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Special Report

Liquidity Focus: European Auto Manufacturers

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- *International Corporates: Update: Liquidity Risks Recede; Fundamentals Remain Weak (July 2009)*
- *Corporate Liquidity Study (August 2008)*

Ratings of European Auto Manufacturers

Issuer	LT IDR	ST IDR	Outlook/ Watch
Daimler AG	BBB+	F2	Negative
Fiat S.p.A	BB+	B	Negative
Peugeot S.A	BB+	B	Negative
Renault SA	BB	NR	Negative
Volkswagen Group	BBB+	F2	Watch Negative

Source: Fitch

Executive Summary

Continuous access to liquidity is crucial for automotive manufacturers to finance the investment and working capital for their industrial business, but, even more importantly, for their financial services (FS) operations which have substantial and ongoing refinancing needs.

The sector's refinancing risk is expected to remain generally high amid the limited capacity and higher risk-awareness of the banking sector and capital markets, but Fitch Ratings has not identified a particular near-term risk of default for any of the European original equipment manufacturers (OEMs).

Fitch expects the liquidity position of European OEMs to be weakened by their deteriorating profitability and cash flow generation. This should also be compounded by banks' reluctance to provide funding, and the ongoing difficulties in accessing capital markets since the start of the financial crisis. While investor appetite for investment-grade corporate bonds was strong across most regions in H109, Fitch believes that much of this appetite has been opportunistic, and may not be sustainable at current levels. In addition, Fitch notes that three automotive manufacturers are now in the speculative-grade universe – although their FS subsidiaries are still investment-grade – which may make access to markets more difficult.

The fall in global sales of new vehicles since the start of H208 led to sharply deteriorating operating profits and to operating cash burn, which substantially weakened the financial profiles of auto manufacturers. Besides, Fitch expects a further decline in car sales in most regions, including Europe, in H209 – and potentially in 2010, although at a slower rate. This slump in demand will exacerbate the auto industry's overcapacity, and further affect OEMs' financial profiles – leading to reduced profitability, cash flow generation and significantly higher financial leverage.

The effect of the incentive schemes for scrapping old cars, which have been implemented in several countries in Europe since 2008, may mitigate the severity of negative underlying demand for new vehicles, and should limit the extent of the downturn in the short term. However, Fitch believes that demand is brought forward rather than stimulated in absolute terms.

Looking at previous experiences in the US or Europe, a pay-back effect is likely when incentives stop. Likewise, restructuring and corporate activity are likely to resume, addressing issues of overcapacity and scale, but the result of such actions may take time – and prove costly in the first place. As a result, a structural and lasting improvement of manufacturers' financial profiles to pre-“Credit Crisis” and recession levels is not anticipated by Fitch in the near future.

As part of Fitch's continuous review of issuer liquidity, this report provides an analysis of the liquidity of Fitch's publicly-rated European OEMs. The report complements the *Corporate Liquidity Study*, published in August 2008.

Key Conclusions

- All groups benefit from sufficient cash balances and credit facilities to cover anticipated negative free cash flow (FCF) and short-term debt requirements.
- Bond issuance has rebounded significantly for the auto sector since the start of 2009, and virtually all manufacturers have accessed the bond market in H109.

- Working capital needs, although much lower than in 2008, will remain high in 2009 because of continuous challenges to cut inventories in line with declining demand – and with the inability to lengthen payment terms to financially distressed suppliers.
- The virtual closure of capital markets and bank lending in late 2008/early 2009 exposed most manufacturers to critical situations at the time, and led them to look for alternative sources of financing – including public aid and capital increases. The decline in capital markets issuance was also mitigated by increased securitisation of automobile loans, as the ECB played a pivotal role to improve liquidity through an easing of its repo policy.
- Anecdotal evidence points to public support (from governments and/or European institutions) to prevent an immediate liquidity crisis and provide bridge financing, but such support should not be overestimated as it may not come for free – nor will it be equal for all groups, nor last indefinitely.
- The need for fresh equity may lead shareholders to accept a material dilution of their stake, but the shareholding structure of most manufacturers (families or governments) makes it difficult to assess the potential for capital increases. Equity issues have been scarce since the start of the current crisis, but still remain a possibility in the near future.
- Although liquidity risk remains a concern for manufacturers' FS operations in view of their material and continuous cash requirements, the FS units can reduce their loan books to improve their refinancing needs. Maturing FS short-term assets also cover a large part of the FS short-term debt. However, the access of FS subsidiaries to liquidity remains exposed to a variety of key risks, including further deterioration in bank credit availability and any variation in policy measures for asset-backed instruments by the ECB.

Key Liquidity Considerations for Automotive Manufacturers

In analysing internal liquidity, Fitch breaks down the sources of liquidity as follows: internal sources – including cash on balance sheet and internally generated cash flows, to the extent this is positive FCF; and external sources – comprising capital markets issues, bank financing, committed credit facilities, and potential alternative sources such as capital increases and asset sales.

At their most basic level, internal sources start with operations, profitability and resulting cash flow, which are recurring. Working capital and short-term saleable assets/investments are internal sources that are by-products of operations that are not consistent sources of liquidity.

The business model of car manufacturers, unlike other manufacturing sectors, includes large FS divisions which have ongoing and substantial funding needs to refinance credit to end-customers; leasing; and wholesale credit to dealers (inventories financing or floorplan). Financial debt from industrial operations represents approximately 30%-40% of total group financial debt for manufacturers like Fiat S.p.A. (Fiat, 'BB+' /Negative), Peugeot S.A (PSA, 'BB+' /Negative) and Renault SA ('BB' /Negative) but only 10%-15% for Daimler AG ('BBB+' /Negative) and Volkswagen Group ('BBB+' /Rating Watch Negative) for which FS debt is much higher.

A freezing of customer credit may have disastrous effects on carmakers' revenue, as about two-thirds of new vehicles are bought with some form of credit. FS divisions are also critical to finance dealers' inventories. OEMs' liquidity profiles can of course be quickly affected as well, and they will need to tap their credit lines or ask for external support.

Cash Balances

Automotive manufacturers' industrial operations typically report significant gross cash balances on their balance sheets. Several groups have even posted net cash positions for a long time in previous years, as their cash and cash equivalents exceeded the financial debt from their manufacturing activities.

Car manufacturers have significant cash needs through the cycle, notably to finance their ongoing R&D and product development. As customers look forward to new vehicles even during cyclical downturns, OEMs cannot afford to hold off the development of new vehicles. They usually build up piles of cash during upturns, and use it in the lean years. Cash put aside enables companies to endure downturns and weather declines in demand while continuing to finance new product development.

Gross cash also provides a buffer for material working capital requirements through the year. Virtually all groups have announced that their priority was on preserving cash through 2010, as they expect further pressure on cash flows.

Free Cash Flow

Free cash flow (FCF) – defined here as cash from operations (CFO), including working capital less capital expenditures and dividend payments – is a strong indicator of liquidity generation.

Working Capital

As testified by the huge swings in working capital posted by several manufacturers in late 2008, changes in inventories, receivables and payables can have a significant (positive or negative) impact on manufacturers' liquidity position. Total working capital needs for the six main European manufacturers jumped to EUR16.8bn in 2008, from EUR600m in 2007.

Change in Working Capital - Industrial Operations

	2006	2007	H108	H208
BMW	-227	-433	-433	1,610
Daimler	-2,460	-3,058	-1,839	-4,047
Fiat	679	1,675	-534	-3,252
PSA	424	920	-417	-2,507
Renault	-346	-26	-823	-1,881
Volkswagen	1,014	318	-723	-1,995
Total	-916	-604	-4,769	-12,072

Source: Companies, Fitch

Although Fitch expects a partial reversal of working capital requirements in 2009, the agency believes that generation of positive FCF will continue to be challenged in 2009, as sales are expected to decline further and underlying EBITDA will again decrease. In France, more favourable payment terms for suppliers have put pressure on manufacturers' cash flows, and the potential cash injection to support financially distressed suppliers and/or dealers should be another drain on the liquidity position of OEMs.

Capital Expenditure

As with other manufacturing industries, several auto manufacturers have announced that they will reduce capex in an effort to preserve cash. However, the industry remains capital-intensive as a consequence of its expansion into emerging markets, both in terms of end-customers and by moving manufacturing to low-cost countries; and the rapid migration towards smaller, more fuel-efficient vehicles, the expansion of hybrid technology, tightening safety and emission standards, and faster product cycles for new and refreshed models. Therefore, a long-lasting reduction in capex to address liquidity issues is not viable.

Dividends and Share Buybacks

Dividends are considered discretionary, and their suspension during times of stress retains liquidity. However, this is generally a last option because of the troubled signals it sends to the market and the feared impact on equity prices.

The existence of high cash piles on auto manufacturers' balance sheets has historically exacerbated the appetite of shareholders who used to press to receive some of the cash. Several manufacturers have paid high dividends and/or implemented large share buyback programmes in previous years.

However, the unprecedented financial crisis facing car manufacturers has put an end to special dividends or dividend increases and share buyback plans, as shareholders clearly understand the need to preserve cash. Manufacturers, including Renault and PSA, have announced that they will suspend dividend payment in 2009 (they distributed EUR1bn and EUR360m, respectively, in 2008).

Credit Facilities

Several companies have recently renegotiated their committed bank facilities. Banks' agreements to renew – and sometimes extend or increase – their credit lines for European OEMs, is a positive sign, as renegotiations had often been previously conducted in the most intensively stressed times when banks could have reneged on granting new lines. Their commitment to renew credit facilities shows their apparent continuous support.

In March 2009, PSA negotiated with banks to establish a new credit line worth around EUR1bn-1.2bn, to maintain sufficient liquidity headroom. The successful renegotiation enabled PSA to extend the maturity of one of its two existing EUR1.2bn credit lines, maturing in 2011. Fiat also managed to secure a new three-year EUR1bn credit line with three separate banks in February 2009, although it was smaller than initially sought.

Capital Markets

OEMs rely heavily on capital markets to refinance. FS subsidiaries, in particular, are large and regular issuers. However, bond and CP issuance from both manufacturers and their FS subsidiaries collapsed in late 2008, after the failure of Lehman Brothers, due to investor aversion towards financial institutions' paper and the flight-to-quality triggered by the steady stream of bad news from the financial crisis.

Alternative financing and public intervention (see *Public Support* below) was critical in late 2008/early 2009 to replace investors' absence and soften their reluctance to invest in auto and financial institutions names. The decline in capital markets issuance was also mitigated by increased securitisation of automobile loans, as a number of securitisation programmes were purchased by the ECB to improve liquidity. All manufacturers issued ABS transactions in 2008 to refinance their FS activities, and securitisation has increased to 15%-20% of captives' total funding.

New issuance of bonds and CP resumed in H109, but Fitch will continue to monitor OEMs' access to capital markets – as stable and ongoing funding through this channel is deemed essential to refinancing. While investor appetite for investment-grade corporate bonds was strong across most regions in H109, Fitch believes that much of this appetite has been opportunistic, and may not be sustainable at current levels.

In particular, PSA, Renault and Fiat are now rated in the speculative-grade universe – although their FS subsidiaries are still investment-grade – and this may make access to markets more difficult. Since the clear reopening of the bond market in Q209, Renault's and PSA's bank subsidiaries (RCI Banque and Banque PSA Finance (BPF), respectively) issued bonds, but not Renault SA. PSA successfully issued a convertible bond on 1 July 2009, while Fiat has not issued any bonds in H109.

Recent Primary Bond Issues

Issuer	Date	Amount (EURm)	Maturity (years)
PSA	1 July 09 ^a	575	7
RCI Banque	18 May 09	500	1.5
Banque PSA Finance	6 May 09	750	1.5
Volkswagen	6 May 09	1,250	4.5
Volkswagen	6 May 09	1,750	1.5
RCI Banque	5 May 09	750	3
Banque PSA Finance	23 April 09	750	3
Volkswagen Intl Finance	27 March 09	250	2
Volkswagen Intl Finance	25 March 09	1,250	2
Daimler Intl Finance	17 March 09	700	3
Daimler Intl Finance	3 March 09	1,000	2.5
BMW Finance	20 February 09	1,250	3

^a Convertible bond (OCEANE)

Source: Bloomberg, Fitch

Public Support

Public intervention has been crucial in late 2008/early 2009 to support the liquidity position of various manufacturers. Although European groups have received much lower amounts of cash than their US competitors, a few European states and some European institutions provided financing to European OEMs. In France, Renault and PSA received EUR3bn each in loans from the French government for their industrial operations. The five-year, 6% interest rate loans is earmarked to fund investment into “clean” vehicle technologies. The French state also doubled its loans to their FS subsidiaries to EUR1bn.

Other manufacturers benefited from state guarantees, notably for their FS units as part of government aid for the banking sector. Volkswagen asked the German government’s SoFFin financial markets stabilisation fund for loan guarantees for its FS division and its bank subsidiary in December 2008, after it had encountered problems in refinancing its auto consumer credit operations. It was granted a EUR2bn guarantee, while BMW and Daimler said they had considered applying for a similar guarantee, but have not used it.

European manufacturers also received a substantial amount of funds in financing from the European Investment Bank (EIB), as part of the EIB support programme for the auto industry. Loans totalled about EUR4.5bn between December 2008 and early June 2009, and include EUR400m of loans to each of Renault, PSA, Fiat, BMW and Daimler.

Fitch believes that the positive impact from such government support should not be overestimated. Although initial conditions from the French government that Renault and PSA had to keep production in France in exchange of the funds have been abandoned, manufacturers may not feel totally free as long as they benefit from state support. In addition, it has to be noted that such aid will not last indefinitely.

Fitch notes also that the ECB eased its repo policy during the worst period of the financial crisis, when markets were closed. It broadened the scope of eligible assets, and extended the maturity of granted liquidity lines from a few days to three to six months. In France, the French government set up a dedicated institution (Société de Financement de l’Economie Française, SFEF) to inject cash into the economy and boost liquidity. This vehicle provided EUR1bn in mid-term funding to Banque PSA Finance (BPF) and RCI Banque. The financing has a two-year maturity for the most part, and is secured by French retail and wholesale loan portfolios. In addition to European aid, Fiat has benefited from the US Term Asset-Backed Securities Loan Facility (TALF) programme, through its CNH subsidiary.

Capital Increases

Daimler set a precedent in the recent period by issuing EUR1.95bn of new equity reserved to Abu Dhabi's Aabar in January 2009. As most manufacturers swung, or are about to swing, from a net cash to a net debt position, and the environment is set to deteriorate further – and driving up gross and net debt – the need for fresh equity has become more urgent and likely.

The shareholding structure of most manufacturers (families or governments) makes it difficult to assess the potential for rights issues. Some of the main shareholders may want to avoid dilution and would participate in a capital increase, but this would obviously depend on the state of their wealth at the time, assessment of their readiness to remain present in the auto industry, and interest from third parties. At this point, Fitch has not factored into its liquidity analysis any recapitalisation other than for a specific event-driven reason – like a potential capital increase at Volkswagen or Porsche should the two companies merge, or one purchases the other – but will consider it as a positive factor should any be announced in the near future.

Asset Sales

Contrary to past periods when several manufacturers had non-core assets, which they disposed of to boost liquidity, disposable assets are scarcer at this point and will not be able to replace other financing sources. Fitch does not incorporate in its liquidity analysis any major asset sales across the European auto manufacturers under coverage. Only Renault's stake in Volvo (valued at approximately EUR2bn) is deemed non-core and could be divested, provided an interested buyer arises.

Finance Subsidiaries

Manufacturers' captives have been, and will continue to be, a key source of credit risk for OEMs. While these subsidiaries have usually supported (or at worst been neutral for) manufacturers' credit profiles, increasing pressure on profitability and liquidity may offset this benefit in the foreseeable future. For the rest of 2009 and 2010, access to capital markets will remain more difficult than in previous years.

Fitch believes that a widespread recapitalisation of the OEMs' financial captives is unlikely at this stage, but cannot be entirely discounted. In addition, because of high funding costs, the business models of some finance subsidiaries have been called into question, potentially leading to strategic actions in this area in coming years. Fiat's financial services businesses are already being run in JVs with Credit Agricole for the auto sector, and with Barclays for the truck sector.

On the other hand, a few groups have been increasingly reliant on their banking subsidiaries' deposits to support their funding, as the deposit business has been increasing. Daimler announced in March 2009 that its Mercedes-Benz Bank (MBB) unit will provide the group with EUR5bn in internal financing. MBB will extend EUR2.5bn to refinance Daimler's domestic leasing business, and about the same amount for leasing and financing activities in the UK.

Relative Liquidity Analysis

Fitch's analysis examines each company's capacity to meet its liquidity needs through internal and external sources, with greater emphasis on internal sources of liquidity. The relative strength of a company's liquidity is defined as follows:

Strong: Expected FCF generation (operating cash flow less gross capital expenditure and dividends), cash balances and other liquid assets will be adequate to meet funding needs, including debt maturities, over the next two years.

Moderate: Expected FCF generation and cash balances may not be adequate to meet funding needs over the next two years; but external funding sources, including committed bank facilities, are expected to meet these requirements.

Weak: Companies are classified in this category if: (1) non-committed external sources of funds are likely to be required to meet funding needs over the next two years, and access to these sources could be a risk; this could be due to the level of debt maturities over the period relative to anticipated cash flow and cash, and the fact that a committed bank facility will expire in 2009 or 2010; or (2) potential and significant FCF deterioration could require increased borrowings to fund operations. Please refer to *Appendix 1* and the chart *Liquidity - Industrial Operations* below for further details on respective liquidity profiles.

Daimler: Strong

The group's solid net cash position as of end-March 2009, and its large unused credit facilities, provide adequate headroom to face expected negative FCF and 2009 debt maturities. The group's financial structure was also boosted by a EUR1.95bn capital increase in Q109. Although some of the transactions were carried out at a high cost, Daimler successfully issued several notes in 2008 and H109; and Fitch believes that Daimler will remain one of the better-placed issuers in the auto sector to tap capital markets.

Short-term and long-term credit facilities totalled EUR22.7bn at FYE08, of which EUR8.5bn was not utilised. The main credit line is a syndicated USD5bn facility, maturing in December 2011 and not used at FYE08. In October 2008, it was complemented by a EUR3bn 364-day credit line.

Daimler's direct banking business has also seen an increased volume of deposits, from EUR4bn at FYE07 to EUR6bn at FYE08 and EUR12bn at end-Q109, which provides additional flexibility to face short-term liquidity issues.

Volkswagen: Strong

Fitch deems Volkswagen's liquidity position as strong, supported by a solid net cash position, committed and unused credit facilities, and guarantees from the German government's SoFFin fund. Cash and credit lines will be largely sufficient to cover short-term debt falling due in the next 12 months, and expected negative FCF in 2009.

Availability and Utilisation of Volkswagen's Programmes at 31 Dec 2008

Programme	Authorised volume (EURbn)	Amount utilised (EURbn)
Commercial Paper	17.2	5.0
Medium Term Notes	54.0	20.7
Other capital market programmes	8.0	0.3
ABS	23.9	18.1

Source: Volkswagen

Volkswagen's strong liquidity position has enabled the company to go through closed markets and/or price sensitive times relatively unharmed. It has managed to bide its time for more favourable periods, and made a series of public capital market transactions in 2008. Volkswagen Bank issued two ABS transactions for EUR2.2bn, and a EUR700m bond. Volkswagen Credit Inc. refinanced its FS activities in the US with two other ABS transactions for USD2bn and two European bonds for EUR1.75bn.

The group's liquidity position is strengthened by a broad range of confirmed credit lines. The syndicated facility, due in June 2012, decreased from EUR10bn to EUR7.8bn in 2008, as some members of the bank syndicate providing the facility decided to exercise their right of termination after Porsche SE increased its stake in Volkswagen to 51%, but this facility remains unused. In addition, Volkswagen asked for, and obtained, guarantees from the SoFFin fund.

PSA: Moderate

PSA's EUR2.8bn cash and marketable securities at FYE08 are not expected to be enough to meet more than EUR2bn of negative FCF in 2009 and EUR1.8bn of short-term debt for industrial operations. However, the group's liquidity position is supported by EUR2.7bn of available credit lines, out of a EUR3.6bn total at FYE08: of which EUR2.4bn is for PSA, undrawn and maturing in March 2011; and EUR0.3bn for parts subsidiary Faurecia, maturing between November 2011 and November 2013. In addition, the group issued a EUR575m convertible bond in June 2009, which helps strengthen its liquidity profile.

Banque PSA Finance (BPF) increased its securitisation programmes in 2008 to compensate for the small number of opportunities in the bond market. Loan securitisations represented 21% of Banque PSA Finance's financing at FYE08, compared with 40% coming from bank facilities and 39% from capital markets. Like RCI Banque, BPF has access to EUR1bn in financing from the SFEF. In addition to these borrowings, BPF has EUR6bn of undrawn syndicated lines of credit in three equal tranches maturing in July 2010, June 2012 and June 2014.

Similar to Renault, PSA's overall liquidity position is supported by the implicit support from the French state, as confirmed by the EUR3bn loan granted in Q109.

Fiat: Weak

Fiat's liquidity profile is the weakest of the European car manufacturers. Fitch expects negative FCF above EUR1bn in 2009, which will put further pressure on the group's liquidity and will compel Fiat to accelerate refinancing measures. Fiat reported a substantial increase in its net debt in 2008, with a EUR6bn net debt position from industrial operations at FYE08 (from a net cash position at FYE07), which had further deteriorated at end-Q109, to EUR6.6bn.

EUR4.5bn of debt falls due in the nine months from end-Q109 to FYE09, and a further EUR3.5bn in FY10. The nearest bond maturity is EUR1bn in February 2010.

Total cash and cash equivalents totalled EUR5.1bn, of which EUR0.5bn is earmarked for ABS transactions. Fiat has signed a EUR3bn credit line, maturing after 12 months, but this was almost fully utilised at end-Q109. Immediate liquidity needs have been bolstered by the authorisation to tap the US TALF programme.

Fitch notes that Fiat's JVs with Credit Agricole and Barclays in the auto and truck sectors, respectively, mitigate refinance risk related to FS operations.

Further refinancing measures will be critical in the course of 2009 to ensure adequate liquidity and ease rating pressure.

Renault: Weak

Renault has a weak liquidity profile, as total cash and equivalents plus committed credit lines are expected to be insufficient to cover short-term debt and negative FCF expected by Fitch in 2009.

Renault at FYE08 reported EUR1.1bn of cash and cash equivalents, and EUR1.2bn of current financial assets for its industrial operations, compared with EUR5.7bn of short-term financial debt. In addition, at FYE08, the automobile division had confirmed credit lines for EUR4.2bn, of which EUR500m were utilised. These lines have no covenants and have maturities extending to 2013. However, Fitch expects more than EUR2bn of negative FCF in 2009, although this amount may be revised downwards in light of the lower-than-expected sales decline in H109.

On the FS side, RCI Banque has total confirmed credit lines of EUR5.2bn, with no covenants and maturities up to 2011, of which EUR750m were utilised at FYE08. Total gross liquidity also included EUR0.5bn in cash and EUR1.5bn of assets eligible for repo to the European Central Bank. Short-term financial receivables from FS

activities were EUR10bn at FYE08 against total short-term financial debt of EUR18.7bn.

Nonetheless, the French state's proven support to its domestic auto industry, including a EUR3bn loan to each of PSA and Renault in Q109, largely mitigates the risk of a sudden liquidity crisis. French SFEF also provided EUR1bn in funding to RCI Banque.

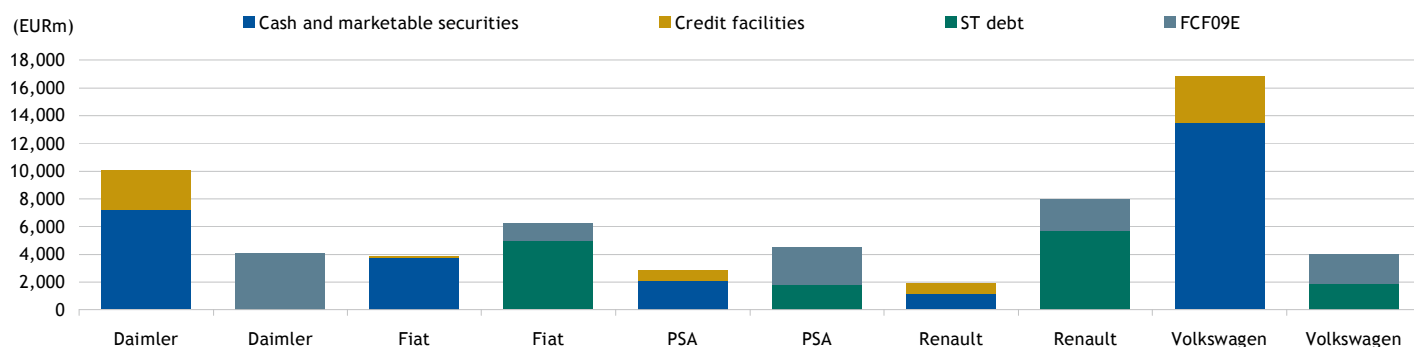
Fitch will closely monitor Renault's access to the securitisation and debt capital markets, as it remains reliant on these sources of financing for the remainder of 2009.

Appendix 1: European Auto Manufacturers' Liquidity Profiles (EURm)

Issuer	LT IDR	Outlook/ Rating Watch	Cash (a)	Mkt securities (b)	ST financial receivables	Credit facilities			Total debt	ST debt (d)	LT debt	FCF08	FCF09E (e)	(a)+(b)+(c) +(e)/(d)	Relative liquidity
						Amount	Availability (c)	Expiry							
Daimler	BBB+	Negative	13,305	3,363	16,896	EUR22.7bn o.w. USD5bn o.w. EUR3bn	EUR8.5bn o.w. USD5bn o.w. EUR3bn	Dec 2011 Oct 2009	64,443	30,321	34,122				Strong
of which Industrial Operations			7,241	2,805	n.a.	EUR22.7bn o.w. USD5bn o.w. EUR3bn	EUR8.5bn o.w. USD5bn o.w. EUR3bn	Dec 2011 Oct 2009	7,680	-5,573	13,253	-9,670	-4,118	n.a.	
Volkswagen	BBB+	RWN	16,524	3,441	32,115	EUR7.8bn	EUR7.8bn	Jun 2012	73,658	37,876	35,782				Strong
of which Industrial Operations			13,519	3,363	n.a.	EUR7.8bn	EUR7.8bn	Jun 2012	7,689	1,872	5,817	-1,206	-2,097	12.1	
PSA	BB+	Negative	3,230	1,951	7,654	EUR9.6bn o.w. EUR2.4bn o.w. EUR1.2bn (Faurecia) o.w. EUR6.0bn (BPF)	EUR8.7bn o.w. EUR2.4bn o.w. EUR0.3bn (Faurecia) o.w. EUR6.0bn (BPF)	Mar 2011 Nov 11/ Nov13 Jul 10 to Jul 14	21,746	13,118	8,628				Moderate
of which Industrial Operations			2,040	769	n.a.	EUR3.6bn o.w. EUR2.4bn o.w. EUR1.2bn (Faurecia)	EUR2.7bn o.w. EUR2.4bn o.w. EUR0.3bn (Faurecia)	Mar 2011 Nov 11/ Nov13	6,309	1,818	4,491	-3,972	-2,729	1.5	
Fiat	BB+	Negative	4,941	189	13,336	EUR3bn	-0	>Dec 2009	23,363	n.a.	n.a.				Weak
of which Industrial Operations			3,756	130	n.a.	EUR3bn	-0	>Dec 2009	9,993	n.a.	n.a.	-5,384	-1,225	0.5	
Renault	BB	Negative	2,058	567	10,030	EUR9.6bn o.w. EUR4.4bn o.w. EUR5.2bn (RCI)	EUR8.4bn o.w. EUR3.9bn o.w. EUR4.5bn (RCI)		29,942	24,169	5,773				Weak
of which Industrial Operations			1,141	774	n.a.	EUR4.4bn	EUR3.9bn		11,216	5,705	5,511	-4,843	-2,253	0.6	

Note: All figures are at 31 Dec 08, except cash, marketable securities, financial receivables and debt for Daimler, Fiat and Volkswagen which are at 31 Mar 09
 Source: Companies, Fitch

Liquidity Chart - Industrial Operations



Note: All figures are at 31 Dec 08, except cash, marketable securities, financial receivables and debt for Daimler, Fiat and Volkswagen which are at 31 Mar 09
Source: Fitch

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