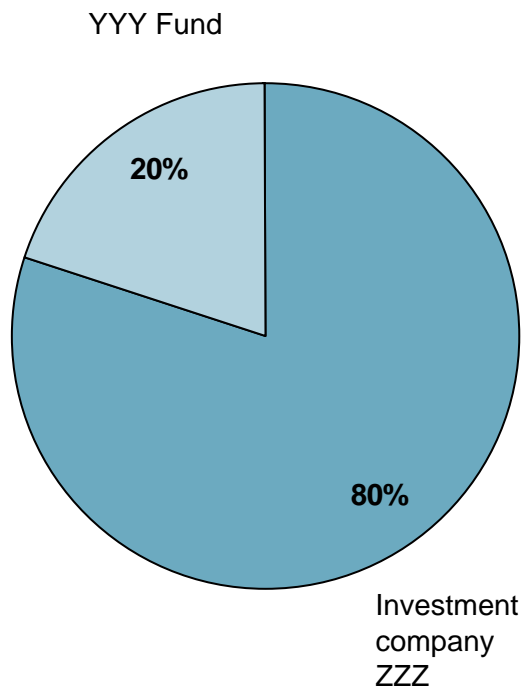

A. Automakers in Europe

Two investment companies own XXX

Shareholder structure

Shareholder structure 2004



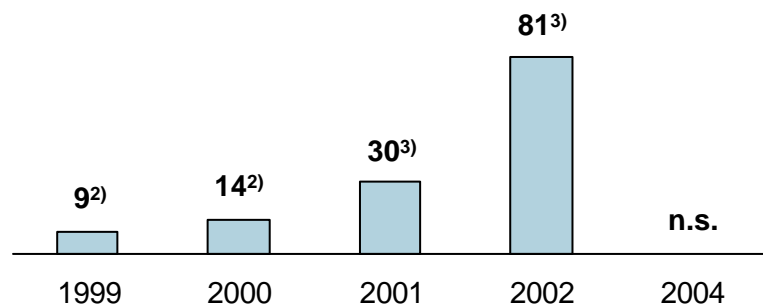
Shareholders' political influence

- The majority shareholder is the investment company ZZZ
- YYY Fund was founded in 1992 in order to be able to participate in the privatization and to keep small to medium shareholdings in finance companies in the EU
- Both companies are linked to AAA

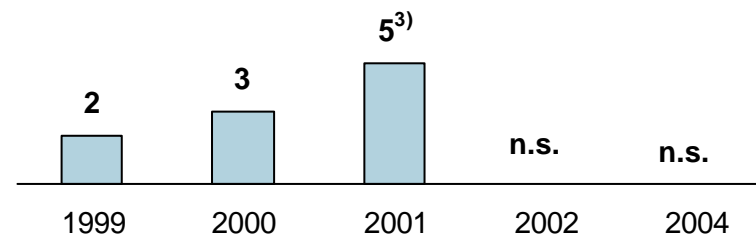
Sales and operating income are on the rise – but net profits are still close to zero

Figures¹⁾

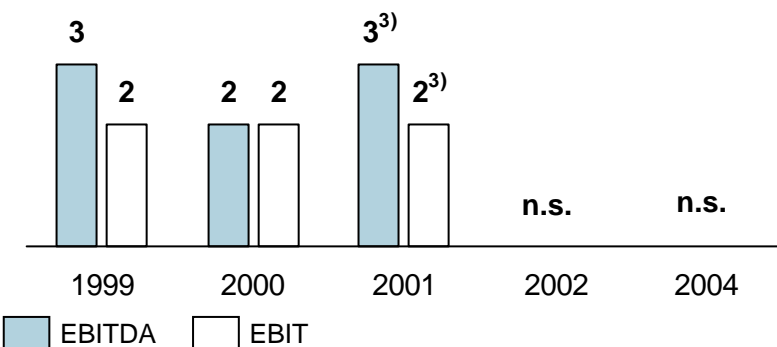
Sales [EUR m]



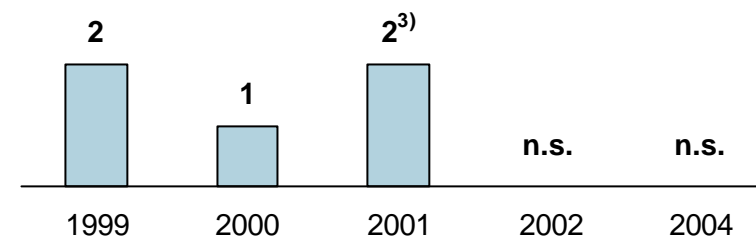
Operating income [EUR m]



EBITDA/EBIT [EUR m]



Net profit [EUR m]



1) In accordance with British accounting standards

2) Figures unsupported

3) Estimate

BBB intends to enlarge its product range and invest heavily

Strategic outlook

State assistance

- The government awarded the region the status of a free economic zone in 1969
- This makes it possible to import parts free of duty

Strategic plan

Investments

- Planned investment for the HHH EUR 300-600 m (XXX figure)
- Further EUR 900 m planned in the next three years

Partnerships

- Agreements with a Lithuanian company for the production of buses signed
- Search for strategic partners for the assembly of new models

Exports

- Agreements signed for the export of the KKK to New Zealand, the Middle East and the EU

Production plans and new models up to 2001

Model	Segment	Production in '000
Total	A, B, C, D, E, SUV, SLW, LKW	50
New models	E	10 ¹⁾
	SUV	10
	SUV	1
		10
		10

1) Total production capacity

DDD is a successful company, but it has no brand and no corporate identity

SWOT analysis

STRENGTHS

- Dynamic management with relationships to the Russian authorities and a good reputation among global players
- Experienced employees
- Located in the free economic zone

OPPORTUNITIES

- Cooperation agreement with other global players – enlargement of the product range
- Increasing localization raises profit margins
- Export potential

WEAKNESSES

- Virtually no support in sales and marketing
- No own brand
- Production capacities (land, buildings and equipment) rented, not owned
- No own dealer network

THREATS

- The supplier could start up its own production if growth continues
- Other assemblers are direct competitors for XXX's American models

FFF has a three-pillar strategy: realistic goals, favorable customs arrangements and a large dealer network

Strategic issues

- FFF is trying to gain a clear **price leadership** with its P-segment models
- FFF's key **advantage** is its arrangement for the duty-free import of parts in return for 20% local content in production by 2002
- FFF has the **realistic goal** of **producing 22,000 vehicle seats** by the end of 2002
- The **sales strategy** encompasses two main elements:
 - FFF has the largest dealer network of all foreign automakers in Spain
 - FFF has the lowest interest rates for credit sales