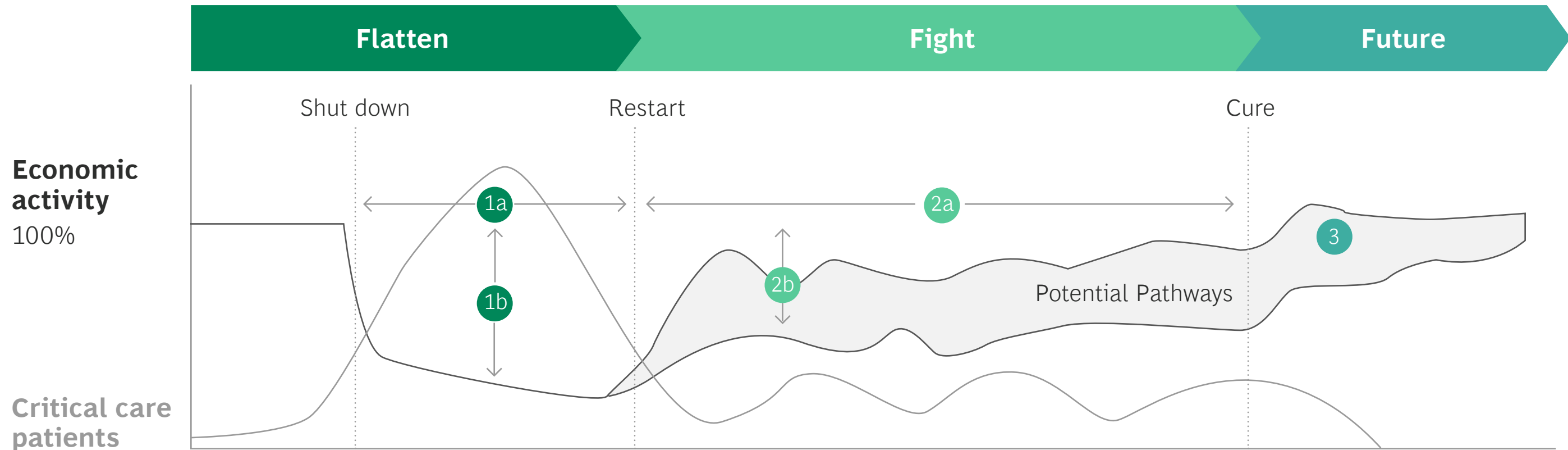


COVID-19 Automotive demand post COVID-19

Anticipate a prolonged Fight phase of 12-24 months

Scenarios and outcome driven by five key questions; shape varies based on regional assumptions

Illustrative



Five questions will shape the economic outcomes

1a What will be the LENGTH of “Flatten”?

1b To what DEPTH does the economy drop in “Flatten”?

2a What will be the LENGTH of “Fight”?

2b What LEVEL of recovery does the economy achieve in “Fight”?

3 Where does the economy return to relative to the pre-COVID era in “Future”?

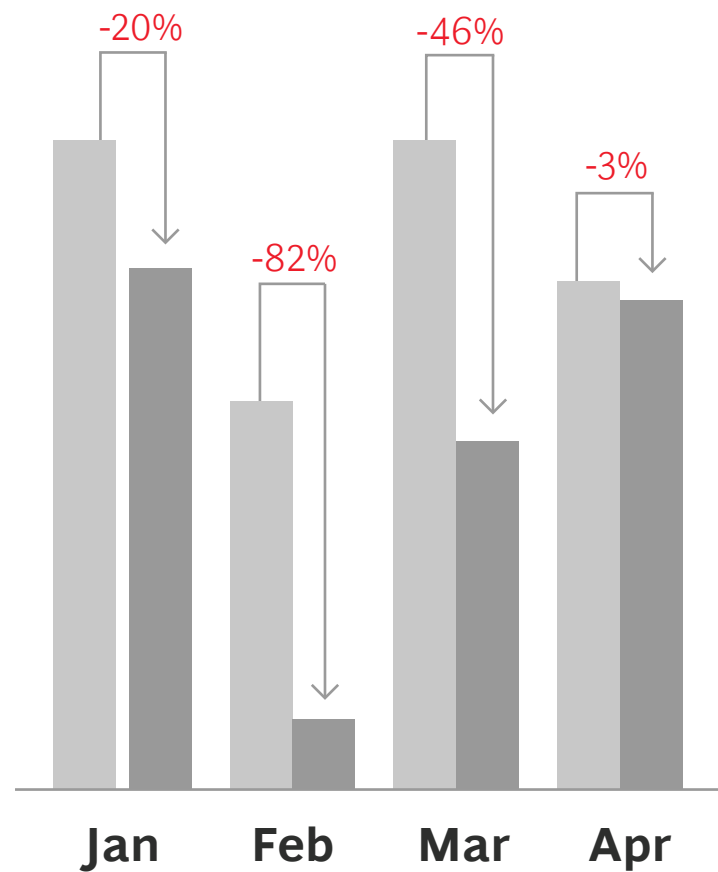
Fight: Auto sales in China on recovery path



2b | LEVEL of recovery

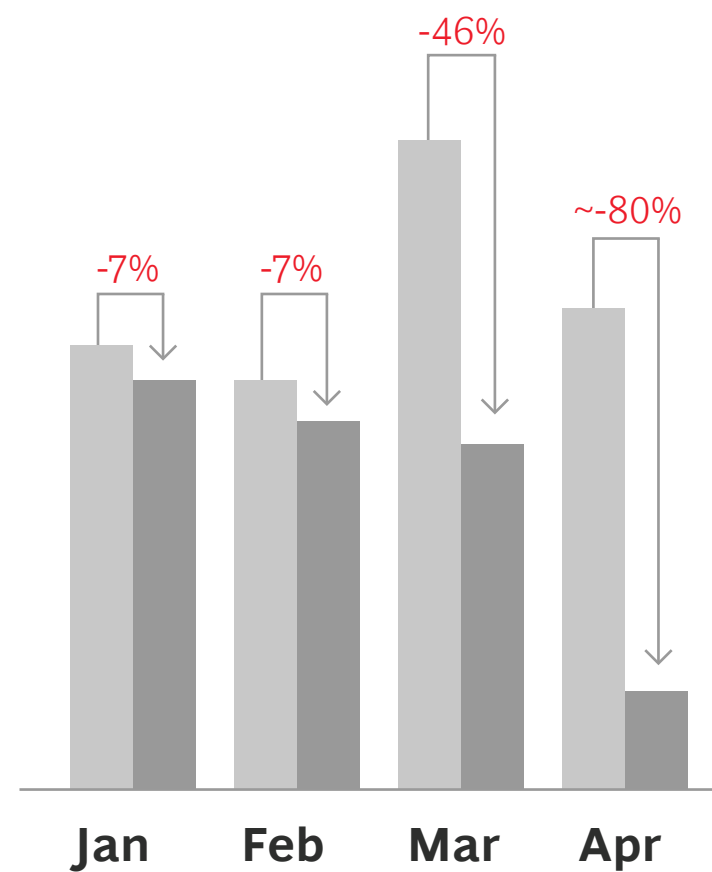
Vehicle sales

China¹



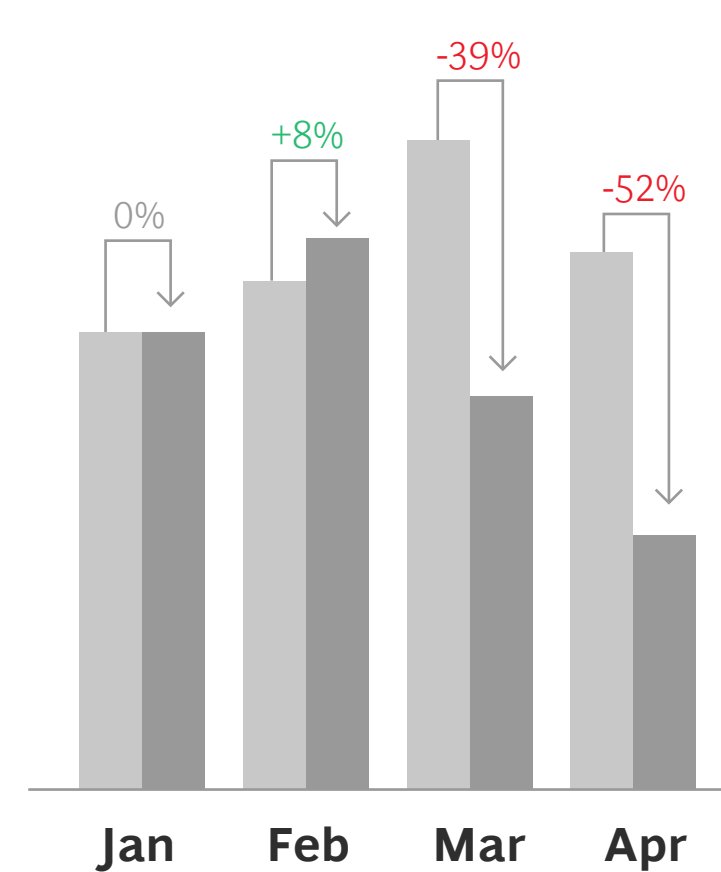
Vehicle sales

Europe²



Vehicle sales

US³



■ 2019 ■ 2020

1. Passenger vehicles sales by month including Mini Vans; 2. New passenger car registrations by month, Europe = EU26 + UK + Iceland, Norway, Switzerland

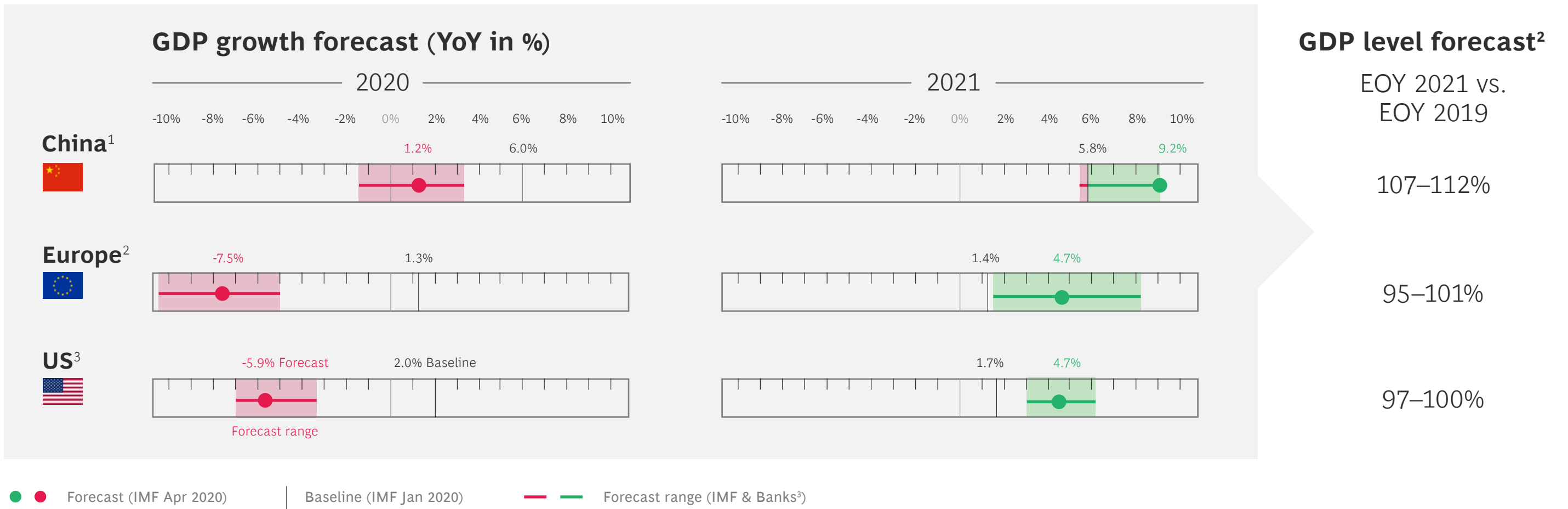
2. 2020 estimate based on BCG analysis; 3. Light Vehicles (LV) include Passenger Vehicles (PV)

Sources: Marklines/China Association of Automobile Manufacturers (CAAM), ACEA actuals, Wards Automotive, BCG analysis and forecast

Economic forecasts deteriorating globally for 2020 while remaining stable for 2021



2b | LEVEL of recovery



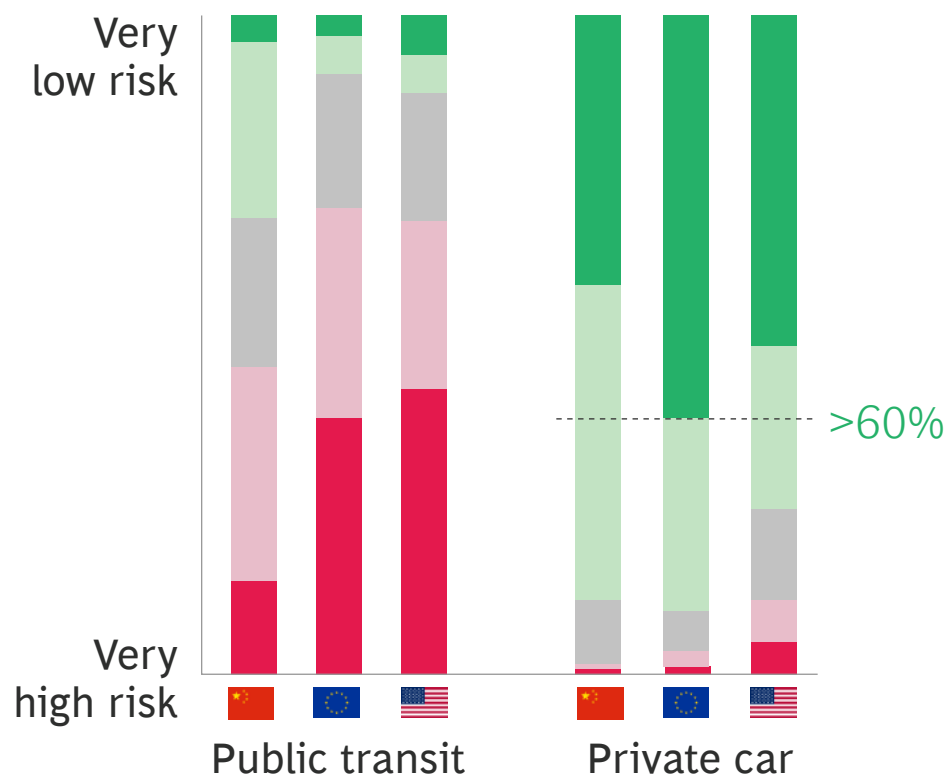
Note: As of reports dated 31 March 2020 to 05 May 2020, YoY forecasts 1. Announced by the German Federal Ministry for Economic Affairs and Energy on 29 Apr 2020
 2. Range calculated with 25th & 75th percentile values of forecast range 3. Range from forecasts (where available) of International Monetary Fund, JP Morgan Chase; Morgan Stanley; Bank of America; Fitch Solutions; Credit Suisse; Danske Bank; ING Group; HSBC Source: German Federal Ministry for Economic Affairs and Energy; Bloomberg; IMF; BCG analysis

Change in mobility behavior expected – intentions stronger in China



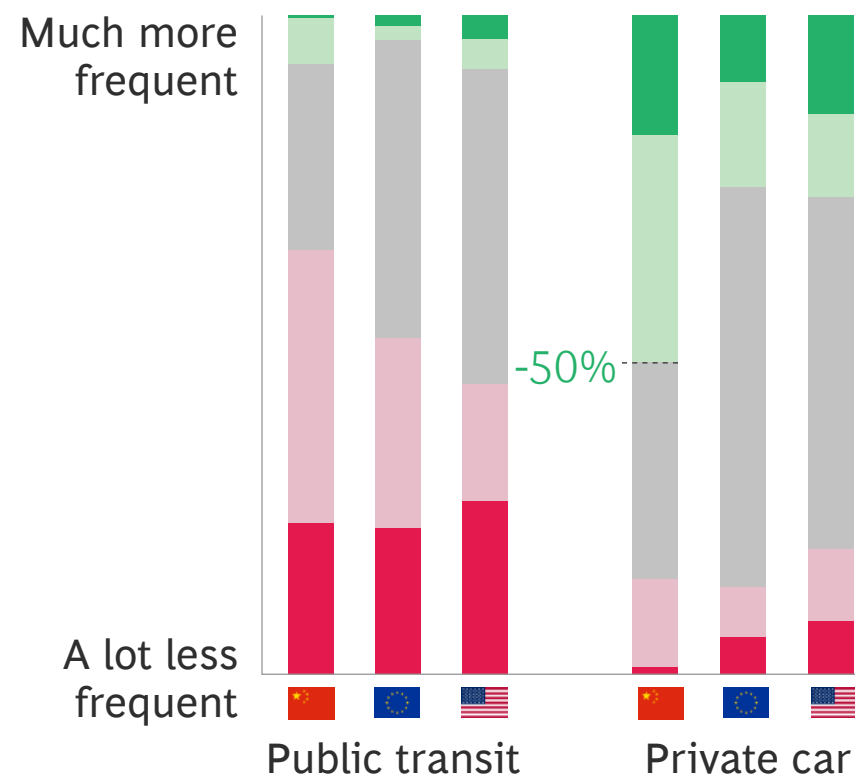
3 | Return of economy in the FUTURE

Risk associated with mode of transport after lockdown



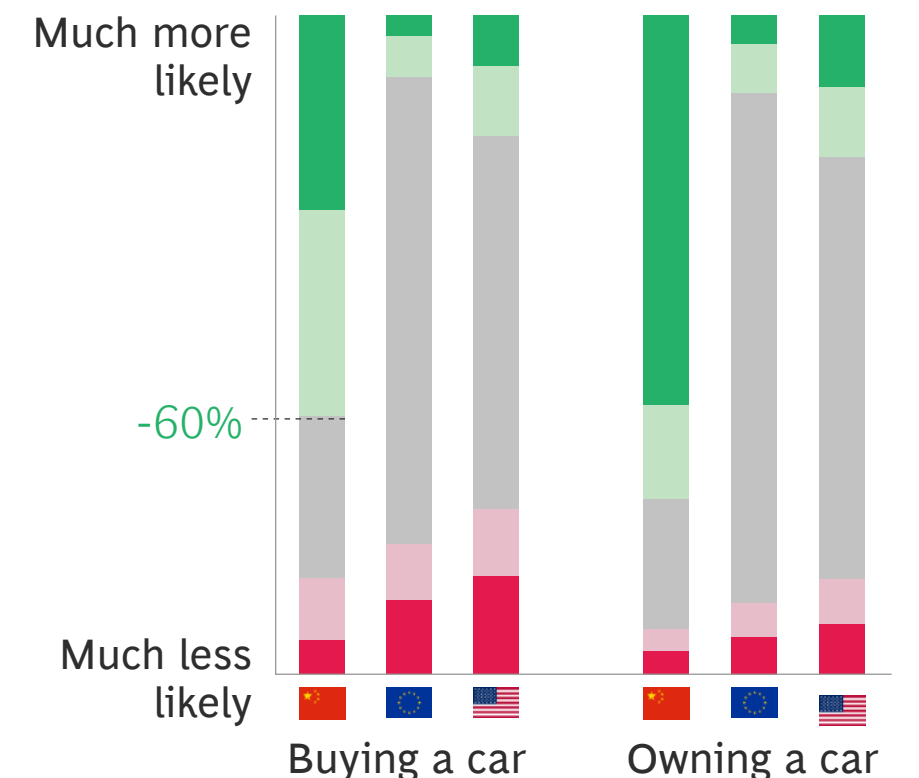
People see car as the safest mode of transportation

Mode of transport usage after lockdown



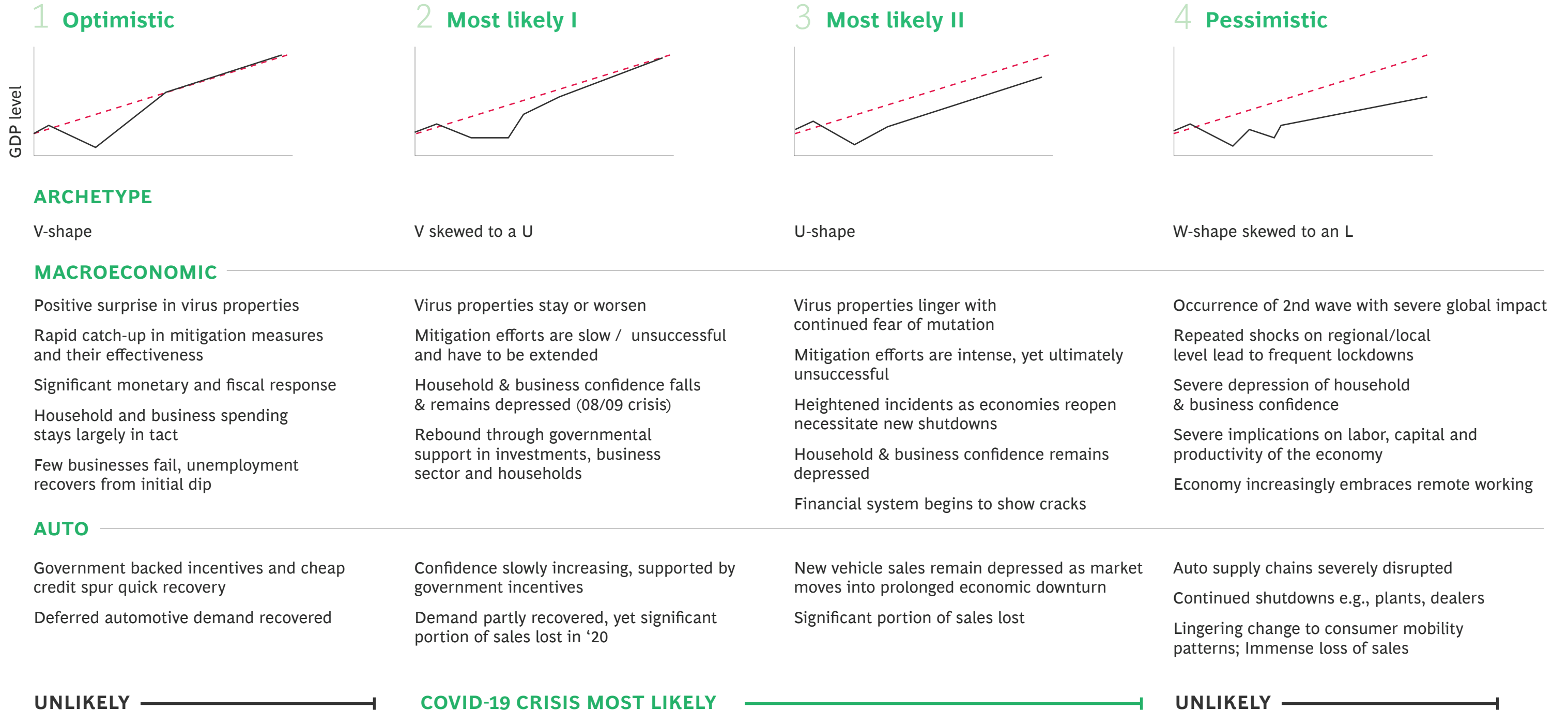
Private car will be more preferred after lockdown – especially in China

Change of likelihood to buy/own car after COVID-19



Clear picture in China on trend towards buying/owning car while EU/USA are mixed

Four scenarios of the crisis are simulated along Flatten-Fight-Future



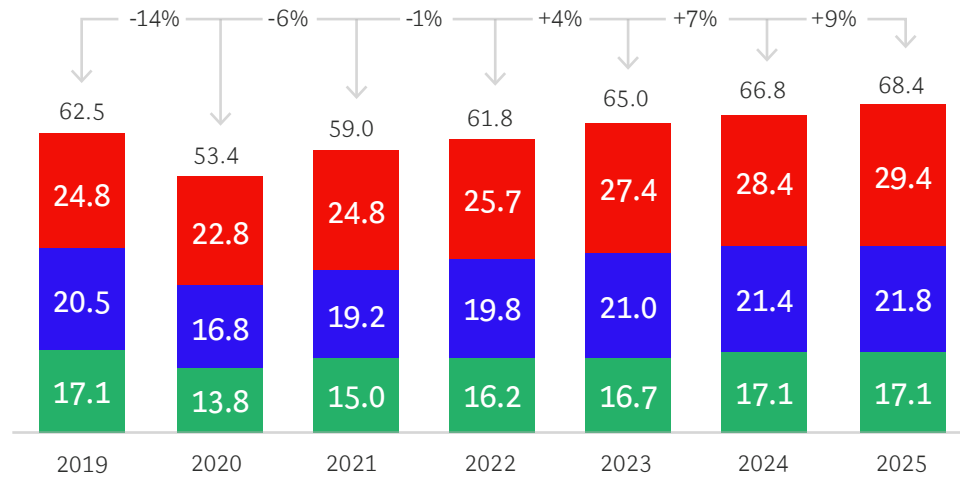
Automotive Demand: Also in mid-term significant global impact



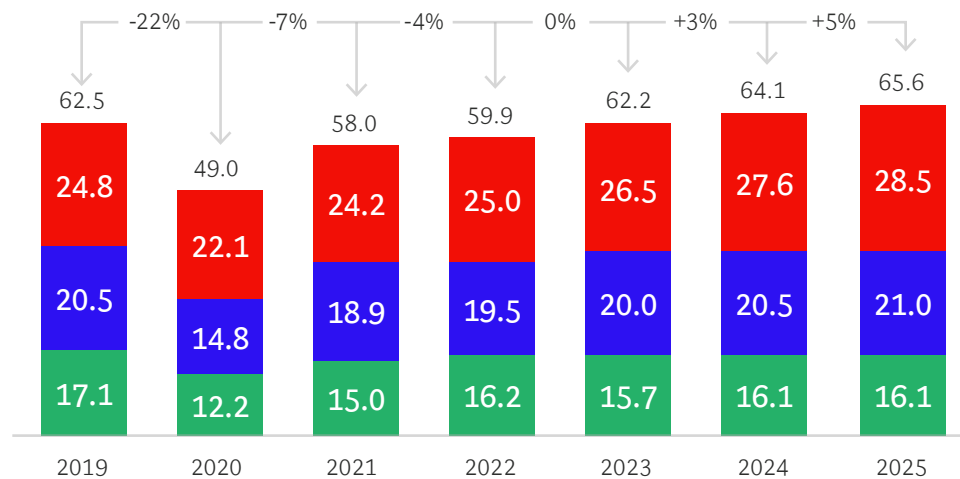
Sales forecast for CN, EU, US
(vehicle units in M)

Most likely scenario

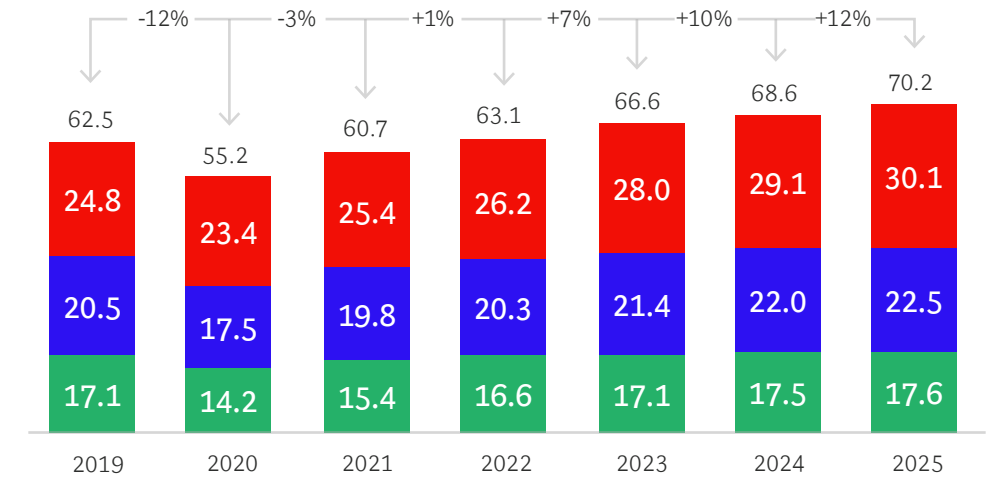
Most likely I scenario



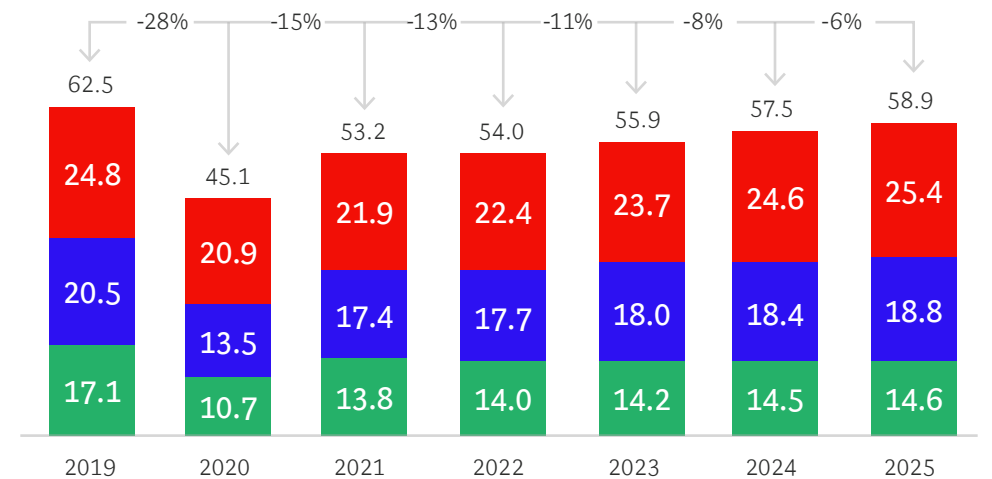
Most likely II scenario



Optimistic scenario



Pessimistic scenario

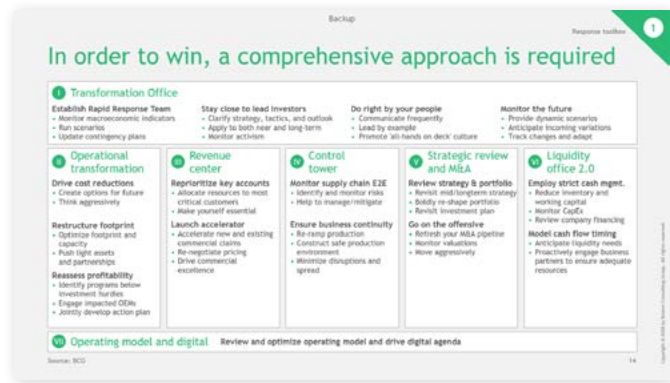


China Europe USA

Next step: Please feel free to reach out regarding our tools/insights



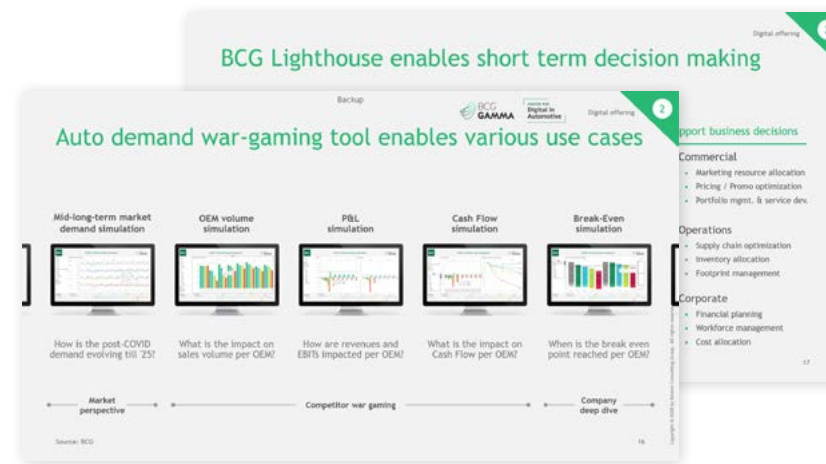
1 Response toolbox



Comprehensive approach to managing COVID-19 response

Handle immediate response and leverage crisis in long-term

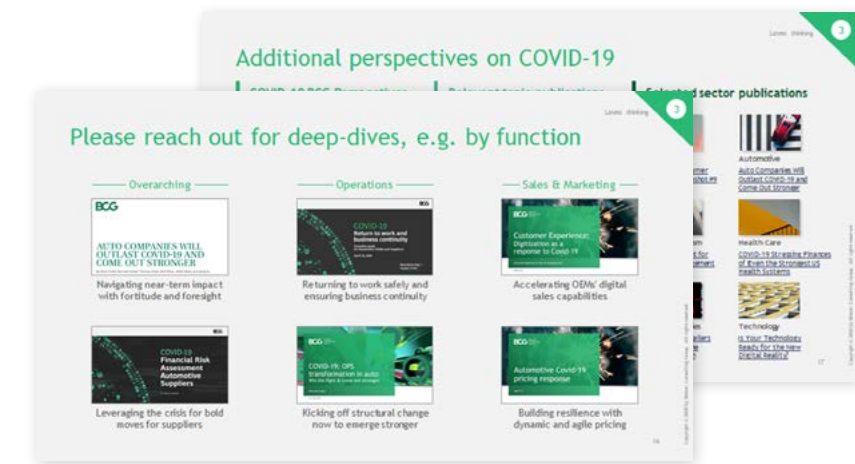
2 Digital offering



Mid-long-term: Demand scenarios and P&L / cash flow wargaming

Short-term: Monitor and analyze indicators for decision support

3 Our latest thinking



Overarching and functional deep-dive material on demand

Regular publications on crisis, necessary actions & impact on auto

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