



OESA

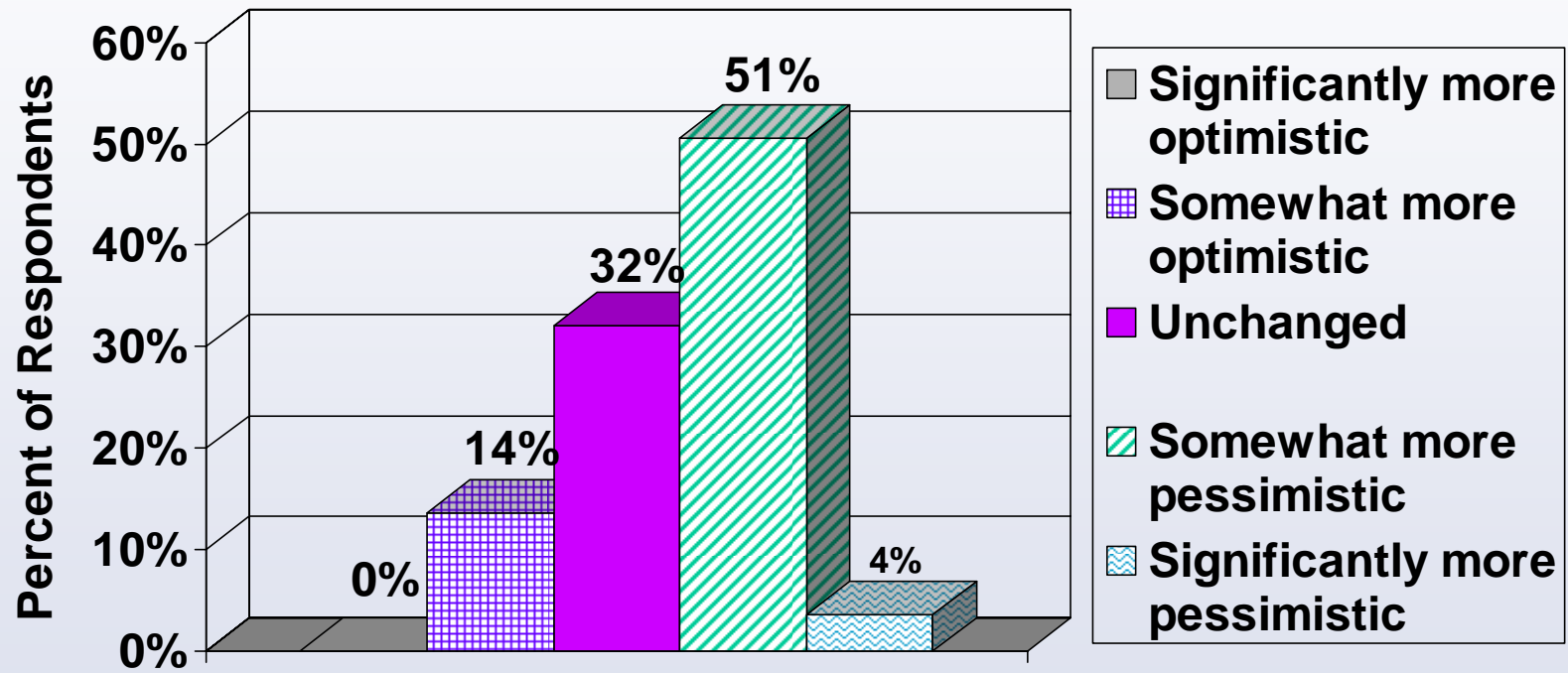
Automotive Supplier Barometer

July 2006

OESA
1301 W. Long Lake Road,
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Troy, MI 48098
248-952-6401
oesa.org



Question 1: Describe the general twelve month outlook for your business. Over the past month, has your opinion become:



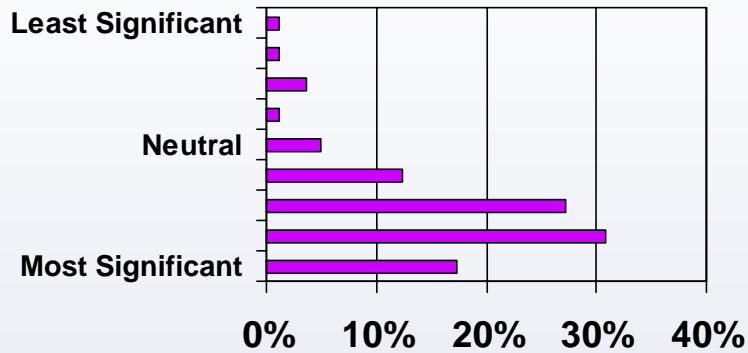
Responses = 81

Source: OESA/Prudential Equity July 2006 Supplier Barometer

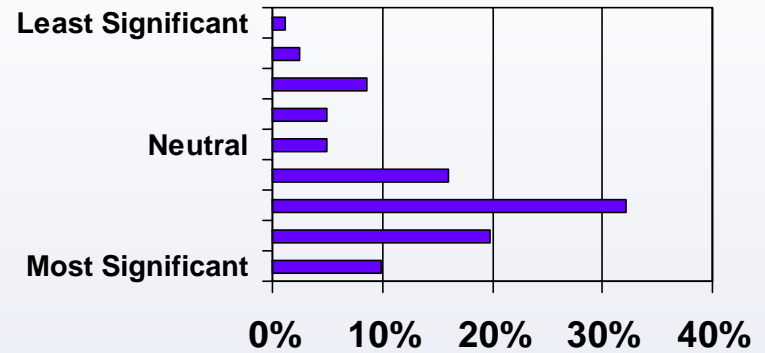


Question 2: Rate your assessment of the underlying uncertainty each of these variables presents to your company in achieving its current business plan.

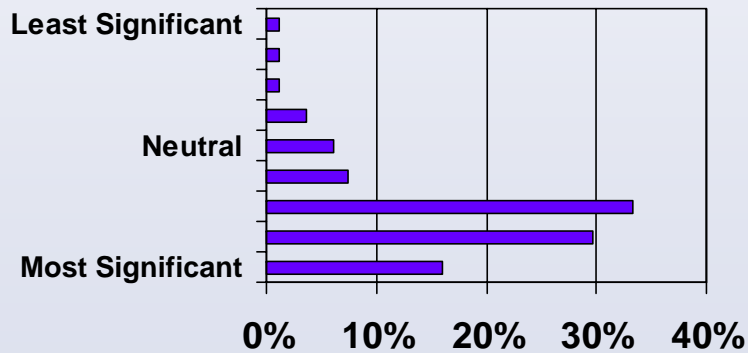
NA Production Schedules



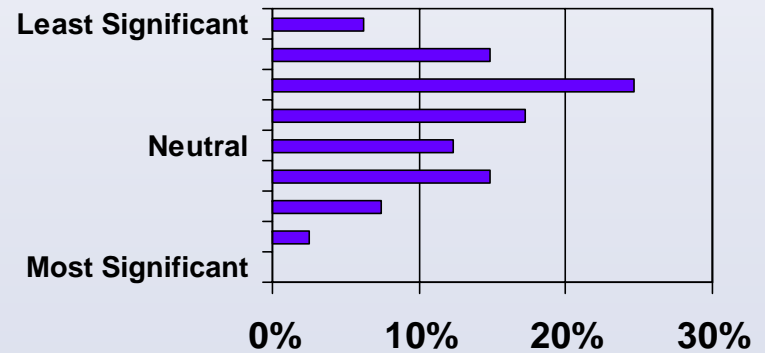
Energy Markets



Material Markets



Labor Markets



Responses = 81

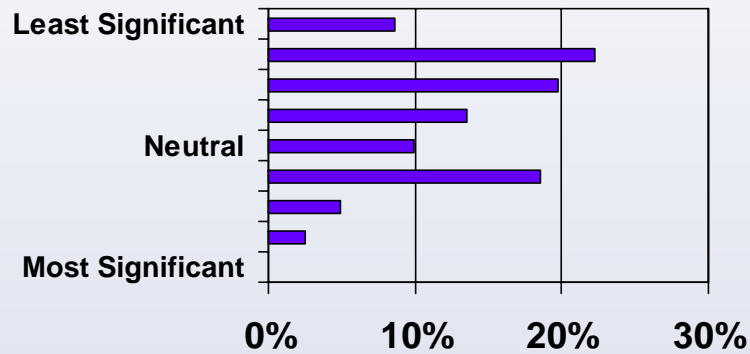
Horizontal axis shows percent of respondents

Source: OESA/Prudential Equity July 2006 Supplier Barometer

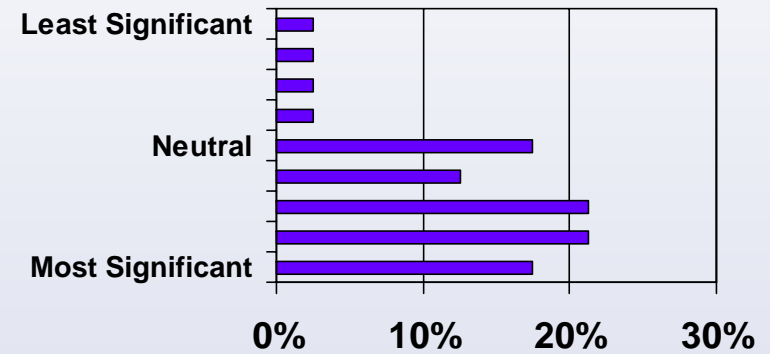


Question 2 (cont.): Rate your assessment of the underlying uncertainty each of these variables presents to your company in achieving its current business plan.

Capital Markets



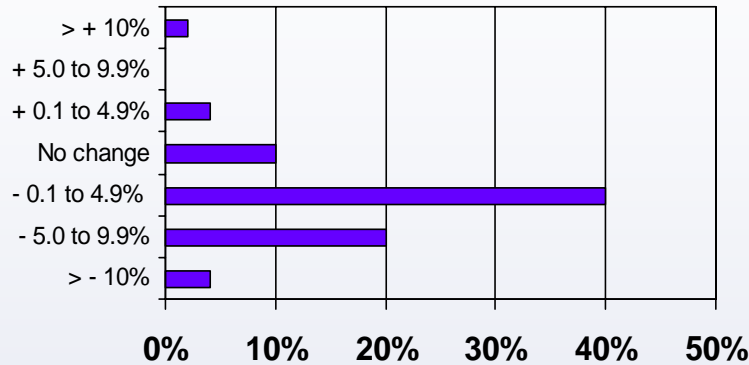
Customer Pricing



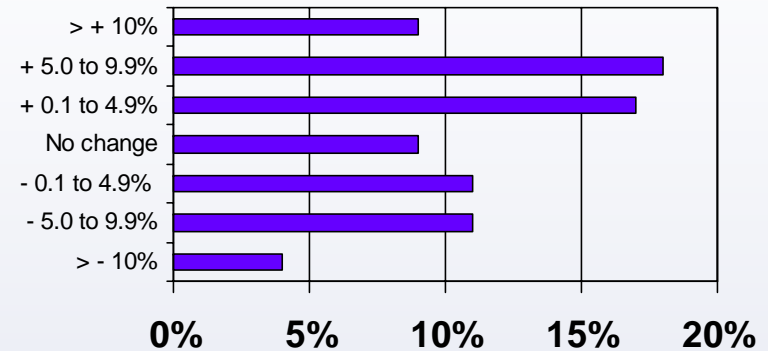


Question 3: Rate the change in these variables that you expect over the next 12 months versus the prior 12 months.

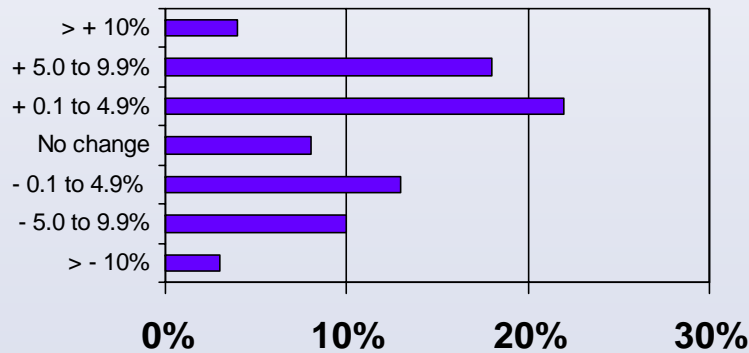
NA Production Schedules



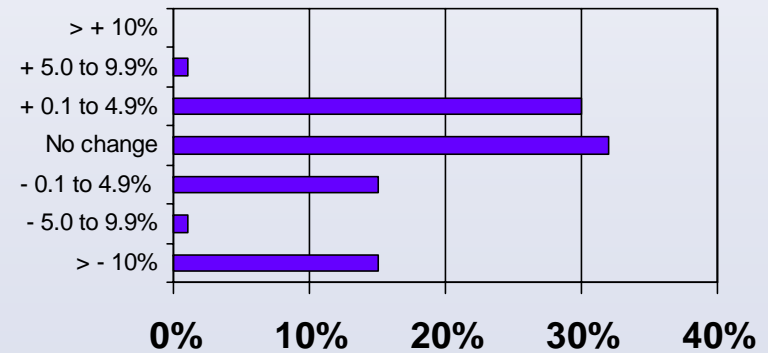
Energy Markets



Material Markets



Labor Markets



Responses = 81

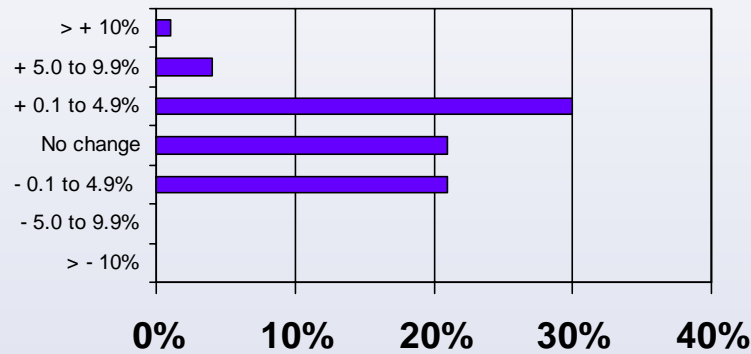
Horizontal axis shows percent of respondents

Source: OESA/Prudential Equity July 2006 Supplier Barometer

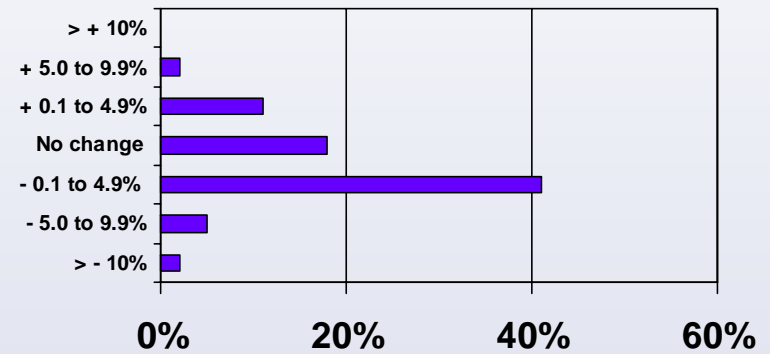


Question 3 (cont.): Rate the change in these variables that you expect over the next 12 months versus the prior 12 months.

Capital Markets



Customer Pricing



Responses = 81

Horizontal axis shows percent of respondents

Source: OESA/Prudential Equity July 2006 Supplier Barometer

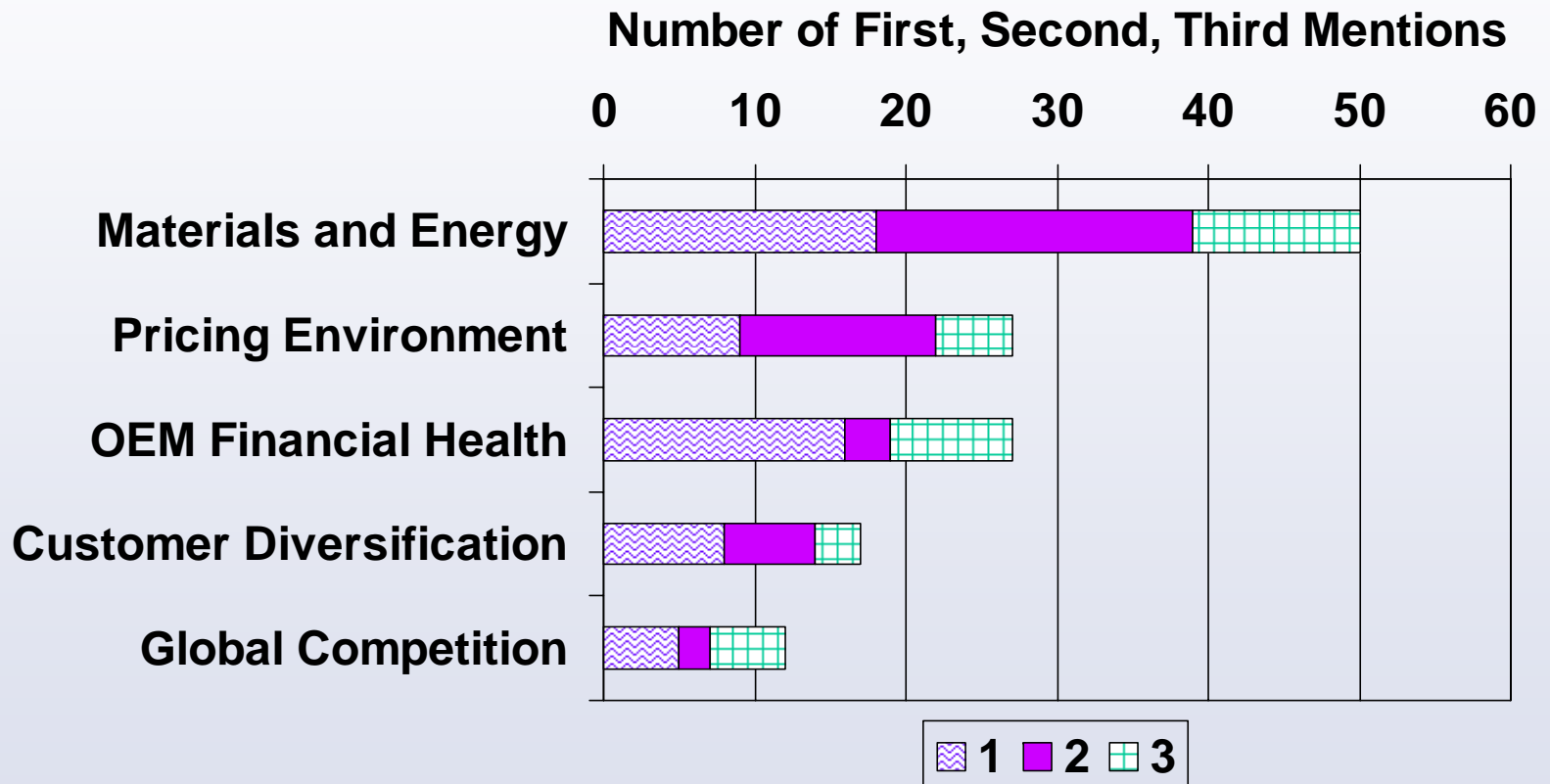


Question 3 Comments: Rate the change in these variables that you expect over the next 12 months versus the prior 12 months.

- “We feel natural gas and electricity costs have peaked, so we forecast no change. We do expect other costs, however, to continue to increase. At the same time, unfortunately, our prices to our customers are under intense pressure to be reduced.”
- “It is sad yet one gages this industry from a standpoint of how much money can we hang on to rather than how can we improve profitability. The Japanese continue to build plants in the U.S. and the domestics are running to Asia for lower cost and in many cases lower quality products.”
- “Domestic market share.”
- “Diversification to other markets and customers is the most important factor as well as continuous, aggressive cost reduction.”
- “Customer pricing can go no lower.....all the squeezing is gone.”
- “I am assuming “positive” means an increase in cost of the items mentioned and “negative” means a reduction in the items listed.”



Question 4: Identify the top 3 strategic concerns facing your company.



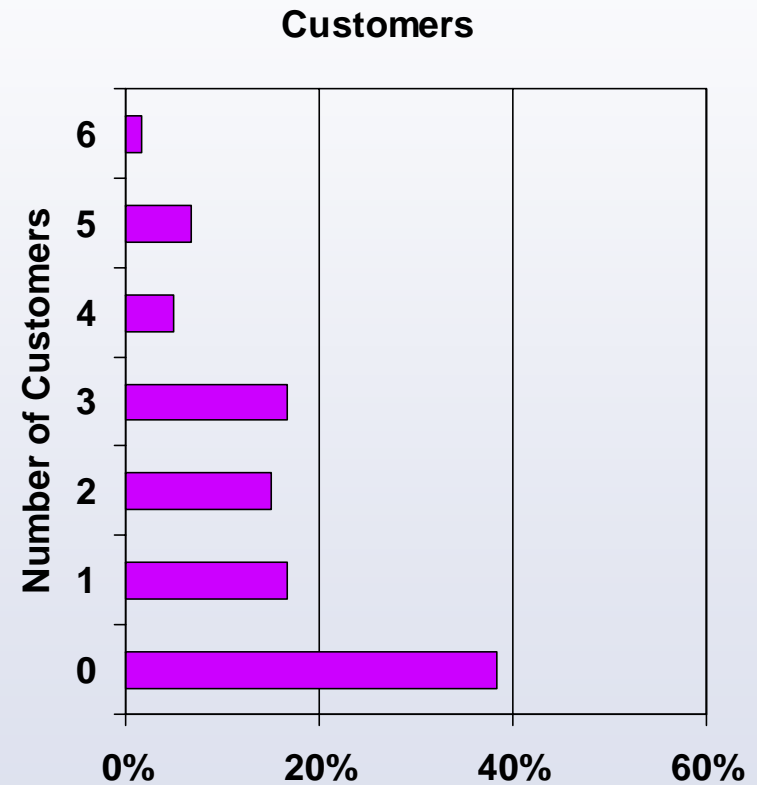
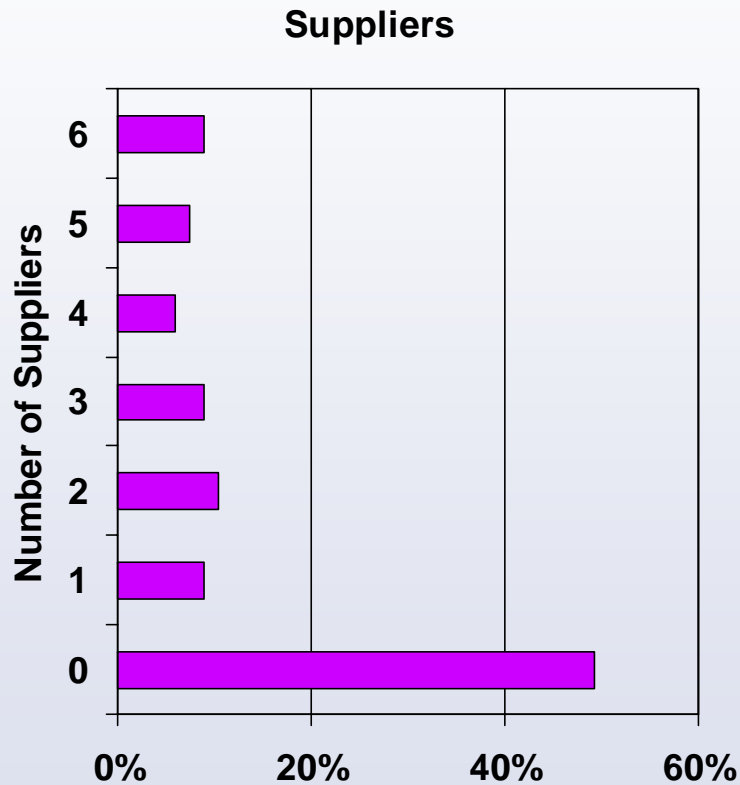
Top 5 responses reported

Horizontal axis shows number of respondents

Source: OESA/Prudential Equity July 2006 Supplier Barometer



Question 5: Identify how many of your customers and suppliers are operating under Chapter 11.



67 for responses for suppliers and 60 for customers; other responses include single responses above 6 or "do not knows"

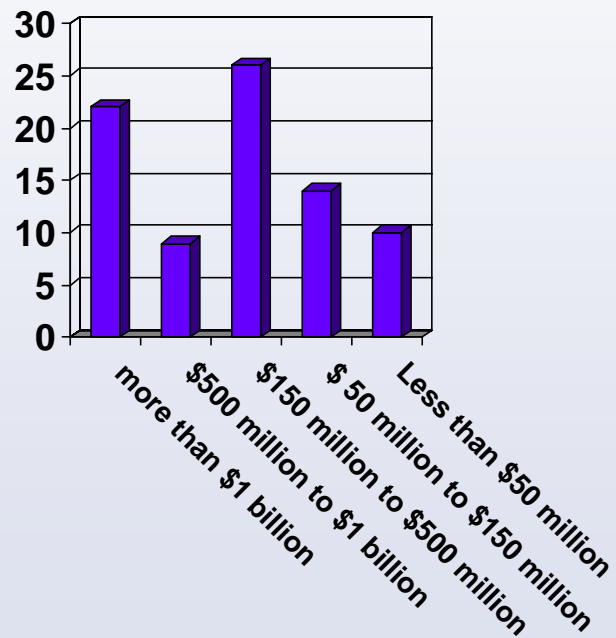
Horizontal axis shows percent of respondents

Source: OESA/Prudential Equity July 2006 Supplier Barometer

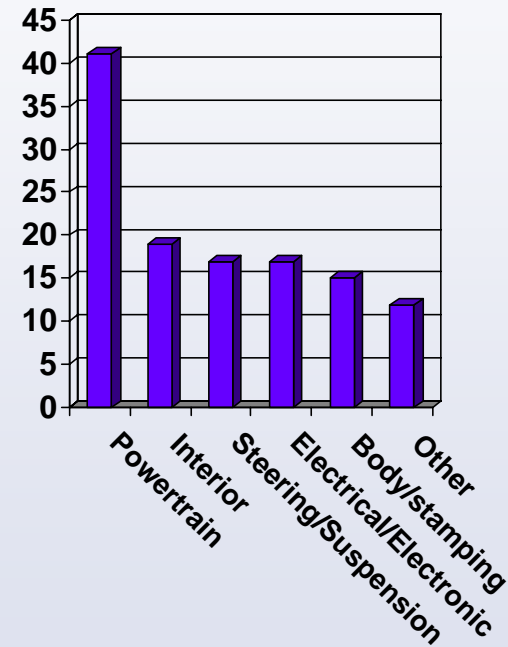


Respondent Profile

Global Automotive Revenue Number of Respondents



Automotive Systems Number of Mentions



Responses = 81; 74 unique companies and 7 companies with 2 respondents each

Vertical axis shows number of respondents

Source: OESA/Prudential Equity July 2006 Supplier Barometer



Survey conducted July 10 – 12, 2006
81 respondents from 74 companies

For comments or questions, please contact:
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