



A strategic vision for operational leasing business

2009 October 5th

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LET'S DRIVE TOGETHER



ALD
Automotive

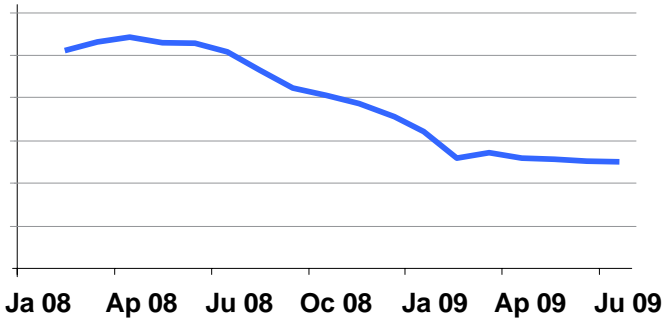


- 1.** Operational leasing amidst the crisis
- 2.** Trends on corporate mobility
 - 2.1** Trends on market demand
 - 2.2** Trends on market offer
- 3.** A way to the future
 - 3.1** Industry SWOT
 - 3.2** Expectations 2015
 - 3.3** New role for market players
 - 3.4** New product offering

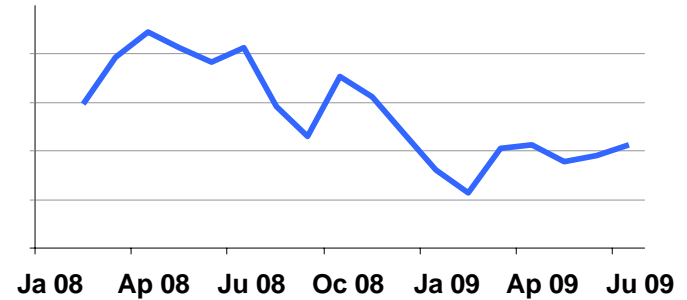


Business metrics

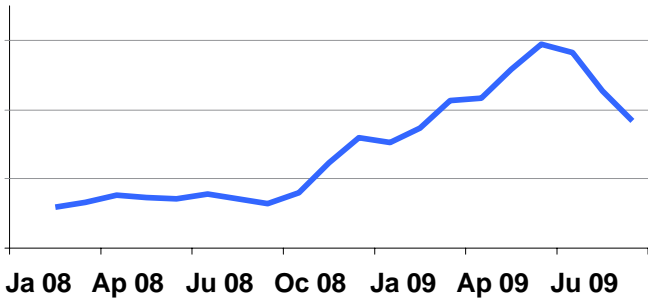
Used car sale prices



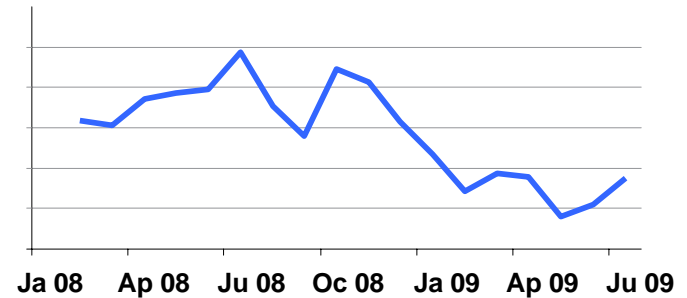
New orders



Contract extensions



New deliveries



Consequences of the crisis

- Fall in used car sale prices

Industry reaction

- Propose contract extensions

Where are we today ?

- Drop of orders
- Drop of deliveries
- Slight signs of improvements



Resulting structural adjustments

- Progressive reduction of yearly mileage and extension of contract duration
- Reduction of maintenance costs
- Selection of economical cars (engine downsizing)
- Development of insurance penetration
- Multi-channelling for remarketing



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Trend on corporate mobility - market demand

Retail sales decline

Taxation changes

SME's growing interest
in operational leasing

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+

+

Fleet sales stability

Fuel price volatility

Growing demand for
packaged clean mobility



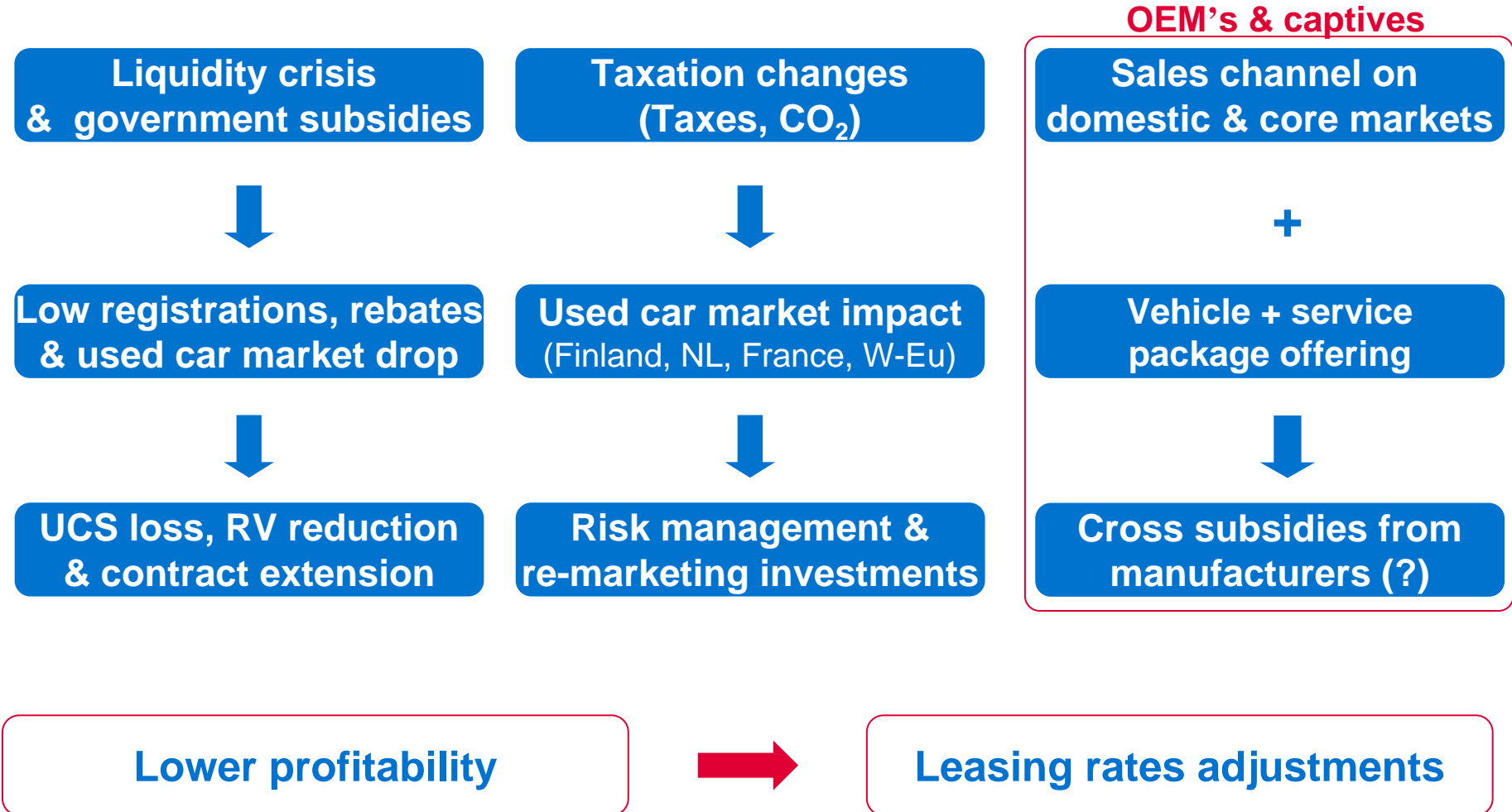
Rise in fleet market share

Demand for ecological cars
(Size & engine downsizing)

Growth potential in SME
& consumer segments



Trend on corporate mobility - market offer





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Industry SWOT

Strengths

- Outsourcing benefits (cost driven offering)
- Response to mobility evolutions
- Global presence & economy of scale

- Economy upturn & corporate cars need
- New mobility needs
- New market segments
- Supply – demand of new cars (?)

Opportunities

Weaknesses

- Residual Value exposure
- Car dependant product
- “Authority” of operating lease industry
- Capital intensive business

- Funding cost volatility
- IFRS new rules
- New automotive distribution scheme (BER)
- Supply – demand of used cars (?)
- Manufacturers & government environmental policies (taxes)

Threats



Expectations 2015 – from a double-digit growth to...

	Mature countries	BRIC & emerging
2010	<ul style="list-style-type: none">● Leasing market still shrinking (today -30%)● Concentration of players, reallocation of market shares● Used car market improving 2nd semester● Car mix evolving (no revolution)	<ul style="list-style-type: none">● Leasing market recovering● Credit risk alert● Used car market recovering● New vehicles offering
2011	<ul style="list-style-type: none">● Leasing market stabilizing● Return to profitability● Used car market stabilizing● New market segments developing	<ul style="list-style-type: none">● Leasing market growth (one-digit)● Product offering adaptation● China : anticipation of new vehicle fleet mix (?)
2012 - 2015	<ul style="list-style-type: none">● Leasing market back to growth (one-digit)● Right level of profitability vs risk management● Significant mix evolution● Consumer market start	<ul style="list-style-type: none">● Double-digit growth● Used car market structuring



New role for market players

- Multi modal mobility providers (road, rail, air...)
- Captive re-focalisation
- Partners for OEM's in product specification & tuning
- Risk management experts
- Asset management experts
- Re-marketing experts (partnerships ?)
- “System integrator” & “business application provider”



New product offering : 2 scenarii

Enterprises

Price increase

+

Elimination of
risk premium



Mutual appetite for
open-end products

Price increase may generate
customers' interest in
Open-end products

Consumers / enterprises

Intelligent fleet mix

+

Clean mobility trend &
changing culture



Mobility package offers

Growing expertise in leasing
industry could favour
Multi modal packaged mobility



Thank you

