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On the fast track: Doing business on a global basis

*PwC in the automotive
marketplace*



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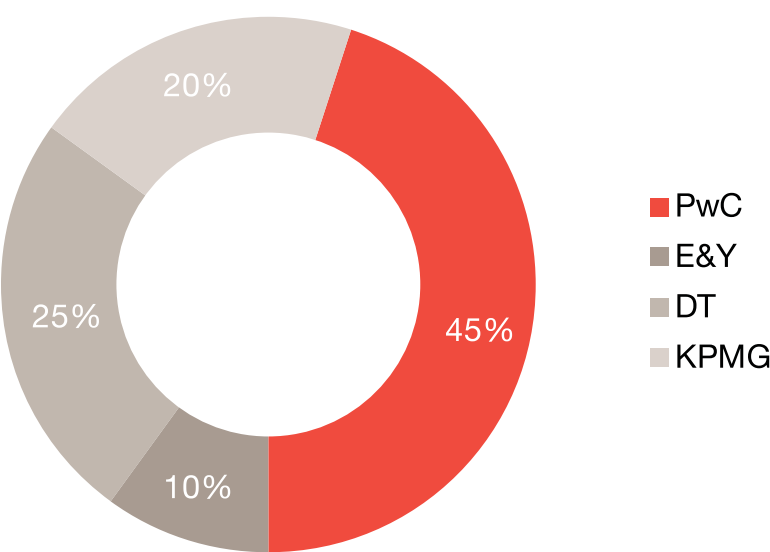
PwC in the automotive marketplace

Today we audit *three of the top five Fortune Global 500 OEMs* as well as provide professional services to 89 out of the top 100 global automotive suppliers listed *by Automotive News*. When it comes to automotive suppliers, we audit 45% of the Fortune Global 500 automotive suppliers. While size and market share do not solely define leadership, this is but a reflection of the success we have garnered while serving our clients, of myriad scale and size, in the automotive industry.

PwC's audit market share: Fortune Global 500 Automotive Companies

Fortune Global 500: Market share by auditor

Market share (%) of the top auditors: December 2012*



Fortune Global 500 PwC automotive audit clients in the supplier space include the following:

- Aisin Seiki
- Goodyear Tire and Rubber
- Johnson Controls, Inc
- Michelin Group
- Robert Bosch

* 500 automotive supplier list as of December 2012



More than

5 billion USD

*Documented cost reduction
and revenue enhancement*

More than

1,800

*Supply chain improvement
engagements over the last
ten years*

More than

1,250

*Companies that PwC has
helped improve product and
service innovation capabilities*

5 of 10

*PwC audits 5 of the top 9
Automotive News Top 100
Global Suppliers*

89 of 100

*PwC provides professional services to
89 of top 100 automotive suppliers in
the Automotive News Top 100 Global
Suppliers*

3 of the top 5

*PwC audits 3 of the top 5 Fortune
Global 500 OEMs*

Commitment to the industry

*We work with organisations,
across the automotive industry,
provide them with a deep
understanding and knowledge of
critical linkages through the entire
supply chain. This in turn helps
companies bring cost efficiencies,
improve their organisational
effectiveness and expand their
businesses globally.*

Delivering services and solutions

As one of the largest professional services firms in the world, PwC offers insights gained from years of expertise of working with a broad range of industry clients, a tightly woven global network, and an extraordinary breadth of services, including the following:

Tax services

Our tax services bring together a distinctive combination of components such as tax planning, compliance and regulatory experience along with an industry knowledge of the automotive industry, in order to help our clients navigate through the changing landscape. Factors such as market pressures, an increasingly complex regulatory environment, competition and globalisation have today complicated an organisation's approach to tax planning, regulatory and compliance. We understand the global automotive environment within which our clients operate, and the manner in which concerns such as transfer pricing strategy and documentation in multiple tax jurisdictions, inter-company pricing components, vehicle sales taxation, tangible property, intellectual property management, mergers, acquisitions and divestitures, impact critical aspects such as tax planning, regulatory and compliance requirements.





Advisory services

Our advisory services are managed by a team of professionals who bring with them a deep understanding of the automotive industry and an unparalleled knowledge of business processes and technology, risk management and compliance, operations, human resources, and financial and accounting expertise. Utilising these capabilities and the experience and resources offered by a global organisation, we assist clients with important business issues involved in enterprise management in avenues such as managing the business performance of the organisation, growth in its revenue and ways to handle unplanned events.

The automotive industry is driven by key trends such M&A, emerging markets, consumer demand, cost pressures and much more. As manufacturers and suppliers from this industry tap into the emerging markets of the world, in order to achieve increased product sales or reduce costs, a paradigm shift in the industry has taken place within the developing economies such as the BRIC nations (Brazil, Russia, India and China), and other Asia-Pacific markets of the world, thereby driving future growth. As the pace of globalisation intensifies in the near term, our automotive advisory practice provides assistance in capturing value from deals, orchestrating outsourcing and shared service arrangements, and making smarter risk decisions. We also help clients manage their work talent within their respective organisations and handle the phenomenon of change on a global scale.

With more than 4,800 automotive professionals worldwide, we are able to leverage in-depth local experience, supported by an extensive global network.

Our solutions

Our services as well as experiences bring in a host of benefits, gained from a global network of professionals possessing industry-specific expertise, and an extraordinary depth and breadth of services. Our services align themselves with the industry’s structure, and provide clients with both strategic as well as operational insights, thereby impacting the overall automotive industry.

Your priorities	How we can help you
Growth strategy and operational effectiveness	<ul style="list-style-type: none">• Inbound and outbound investment strategies (M&A)• Product innovation, strategic business planning and market entry strategies• Operations architecture, design and implementation• Quality and safety in supply chain• Managing the regulatory and legislative landscape (tax compliance)• Manufacturing, supply chain and logistics excellence
Industry globalisation	<ul style="list-style-type: none">• Managing inter-company pricing on a global basis (transfer pricing)• Sustainable growth strategy through M&A and alliances• Managing supply chain risks and optimising logistics (supply chain)• Simplifying the legal entity structure in order to achieve cost savings (legal entity simplification)
Sustainability	<ul style="list-style-type: none">• Integrating sustainability across the organisation in order to achieve operational efficiency and transformational results (performance management)• Engaging with stakeholders in order to identify the emerging risks and opportunities, and to tell your story (reporting, stakeholder engagement)• Managing a portfolio of environmental and social initiatives across the value chain under one cohesive data-driven strategy (impact assessment, sustainability strategy)• Managing a new and evolving supply chain (supply chain management)
Cost of running the business	<ul style="list-style-type: none">• Managing risks throughout the organisation (enterprise risk)• Implementing changes to financial reporting and IFRS• Preparation for regulatory and legislative tax changes (cash and indirect taxes)• Continuing focus on cost management or process efficiency (cost reduction)

Your priorities	How we can help you
Risk and financial advisory services	<ul style="list-style-type: none"> • Business resilience, compliance risk management, internal audit services • Financial risk management, business controls advisory • Information technology risk management • Business intelligence • Efficiency improvement, revenue growth • Corporate finance and investment banking • Valuations and strategies, including business and asset valuations • Pre-investment appraisal and due diligence, including buy side, sell side and market intelligence
Industry consolidation	<ul style="list-style-type: none"> • Preparing for a public offering (IPO readiness) • Attracting and retaining skilled workforce (people and change) • Increasing the shareholder value through strategic acquisitions (M&A) • Integrating the IT platform throughout the organisation (IT integration) • Managing risks within the organisation (Enterprise risk management)
Digital transformation	<ul style="list-style-type: none"> • Managing and customising customer experience through digital channels (CRM) • Integrating infotainment solutions • Leveraging digital solutions in order to bring about cost as well as operational efficiencies • Globalising human capital strategies (people and change) • Placing strategies and infrastructure in place • Integrating the IT platform throughout the organisation (IT integration)

Key automotive clients

The depth and breadth of our practice is reflected by the exhaustive list of global and local clients, many of whom are considered among the world’s leading automotive companies.

Automotive clients

Many of the world’s largest automotive companies are headquartered in some of our key automotive territories. Extensive sector-experienced resources are located in areas such as Detroit, Frankfurt, India and Shanghai and other offices across the globe, in order to serve these companies.

Representative industry clients include the following:

- Aisin Automotive
- Meritor
- Autoliv
- BMW
- Bosch Automotive
- Chrysler India automotive Pvt Ltd
- Chevrolet Sales India Pvt Ltd
- Clarcor
- Case New Holland
- Cooper-Standard Holdings
- Daimler AG
- Delphi Automotive India
- Exide
- Fiat
- Ford
- Flex-n-Gate Corporation
- General Motors India Pvt Ltd
- GKN Driveline
- Goodyear India Limited
- Harley Davidson Inc
- Honda Motor Co Ltd
- Hero Cycles





- Hero MotoCorp
- Hyundai Motor
- IAC Group
- JCB India Ltd
- Kongsberg Automotive Holding ASA
- JK Tyre & Industries
- Lear Corp
- Magna Donnelly Corp
- MAN Trucks India
- Maruti Suzuki
- Mazda Motor Corp
- Motherson Sumi Systems Ltd
- Navistar Intl Corp
- Nexteer*
- Nissin Kogyo Co. Ltd
- NSK
- Oshkosh Truck Corp
- Paccar Inc
- Peugeot
- Polaris Industries Inc
- Renault-Nissan
- Schaeffler KG
- Subaru
- Sumitomo Rubber Industries Ltd
- Tata Motors
- Tata Autocomp systems Ltd
- Thor Industries Inc
- Toyota
- T V Sundaram Iyengar & Sons
- Thyssen Krupp
- TRW
- Valeo
- Visteon
- Volkswagen India
- Volvo India
- Yazaki

Thought leadership

We invest in generating and developing viewpoints on trends and issues affecting the overall global automotive industry. Working collaboratively with our 4,800 sector professionals, is a team of automotive analysts from Autofacts, PwC's automotive forecasting service. Autofacts provides automotive market analysis, strategy development, and competitive intelligence to the world's leading vehicle manufacturers, automotive suppliers, and support organisations. Right from industry analysis to in-depth research and developing executive briefings, we provide an insight on a wide range of emerging issues affecting the automotive market place.

Autofacts®

Autofacts, our automotive forecasting service, is a provider of automotive market analysis, strategy development, and competitive intelligence to the world's leading vehicle manufacturers, automotive suppliers, and support organisations. Companies can avail our service offerings, on-demand, on a one-time purchase basis through an annual subscription in order to access the online portal with Autofacts' proprietary data query tool. For more information regarding Autofacts, please visit our website at www.autofacts.com.

Forecasts

Synchronous Global Update
Integrated Data & Analysis
Online Client Access

Tested and trusted detailed planning data and analysis on the global light vehicle sector:

- Assembly / Capacity
- Powertrain
- Bodystyle (NA / EU)



Analyst briefings

Issues-based POV analysis
Regional market outlooks

Covering key issues facing companies operating in the global automotive sector:

- Deep regional insights
- Market trend analysis
- Powertrain outlook



Custom analysis

Decision support
Business planning
Thought leadership

Working in tandem with PwC's automotive practice, Autofacts can assist with:

- M&A valuation support
- Industry studies
- Portfolio risk analysis



Analyst notes

Regional Industry Snapshots
Free Monthly Distribution
Engaging Viewpoints

Providing easily digestible industry updates on key market developments:

- Unique auto viewpoints
- Key industry data sets
- autofacts.com/signup



Key client benefits

- An independent, unbiased global perspective
- Differentiating & refined industry viewpoints
- Proactive and informed dialogue with executives
- Access to industry specialists with deep expertise

For more information about Autofacts products and services, please contact:

autofacts@us.pwc.com

Some of the recent industry publications brought out by us are listed below.



Looking ahead: Driving co-creation in the auto industry

This report gives an overview on the various co-creation methods used in providing outlets in order to engage customers, dealers, employees and suppliers. The report focuses on the following key points:

- Enterprise co-creation by taking collaboration to the next level
- Specific industry co-creation examples used for new product design concepts
- Using co-creation methods to market products and enhance brand identity
- Ways in which co-creation can work together with suppliers in order to enhance relationships between OEMs and their suppliers
- Building strong relationships with the dealer networks
- Internal collaboration and employee innovations, building relationships with an organisation



Annual Automotive M&A Insights: Driving Value 2012

The report is an annual review of the activities in the mergers and acquisitions (M&A) space and the key trends operating within the global automotive industry. This publication explores the global automotive transactions and key trends within the global automotive sector, including the following:

- An annual review of the various deal activities within the automotive industry for the year 2012, among vehicle manufacturers, suppliers, retailers, vehicle financiers, and other related sectors
- Key trends that impacted the deal market including factors such as the uncertainty of the outcome of the presidential election, the fiscal cliff scenario in the US, the slowdown in economic growth and the transition of power in China, and the European sovereign debt crisis
- An overview of the transaction activity, by sector as well as region-wise
- Outlook of the automotive M&A activity for 2013 and beyond continues to be constrained by the significant challenges in the global macro-economic environment
- The report also observes some of the key growth drivers such as high levels of liquidity, strategic initiatives in order to expand business and technological capabilities, resolution of the European Union sovereign debt crisis, strong economic recovery and resumption of economical growth trends in China as well as India



Autofacts Analyst Notes

Analyst Notes brought out by Autofacts, has been designed to provide an insightful analysis on the global automotive sector in a concise, easily-digestible format.

It is available free of charge with thousands of industry executives already enjoying the benefits this service brings.

An Autofacts mobile app will soon be available for users at <http://www.autofacts.com/anotes.asp>.



North American Automotive Supplier Supply Chain Performance Study

The study identifies and assesses the strengths and challenges operating within the sphere of the automotive supplier market.

The survey focuses on the manner in which automotive suppliers achieve supply chain efficiency and effectiveness through methods such as current planning, sourcing, and delivery capabilities. As the automotive supply chain adapts to market complexities, new challenges need to be addressed in order to achieve operational effectiveness and efficiencies.



Charging forward: Electric vehicle survey

This second annual report was developed in order to provide a check-up on some of the major determining factors. Towards this, 200 participants from 34 countries, representing sector such as automotive, utilities, energy, technology, government, finance, and education provided their feedback. Selected results have resulted included, along with additional thoughts from PwC on the present and future outlook of EVs.



Dealing with disruption: The 16th Annual Global CEO Survey

The report shows that CEOs across the globe are focussing on few, carefully selected initiatives in order to stimulate organic growth. They are also exploring new ways to attract and keep customers, and balancing efficiency with agility. The key findings in this report presents a perspective from the automotive sector, on the results of this year's survey, drawn on interviews with 90 automotive CEOs across 32 countries.



Consolidation in the Global Automotive Supply Industry 2012

The report indicates that for the year 2012, the global automotive supply industry was in a continuous process of rapid consolidation. With most of the global automotive production markets growing, except for western Europe, and many automotive supply assets still undervalued, merger and acquisition (M&A) activity were anticipated to remain on a near record level high in 2012, with globally about 270 automotive supplier deals being inked. The study reveals that for the second year in a row, European automotive suppliers were the key targets of automotive supplier M&A activity. Also, much of the activity was concentrated in the Chassis and Powertrain systems.

About PwC

PwC* helps organisations and individuals create the value they're looking for. We're a network of firms in 158 countries with more than 180,000 people who are committed to delivering quality in assurance, tax and advisory services.

PwC India refers to the network of PwC firms in India, having offices in: Ahmedabad, Bangalore, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai and Pune. For more information about PwC India's service offerings, please visit www.pwc.in.

*PwC refers to PwC India and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

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