

OVERDRIVE

AVID Sales Performance & Outlook

September 2012 Volume 1 No 11

AVID POSTS 20% GROWTH TO CAP Q3

"We are proud to remain a bright spot in overall industry performance. Despite the ups and downs of the global economy, the local business and economic environment has kept a steady, upbeat pace, which augurs very well for all AVID members. Backed by favorable economic fundamentals, we are optimistic that our respective markets are more than ready to invest in any of our powerhouse portfolios. And we are all set to offer our customers nothing less than excellent products and services."

Ms. Ma. Fe Perez-Agudo
President, Association of Vehicle Importers and Distributors

PERFORMANCE & DRIVERS

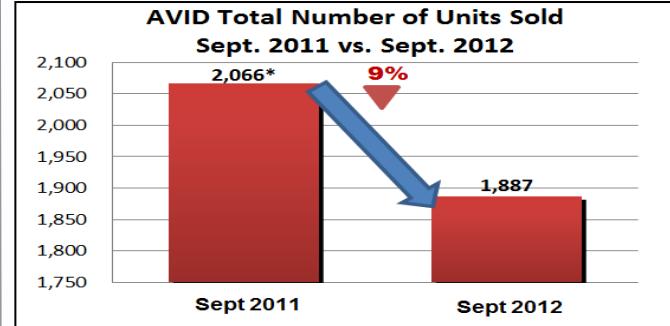
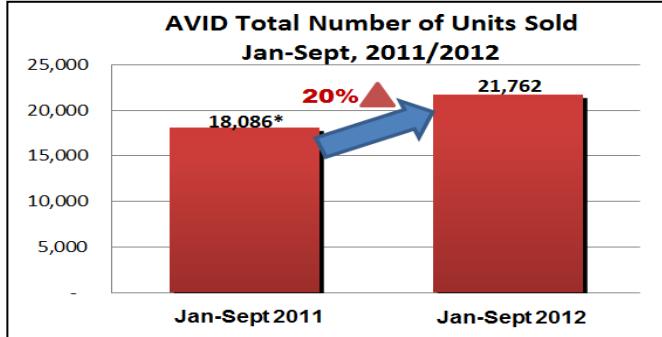
The Association of Vehicle Importers and Distributors, Inc. (AVID) announced its January to September sales record of 21,762 units, up by 20% from 18,086 units in the same period last year. Both the Passenger Car (PC) and Light Commercial Vehicle (LCV) categories saw positive growth. In the same period, PC sales maintained a robust pace with 38% growth to 12,931 units sold as opposed to 9,343 units sold. Leading the pack of gainers for this period were British United Automobiles, Inc. (MINI), The Covenant Car Company, Inc. (Chevrolet) and Hyundai Asia Resources, Inc., posting 35%, 26%, and 15% growth respectively. Likewise, the LCV category saw a 1% rise to 8,831 units sold versus 8,743 units sold in the first nine months of 2011.

For the month of September, while total sales fell by 9% year-on-year on the back of supply setbacks in the PC category, LCV sales rose by 31% to 1,005 units sold from 770 units sold due to strong consumer demand.

OUTLOOK

The Philippine economy remains fundamentally strong despite lingering uncertainty in the US and EU. In the World Economic Forum's Global Competitiveness Report 2012-2013, the Philippines now ranks 65th among 144 countries from 75th place last year due to marked improvements in the pillars of government, the macroeconomic environment, and financial market efficiency. Moving into the last quarter of 2012, the government expects to achieve the higher range of its 5-6% growth target for the year on accelerated public and private spending with the onset of the holiday season and the start of election campaigns for 2013. Meanwhile, consensus forecasts from multilateral lenders like the ADB, the World Bank and the IMF put GDP growth at 4.9% for this year and the next.

AVID Members	Sales Volume (in units) Sept 2012
British United Automobiles, Inc. (MINI)	13
CATS Motors (Mercedes Benz)	68
HARI (Hyundai)	1,421
Scandinavian Motors (Volvo)	16
Motor Image Pilipinas, Inc. (Subaru)	146
TCCCI (Chevrolet)	223
Total	1,887
Jan-Sept 2012 Total	21,762



*Net of Motor Image Pilipinas, Inc. (joined AVID Dec 2011)

Indicator	2011	Current	2012f
GDP (%)	3.7	5.9 (Q2 '12)	4.9*
Inflation Ave (%)	4.7	3.2 (Jan-Sept)	3.5*
FX Ave (Peso-US\$)	43.3	41.8 (September)	42.0-45.0**
91-day T-bill Ave (%)	1.6	2.33 (Q2 '12)	4.0**
Remittances (US\$ billion)	20.1	11.94 (Jan-July)	21.1**

Average consensus forecast (BSP, WB, IMF, ADB)

**Government forecasts