PRESS RELEASE

22 December 2010

Spire works with Austrade on Korean Automotive Market Report 2010 – Opportunities and Trends

A research project to help Australian exporters in the Korean market saw the Australian Trade Commission (Austrade) working with Spire Research and Consulting in Korea to develop a report on opportunities and trends in the Korean Automotive Market 2010. Spire Korea’s report quantified and analyzed the most important market opportunities residing in the Korean automotive industry.

The report on the Korean Automotive Market 2010 - Opportunities and Trends - was commissioned by the Australian Trade Commission (Austrade), partnering with Spire Research and Consulting in Korea to develop the market research findings.
Some interesting highlights from the report include the following.

**The importance of automotive industry**

The Korean automotive industry, a growth driver in the Korean economy, is significant for exports, value-added taxes and employment. It accounts for 9.9% of the manufacturing sector’s total production, 9.1% of employment, 18.1% of value-added tax and 12.8% of exports (US$49,063 million).

*Figure 1, The importance of the Korean automotive industry in the manufacturing sector, 2008*

The Korean automotive industry comprises seven major automakers, 889 module makers and 1st tier parts manufacturers, over 3,000 2nd and 3rd tier parts makers, material suppliers and supporting firms.

The multiplier effects emanating from the automotive industry are stronger than those from the shipbuilding or electronics industry. This is mainly due to the strong interconnectivity between parts and vehicle manufacturers.
Opportunities and threats in the Korean automotive industry

Korea is vulnerable to overseas market changes as it relies heavily on exports. In 2009, Korea exported 61.3% of the automobiles produced in Korea.

Overseas sales of Korean automobiles were expected to increase in 2010 due to aggressive marketing and the Toyota recall scandal in the U.S.A.

The completion of structural reforms among global automakers such as General Motors may stabilize these firms, posing increased competition to Korean vehicle manufacturers.

Stricter environmental regulations will accelerate demand for Green and fuel-efficient vehicles such as hybrids, electric vehicles and intelligent vehicles, which require large investments in Research & Development. Korean automakers need more focus and investment in this area to win the race.

About Spire Research and Consulting
Spire Research and Consulting is the leading research consultancy in global emerging markets. Spire’s competitive advantage lies in its ability to deliver to its clients actionable intelligence on the external business environment in support of their strategic decision-making in marketing and business development. Spire’s clients include fifty Global Fortune 1000 companies and Government agencies in 15 countries. For more information, visit us at www.spireresearch.com.
For media enquiries, please contact:

<table>
<thead>
<tr>
<th>Esther Teo</th>
<th>Dr. Justin Lee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive</td>
<td>Managing Director</td>
</tr>
<tr>
<td>Group Corporate Communications</td>
<td>Spire Research and Consulting</td>
</tr>
<tr>
<td>Spire Research and Consulting</td>
<td>Korea</td>
</tr>
<tr>
<td>Phone: (65) 6838-5355</td>
<td>Phone: (82) 31-908-7630</td>
</tr>
<tr>
<td>E-mail: <a href="mailto:esther.teo@spireresearch.com">esther.teo@spireresearch.com</a></td>
<td>E-mail: <a href="mailto:justin.lee@spireresearch.com">justin.lee@spireresearch.com</a></td>
</tr>
</tbody>
</table>