Worldwide automobile production rises by 6 per cent in first 6 months of 2004 OICA President Gottschalk says automotive industry remains a reliable factor in the global economy

Paris, 2 November 2004. "The global automotive industry is on course to expand this year," said Prof. Bernd Gottschalk, President of OICA, the International Organization of Motor Vehicle Manufacturers, and President of the German Association of the Automotive Industry (VDA) commenting at the OICA General Assembly last week in Seoul on the economic development of the automotive industry. Total production of vehicles around the world went up by over 6 per cent, to 32.6 million units, in the first six months of this year. The largest growth rate was 16.5 per cent, in the heavy commercial vehicle sector; the production of light commercial vehicles rose by 6.6 per cent, and production of passenger cars by 5.4 per cent. The regions with the highest growth rates were Eastern Europe/Turkey, followed by Asia and South America.

"Thanks to this improvement, which has already reached a high level, this year the global automotive industry will again remain a reliable factor in the world's economy," said the OICA president. If the global automotive industry were regarded as a country of its own, its total annual turnover of €1.6 trillion would make it the sixth largest economy in the world. It directly employs almost eight million people, which is more than 5 per cent of all those employed in the processing industries. In addition, several million jobs depend indirectly on motor vehicles. And the tax revenue generated every year by this sector is far in excess of €500bn. Prof. Gottschalk said, "The automotive industry is an important factor in supporting life and bringing prosperity to numerous national economies around the world."

The industry exhibits a high degree of commitment to Research & Development – manufacturers and suppliers annually invest over €74bn in R&D – which demonstrates that it is consistently pushing forward technological progress in areas such as safety and environmental compatibility. This also has beneficial effects on other branches of industry. Prof. Gottschalk said, "Anyone who promotes mobility and transport is not only supporting growth and employment, but is also providing impulses for technical progress."

The International Organization of Motor Vehicle Manufacturers (OICA, *Organisation Internationale des Constructeurs d'Automobiles*) comprises 41 automotive associations from all over the world. It is headquartered in Paris, where it was founded in 1919. OICA is accredited at the United Nations and represents the interests of the automotive industry in international institutions and organizations. The association coordinates worldwide technical harmonization in the automotive sector, and certifies and coordinates the international motor shows held around the world.

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