



Asia Pacific Automotive Forecasting

Q1 2009

Understand the Territory

An invitation to

J.D. Power Forecasting Asia Pacific

- — **Our Outlook**
- — **Our Services**

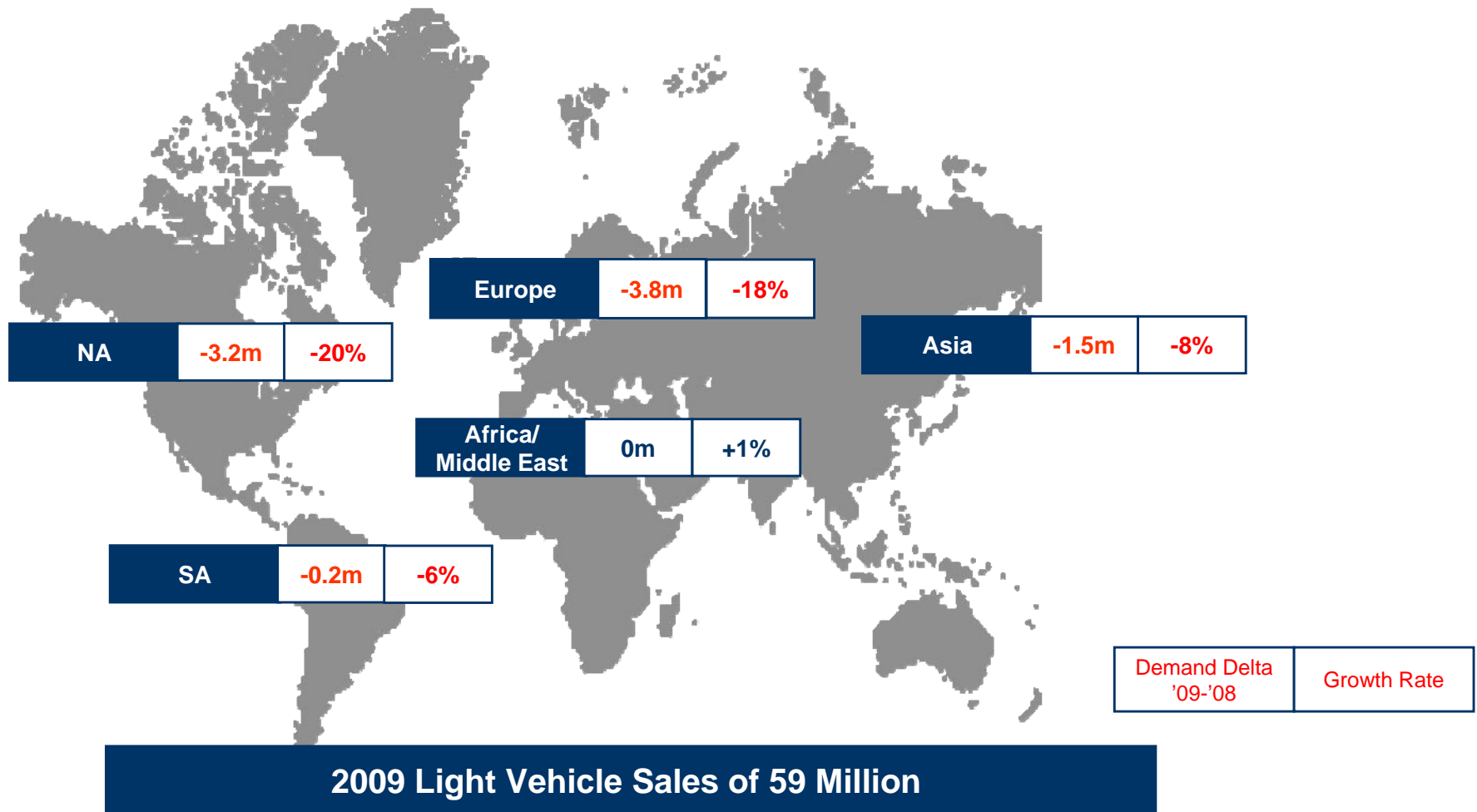


Understand the Territory

Global Light Vehicle Demand Trend - 2009

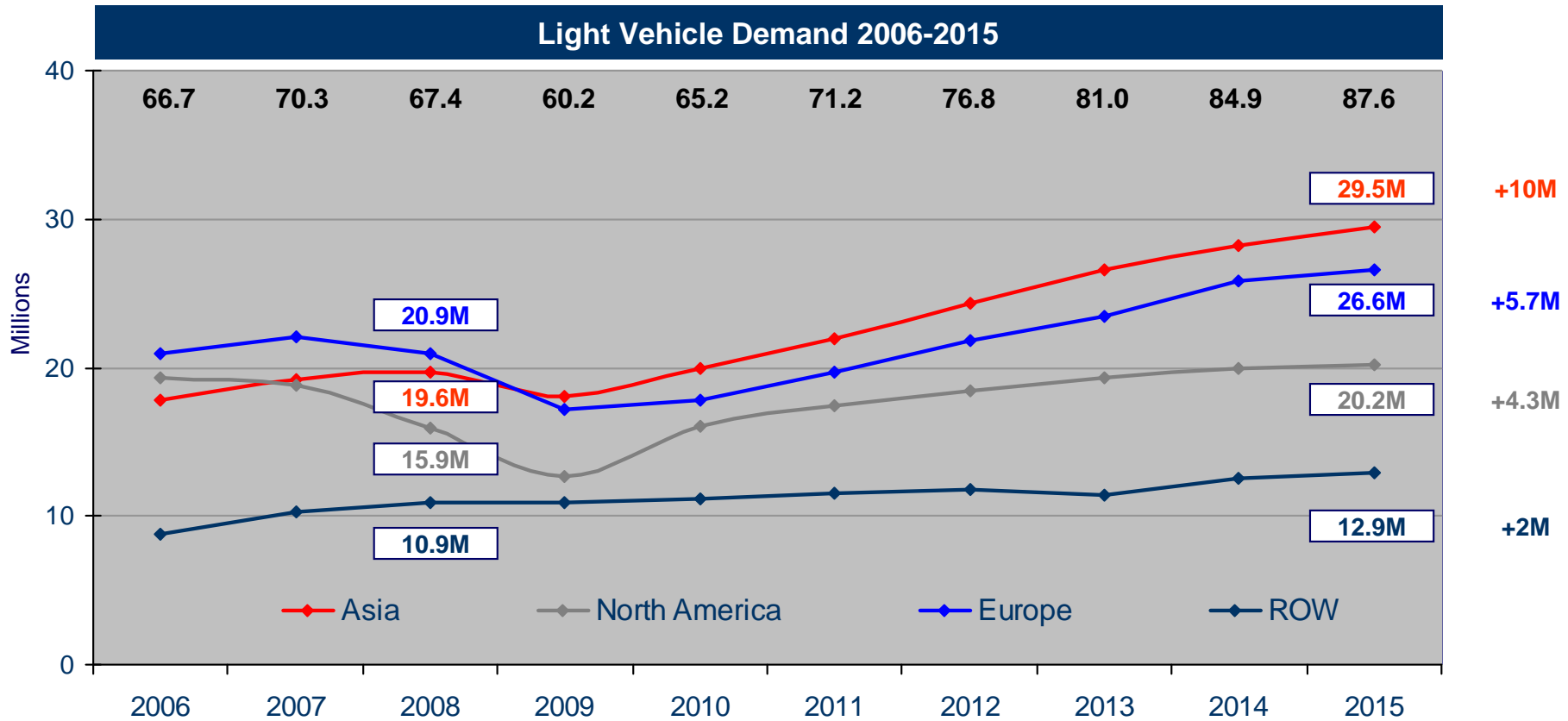
On a global basis, automakers will find conditions in 2009 even more difficult than in 2008. Global GDP growth of 0.5% will be the lowest since WWII and far below the 3% considered recessionary.

- We expect global light vehicle demand to drop by 8.2 million units in 2009 to 59 million units.
- Europe and North America will account for 6.6 million units of the total decline.























By Q3 2009 we look for the global economy to begin to respond to the massive rescue packages enacted across the globe. We expect global light vehicle demand to return to 2008 levels in 2011.

- The risk is to the downside. The root cause of the recession is a collapsed financial system, not the normal business cycle. A recovery is less predictable.
- We remain optimistic for the long term, particularly in developing Asia. LV demand will grow by 22 million units by 2015.



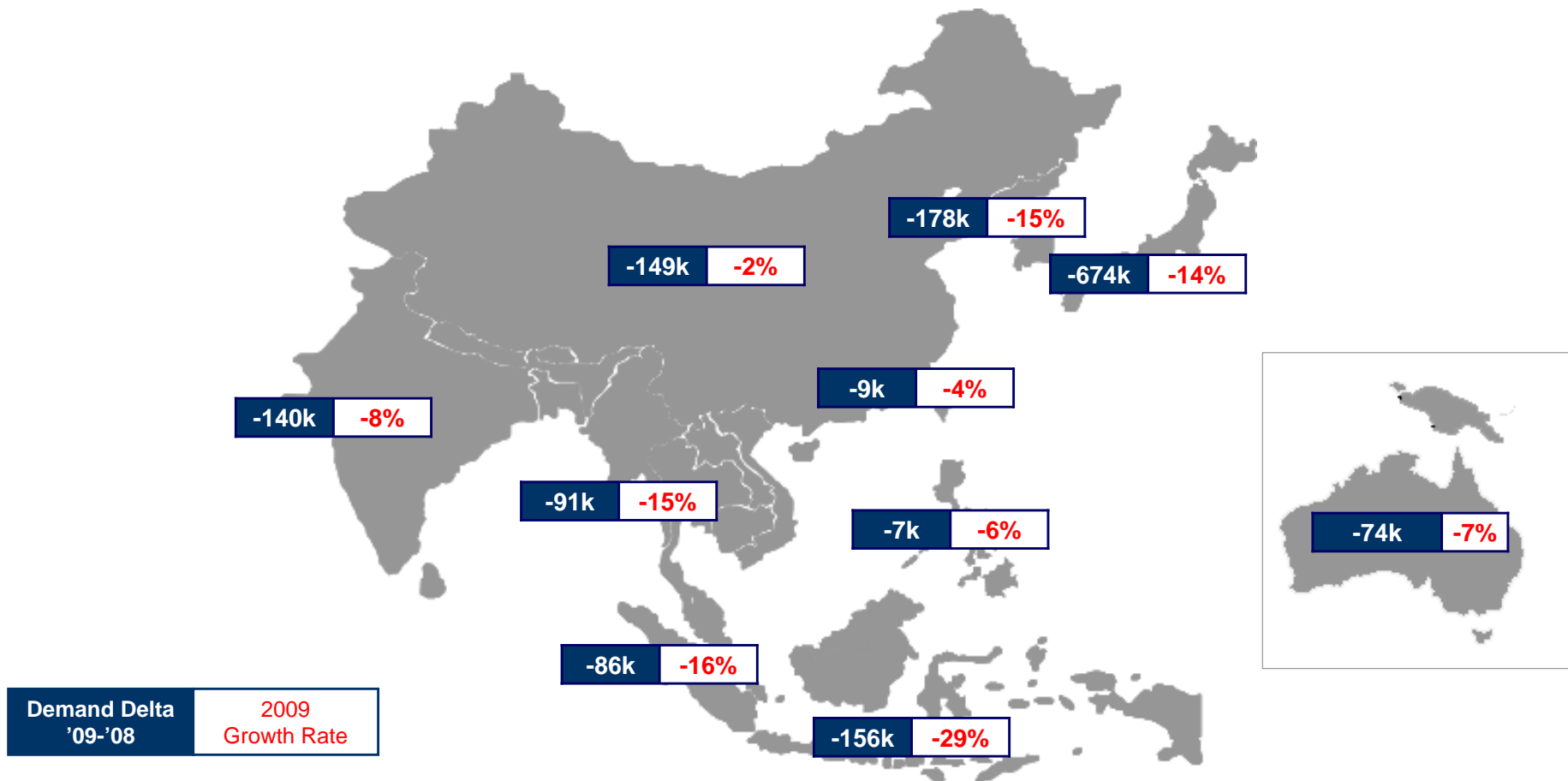
China's GDP grew by 6.8% in Q4 2008, a dramatic slowdown from the 13% GDP growth rate recorded in Q4 2007. If compared to Q3 2008, China's growth for the final quarter of 2008 was actually negative.

- Asia finds itself caught in the global slowdown due to its heavy reliance of Western economies for its exports.
- Japan, Korea, Taiwan and Thailand will likely suffer from declining incomes in 2009.

Country	2008 GDP Growth	Trend	2009 GDP Outlook	Outlook Trend
China	9.0%		7.2%	
Japan	0.0%		-2.2%	
India	7.7%		5.0%	
Korea	3.7%		-0.5%	
Taiwan	1.5%		-1.1%	
Australia	2.3%		0.5%	
Thailand	4.1%		-0.2%	
Malaysia	5.5%		2.0%	
Philippines	4.2%		2.5%	
Indonesia	5.8%		3.2%	

We are not accustomed to China's vehicle market falling year on year, but 2009 will likely be the year that it does. Look for China's major stimulus packages to help a bad situation, and limit the would be decline in automotive demand to 1%-2% over 2008.

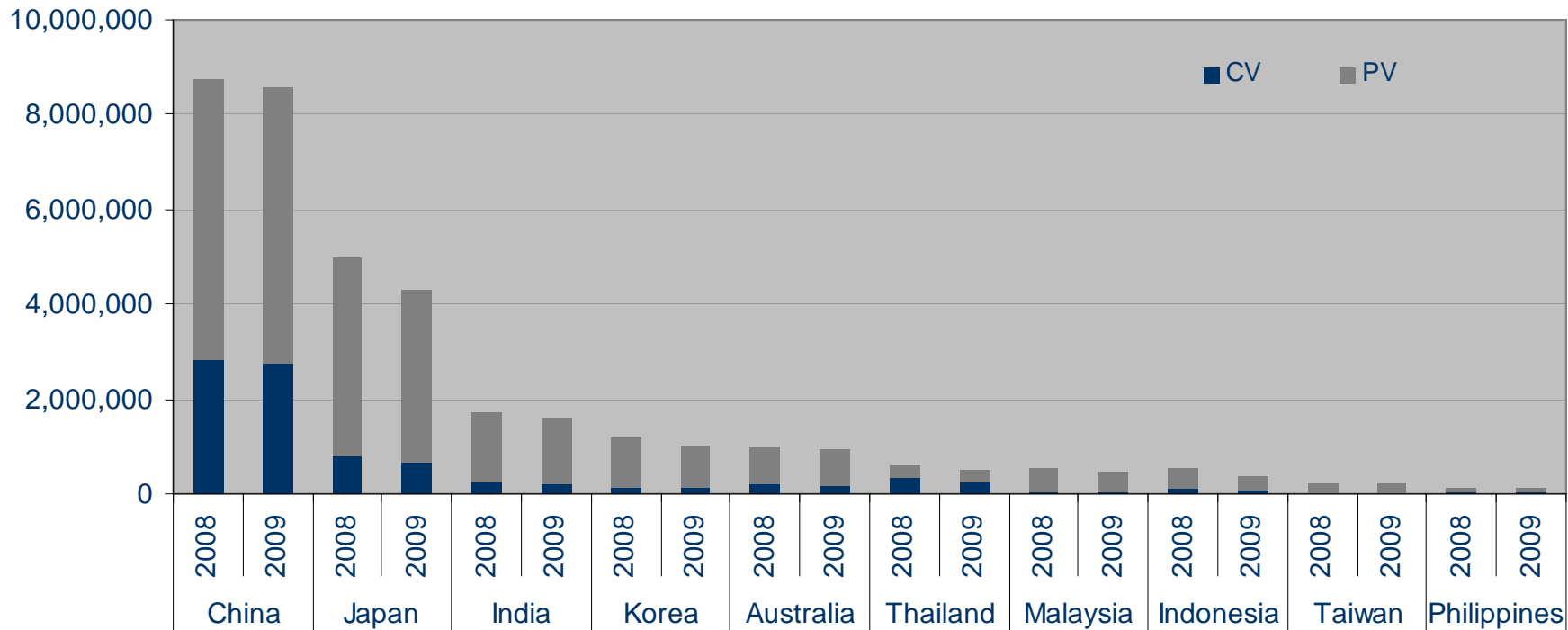
- Across Asia, we expect markets to record declines in 2009 light vehicle sales. India's market is expected to fall 8% over 2008.
- Sales volumes in Indonesia are expected to fall the furthest in 2009, down 29% from their 2008 levels.



Development of Asia's automotive market will be driven by China, where volumes are almost double that of Japan and five times that of the third largest market, India.

- Thailand's light commercial vehicle segment is the third largest in Asia, due to a strong pick up truck segment.
- Total light commercial vehicle sales in Asia are expected to reach 4.4 million units, roughly a third of the passenger vehicle total, 13.7 million.

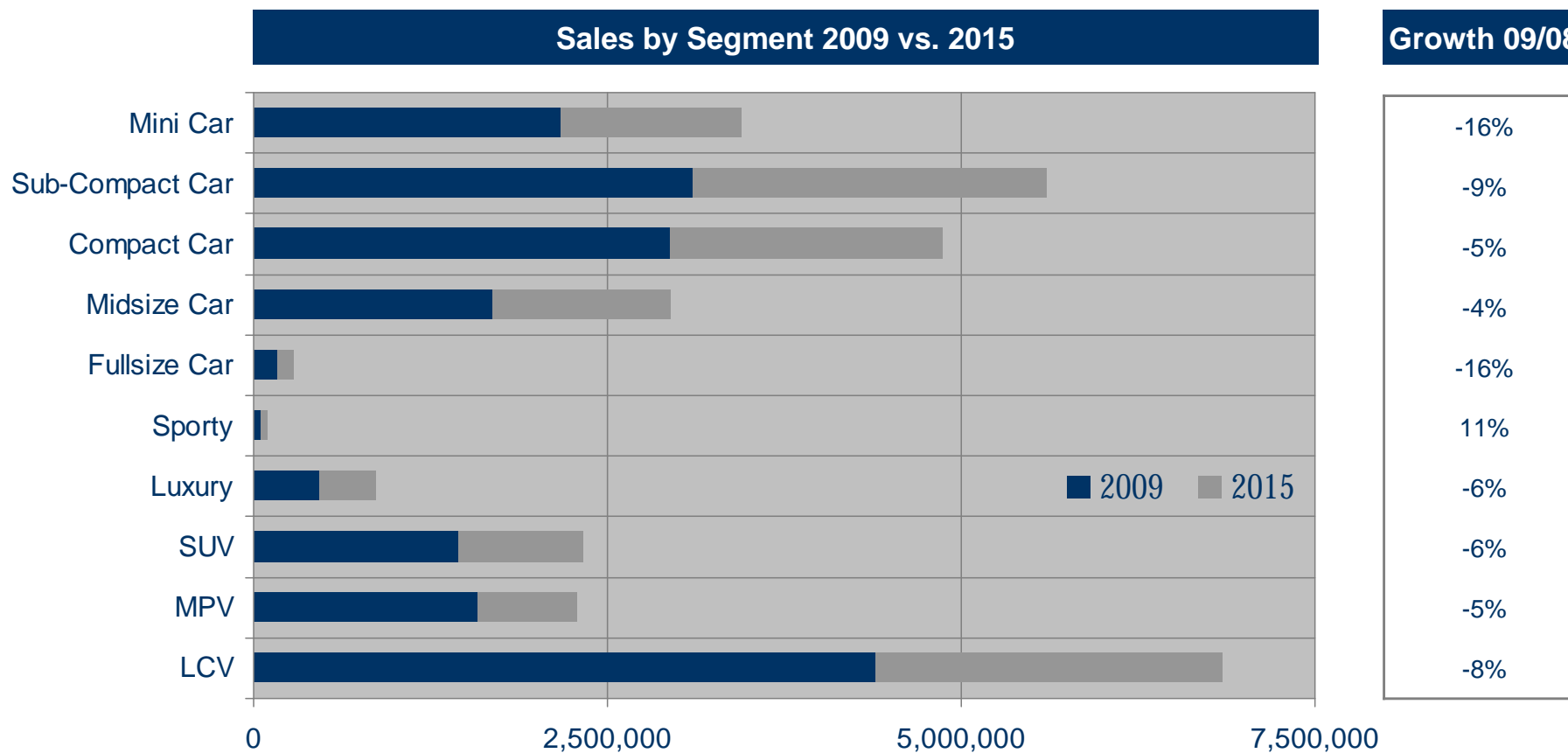
Light Vehicle Demand 2008-2009



In Asia, the sub-compact segment was the second fastest growing segment in 2008, and it is expected to remain one of the fastest growing segments through the forecast horizon. Total demand will exceed 5.5 million units in 2015.

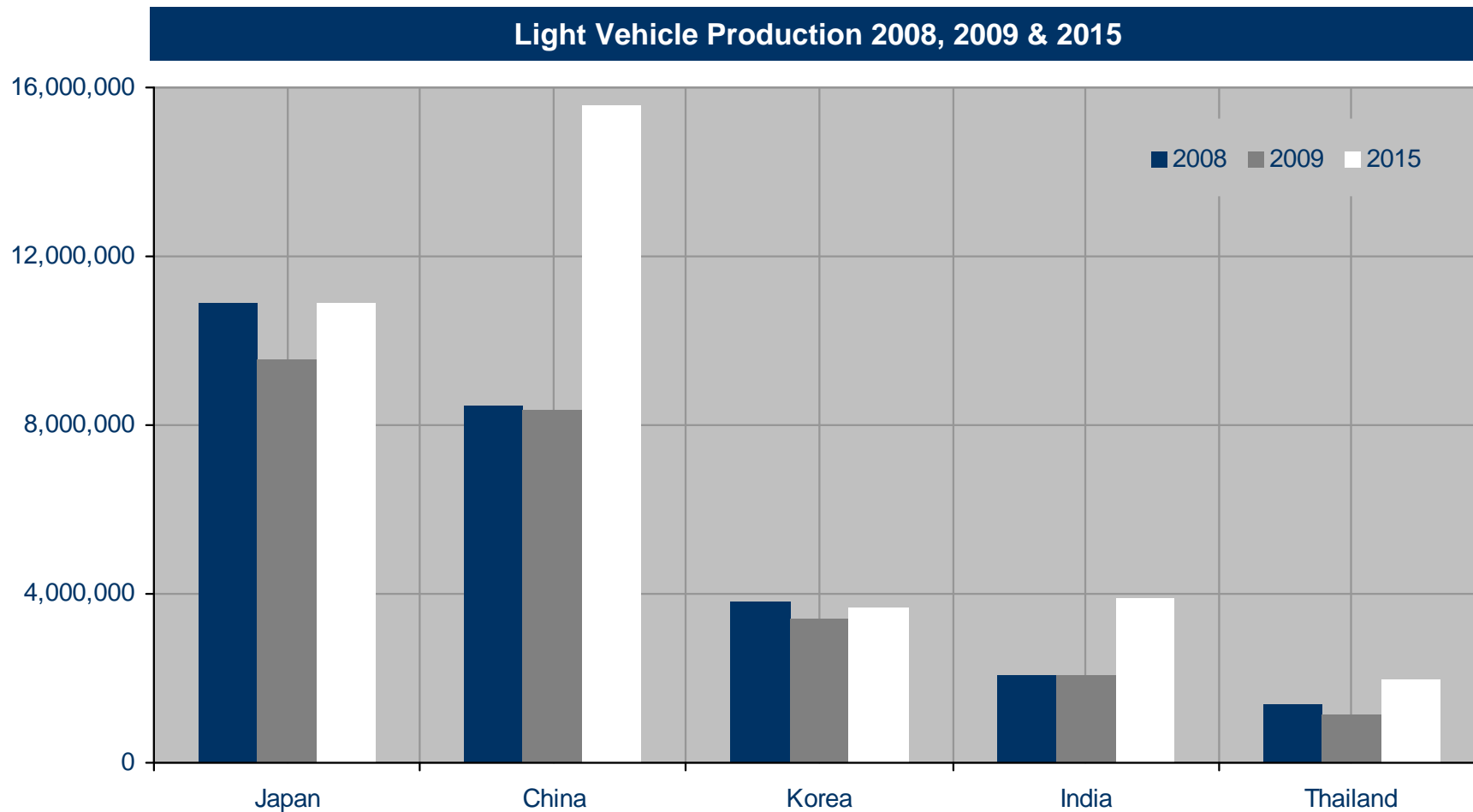
- Demand for light commercial vehicles less than 6-tons will approach 7.0 million units in Asia by 2015.
- SUVs will be outselling MPVs by 2015, with volumes reaching 2.3 million units

Sales by Segment 2009 vs. 2015



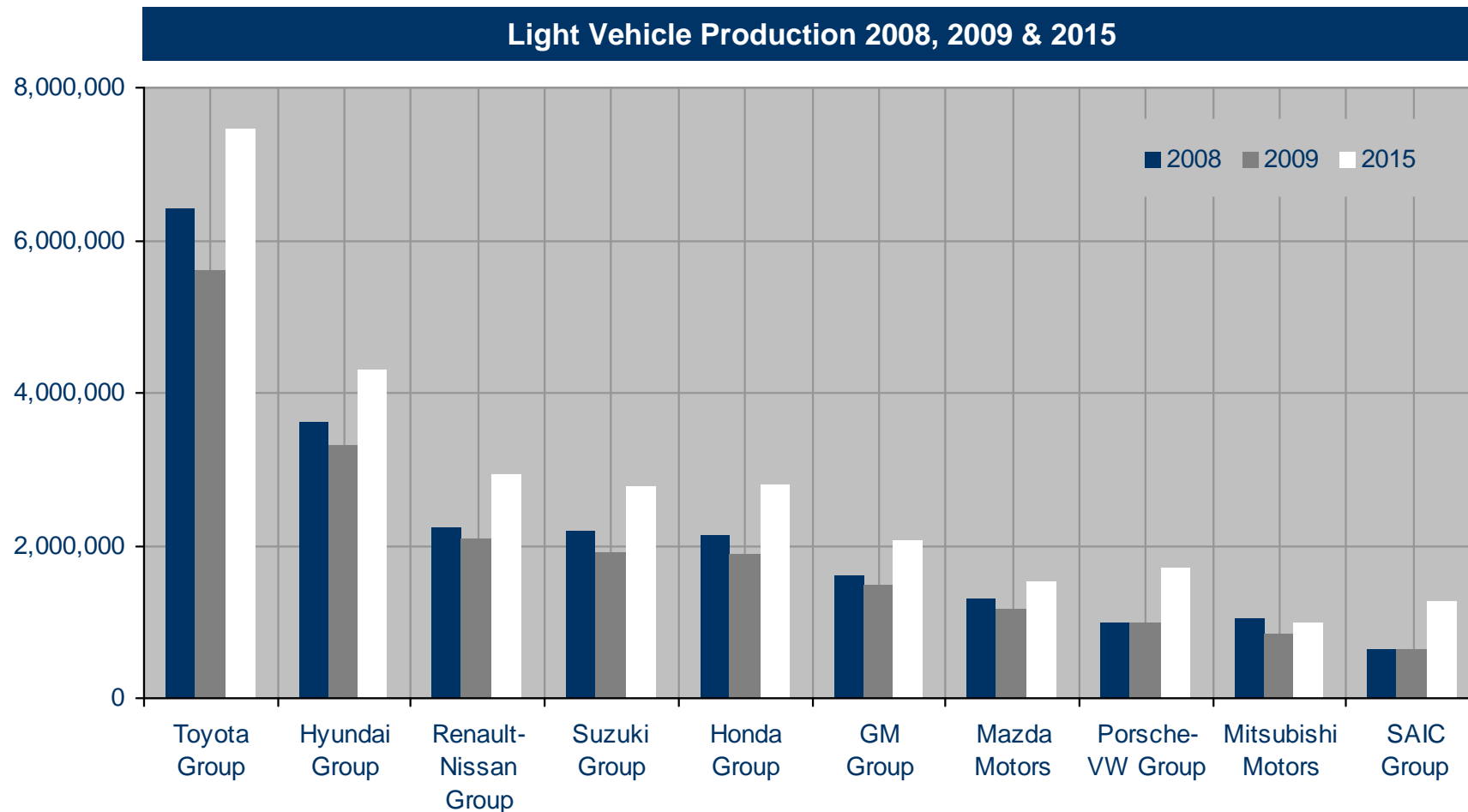
Long term forecasts through 2015 see production of light vehicles decline in Korea and almost double in India from the levels achieved in 2008.

- China will be the largest light vehicle producer in Asia by 2015, with volumes approaching 16 million units, almost 5 million more than Japan.
- By 2015, there will be more light vehicle production in India than in Korea.



Toyota is expected to remain the largest light vehicle producer in the Asia Pacific region through the forecast horizon, with volumes approaching 7.5 million units in 2015.

- Honda is expected to climb to fourth place in the region by 2015, surpassing Suzuki.
- Porsche-VW, holding a dominant position in China, will climb to seventh position by 2015.



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Understand the Territory

J.D. Power and Associates is part of the \$6.0 billion McGraw Hill Company

With fourteen offices located in automotive centers across the globe, J.D. Power and Associates is well placed to support the global initiatives of our clients.

- Revenue: \$230 million
- Employees: 900



Other McGraw Hill Companies



Beyond the voice of the customer, J.D. Power and Associates draws on industry expertise and resources to deliver the outlook for automotive markets and industries across the globe.

J.D. Power Forecasting Asia Pacific

Client Service

- While quality is expected, service serves as the cornerstone of our automotive forecasting service
- 24 hour response to request for data clarifications and forecast related questions.

Customization

- Build from our base forecast according to client needs

Methodology

- Affordability model, penetration, industry momentum, factor analysis, constraints
- Global balance between Sales & Production

Input sources

- Inputs include access to S&P sources and JD Power Syndicated reports
- Dealer surveys gauge point of sale activity
- Network of contacts at manufacturer and component industry support industry analysis

Coverage

- Global: four regions (North & South America, Europe, Asia-Pacific)
- Asia: China, Japan, Korea, Australia, Taiwan, Malaysia, India, Thailand, Philippines, Indonesia

Experience

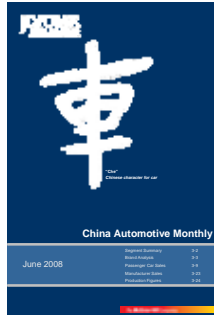
- JDPA Forecasting since 1988
- Automotive Resources Asia, a unit of J.D. Power and Associates, established in Bangkok in 1993, in Beijing in 1994.

J.D. Power's Asia Pacific forecasting product range has been developed to meet the varying range of needs demanded of it. Reports are available from an individual country to full global coverage.

- **Automotive Monthly Reports**
- **Automotive Quarterly Reports**
- **Asia Pacific Forecast**
- **Global Forecast**



REPORTS



China



India



Asean

INTRODUCTION

China

China is today the second largest light vehicle market in the world. It is forecast to become the largest market by 2016. More brands compete for share in China than any other market in the world.

India

India is pioneering the development of some of the world's lowest cost cars, which started with the Maruti-Suzuki 800 and is now led by the Tata Nano. Many global players are now looking to India to produce low cost vehicles for developing markets.

Asean

Asean is rapidly becoming the primary overseas production base for the Japanese auto makers. Already a global production base for one ton pickups, Asean is now moving to Eco cars, which will head back to Japan and other global markets.

KEY BENEFITS

- Expert analysis of monthly sales and production trends on the world's fastest growing regions.
- Changes in the J.D. Power perspective on factors shaping the markets, including government, consumer and manufacturer.
- Full market top lines ranking manufacturers, brands, models and segments as well as key import and export data.
- Monthly sales volumes trends for both passenger vehicle and light commercial segments over the previous year as well as a seven year outlook.
- Monthly brand assessments on the leading players in the market with their volumes trends and outlook and key plays in the market that month.
- New model intelligence with profiles on the latest models and variants to hit the market as well as the most important price cuts and promotions
- By model sales and production data in programmed Excel database providing easy access to the top models, manufacturers, brands and customized tables.

PRICING & DELIVERABLES

China Automotive Monthly	Annual Rate	US\$ 1,500	Primary subscription
		US\$ 250	Additional recipient
Deliverables		12 x PDF reports	
		12 x XLS data	
India Automotive Monthly	Annual Rate	US\$ 1,500	Primary subscription
		US\$ 250	Additional recipient
Deliverables		12 x PDF reports	
		12 x XLS data	
Asean Automotive Monthly	Annual Rate	US\$ 2,000	Primary subscription
		US\$ 300	Additional recipient
Deliverables		12 x PDF reports	
		48 x XLS data	

REPORTS



China



India

INTRODUCTION

China

China's ascension to the world's automotive stage has been meteoric. Since joining the WTO in 2001 it has become the world's second largest light vehicle market. While the future of its position among the world's leading automotive nations seems assured, with government still dictating its development and with consumers seeing a wider world, understanding how it develops will be key to harnessing its potential.

India

India's population is on track to exceed that of China in the next five years. With booming textile and IT industries, India has one of the world's fastest growing middle classes. Vehicle manufacturers are developing some of the lowest cost cars in the world to help get the population mobile. Success in India could revolutionize personal transportation solutions for developing nations the world over.

KEY BENEFITS

- Executive summary of changes made during the last quarter to our thinking on China and its influence on the forecast.
- Review of government policy, economy, business environment with scenario analysis including JDPA likely scenario through a seven year forecast horizon.
- Aggregate Forecast to 2015
 - Sales by segment, brand, groups, fuel type
 - Production by maker, segment,
 - Exports and Imports
- Manufacturer profile and forecast
 - Production by plant, platform, model
 - Capacity and utilization
 - JDPA Quality Measurement Rankings

PRICING & DELIVERABLES

China Automotive Quarterly	Annual Rate	US\$ 7,500 *US\$ 8,500 with Powertrain Forecast
	Deliverables	4 x PDF reports 4 x XLS quarterly forecast updates 12 x XLS monthly actuals updates *4 x XLS Powertrain forecast updates
India Automotive Quarterly	Annual Rate	US\$ 7,500 *US\$ 8,500 with Powertrain Forecast
	Deliverables	4 x PDF reports 4 x XLS quarterly forecast updates 12 x XLS monthly actuals updates *4 x XLS Powertrain forecast updates

REPORTS



Sales



Production

INTRODUCTION

Asia Pacific Sales

Light vehicle sales in the Asia Pacific region are forecast to grow faster than any other region globally through the next decade. By 2015, demand in the Asia Pacific region will have risen by over 10 million units. By 2016, China is forecast to become the world's largest light vehicle market, surpassing the United States. Along with China, India and Asean will rise in prominence to compete with Korea and Japan.

Asia Pacific Production

Asia is already home to two of the world's leading vehicle production bases, Japan and Korea. China and India are nurturing domestic auto makers who are looking to enter the world's markets. Asean is rapidly becoming Japan's low cost overseas production base. With manufacturing technologies in developing nations now up to global standards, Asia is set to become the hub of global vehicle production.

KEY BENEFITS

- Asia Pacific includes China, India, Thailand, Malaysia, Indonesia, Philippines, Taiwan, Korea, Australia and Japan.
- Country assessments on policy, industry and investment updates looking at key economic drivers.
- Unique to Sales
 - Sales forecast through a seven year horizon.
 - Segment analysis on historic performance and forecast
 - Top manufacturers analysis with best-selling models
- Unique to Production
 - Auto maker assessments covering financials and industry performance
 - Auto maker plant profiles with product development and outlook.
 - Platform assessment with model notes on current and future models.

PRICING & DELIVERABLES

	Annual Rate	US\$ 14,000
Asia Pacific Sales Forecast	Deliverables	4 x Hardcopy reports 4 x XLS quarterly forecast updates Access to Intranet for PDF reports and AutoQuery service
	Annual Rate	US\$ 15,000
Asia Pacific Production Forecast	Deliverables	4 x Hardcopy reports 4 x XLS quarterly forecast updates 12 x XLS monthly actuals updates Access to Intranet for PDF reports and AutoQuery service

REPORTS



Sales



Production

INTRODUCTION

Global Sales

Globalization has seen the world's developing nations get wealthier and made vehicle ownership possible for more people. But at the same time, the world's developed markets are becoming increasingly concerned with environmental issues and are looking for greener alternatives. The distribution of global vehicle ownership is in flux with developed markets either stagnant or in decline and the developing markets recording unprecedented growth.

Global Production

Rising costs globally are restructuring the automotive industry. Auto makers are looking for new low cost bases and to minimize losses incurred from currency fluctuations and shipping. Auto makers embracing the latest technologies for smaller more fuel efficient vehicles are making more rapid gains as consumers too look to save costs as well as the environment. The face of the auto industry is set to change dramatically over the next decade.

KEY BENEFITS

- Global service includes regional reports for North America, South America, Europe and Asia Pacific.
- Country assessments on policy, industry and investment updates looking at key economic drivers.
- Unique to Sales
 - o Sales forecast through a seven year horizon for 60 countries
 - o Segment analysis on historic performance and forecast
 - o Top manufacturers analysis with best-selling models
- Unique to Production
 - o Auto maker assessments through 54 countries.
 - o Plant profiles with product development and outlook.
 - o Platform assessment with model notes on current and future models.

PRICING & DELIVERABLES

	Annual Rate	US\$ 69,700
Global Sales Forecast	Deliverables	24 x Hardcopy reports 24 x XLS quarterly forecast updates Access to Intranet for PDF reports and AutoQuery service
	Annual Rate	US\$ 45,900
Global Production Forecast	Deliverables	24 x Hardcopy reports 4 x XLS quarterly forecast updates 72 x XLS monthly actuals updates Access to Intranet for PDF reports and AutoQuery service

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