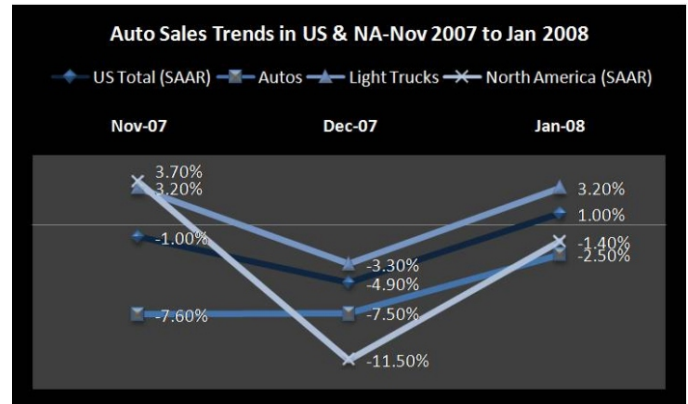
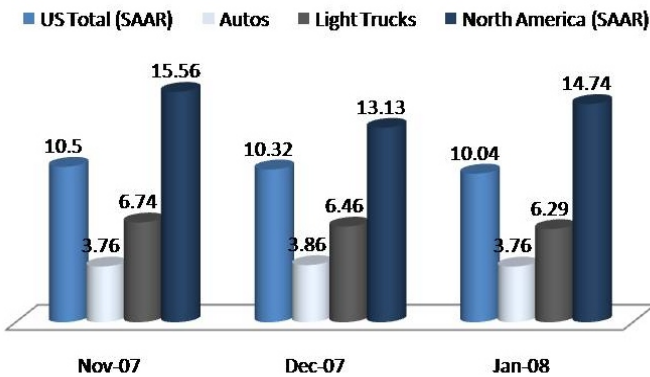


North America

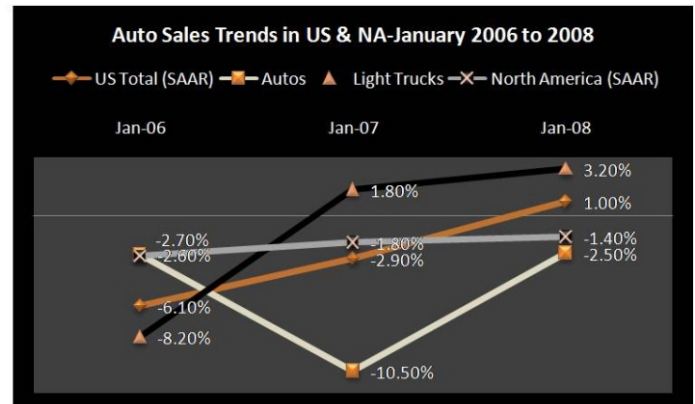
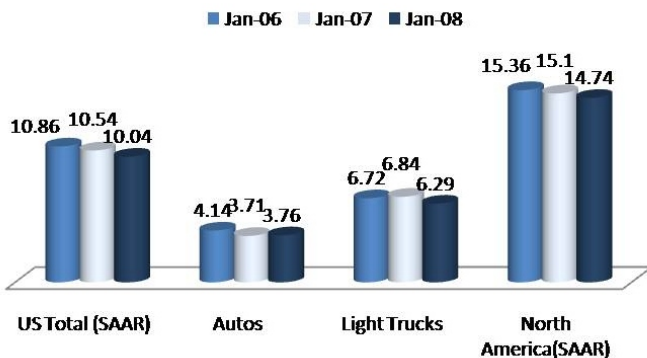
Monthly Dashboard

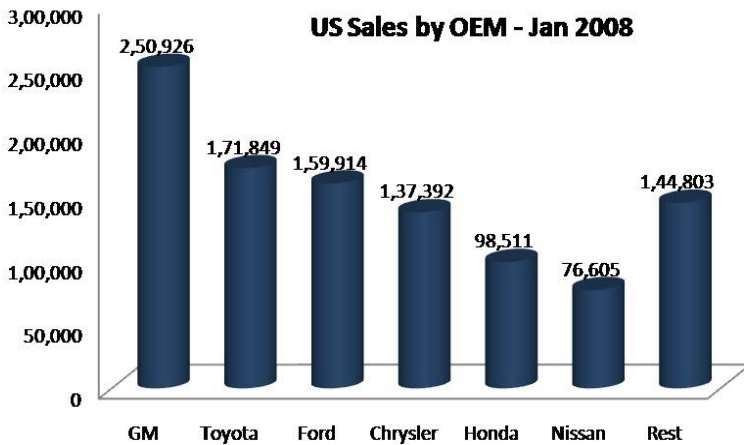
- The North American light vehicle production decreased by 1.40% in January 2008 to 14.74 million units against last year's level for the same month.
- US light vehicle production increased by 1% to reach 10.04 million units.
- US light vehicle sales fell by 4.4% to 1.04 million units in January as against last year
- The vehicle production is likely to come down further in coming months on account of major restructuring by the Detroit 3OEMs and the uncertainty in the economic environment
- Growing imports further impacting local production

Automobile Sales-US & NA Jan 2008(in Million Units)

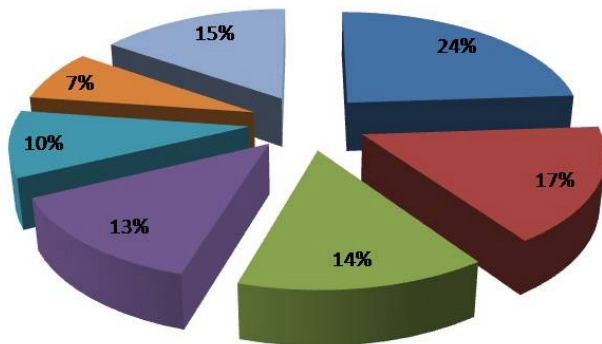


Auto Sales January-US & NA (in Million Units)





US Market Share by OEM



OEM Update

GM : Sales ↑ 2.6% yoy
 Cars sales ↑ by 0.2%, Trucks ↑ by 4.3%
 Key Vehicle Brand Sales: Chevrolet Malibu ↑ 57.9% | GMC Sierra ↑ 0.4%
 Chevrolet Impala ↓ 30.6% | Chevrolet Tahoe ↓ 12.1%

Toyota: Sales ↓ 2.3% yoy
 Cars/Trucks: Cars sales ↓ by 5.7%, Trucks ↑ 1.7%
 Key Vehicle Brand Sales: Tundra ↑ 91% | Prius ↑ 37.1% | Camry ↑ 0.4% | Corolla ↓ 18.7%

Ford: Sales ↓ 4.1% yoy
 Cars/Trucks: Cars sales ↓ 10.3%, Trucks ↓ 1%
 Key Vehicle Brand Sales: Focus ↑ 44.4% | Expedition ↓ 19.2% | Explorer ↓ 18.7% | Fusion ↓ 12.8% | F Series ↓ 8.4%

Chrysler: Sales ↓ 12% yoy
 Cars/Trucks: Cars sales ↑ 25%, Trucks ↓ 24%
 Key Vehicle Brand Sales: Dodge Caliber ↑ 26% | Jeep Wrangler ↓ 31% | Dodge Ram Pick-Up ↓ 18%

Honda: Sales ↓ 2.3% yoy
 Cars/Trucks: Cars Sales ↑ 3.6%, Trucks ↓ 8.9%
 Key Vehicle Sales: Accord ↓ 6.8% | Civic ↑ 14.2% | CR-V ↑ 11.3%

Nissan: Sales ↓ 7.3%
 Cars/Trucks: Cars Sales ↓ 6.9%, Trucks ↓ 7.9%
 Key Vehicle Sales: Versa ↑ 24.7% | Titan ↓ 29.4% | Altima ↓ 11.3% | Sentra ↓ 9%

Market Watch

- Toyota overtakes Ford as No. 2 Automaker in the US. Likely to pose threat to GM Leadership by mid 2008.
- Denso plans to expand capacity by 25% at an investment of US\$ 53.9 million.
- Lamborghini to create dedicated sales arm in the US; one of its largest & key markets accounting for about 40% of its total revenues.
- Ford to showcase its latest subcompact- Verve at Detroit Auto Show.
- GM counting on Cadillac Provoq to win Crossover buyers; keeps ambitious sales target of 60,000 to 70,000 units.
- Ford expects its hybrids program to be profitable by the year end.
- Nissan & Chrysler join hands and as per the deal Nissan to supply about 20,000 small cars based on Nissan Versa sedan manufactured at its Aguascalientes, Mexico plant to Chrysler.
- Bosch calls for joint effort by component makers to standardize parts & reduce costs as the component manufacturers face huge investment demands to meet fuel economy & emission norms.
- Toyota regional manager sales, North America; Mark Del Rosso moves to Audi as the COO North America.
- Volkswagen looking to set up second production plant in North America. The company plans to set up a 1,000 acre plus plant which will be operational by 2011.
- Hyundai to launch its first rear-drive, luxury V8 vehicle in the US named Genesis.
- GM plans to increase output of its Buick Enclave crossover based on strong demand.
- Volvo considering setting up of production plant in the US.

■ CEO Speak

"I have asked my engineers to come up with a plug-in hybrid not at the end of 2010 but earlier than that."- Toyota Motor CEO Katsuaki Watanabe at the Detroit Auto Show

"If demand goes down substantially more than what we are predicting, then we'll continue to restructure our business to that new demand"-Ford Motor Company CEO Alan Mulally at the Automotive News World Congress.

"Bosch makes 65 variants of its solenoid common-rail injector and 44 different heads for the ABS speed sensor. The functionality of all of these injectors or sensors is basically identical. The overall number of variants could be greatly cut yielding economies of scale" Bernd Bohr, Head Automotive Division, Robert Bosch GmbH.

Key Trends

- The big three (GM, Chrysler & Ford) undergoing major restructuring as they lose market share apart from emerging shifts in vehicle segmentation.
- Margins of OEMs as well as T1 & T2 suppliers under constant pressure due to rising input prices and labour costs along-with the reduced pricing power.
- Asian Players gaining stronghold: Asian players primarily Toyota, Honda and Hyundai increasing their market share and setting up production facilities in the North American Region.
- Private equity's influence rising in the automotive space as PE firms acquired a number of supply side firms leading to consolidation in the automotive suppliers space.
- Auto dealers across US are already preparing for one of the worst years for the industry based on market & industry forecasts for 2008. Goldman Sachs put the industry production forecast for 2008 at 15 million units, the lowest since 1995 when the industry produced 14.8 Million units. Detroit 3 have already reduced first quarter production targets.