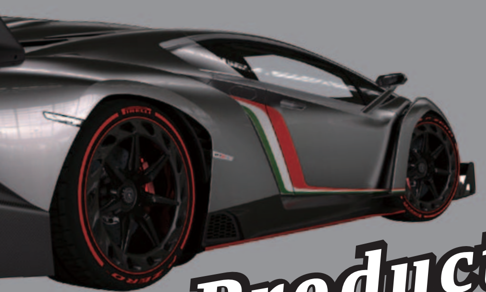


# H1 2013 Automobile Production & Sales Statistics in Emerging Nations

Compiled by Fastener World, Inc.

## ☆Mexico: Capacity up 5% but Minor Drop in June by 0.8%

Mexican Auto Industry Association (MAIA) announced that domestic car sales in June remained at stable growth, but that capacity and export volume both exhibited minor drop.

Mexico's H1 2013 total car sales reached 501,987 units, up 8.6% from last year's 462,239 units. Capacity reached 1,488,162 units, up 5.1% from 1,416,583 units of 2012. In June, the number of cars exported from Mexico to Canada sharply increased 60% to 23,665 units, whereas export to Latin America dropped 15.5% to 26,342 units. Export to the U.S. was 151,803 units, a minor increase of 1%. Mexico's H1 2013 total export volume was 1,160,881 units, dropped 1.2% from previous 1,174,507 units.

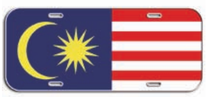
## Argentina: H1 Capacity up 19%, and Sales up 16%

According to the statistics by ADEFA (Asociación de Fábricas de Automotores), car production and sales of Argentina in June remained strong growth; however, the growth speed was slower than that of May.

Argentina's car capacity reached 63,461 units in June, up 19.8% from the previous period. Capacity of H1 reached 394,550 units, up 18.9% from last year's 331,798 units.

Car export volume in June was 42,621 units, up 42.6%. Total car export in H1 was 223,511 units, up 28.8% from previous 173,472 units.

Since February, domestic car sales in Argentina have been escalating. Sales in June boosted 22% to 88,541 units, and H1 car sales totaled 462,671 units, up 16.3% from last year.



## ☆ Malaysia: Sales Increased 4.06%

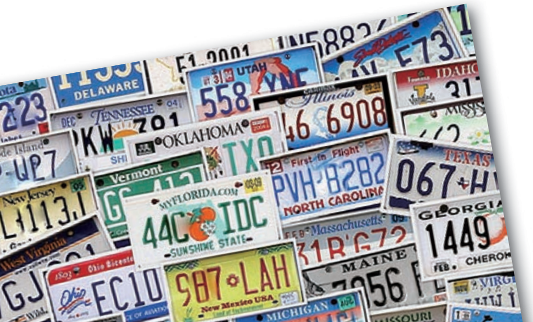
Sales totaled 313,488 units, up 4.06% from last year's 301,269 units.

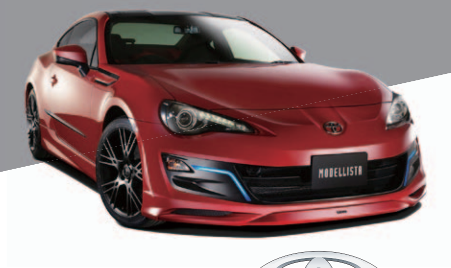
## China: Capacity and Sales both Exceeded 10 Million Units, up 10%

China Association of Automobile Manufacturers (CAAM) has released the latest production and sales data. Car production and sales in June were stable but showed minor drop compared to May, and growth speed remained faster. Sales and production in H1 both exceeded 10 million units, up 10%, indicating the status of stable growth. Capacity in June was 1.67.million units, up 9.33%; sales were 1.75 million units, up 11.19%. Capacity in H1 was 10.75 million units, up 12.83%; sales were 10.78 million units, up 12.34%.

## ☆ Slovakia: H1 Sales Totaled 34,475 Unit

According to the statistics announced by the Slovakian Automotive Association, Slovakia's H1 car sales totaled 34,475 units. Market share of each car brand: Škoda 19%, Volkswagen 8%, Hyundai7.9%, Kia 7%, and Peugeot 6.9%.





## ☆ Turkey: Light Vehicle Sales Slowed in June, but H1 Sales Increased 12%

According to statistics by Turkish Association of Automotive Distributors (ODD), due to the anti-government riot, Turkish car sales in June started to slow down, which is a slower growth of 4.3% (equivalent to 74,096 units) compared to 15% in May. During the last five years the Turkish car sales have increased rapidly; therefore, light vehicle sales of H1 increased 12.1% to 381,740 units.

In June, passenger car sales reached 58,290, up 15%. H1 sales totaled 292 thousand units, up 19.5%.

In contrast to the performance of the passenger car market, Turkish commercial car sales have been dropping since the start of this year. Commercial car sales in June fell 17.2% to 15,806 units. H1 sales totaled 89,637 units, down 6.8%.

## ☆ Indonesia: Sales up 12.5% in H1 But Only up 2.5% in June

According to the Association of Indonesia Automotive Industries (Gaikindo), Indonesian car sales growth in June further slowed down to 2.5% from 4.2% of May.

Indonesian car sales in June climbed 2.5% to 104,265 units from previous 101,746 units; sales in H1 totaled 601,952, up 12.5%.

## ☆ TOYOTA's Global Sales Volume to Hit 10 Million Mark, Nearly Half of Which Composed from Sales in Emerging Markets

TOYOTA Group stands a good chance to be the first to hit the 10 million sales mark, and administrative sources state that half of the sales will be covered by the emerging markets. In 2012, global sales of TOYOTA Group (including TOYOTA, HINO, and DAIHATSU) reached 9.74 million units, up 22.6% from 7.95 million units of 2011. The group's global sales in 2012 exceeded GM's 9,285,991 units and Volkswagen's 9,275,909 units.

Mr. Yasumori Ihara, vice executive president in charge of the emerging markets, states that the company plans to achieve the annual sales of 10 million units, and half of that figure will come from the emerging markets.

He explained, "Unlike developed nations which mainly rely on car replacements, car markets in emerging nations are more promising because a huge number of customers are first-time buyers." He added that the company will enhance its performance in the emerging markets, such as the expansion into Myanmar, Cambodia and Kenya.

Japan Automobile Manufacturers Association (JAMA) released a data stating that Japan car (passenger and commercial cars) sales in H1 2013 totaled 1.641 million units, down 11.6%. TOYOTA's H1 sales dropped by 12.5%.

## ☆ Forecast: Russia to Overtake Germany as the Largest European Car Market in 2020

A report by Boston Consulting Group states that Russian car market scale will surpass Germany and become the top in Europe ranking. It forecasts the growth rate of Russian car sales to be 6% by 2020, in which sales will grow from 2012's 2.95 million units to 4.40 million units. Russia was the 10th largest car market in 2009, and then it ranked 7th in 2012, following China, US, Japan, Brazil, Germany, and India. It will rank 5th in 2020, following China, US, India, and Brazil.

Russian car sales in H1 2013 totaled 1,252,890 units. Currently, GM, Volkswagen, Ford, Renault, and NISSAN all have good expectation for the future Russian market and have invested in the nation. Despite this year the Russian market went from slower growth to sales drop, the report predicts that the market will have greater potential for its older car age and lower car possession rate in which 290 out of 1,000 Russians own cars compared with 560 out of 1,000 West Europeans. Furthermore, Russians consumption will increase because the mining industry has been boosting the growth of Russian economy in the last 10 years.

The report also indicates that following Brazil and China, Russia will greatly elevate ratio of localized production on foreign auto corporations, turning from an export-oriented market into a domesticity-oriented market.

Boston Consulting Group predicts that shares of the emerging nations in the global auto market will increase substantially from 28% of 2000 to 65% of 2020, up over 100%. ■