

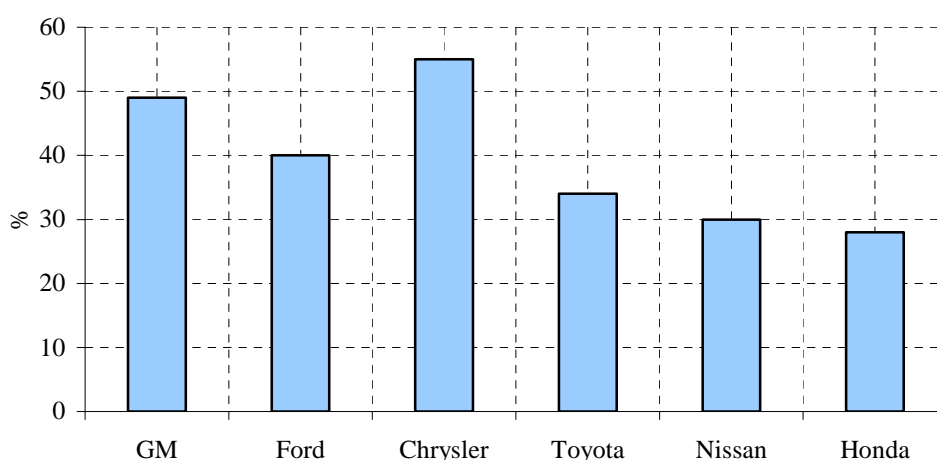
AUTOMOTIVE INDUSTRY, JANUARY 2009: SALES CRISIS CONTINUES

BY KIRILL LEBEDEV, IFS SENIOR ANALYST, February 6, 2009

The January 2009 results showed that car markets are still facing difficulties. All major carmakers see their sales plummet.

In the US, car sales dropped 37% in January with the ‘big three’ sales sinking even more drastically.

Drops in carmakers’ US sales in January, 2009



Toyota has seen the steepest downfall among Japan’s carmakers.

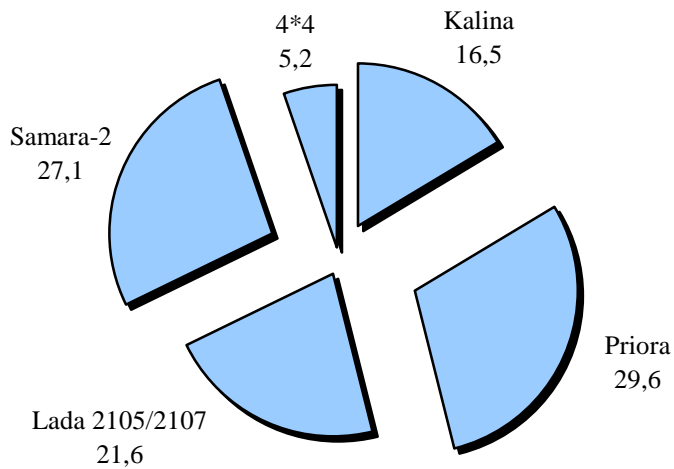
In 2008, Toyota sold 8.92 million units – the highest result worldwide. It was followed by GM that sold 8.35 million units. It’s the first time in 77 years that the US car-making giant has lost its leading position.

Korean KIA and Hyundai are the only auto makers whose US sales grew (+3% and +14% respectively).

The 2009 US car sales are estimated at around 10.5 million units, down 26% compared to 2008 (13.2 million units).

Russia’s AutoVAZ’s sales dropped more than 37.5% (to 29.1 thousand units) in January.

AutoVAZ sales mix, January 2009



The Russian carmaker did not ship its products abroad.

Although the AutoVAZ's sales slumped, it is too early to make conclusion about the plant's state because the production was halted in January and it sold its stock.

There are no plans to halt production in February, so the second month's results will be more illustrative. Anyway, January is not the last month when carmakers faced a decline in sales.