-pound ladder frame for pickup trucks.
- By 2025, the weight for the average body with closures will be 888 pounds.
  - This is based on a constant vehicle footprint of 49 square feet.
- New materials, including aluminum, will continue to save weight without sacrificing safety, size or efficiency.
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- By 2025, 26.6% of all the body and closure parts for light vehicles in North America will be made of aluminum (measured by volume rather than weight).
- A burst of aluminum activity is expected in the few years leading up to the 2025 EPA mandate of 161 grams of CO2 per mile taking full effect.
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- Pickup trucks will demonstrate the highest penetration of aluminum parts for bodies and closures at more than 75% by 2025.
- If the fuel economy achieved with powertrain changes does not achieve projected levels, additional fuel economy improvements can be achieved through additional aluminum based weight savings on C, D and SUV segment vehicles. Other segments such as minivans and E segment cars are also candidates for additional weight savings, but their volumes are too small to have a significant impact on CO2 emissions.

Aluminum Volume Share of Body and Closure Components by Vehicle Type
Executive Summary

- In the car segments, E Segment vehicles will show the highest aluminum penetration for body and closure parts at nearly 24% by 2025.
- Weight savings estimates remain conservative for C segment and D segment cars given they are the prime candidates for hybrid and electric powertrains. Alternative powertrain assumptions will be severely challenged by the high cost of hybrid, plug-in and all-electric technologies. A low-cost, low weight battery solution is not yet on the horizon.

**Aluminum Volume Share of Body and Closure Components by C, D & E Segment Cars**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>E Segment</td>
<td>4.7%</td>
<td>7.8%</td>
<td>23.9%</td>
</tr>
<tr>
<td>D Segment</td>
<td>2.5%</td>
<td>5.2%</td>
<td>13.8%</td>
</tr>
<tr>
<td>C Segment</td>
<td>0.7%</td>
<td>3.9%</td>
<td>8.7%</td>
</tr>
</tbody>
</table>
Executive Summary

- Extensive use of aluminum, dual phase, complex phase and press hardened steels will be required to remove 150-200 pounds out of the average auto body with closures by 2025. To remove more than 200 pounds it will require aluminum to be used for over 30% of the parts.

**Light Vehicle Body and Closure Part Volume Share by Material**

*2012*
- Mild and HSLA: 81%
- AHSS/UHSS: 18%
- Aluminum Sheet: 1%
- Aluminum Extrusions: 1%
- Aluminum VD Castings: 1%

*2015*
- Mild and HSLA: 71%
- AHSS/UHSS: 23%
- Aluminum Sheet: 6%
- Aluminum Extrusions: 1%
- Aluminum VD Castings: 1%

*2020*
- Mild and HSLA: 52%
- AHSS/UHSS: 31%
- Aluminum Sheet: 15%
- Aluminum Extrusions: 1%
- Aluminum VD Castings: 1%

*2025*
- Mild and HSLA: 41%
- AHSS/UHSS: 23%
- Aluminum Sheet: 33%
- Aluminum Extrusions: 1%
- Aluminum VD Castings: 1%
As aluminum grows to 26% of the part volume for light vehicle bodies and closures, the total amount of material needed in 2025 will decline by over 3 billion pounds per year over the need in 2012.
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- Fifty years of uninterrupted aluminum growth for North American manufactured light vehicles is guaranteed. There is nothing on the horizon that would indicate that this burst in aluminum growth can be significantly slowed over the next ten years.
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- Aluminum heat treated and non-heat treated sheet, extruded shapes and tube as well as vacuum assisted high pressure die castings are the products that will benefit the most from the need to use more aluminum to save weight and improve fuel economy by 90% by 2025.

- All other product forms including conventional HPDC, permanent mold castings, brazing sheet, fin stock, rod and bar and forgings will only increase by 27 pounds in total over the period 2012 to 2025.

Net Pounds per Vehicle for Select Product Forms

This chart excludes rod and bar, fin stock, brazing sheet, forgings and all castings except VDC.
Light vehicles will be the most important global market for aluminum in the coming decade.

Global Light Vehicle Aluminum Use
History and Forecast
(includes scrap)

- Primary
- Secondary

- 54 Million Vehicles
- 4.9
- 57%
- 43%

- 18 Million Ton Base
- 20 Million Ton Upside
- 120 Million Vehicles

- 2019: 4.9 Million Tons
- 2025: 14.8 Million Tons

- 30 - 35 million tons if the world follows NA

Will be closer to 50/50, if sheet prompt scrap is closed loop recycled.
This concludes our report. Thank you.

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