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OESA
AUTOMOTIVE SUPPLIER BAROMETER
FOCUS ON CAPITAL

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Deloitte.

September 14-16, 2015
79 Survey Responses

OESA AUTOMOTIVE SUPPLIER BAROMETER EXECUTIVE SUMMARY

- **The September Supplier Sentiment Index (SSI) came in at 50; a drop of 7 points from July's SSI of 57. Overall, there is a continued, though softening, positive outlook within the automotive supplier community.** (See pages 7-12)
- **Suppliers report they are looking at all major options to increase capacity: replacing equipment beyond normal replacement cycles and increasing plant floor space at existing and new facilities. Incremental demand plus new vehicle launches and an evolving customer base will continue to incentivize suppliers to increase capital expenditure budgets.** (See pages 13-15)
- **The likelihood that the suppliers will meet expected demand is evident in that 71 percent of respondents indicate that they are very confident that their companies will move ahead and implement needed capital investment plans. Given the supplier sector continues to run in the 80 percent plus capacity utilization range with even the lower quartile running in the 60 to 70 percent range indicates that the supply base is limiting the risk of adding capacity too quickly in front of demand.** (See pages 16-17)
- **As expected, future capital investment and business plans are centered on confidence regarding customer direction, macro-economics and general vehicle demand. Changes to the confidence in these variables will trigger a delay or reduction in supplier capital expenditures.** (See pages 18-20)
- **Generally**, **the supply base is very confident that they will have access to the capital required to execute these expansion plans including financing for inventory levels, plant and equipment, tooling, accounts payable and other working capital and physical capital needs.** (See pages 21 – 22)

OESA AUTOMOTIVE SUPPLIER BAROMETER EXECUTIVE SUMMARY (CONTINUED)

- **Suppliers do see their cost of credit lines and commercial loan interest rates tightening over the next 12 months. However, the size and the covenants of credit lines and commercial loans are not expected to change significantly over the same time period.** (See pages 23-24)
- **Perhaps because of the broad need for capital and the expectation that future borrowing costs will increase, suppliers report that interest in bank term and revolving loans will be an increasing source of funds over the next 12 months**. (See page 25)
- **Industry volumes, margins and capital need requirements continue to offer supplier the ability to fund capital needs from free cash flow. In fact, 47 percent of all respondents report they expect their companies to fund over 75 percent of capital needs in 2016 through free cash.** (See page 26-27)
- **Respondents reported that R&D spending as a percent of is expected to be in the 2 to 5 percent range with a median percentage of 3 percent. This has remained the same from 2012 through the current Automotive Barometer. The median split between research and development has also remained the same indicating a 30 percent/70 percent between research and development, respectively.** (See page 28)
- **Advanced material development remains the highest priority across the entire respondent base. Powertrain technologies and sustainable manufacturing technologies are equally weighted as the second major priorities for suppliers**. (See page 29)

OESA AUTOMOTIVE SUPPLIER BAROMETER DETAILED SUMMARY

- **The September Supplier Sentiment Index (SSI) came in at 50; a drop of 7 points from July's SSI of 57.** Of the 79 Barometer respondents, a significant percent of companies (52%) show an 'unchanged' outlook over the past two months. Optimism momentum has declined across all revenue groups with those in the $501 million and below categories registering the largest survey-over-survey declines. Markets in China was the most often mentioned issue for respondents changing their outlook to more pessimistic. **Overall, there is a continued, though softening, positive outlook within the automotive supplier community.** (See pages 7-12)
- While not a hard-fast rule, with 2015 North American production running at 17.5 million units, and 2016-2017 production levels expected to increase by some 700,000 units, **suppliers report they are looking at all major options to increase capacity: replacing equipment beyond normal replacement cycles and increasing plant floor space at existing and new facilities. Incremental demand plus new vehicle launches and an evolving customer base will continue to incentivize suppliers to increase capital expenditure budgets.** (See pages 13-15)
- **The likelihood that the suppliers will meet expected demand is evident in that 71 percent of respondents indicate that they are very confident that their companies will move ahead and implement needed capital investment plans. Given the supplier sector continues to run in the 80 percent plus capacity utilization range with even the lower quartile running in the 60 to 70 percent range indicates that the supply base is limiting the risk of adding capacity too quickly in front of demand.** (See pages 16-17)

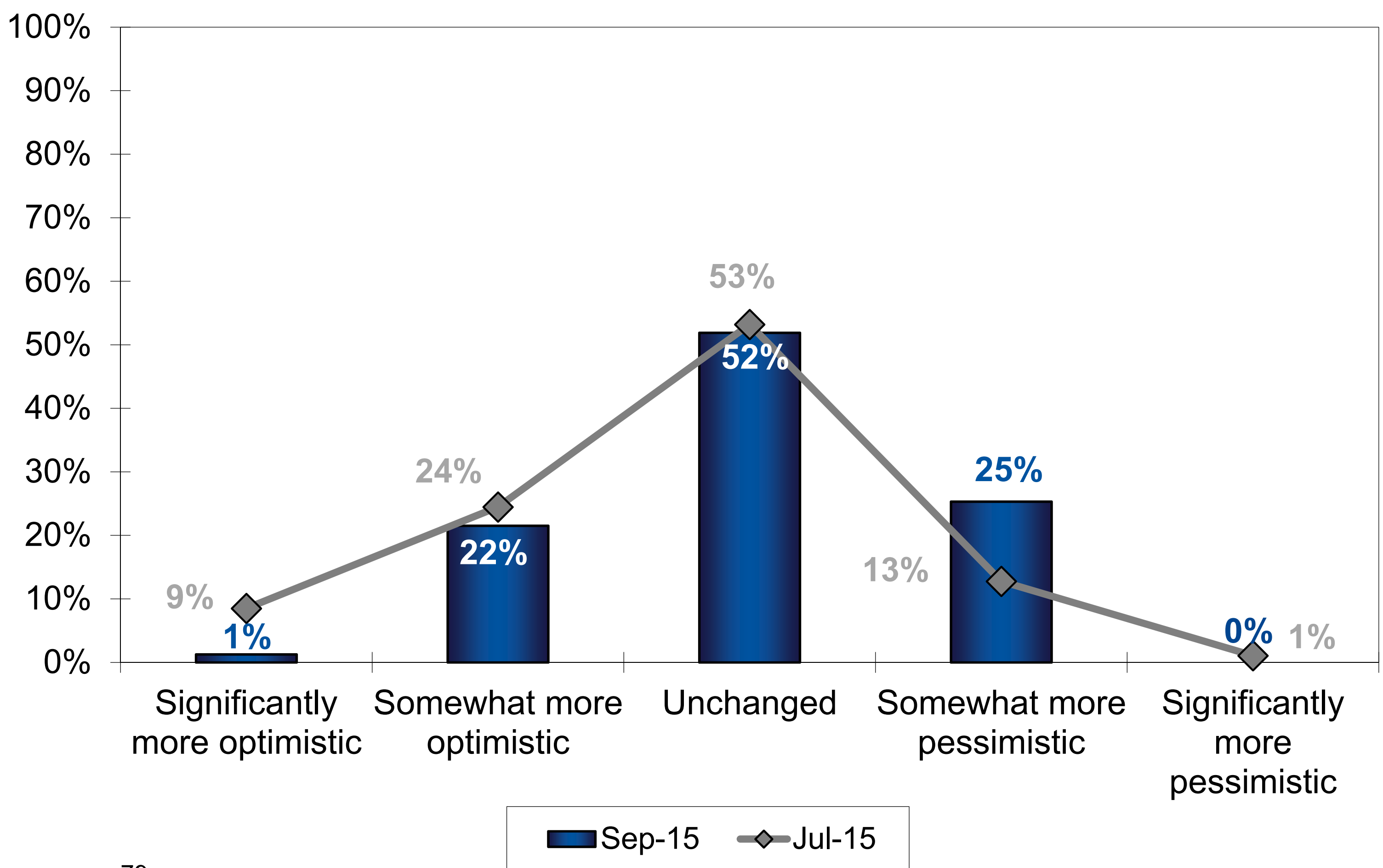
OESA AUTOMOTIVE SUPPLIER BAROMETER DETAILED SUMMARY (CONTINUED)

- While the supply base is expected to meet these future demand, plans may be pulled back if the justification for the business case weakens. **As expected, future capital investment and business plans are centered on confidence regarding customer direction, macro-economics and general vehicle demand. Changes to the confidence in these variables will trigger a delay or reduction in supplier capital expenditures.** (See pages 18 – 20)
- **Generally**, **the supply base is very confident that they will have access to the capital required to execute these expansion plans including financing for inventory levels, plant and equipment, tooling, accounts payable and other working capital and physical capital needs.** (See pages 21 – 22)
- **Suppliers do see their cost of credit lines and commercial loan interest rates tightening over the next 12 months. However, the size and the covenants of credit lines and commercial loans are not expected to change significantly over the same time period.** These expectations are directly tied into the suppliers' confidence that capital will not be a hindrance to success at least over the next 12 months. (See pages 23-24)
- **Perhaps because of the broad need for capital and the expectation that future borrowing costs will increase, suppliers report that interest in bank term and revolving loans will be an increasing source of funds over the next 12 months.** Because suppliers did not report major changes in other sources of funds, it appears suppliers are seeking to increase the absolute amount of total funds from commercial bank sources versus significantly change the underlying balance sheet mix itself. (See page 25)
- **Industry volumes, margins and capital need requirements continue to offer supplier the ability to fund capital needs from free cash flow. In fact, 47 percent of all respondents report they expect their companies to fund over 75 percent of capital needs in 2016 through free cash.** There is not much change from 2015 to 2016. (See page 26-27)

OESA AUTOMOTIVE SUPPLIER BAROMETER DETAILED SUMMARY (CONTINUED)

- **Respondents reported that R&D spending as a percent of is expected to be in the 2 to 5 percent range with a median percentage of 3 percent. This has remained the same from 2012 through the current Automotive Barometer. The median split between research and development has also remained the same indicating a 30 percent/70 percent between research and development, respectively.** (See page 28)
- **Advanced material development remains the highest priority across the entire respondent base. Powertrain technologies and sustainable manufacturing technologies are equally weighted as the second major priorities for suppliers**. (See page 29)

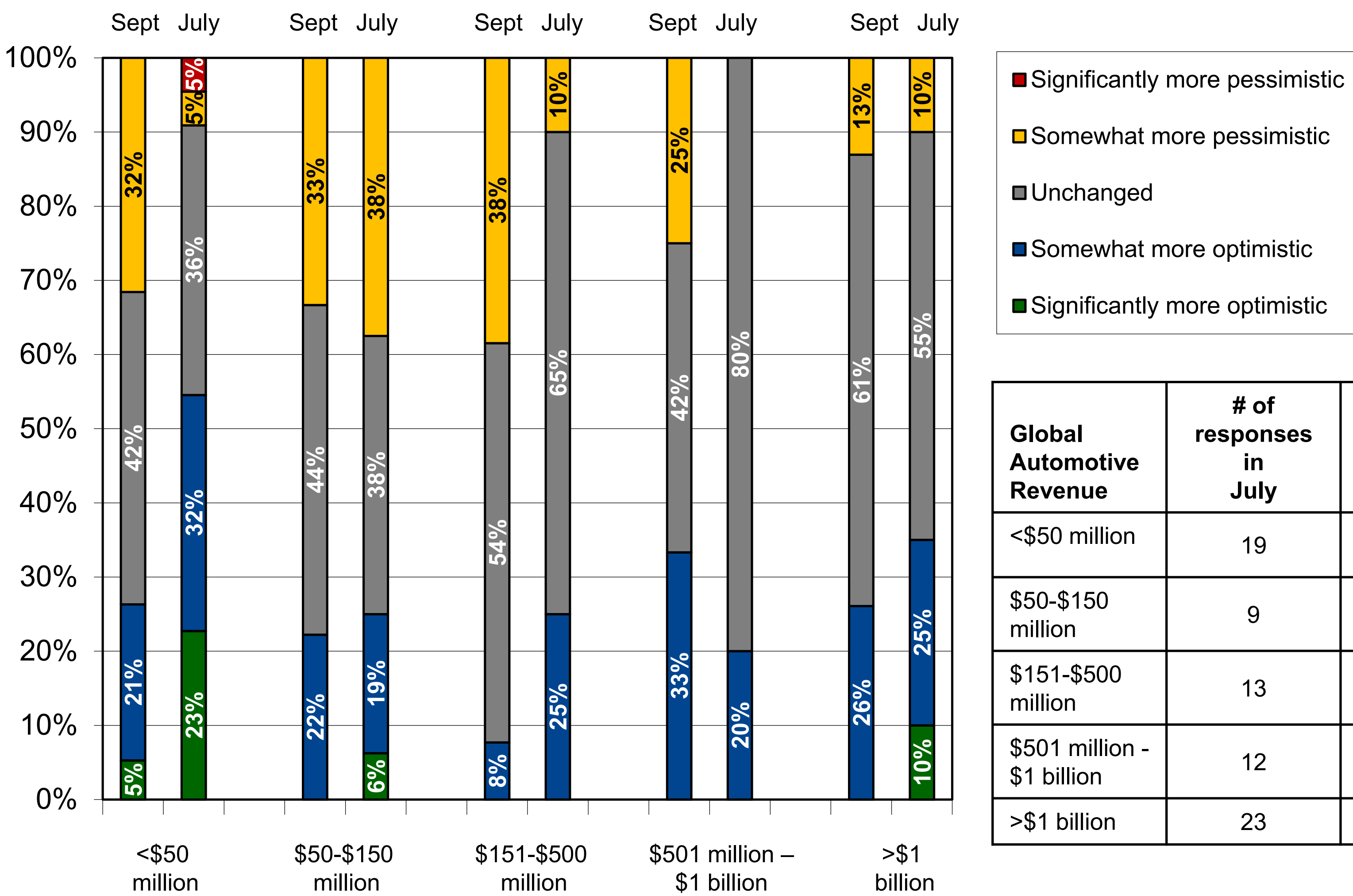
DESCRIBE THE GENERAL TWELVE MONTH OUTLOOK FOR YOUR BUSINESS. OVER THE PAST TWO MONTHS, HAS YOUR OPINION BECOME:



No. of Responses = 79

BAROMETER RESULTS

BY COMPANY REVENUE



Global Automotive Revenue	# of responses in July	# of responses in July
<$50 million	19	22
$50-$150 million	9	16
$151-$500 million	13	20
$501 million - $1 billion	12	10
>$1 billion	23	20

No. of Responses = 76

DESCRIBE THE GENERAL TWELVE MONTH OUTLOOK FOR YOUR BUSINESS. OVER THE PAST TWO MONTHS, HAS YOUR OPINION BECOME…COMMENTS:

Significantly More Optimistic

- *No comments provided.*

Somewhat More Optimistic

- New programs under quotation.
- Volumes have gained more than expectation in the NA market. Brazil is still a drain.
- Have more confidence that sales opportunities will help more fully-utilize our facilities and labor.
- Launches are going extremely well, better planning in the past yielding good results.
- US recovery is on track, pushing beyond expectations and expected to remain strong for more than 36 months.
- Significant growth in revenue through 2019 and a significant number of opportunities being generated with upswing in NA market.
- NAFTA is strong and now EU is improving; now have concern with China.
- Still have concerns with the economy. Very shaky on both a U.S. And global basis.
- Better than expected response to new products we've introduced make us believe we have under forecasted their performance.

Unchanged

- Still much uncertainty in the marketplace, with interest rate uncertainty, and still sluggish wage and capital expansion growth.

DESCRIBE THE GENERAL TWELVE MONTH OUTLOOK FOR YOUR BUSINESS. OVER THE PAST TWO MONTHS, HAS YOUR OPINION BECOME…COMMENTS: (CONTINUED)

Unchanged (continued)

- We expect the same business condition to continue.
- Similar to our business plan/budget.
- Unsure about the global impact on US economy.
- Sales actually flattened out for two months but new projects are kicking in.
- But I am optimistic.
- No fundamental changes, other than watching the China market.
- Looking for business to remain stable provided no economic jolts down the road.
- We have had an optimistic outlook for most of this year.
- Continue to be optimistic about five year growth plan and continue to support five year growth plan with capital investment.
- Continued growth in NA, flat in EU.
- Future of Ford F150 aluminum truck market acceptance is to be determined.

Somewhat More Pessimistic

- Financial concerns in China.
- Stagnation of car production, China contraction, European immigration problem.
- We are primarily a supplier of ductile iron components and see programs continuing to change from iron to aluminum.
- Customer release variation and softening volumes are negatively impacting our business this year.

DESCRIBE THE GENERAL TWELVE MONTH OUTLOOK FOR YOUR BUSINESS. OVER THE PAST TWO MONTHS, HAS YOUR OPINION BECOME…COMMENTS: (CONTINUED)

Somewhat More Pessimistic (continued)

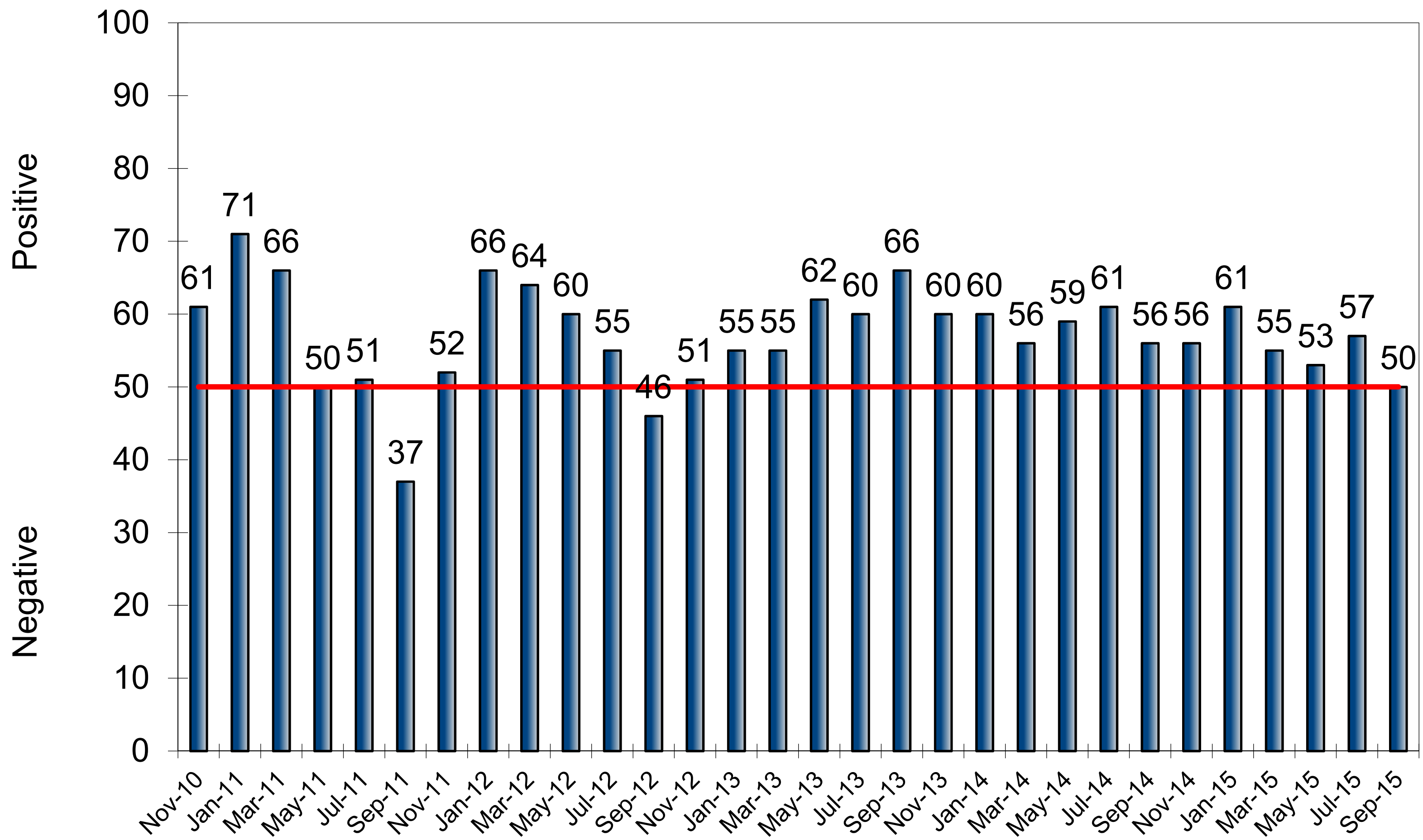
- Recent economic outlook in China.
- We have experienced many order reductions in July and August with our Tier1 customers . This has continued into September, however not as significant as the previous two months.
- Stock market turmoil around the world driven by slow down in China derives a pessimistic view.
- Concern with federal interest rates and perhaps slowing SAAR.
- Conditions in Brazil, Argentina and China.
- China is slowing down and there is concern in other regions. SA is also in bad shape.
- Orders have declined and key contract may be modified that will reduce demand in the future.
- Uncertainty in China and the impact on the stock market.
- Tooling releases continue to be delayed.
- With flattening volumes, customers are reverting to "old school cost reduction threats" and going back on the partnership / trust that had been built over the past five years.

Significantly More Pessimistic

- No comments provided.

OESA AUTOMOTIVE SUPPLIER SENTIMENT INDEX

COMPARED TO TWO MONTHS AGO, HOW HAS YOUR 12 MONTH OUTLOOK CHANGED?



No. of Responses = 79

CONSIDERING EVERYTHING ELSE EQUAL, WHAT SUSTAINED NA VEHICLE PRODUCTION LEVEL IS NEEDED BEFORE YOUR COMPANY NEEDS TO ADD…(IN MILLIONS OF UNITS)?

In the January 2015 OESA Automotive Supplier Barometer, respondents noted that, on average, they are operating at an 80 percent capacity utilization level (the upper quartile of companies are running at 90% utilization) with NA vehicle production volumes at 17 million units.

	Lower Quartile Value			Median Value			Upper Quartile Value		
	2015	2014	2011	**2015**	2014	2011	**2015**	2014	2011
Equipment beyond normal replacement	**17.0 million**	16.8 million	14 million	**17.5 million**	17.0 million	14 million	**18.0 million**	17.9 million	16 million
Plant square footage to existing facilities	**17.5 million**	17.0 million	NA*	**18.0 million**	18.0 million	NA*	**19.0 million**	18.8 million	NA*
Plant square footage through new facilities	**17.0 million**	17.5 million	NA*	**17.5 million**	19.0 million	NA*	**18.0 million**	20.0 million	NA*

In the May 2014 OESA Automotive Supplier Barometer, respondents noted that, on average, they are operating at an 80 percent capacity utilization level (the upper quartile of companies are running at 90% utilization) with NA vehicle production volumes at 16.8 million units.

In the September 2011 OESA Automotive Supplier Barometer, respondents noted that, on average, they anticipate operating at an 80 percent capacity utilization level in 2012 with NA vehicle production volumes at 12.9 million units.

2015 No. of Responses = 59-63

2014 No. of Responses = 57-60: 2011 No. of Responses = 60-64

*NA: Did not ask this sub-question in 2011

CONSIDERING EVERYTHING ELSE EQUAL, WHAT SUSTAINED NA VEHICLE PRODUCTION LEVEL IS NEEDED BEFORE YOUR COMPANY NEEDS TO ADD…(IN MILLIONS OF UNITS)? (CONTINUED)

Comments

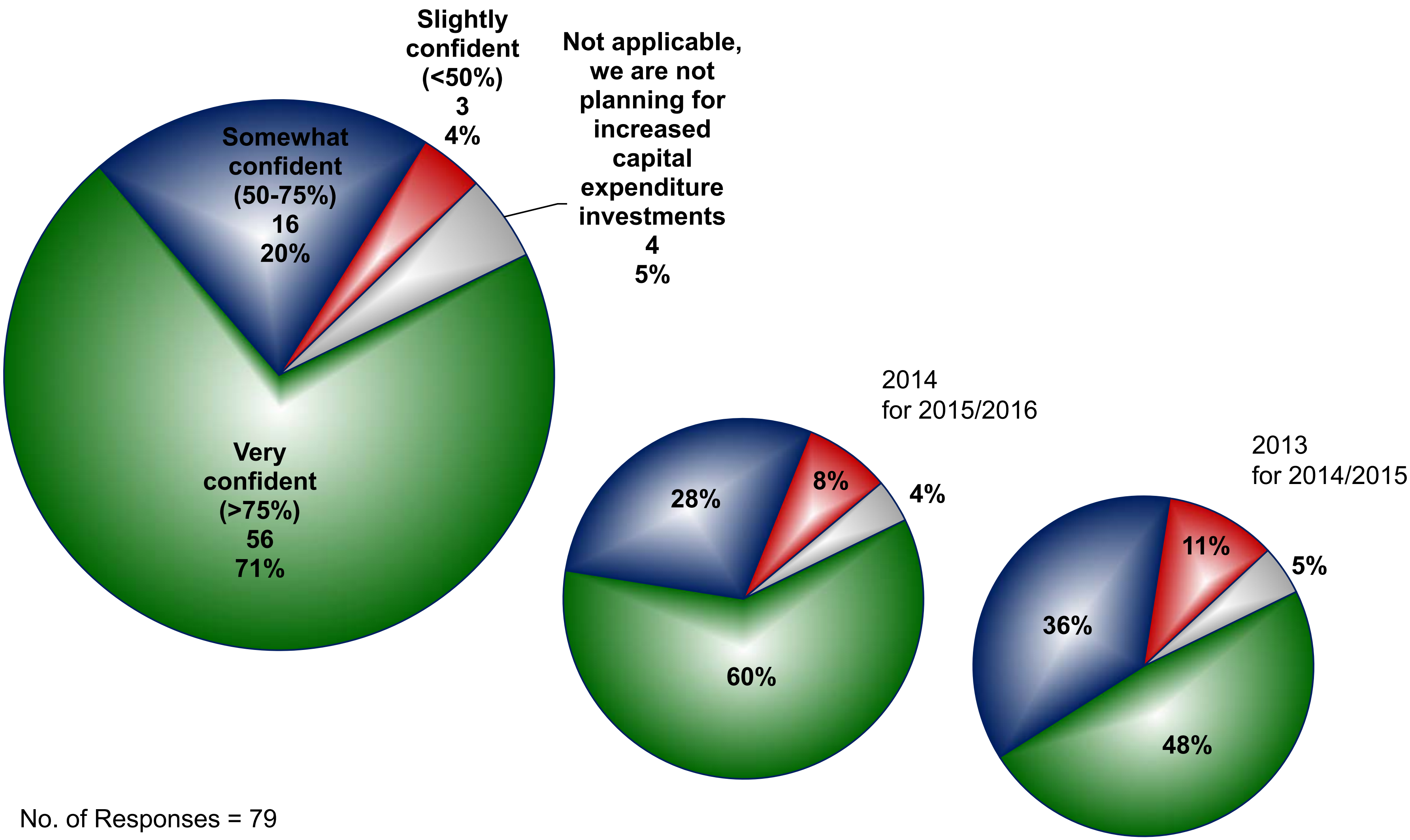
- It is more a function of our market share than number of units built.
- This all depends on the vehicles that see the majority of increased production; difficult to quantify.
- We are already adding equipment and building a new facility that is almost full before it is opened later this year.
- Considering greenfield Mexico plant.
- Planning to add now for new programs and customers.
- Going to Mexico.
- There exists the potential for an additional Mexico facility.
- We are definitely in the sweet spot at this time.
- Expansion is not really directly correlated to SAAR alone, it depends on specific programs. Currently adding equipment, expanding existing plant and adding new plants (Mexico).
- The overall NA vehicle volume does not determine our capital plan. We base these decisions on customer plans.
- We are considering moving existing capacity from the US to Mexico in a new facility to support the growth their. This would happen at the current run rate .
- New facilities not necessarily linked to increased volume, also impacted in shift of production by region.
- Dependent on product type and global manufacturing footprint.
- Spending little.
- Depends where the growth is, i.e. Mexico.
- Already invested in capacity. Building a new plant in Alabama.
- Feel we can work within our current footprint through improved 5S.

CONSIDERING EVERYTHING ELSE EQUAL, WHAT SUSTAINED NA VEHICLE PRODUCTION LEVEL IS NEEDED BEFORE YOUR COMPANY NEEDS TO ADD…(IN MILLIONS OF UNITS)? (CONTINUED)

Comments (continued)

- We do not feel that we need to add equipment or facilities at any reasonable vehicle volume. We have enough capacity in place.
- Our capacity requirements are based on percent market share, not total market so this question isn't really relevant as written. .
- It depends on mix between LD, HD and powertrain.
- We are an equipment supplier.
- Not sure this question makes sense. Unless a supplier is on every platform, the NA production level may or may not require additional capital. It's really a question of how many more units of production at the supplier will cause this expenditure.
- Production looks very strong and capacity utilization is up. Very little expansion due to banks and the global situation.
- We are already adding to existing facilities to meet current demand requirements.
- Certain business units are growing faster than others. Our primary BU will require a new facility as the market approaches 17.5M units.
- In our case, we have higher demand for certain product groups and less so on others. Some are more space and equipment sensitive then others. So, it is not a straight forward response.
- We are getting close but see no need for added capacity until new programs come on line in 2018.

HOW CONFIDENT ARE YOU THAT YOUR COMPANY WILL MOVE AHEAD AND IMPLEMENT THE NEEDED CAPITAL INVESTMENT TO MEET YOUR 2016/2017 DEMAND REQUIREMENTS?



No. of Responses = 79

HOW CONFIDENT ARE YOU THAT YOUR COMPANY WILL MOVE AHEAD AND IMPLEMENT THE NEEDED CAPITAL INVESTMENT TO MEET YOUR 2016/2017 DEMAND REQUIREMENTS? (CONTINUED)

Comments:

Very confident

- Already committed and in place. (5 similar responses)
- If we need to make the investment for the appropriate OEM, we will.
- If we win business we put in needed capital.
- POs are already in place for machinery.
- Capital plan already determined for 2016.
- Due to our expansion in China.
- Needed for new business.
- Investment needed for specific new business, not volume related.
- Capital is not the issue. OEMs meeting their ramp schedule and NPA volumes has started to erode.
- Don't need much short-term.

Somewhat confident

- 2016/2017 demand does not appear to be significantly different than 2015 so additional capital is not necessary for the demand.
- We will go forward but in small chunks.

Slightly confident

- *No comments provided.*

IF YOU ARE PLANNING FOR SOME LEVEL OF INCREASED CAPITAL EXPENDITURE INVESTMENT, WHAT FACTORS ARE YOU CONCERNED ABOUT THAT MAY HINDER OR DELAY YOUR INVESTMENT PLANS?

Customer Sourcing/Launches/Scheduling: (15 responses)

- The future of FCA.
- How viable is the OEM, is the OEM a "good" partner?
- How firm our customer commitment is. Have they given us the appropriate contracts?
- Program on-time launch, volume levels meeting quote commitments.
- If the auto makers planned growth in Mexico is delayed or reduced.
- OEM terms and conditions that allow for business to be moved to other suppliers.
- Over-stated program volumes from customers.
- Changes in the mix of vehicle options. Customer commitment to our investment.
- Delay launch of vehicles.
- Customer program volumes.
- Model mix.
- Ability for OEM to deliver NPA volumes per schedule.
- Obtaining official awards for projected new business, some programs might get delayed/cancelled.
- Whether the customer forecasts are in fact accurate. Question to ask, are there redundant requests for capacity (multi-customers predicting penetration of same market)?
- Long-term OEM sourcing commitments.

Economy: (12 responses)

- Economy and attitude.
- Economy, gas prices.
- Global economy dragging down US economy.
- Slow down in economic environment due to China.
- A Democratic administration for an additional four years will be the catalyst for a reduction in expenditures in North America.
- China and SA.
- The slowing Chinese economy, flat growth in Europe and general overhead concerns.
- Capital markets and global softness.

IF YOU ARE PLANNING FOR SOME LEVEL OF INCREASED CAPITAL EXPENDITURE INVESTMENT, WHAT FACTORS ARE YOU CONCERNED ABOUT THAT MAY HINDER OR DELAY YOUR INVESTMENT PLANS? (CONTINUED)

Economy: (continued)

- European economy.
- The global economy outlook is causing some caution on making additional expenditures in NA.
- General economy forecast for US. Lack of stability in China.
- Any dramatic softening of the macro-economic environment.

Market Demands: (10 responses)

- Industry correction/downturn. (2 similar responses)
- Market share growth,
- Will the volumes remain 17M or above?
- Automotive and agriculture OEM volumes.
- Sustained level of business that required the investment.
- Production crash. Repeat of 2009.
- Continued sales growth, volumes are at quoted numbers.
- Significant downturn or cancellation of programs.
- Truck and SUV build rates impact my company sales, therefore gas prices and interest rates are critical. As well as new home construction.

Financial Performance/Funding: (5 responses)

- The allowable profit of the OEMs.
- Cost of equipment.
- Cash flow for self funding.
- Customer cost pressures.
- Delays in approvals for capex.

IF YOU ARE PLANNING FOR SOME LEVEL OF INCREASED CAPITAL EXPENDITURE INVESTMENT, WHAT FACTORS ARE YOU CONCERNED ABOUT THAT MAY HINDER OR DELAY YOUR INVESTMENT PLANS? (CONTINUED)

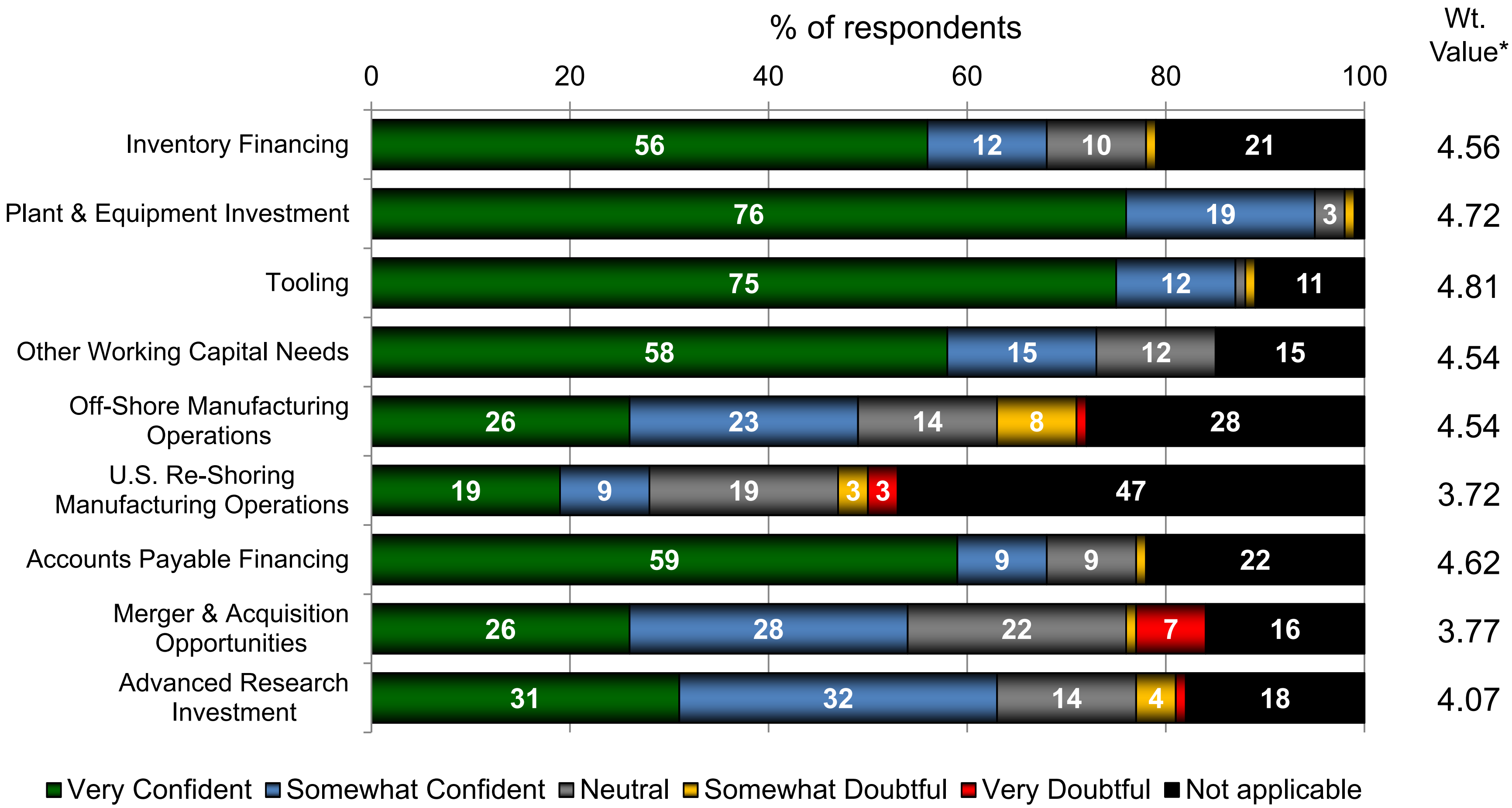
Other: (8 responses)

- Raw material pricing.
- We have global capacity not being utilized but need more in North America.
- World events.
- Customer tooling orders are slow, and short to lead-time needed.
- If we can keep high quality level from new plant.
- Changing technologies which could impact volume longer term. Investments now, for current engine configurations, may not be wise long-term investments in the face of engine downsizing and cylinder count reduction.
- Delay of regulation in China (emission levels).
- Corporate capital allocations.

None (9 responses)

- None, as capex plans are mainly for moderate incremental amounts, to support new business opportunities.
- In progress so no delay.
- None (7)

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?



*Weighted Value 5=Very Confident,1=Very Doubtful

No. of Responses = 70-75

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES? (CONTINUED)

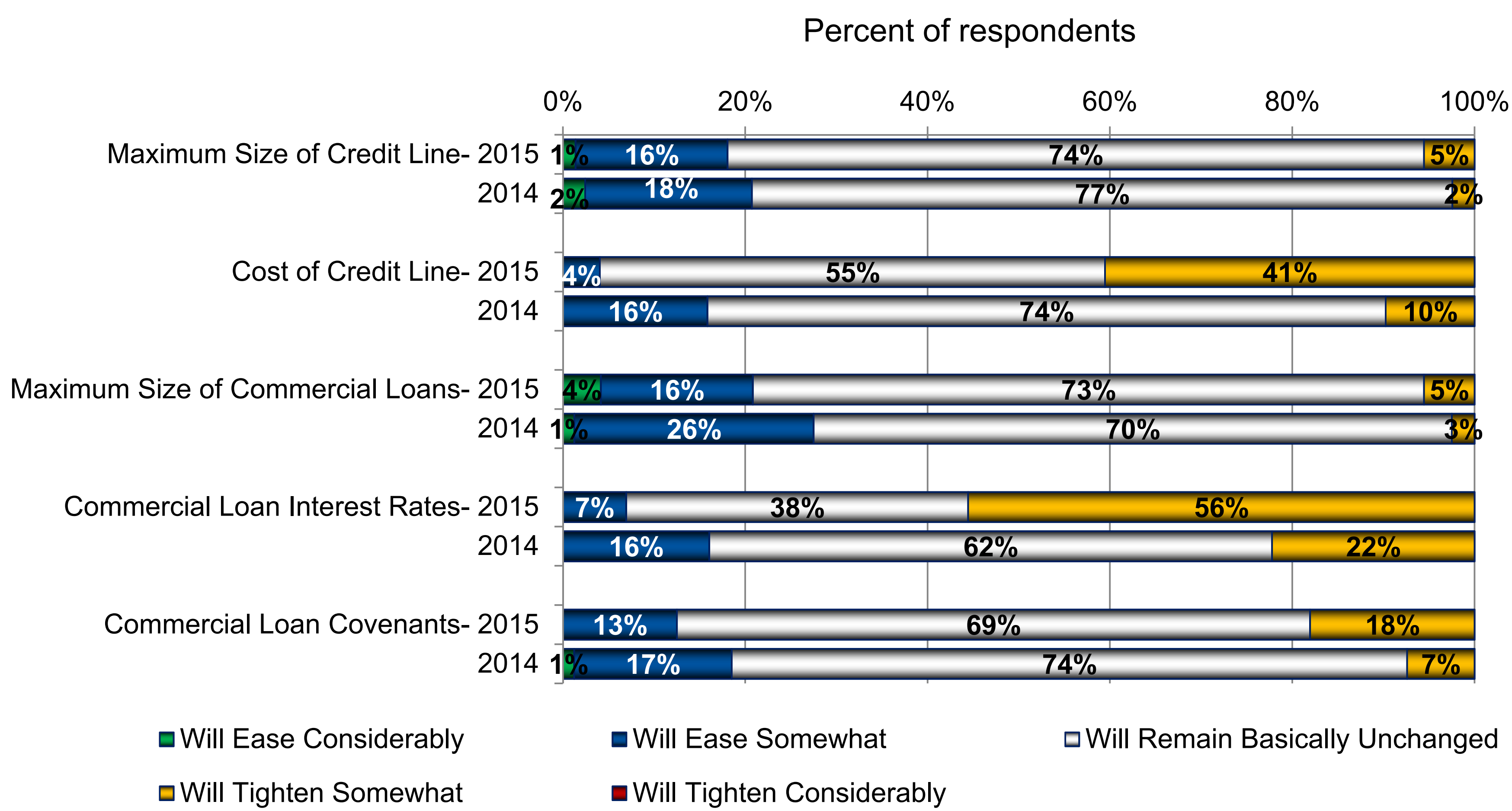
Comments

- We have a very strong balance sheet and will self fund.
- Working capital needs that require financing expected to grow, which may strain our working capital line of credit.
- Company has sufficient liquidity to meet capital needs.
- With no debt we have sufficient cash reserves to meet all our planned needs.

Year-Over-Year Confidence	2015	2014	2013	2011
Inventory Financing	4.56	4.71	4.65	4.43
Plant & Equipment Investment	4.72	4.58	4.51	4.32
Tooling	4.81	4.63	4.46	NA
Other Working Capital Needs	4.54	4.53	4.43	4.35
Off-Shore Manufacturing Operations	4.54	3.82	3.53	3.84
U.S. Re-Shoring Manufacturing Operations	3.72	4.08	NA	NA
Accounts Payable Financing	4.62	4.44	4.14	NA
Merger & Acquisition Opportunities	3.77	3.89	3.58	NA
Advanced Research Investment	4.07	NA	NA	NA
Program Consolidation Opportunities	NA	4.01	3.73	3.87

*Weighted Value 5=Very Confident,1=Very Doubtful

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?



2015 No. of Responses = 72-74
2014 No. of Responses = 80-82

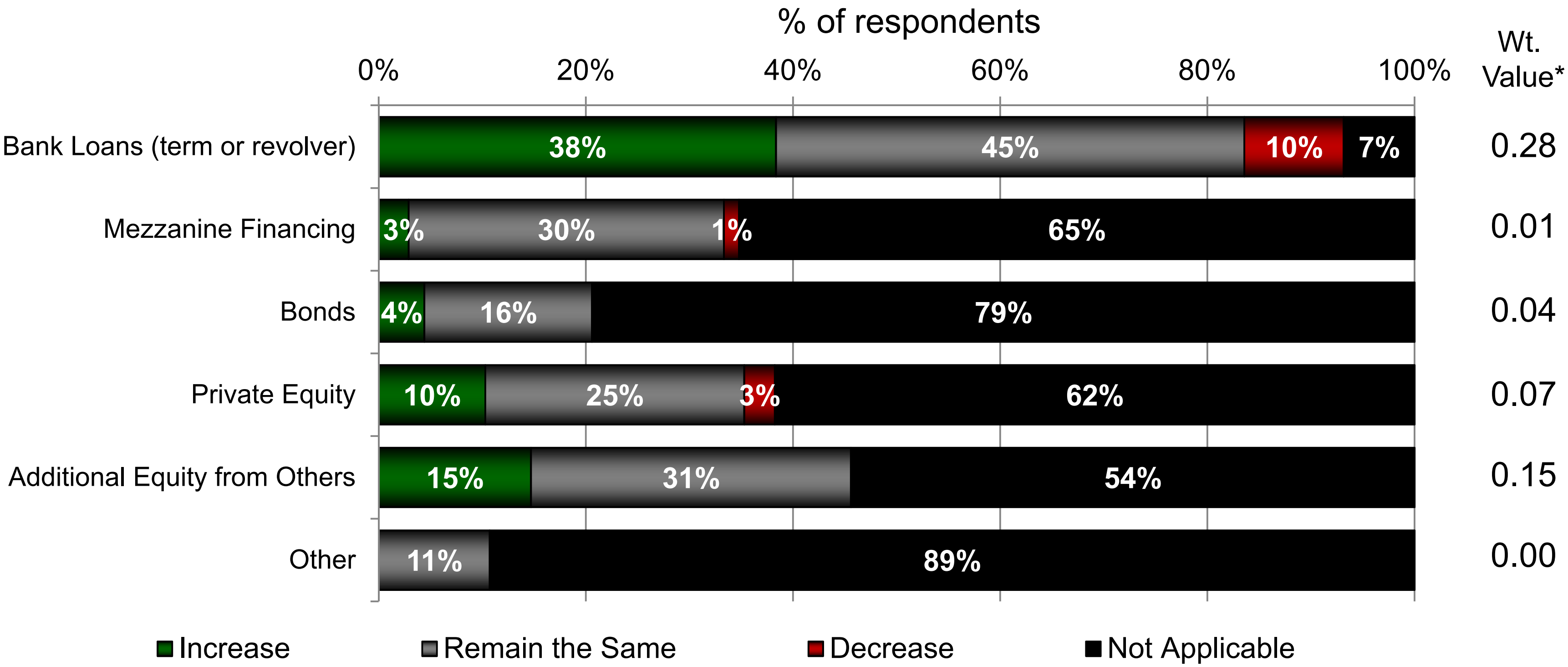
Note: For a breakdown of these results by company revenue, reference slides in the appendix.

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

Comments

- In our case we are internally corporate funded.
- We are expecting moderate increase in our working capital line of credit maximum borrowing amount, with interest rates likely to rise slightly based on eventual federal action.
- I would expect a federal rate hike within the next 12 months (affecting commercial loan activity).
- Loan in place until 2018 - we would be able to increase the loan size if needed and supported by collateral.
- Company in financed internally by parent company.
- We don't expect to do much borrowing even though the bank would love to lend us more.

OVER THE NEXT 12 MONTHS, INDICATE WHETHER THE FOLLOWING SOURCES OF FUNDS WILL INCREASE/DECREASE/REMAIN THE SAME IN IMPORTANCE ON YOUR BALANCE SHEET?



*Weighted Value 1=Increase, 0=Same, -1=Decrease

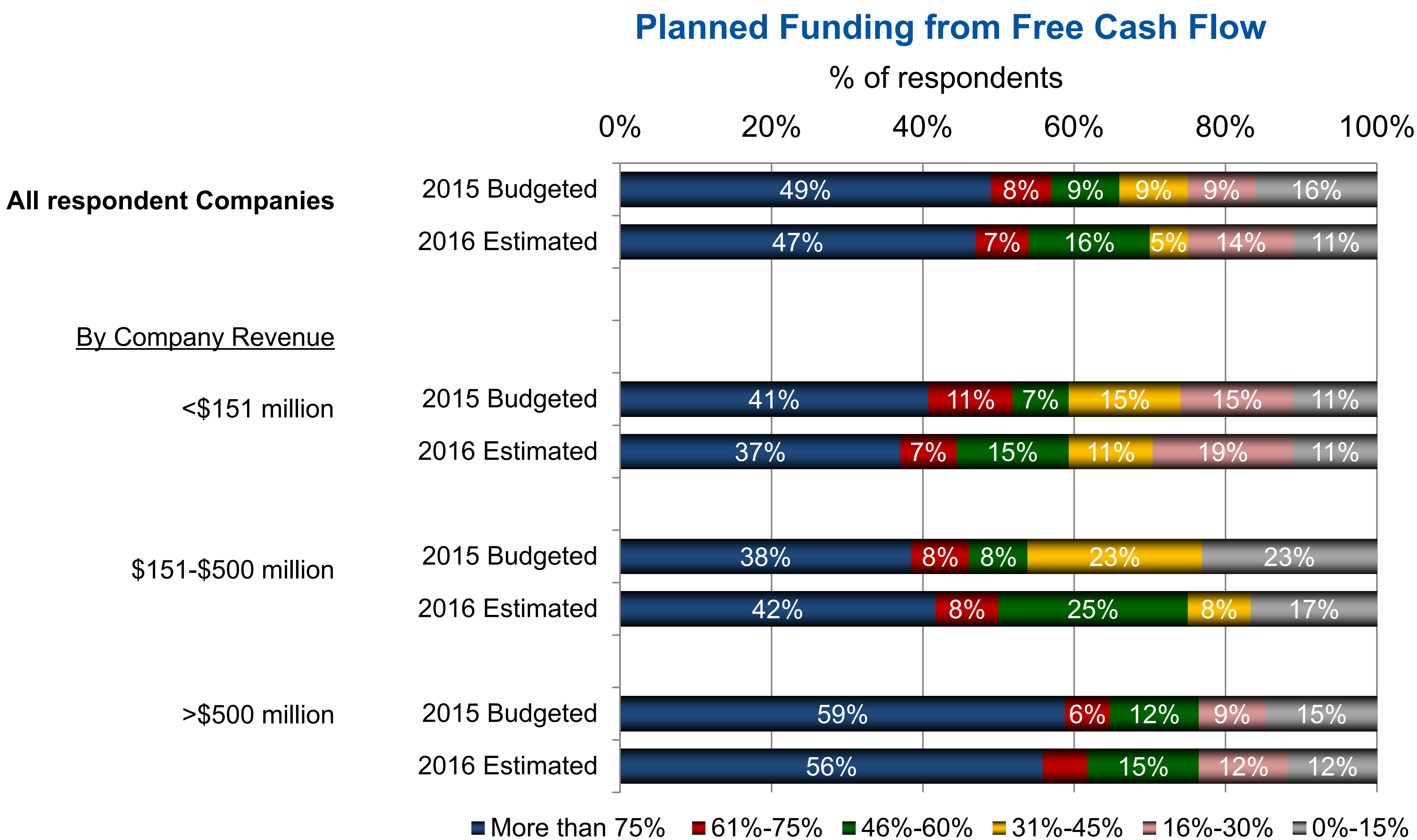
Comments:

- Subsidiary of a large corporate conglomerate that funds are operation.
- Expecting to draw a larger balance against a revolving line of credit in the next 12 months, due to working capital needs.
- We plan a period of loan pay downs and equity returns.
- Internally financed via cash flow.
- Everything is fine.

No. of Responses = 68-73

Note: For a breakdown of these results by company revenue, reference slides in the appendix.

WHAT PERCENT OF YOUR CAPITAL NEEDS DO YOU ESTIMATE YOU WILL FUND FROM FREE CASH FLOW?



No. of Responses = 74-76

WHAT PERCENT OF YOUR CAPITAL NEEDS DO YOU ESTIMATE YOU WILL FUND FROM FREE CASH FLOW? (CONTINUED)

Comments:

- Due to a working capital funding spike forthcoming, will have less of our capital needs funded by free cash flow in 2016 versus 2015.
- This is standard for our small company.
- Our company is growing.
- Run off cash flow.
- Our goal is fund all capital expenses from cash flow, saving our financing for acquisitions and major expansions.
- No debt, cash rich.

FOR NEXT YEAR, ESTIMATE YOUR R&D SPENDING AS A PERCENT OF TOTAL SALES.

	Lower Quartile	Median Value	Upper Quartile
2015	2%	3%	5%
2014	2%	3%	5%
2012	2%	3%	5%

For next year's budget, estimate the percent allocated to research and percent allocated to development.

	Lower Quartile	Median Value	Upper Quartile
Research budget			
2015	20%	30%	50%
2014	16%	30%	50%
2012	20%	30%	50%
Development budget			
2015	35%	67%	80%
2014	50%	70%	84%
2012	50%	70%	80%

Comments:

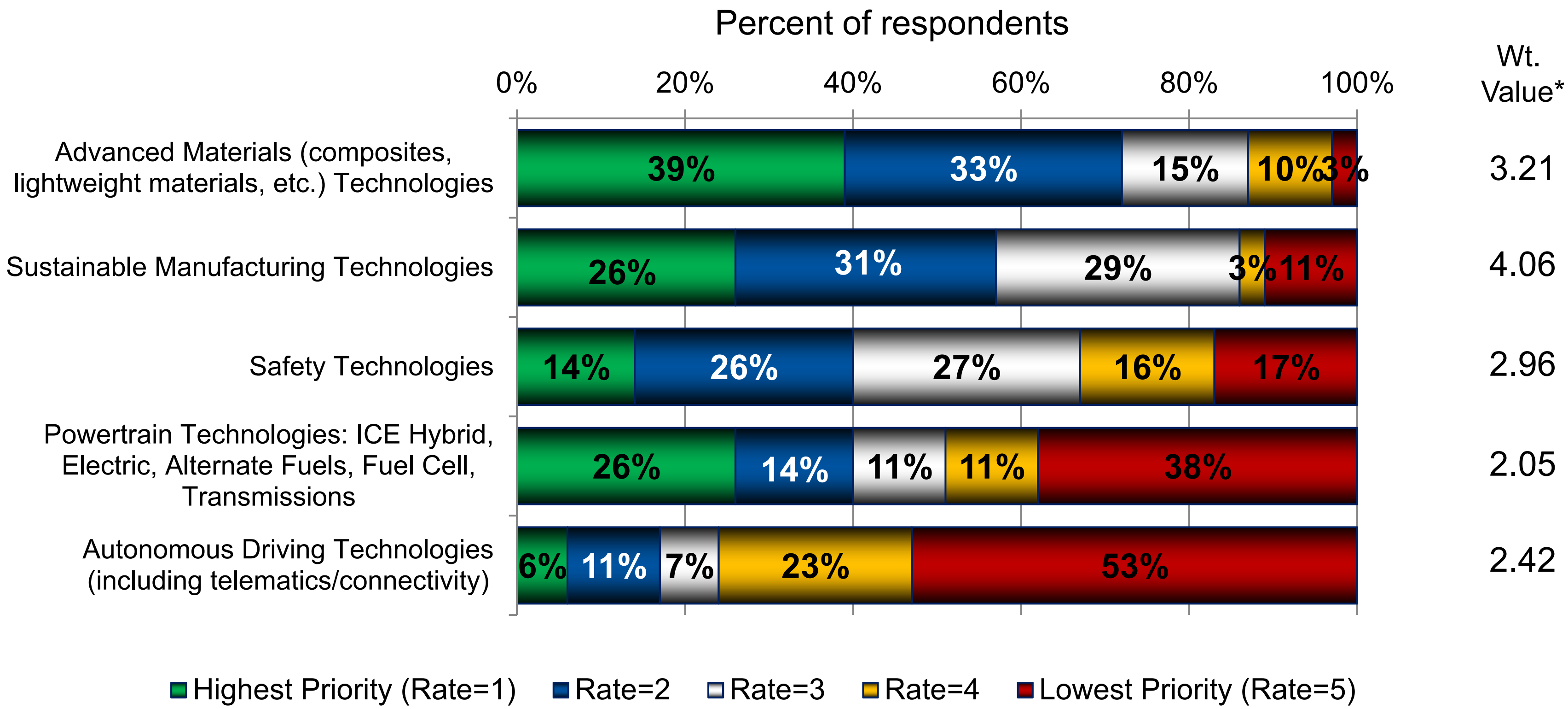
- Majority of new business projects require less R&D work than historical new projects/products, based on present sales opportunity pipeline.
- Again, small company. Only 30 percent of business is tier one, so not as much pressure for R&D.
- Planning on increasing over time.
- Majority of R&D expenses will go towards specific customer-driven formulations, rather than future technologies.
- Automation of specific process function continues alongside with the development of completely autonomous lines with functional, dimensional and cycle checks integrated into the line. Our goal is to automatically assemble and detect potential failures within first line stations.
- Emphasis on application development of current technology.
- Most research based on technologies needed to grow beyond current customers and programs.

- *Research budget is associated with future technologies.*
- *Development budget is associated with specific customer programs.*

2015 No. of Responses = 67-76

2014 No. of Responses = 64-67; 2012 No. of Responses = 92

IF YOU HAD ADDITIONAL DOLLARS FOR R&D INVESTMENT, RATE IN TERMS OF IMPORTANCE HOW WOULD YOU ALLOCATE IT ACROSS THE FOLLOWING TECHNOLOGY AREAS?

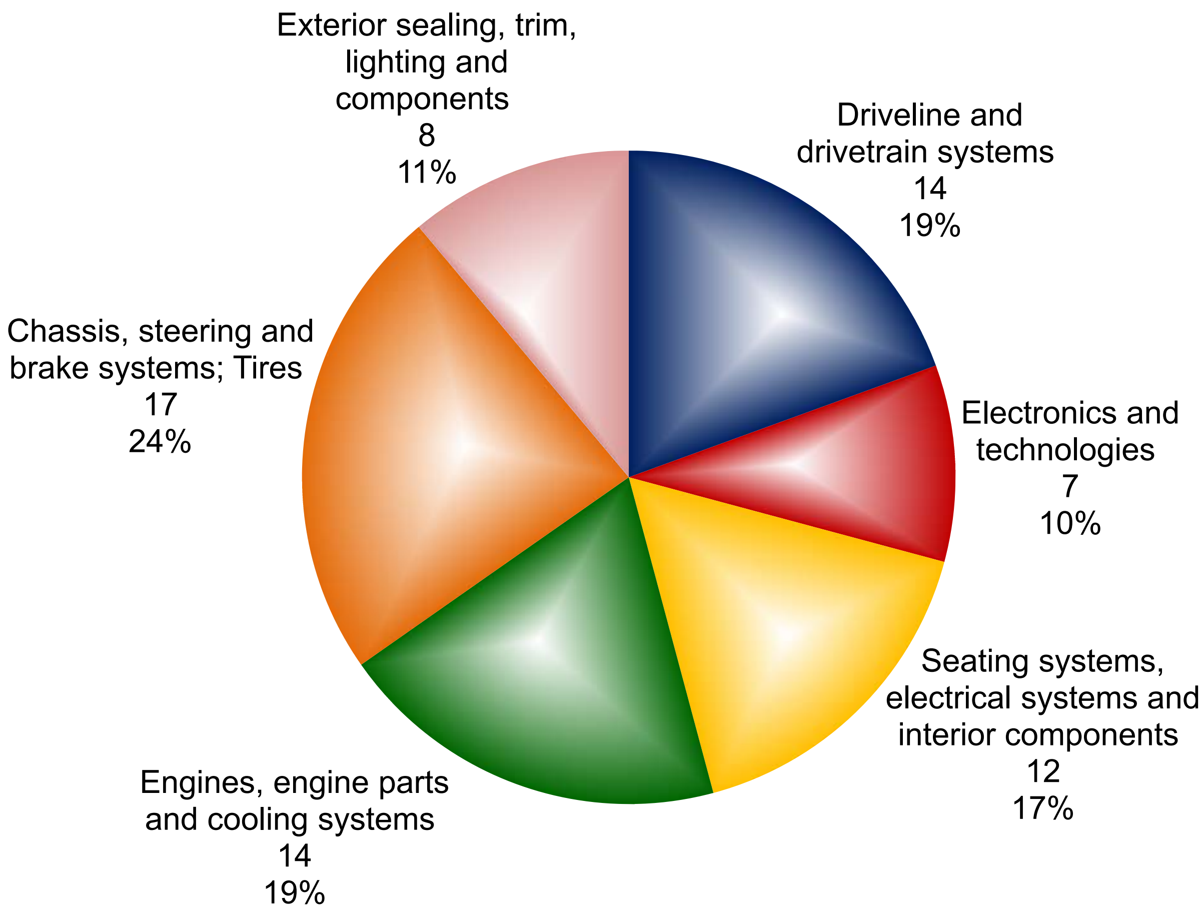


Comments:

- Our component is not impacted highly by autonomous driving.
- Our primary focus is powertrain technologies as a Tier1 and Tier2 supplier.

No. of Responses = 70-72

IDENTIFY THE PRIMARY PRODUCT SEGMENT THAT YOU SUPPLY INTO THE AUTOMOTIVE MARKET.



No. of Responses = 72

THANK YOU FOR YOUR PARTICIPATION

The OESA Automotive Supplier Barometer survey is published every other month. The next survey will be launched on Monday, November 2, 2015 and will be released Friday, November 4, 2015.

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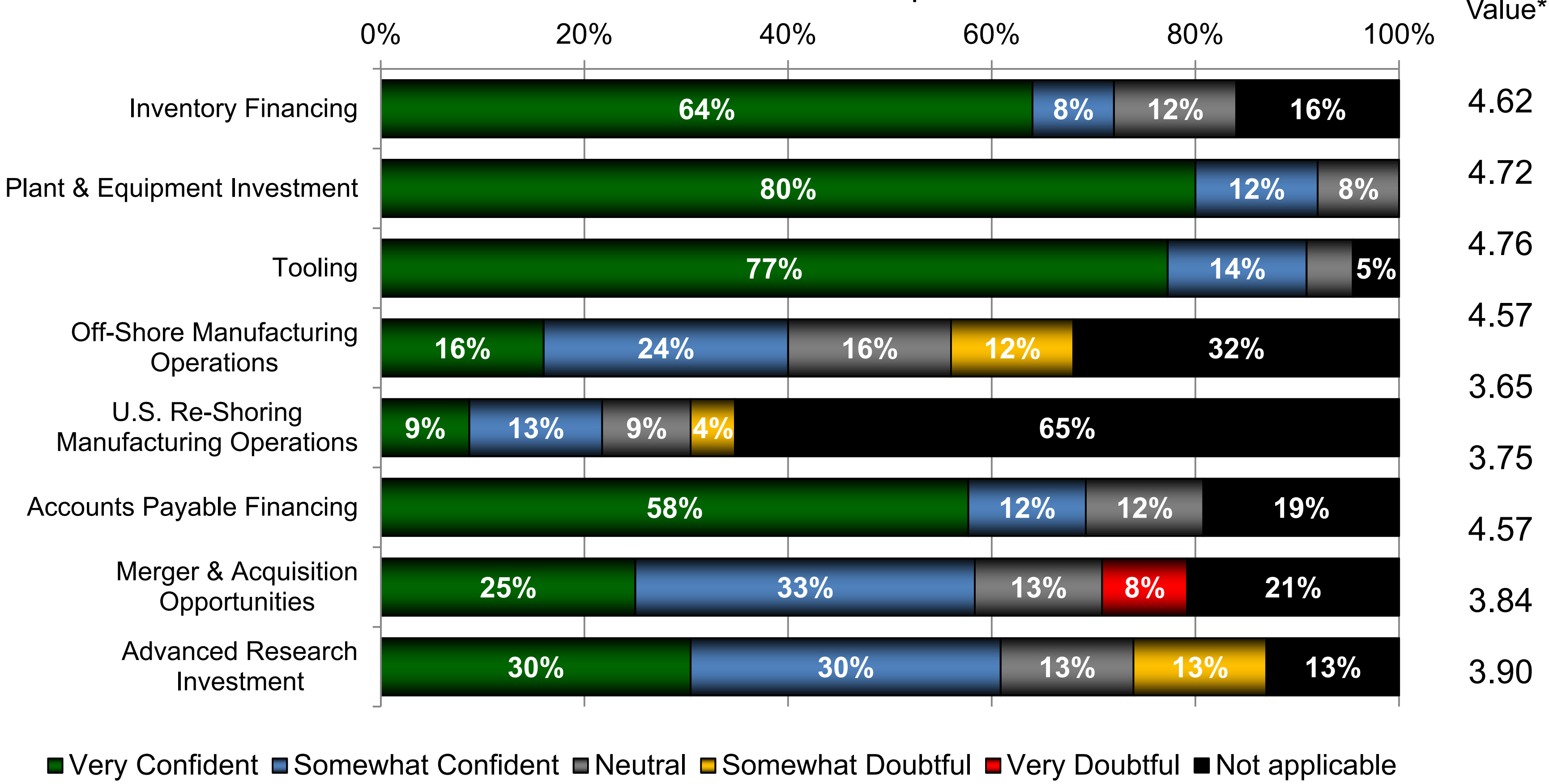
Antitrust Statement: This survey content is exclusively about historical data, and respondents/participants should not contact each other to discuss responses, or to discuss the issues dealt with in the survey. It is an absolute imperative to consult legal counsel about any contacts with competitors. All pricing decisions and negotiating strategies should be handled on an individual company basis.

Results by company revenue:

- ***Confidence in capital availability***
- ***Terms of commercial loans and credit lines***
- ***Sources of funds***

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?

(Revenue $150 Million or Less)



*Weighted Value 5=Very Confident,1=Very Doubtful

No. of Responses = 22-26

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?

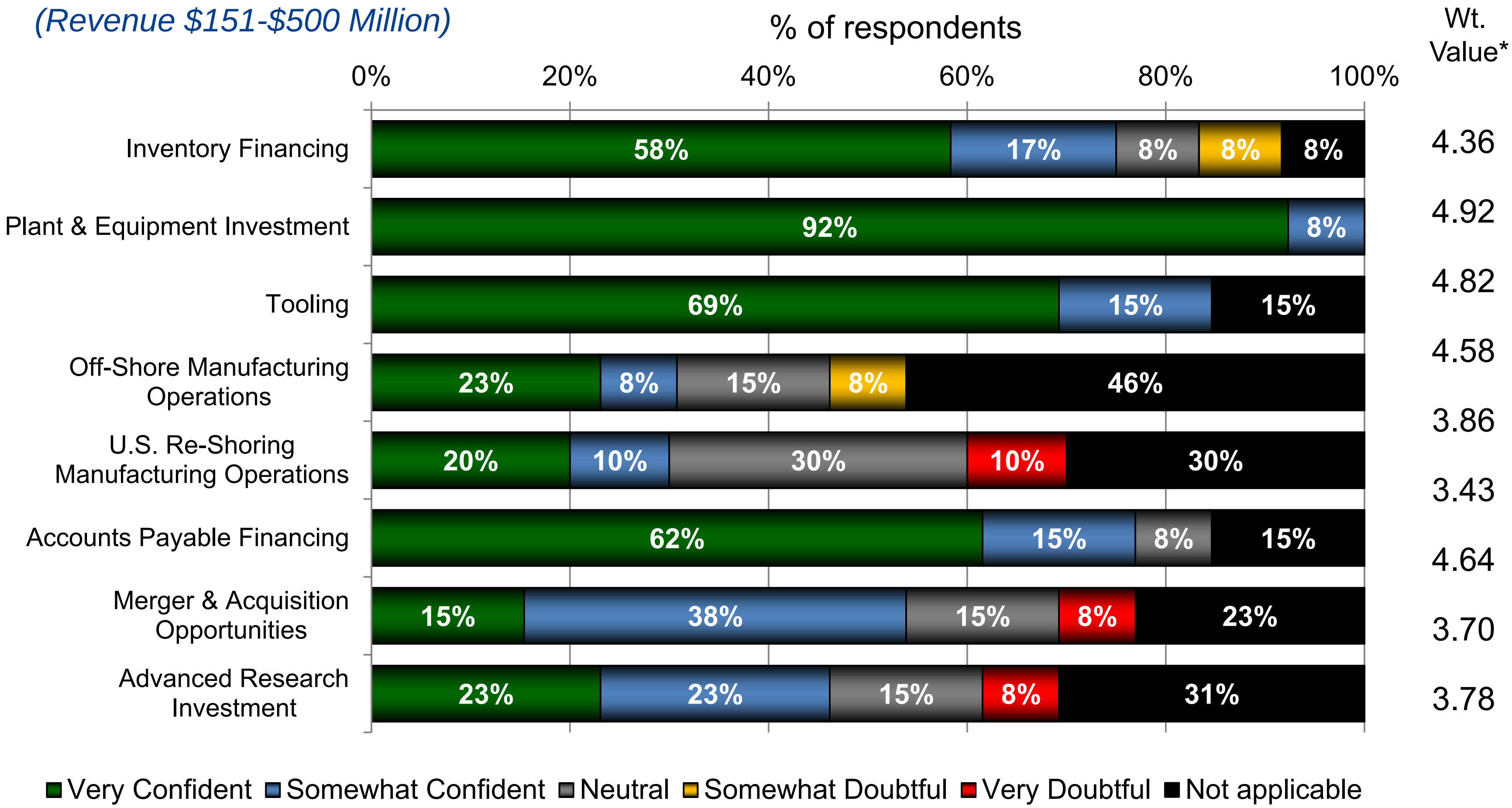
(Revenue $150 Million or Less)

Year-Over-Year Confidence	2015	2014	2013	2011
Inventory Financing	4.62	4.74	4.62	4.36
Plant & Equipment Investment	4.72	4.58	4.55	4.11
Tooling	4.76	4.63	4.21	NA
Other Working Capital Needs	4.57	4.44	4.41	4.20
Off-Shore Manufacturing Operations	3.65	3.38	3.26	3.51
U.S. Re-Shoring Manufacturing Operations	3.75	3.85	NA	NA
Accounts Payable Financing	4.57	4.29	4.11	NA
Merger & Acquisition Opportunities	3.84	3.57	3.63	NA
Advanced Research Investment	3.90	NA	NA	NA
Program Consolidation Opportunities	NA	4.04	3.89	3.78

*Weighted Value 5=Very Confident,1=Very Doubtful

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?

(Revenue $151-$500 Million)



*Weighted Value 5=Very Confident,1=Very Doubtful

No. of Responses = 32-34

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?

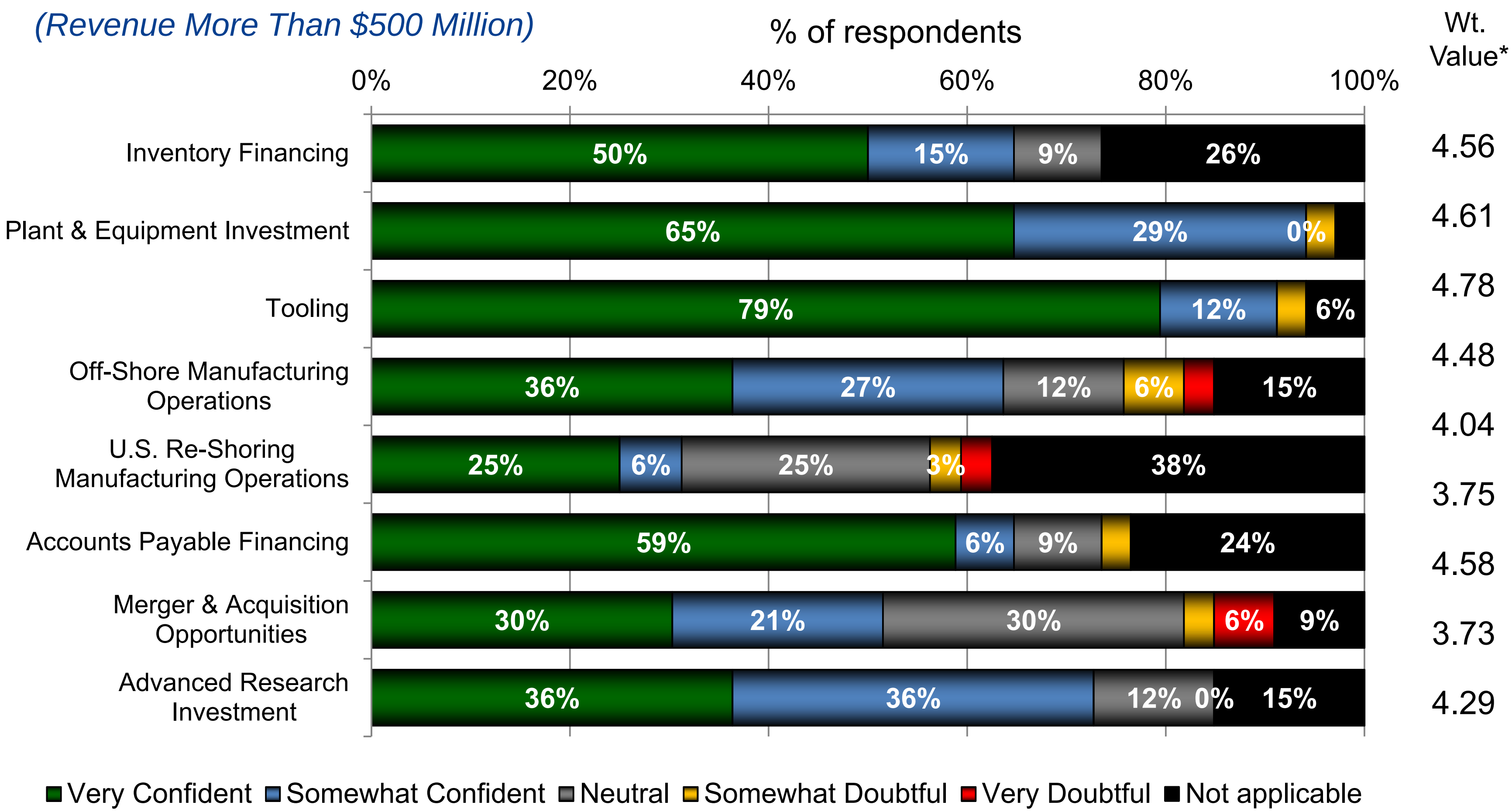
(Revenue $151-$500 Million)

Year-Over-Year Confidence	2015	2014	2013	2011
Inventory Financing	4.36	4.69	4.57	4.50
Plant & Equipment Investment	4.92	4.56	4.33	4.37
Tooling	4.82	4.56	4.43	NA
Other Working Capital Needs	4.58	4.38	4.27	4.41
Off-Shore Manufacturing Operations	3.86	3.50	3.19	4.14
U.S. Re-Shoring Manufacturing Operations	3.43	3.92	NA	NA
Accounts Payable Financing	4.64	4.27	3.70	NA
Merger & Acquisition Opportunities	3.70	4.00	3.34	NA
Advanced Research Investment	3.78	NA	NA	NA
Program Consolidation Opportunities	NA	3.92	3.44	3.84

*Weighted Value 5=Very Confident,1=Very Doubtful

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?

(Revenue More Than $500 Million)



*Weighted Value 5=Very Confident,1=Very Doubtful

No. of Responses = 22-26

OVER THE NEXT 12 MONTHS, HOW CONFIDENT ARE YOU THAT YOU WILL BE ABLE TO ACCESS REQUIRED LEVELS OF CAPITAL AT APPROPRIATE COSTS FOR THE FOLLOWING USES?

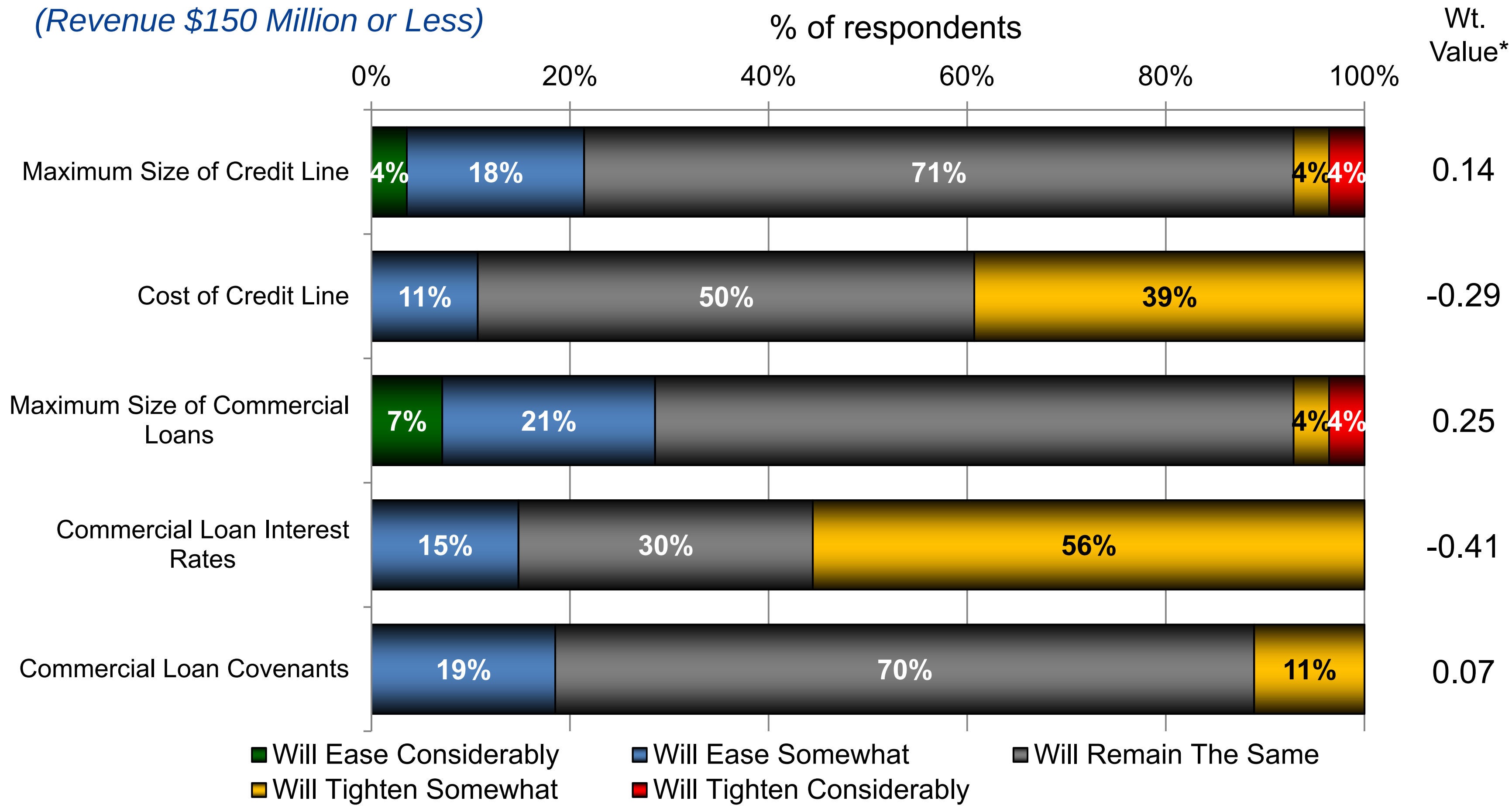
(Revenue More Than $500 Million)

Year-Over-Year Confidence	2015	2014	2013	2011
Inventory Financing	4.56	4.69	4.72	4.45
Plant & Equipment Investment	4.61	4.59	4.59	4.39
Tooling	4.78	4.62	4.65	NA
Other Working Capital Needs	4.48	4.65	4.58	4.45
Off-Shore Manufacturing Operations	4.04	4.28	4.00	3.91
U.S. Re-Shoring Manufacturing Operations	3.75	4.35	NA	NA
Accounts Payable Financing	4.58	4.63	4.50	NA
Merger & Acquisition Opportunities	3.73	4.09	3.74	NA
Advanced Research Investment	4.29	NA	NA	NA
Program Consolidation Opportunities	NA	4.00	3.85	4.00

*Weighted Value 5=Very Confident,1=Very Doubtful

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

(Revenue $150 Million or Less)



*Weighted Value 2=Ease Considerably 1=Ease Somewhat 0=Remain Same -1=Tighten Somewhat -2=Tighten Considerably

No. of Responses = 27-28

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

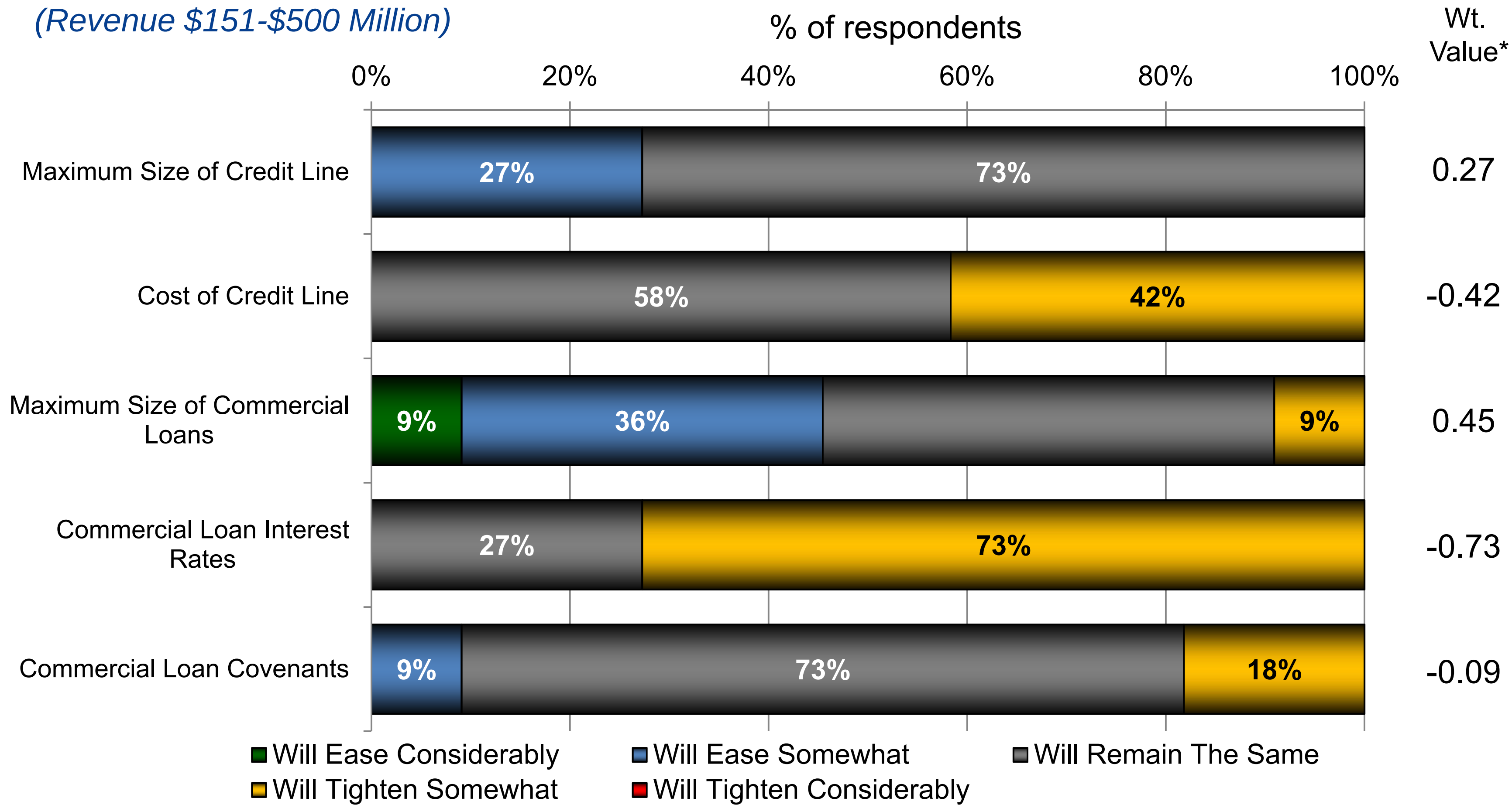
(Revenue $150 Million or Less)

Year-Over-Year Terms Change	2015	2014	2013
Maximum Size of Credit Line	0.14	0.38	0.18
Cost of Credit Line	-0.29	-0.03	-0.21
Maximum Size of Commercial Loans	0.25	0.29	0.21
Commercial Loan Interest Rates	-0.41	-0.07	-0.41
Commercial Loan Covenants	0.07	0.14	-0.08

*Weighted Value 2=Ease Considerably 1=Ease Somewhat 0=Remain Same -1=Tighten Somewhat -2=Tighten Considerably

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

(Revenue $151-$500 Million)



*Weighted Value 2=Ease Considerably 1=Ease Somewhat 0=Remain Same -1=Tighten Somewhat -2=Tighten Considerably

No. of Responses = 11-12

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

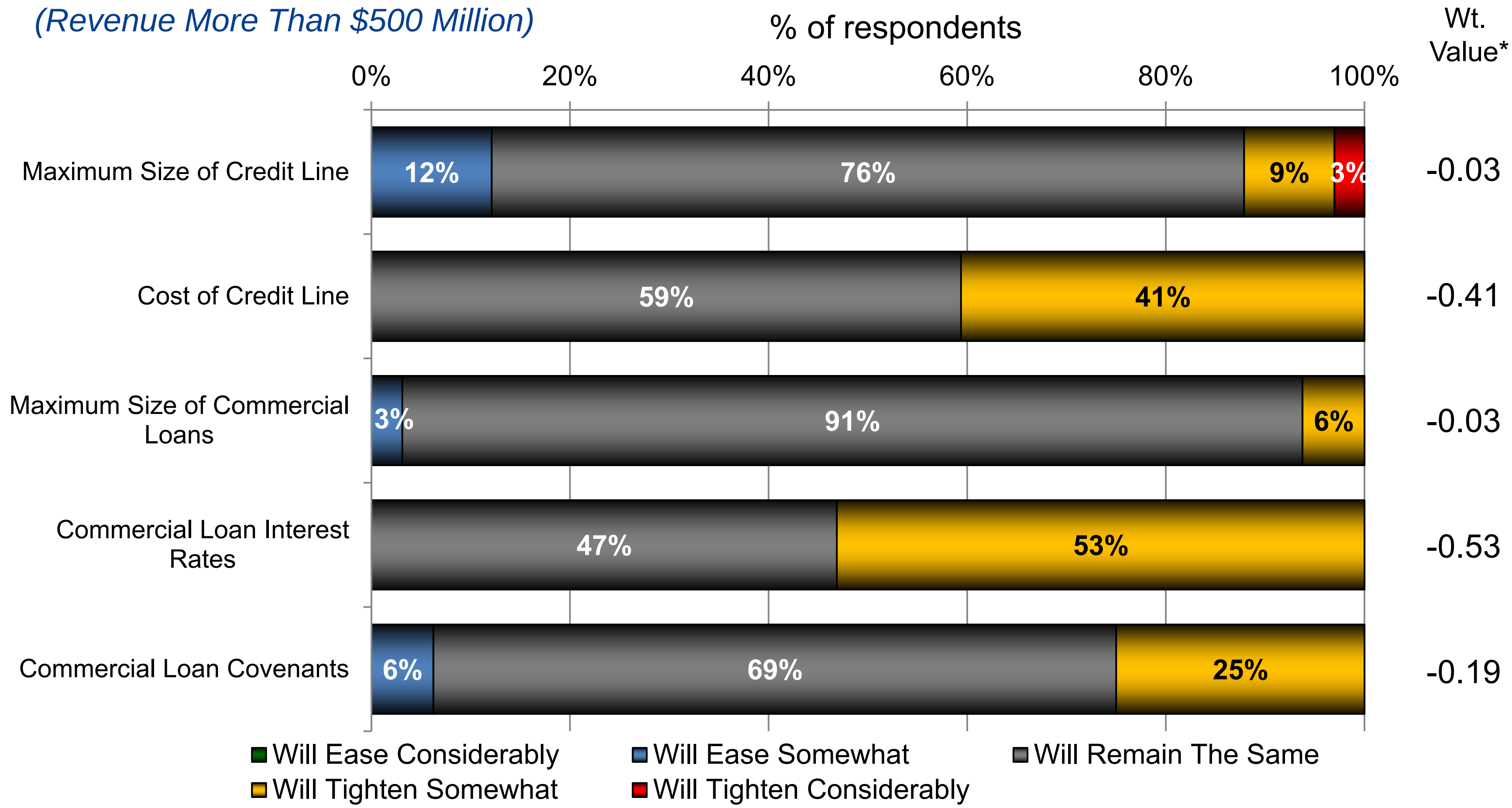
(Revenue $151-$500 Million)

Year-Over-Year Terms Change	2015	2014	2013
Maximum Size of Credit Line	0.27	0.19	0.04
Cost of Credit Line	-0.42	0.19	-0.14
Maximum Size of Commercial Loans	0.45	0.15	0.09
Commercial Loan Interest Rates	-0.73	-0.05	-0.41
Commercial Loan Covenants	-0.09	0.10	0.05

*Weighted Value 2=Ease Considerably 1=Ease Somewhat 0=Remain Same -1=Tighten Somewhat -2=Tighten Considerably

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

(Revenue More Than $500 Million)



*Weighted Value 2=Ease Considerably 1=Ease Somewhat 0=Remain Same -1=Tighten Somewhat -2=Tighten Considerably

No. of Responses = 32-33

CONSIDERING YOUR LEAD COMMERCIAL BANK, OVER THE NEXT 12 MONTHS, HOW DO YOU ANTICIPATE THE TERMS OF YOUR COMMERCIAL LOAN OR CREDIT LINE APPLICATIONS CHANGING?

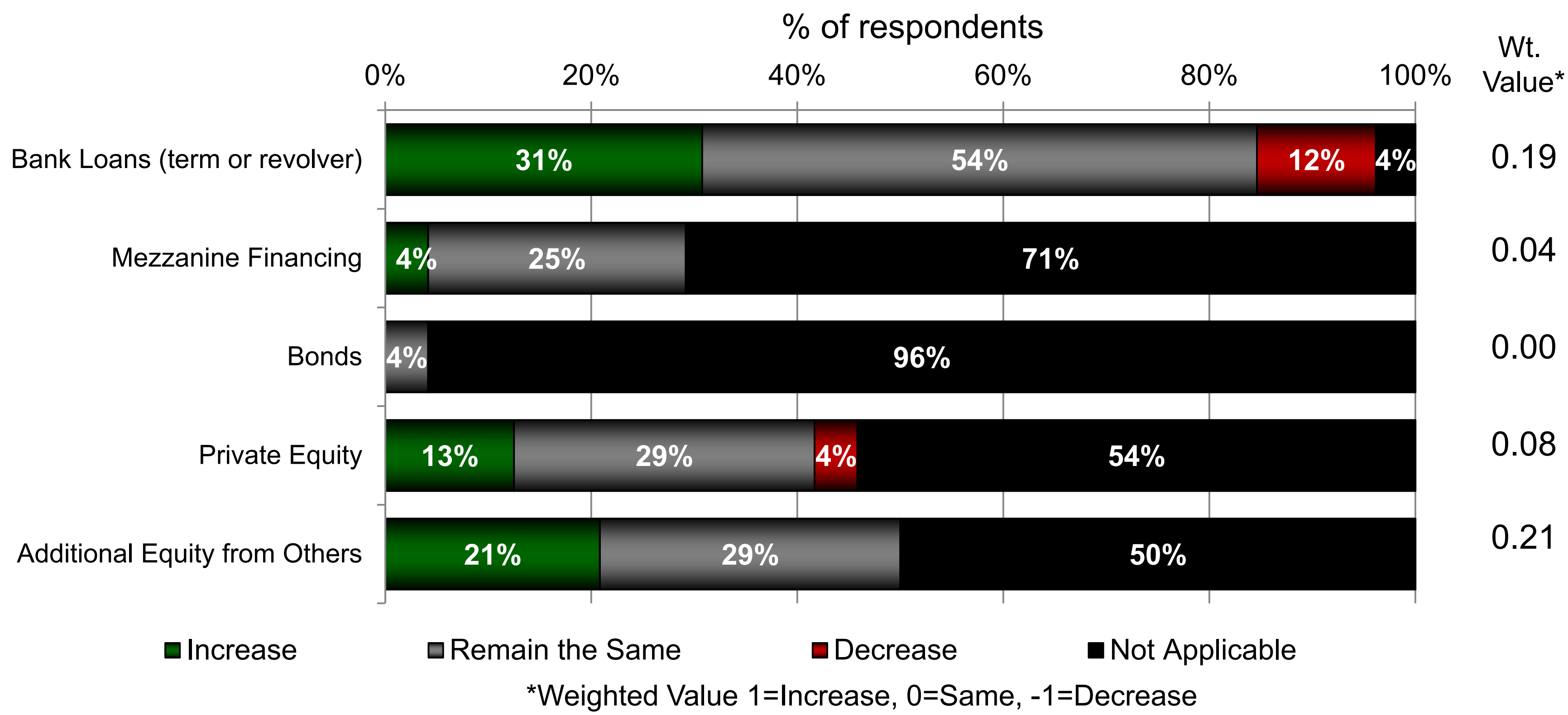
(Revenue More Than $500 Million)

Year-Over-Year Terms Change	2015	2014	2013
Maximum Size of Credit Line	-0.03	0.06	0.03
Cost of Credit Line	-0.41	0.06	-0.14
Maximum Size of Commercial Loans	-0.03	0.31	0
Commercial Loan Interest Rates	-0.53	-0.06	-0.39
Commercial Loan Covenants	-0.19	0.13	-0.04

*Weighted Value 2=Ease Considerably 1=Ease Somewhat 0=Remain Same -1=Tighten Somewhat -2=Tighten Considerably

OVER THE NEXT 12 MONTHS, INDICATE WHETHER THE FOLLOWING SOURCES OF FUNDS WILL INCREASE/DECREASE/REMAIN THE SAME IN IMPORTANCE ON YOUR BALANCE SHEET?

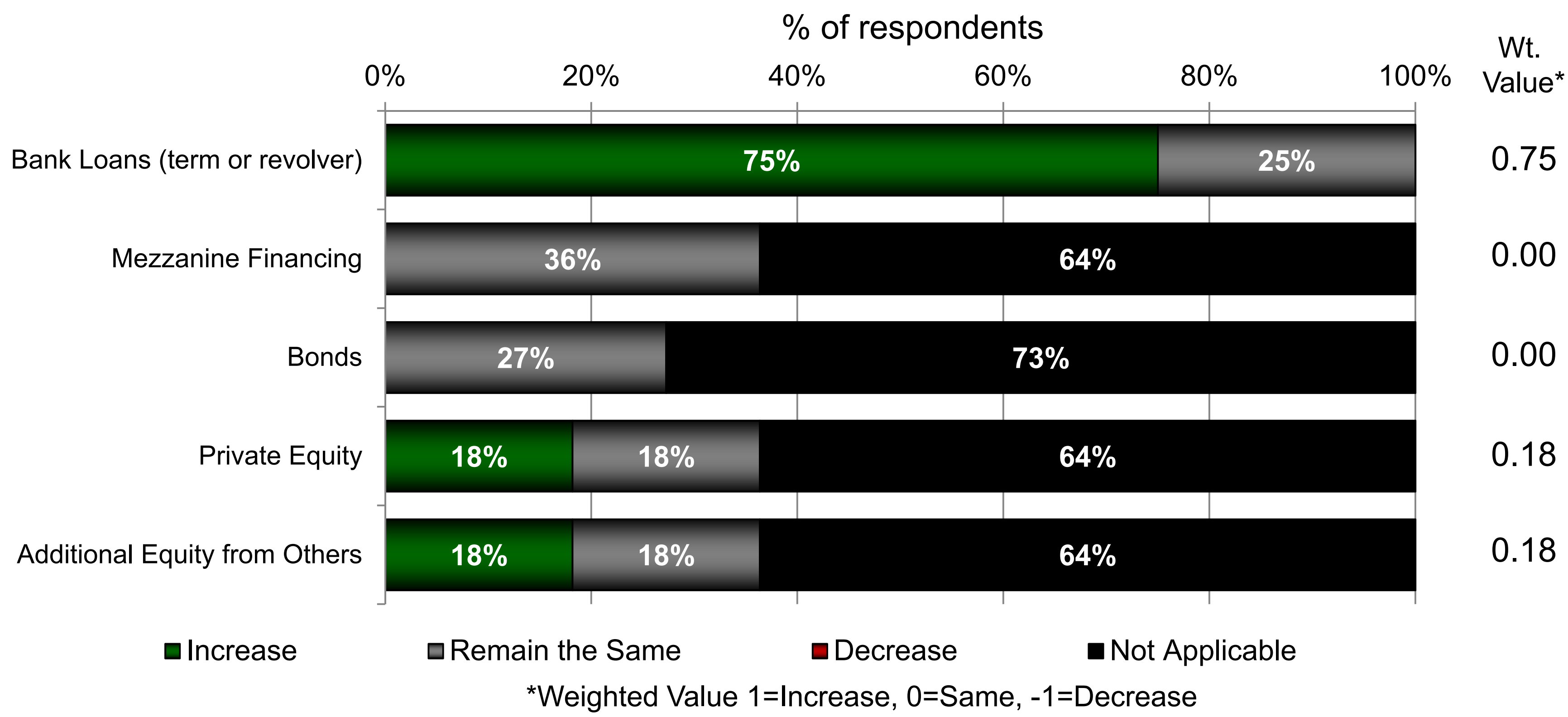
(Revenue $150 Million or Less)



No. of Responses = 24-26

OVER THE NEXT 12 MONTHS, INDICATE WHETHER THE FOLLOWING SOURCES OF FUNDS WILL INCREASE/DECREASE/REMAIN THE SAME IN IMPORTANCE ON YOUR BALANCE SHEET?

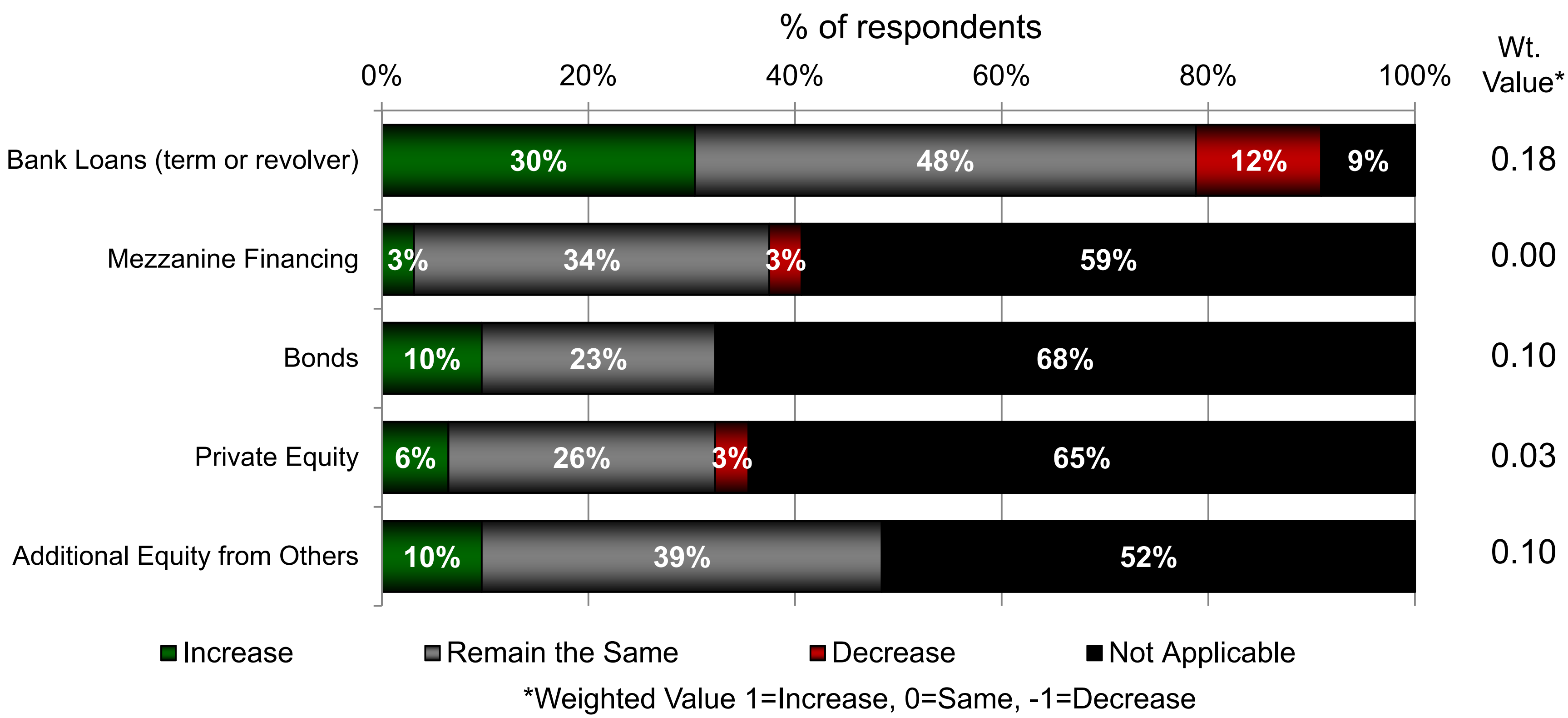
(Revenue $151-$500 Million)



No. of Responses = 11-12

OVER THE NEXT 12 MONTHS, INDICATE WHETHER THE FOLLOWING SOURCES OF FUNDS WILL INCREASE/DECREASE/REMAIN THE SAME IN IMPORTANCE ON YOUR BALANCE SHEET?

(Revenue More Than $500 Million)



No. of Responses = 31-33