



ORGANISATION INTERNATIONALE DES CONSTRUCTEURS D'AUTOMOBILES
INTERNATIONAL ORGANIZATION OF MOTOR VEHICLE MANUFACTURERS

OICA President Gottschalk: Automotive industry is a key sector with a high rate of innovation worldwide

Global Production of Automobiles Increases by 6 Percent

Paris, *October 6, 2006.*

According to the International Organization of Motor Vehicle Manufacturers (OICA), global production of vehicles grew in the first half 2006 by 6 percent (almost 2 million vehicles), compared to the same period in 2005 reaching a total output of 35.4 million vehicles. For the year as a whole, OICA expects production could rise by more than 5 percent to 70 million vehicles.

Speaking at the OICA General Assembly in Paris, Prof. Bernd Gottschalk, OICA President and President of the German Association of the Automotive Industry (VDA), said: "The figures show that the automotive industry is posting dynamic growth worldwide. Particularly as a result of its high level of innovation, the automotive industry is a key sector in many different markets worldwide." Every year the industry invests approximately €70 billion in research and development around the world, and more than 9 million people work directly for companies in this sector. What's more, several times that number of people earn their living from automobiles indirectly.

The markets grew at widely varying rates in the first half of 2006. Whereas automobile production in NAFTA countries rose by about 2 percent and the EU recorded an increase of 1.5 percent, the number of vehicles manufactured in South America grew by 18 percent and in the non-EU countries of Eastern Europe by 5.4 percent. Production of automobiles rose by more than 4 percent in Japan and by 5.5 percent in South Korea. In other Asian countries, production skyrocketed by 18.5 percent, with most of the increase registered in China and India.

The world's leading manufacturer of automobiles is the United States (with an output of 6.1 million vehicles in the first half of the year), followed by Japan (5.7 million vehicles), China (3.6 million), Germany (3 million) and South Korea (just under 2 million vehicles).