



Press Release

J.D. Power Asia Pacific Reports: GM Models Rank Highest in Appealing to Customers in Three of Six Segments in China

Vehicle Appeal is Critical in the Increasingly Competitive Chinese Market

SHANGHAI: 22 December 2006 — Three General Motors models—Chevrolet Spark, Aveo and Buick GL8—are the most appealing in their respective segments to new-vehicle owners, according to the J.D. Power Asia Pacific 2006 China Automotive Performance, Execution and Layout (APEAL) StudySM released today. The Nissan Tiida, Honda Civic and Toyota Reiz also receive segment-leading scores from consumers.

The APEAL Study is a consumer-reported measure of what excites and delights owners about their new vehicle's performance and design during the first two to six months of ownership. Conducted in China since 2003, the study examines eight factors to determine a customer's overall satisfaction with their vehicle's appeal: engine and transmission; cockpit and instrument panel; ride, handling and braking; heating, ventilation and cooling (HVAC); comfort and convenience; sound system; seats; and vehicle styling/exterior.

Performing well across all factors, the Chevrolet Spark ranks highest in the compact car segment with a score of 748 index points based on a 1,000-point scale. The Suzuki Wagon R (735) and Tianjin Xiali (721) follow the Spark in the segment.

The newly launched Chevrolet Aveo leads the premium compact car segment with 794 index points, performing well in six of the eight factors. The Suzuki Swift (777), also newly launched, follows the Aveo in the rankings.

In the MPV segment, the Buick GL8 ranks highest with a score of 823 index points. The Honda Odyssey (822) is only 1 index point behind the Buick GL8, followed by the JAC Refine (783).

The Nissan Tiida is the highest-ranking model in the entry midsize car segment with 843 index points and receives the highest ratings from customers in all eight factors. The Honda City (825) and Toyota Vios (820) follow the Tiida.

The new Honda Civic ranks highest among midsize cars and sets a new benchmark for the segment with a score of 850 index points. The Civic performs well in seven factors. The Volkswagen Golf (840) and Toyota Corolla (822) follow the Civic.

In the saturated premium midsize car segment, the new Toyota Reiz ranks highest (843), performing particularly well in four of eight factors. The Volkswagen Passat (840) and Mazda 6 (837) follow in the rankings.

All eight factors and most vehicle segments record year-over-year declines in APEAL scores, causing the overall industry average index score to decline by 8 index points since 2005, to 788 points. One reason for the decline is the increasing share of hatchback models, which are more common in the lower-price segments. While the share of hatchbacks has increased from 13 percent in 2005 to 18 percent in 2006, the average APEAL score for these models is well below the industry average.

"The decline in APEAL scores exhibits the rapidly changing needs of customers with regard to their vehicles and the need for manufacturers to continually rise to ever-increasing consumer expectations," said Dr. Mei Songlin, general manager of automotive research and consulting at J.D. Power Asia Pacific China operations. "For example, despite the rapid increase in new-model launches, the number of customers who purchased their new vehicle because it was a model they wanted has declined to 10 percent in 2006—down from 13 percent in 2005. The decline in appeal among these particular customers, who usually have high levels of satisfaction, indicates there is more that manufacturers can do to inspire owner appeal in their models."

The study finds that APEAL scores for newly launched models are 15 index points higher on average compared to those that have been on the market for one year or more. In the six vehicle segments, newly launched models rank highest in three: premium compact, midsize and premium midsize.

“In this increasingly competitive environment, automakers are accelerating the rate of new-model introductions for the Chinese market to maintain or gain market share,” said Mei. “As the Chinese passenger-vehicle market becomes more essential to achieving growth among both international and domestic brands, automakers are investing heavily in an effort to deliver the best models to consumers in China. Also, given the pricing parity across the segments and rising consumer need for vehicle variety, manufacturers must listen to the voice of the customer in China and make the design and performance of their products correspond appropriately.”

The gap in scores between international and domestic brands has narrowed from 2005. While the overall APEAL score for international brands drops by 11 points, domestic brands decline by only 2 points. International brands show significant declines across all eight factors, while domestic brands remain consistent from 2005 in seven out of eight factors.

The study also finds that vehicle appeal is strongly related to customer advocacy and loyalty. Among owners who say they are “delighted” with their vehicle overall, 68 percent say they “definitely would” recommend the same model. Conversely, recommendation intentions drop to only 10 percent when customers are “indifferent” about the appeal of their vehicle. Nearly four of 10 customers (38%) indicate recommendations by friends or relatives as their reason for purchasing their vehicle.

The 2006 China Automotive Performance, Execution and Layout (APEAL) Study is based on evaluations by 7,148 new-vehicle owners who purchased a new passenger vehicle from January 2006 to July 2006. Owners were interviewed between July and September 2006 in 22 cities across China.

About J.D. Power Asia Pacific

J.D. Power Asia Pacific, established in 1990, conducts customer satisfaction research and provides consulting services in the automotive, information technology and finance industries. Information regarding J.D. Power Asia Pacific’s China products can be accessed through the Internet at www.jdpowerchina.com.cn Media e-mail contact: songlin_mei@jdpower.com.sg

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Media Relations Contacts:

Mei Songlin
J.D. Power Asia Pacific
1515 Nanjing West Road,
Shanghai, 200040 China
Phone +86 21 6103 7084
songlin_mei@jdpower.com.sg

John Tews
J.D. Power and Associates
5435 Corporate Drive, Suite 300
Troy, MI, 48098
(248) 312-4119
john.tews@jdpa.com

Angela Yang
Fleishman Hillard Beijing
39 Dongsanhuan Zhonglu
Beijing, China 100022
+86-10-5869 1666
yanga@fleishman.com

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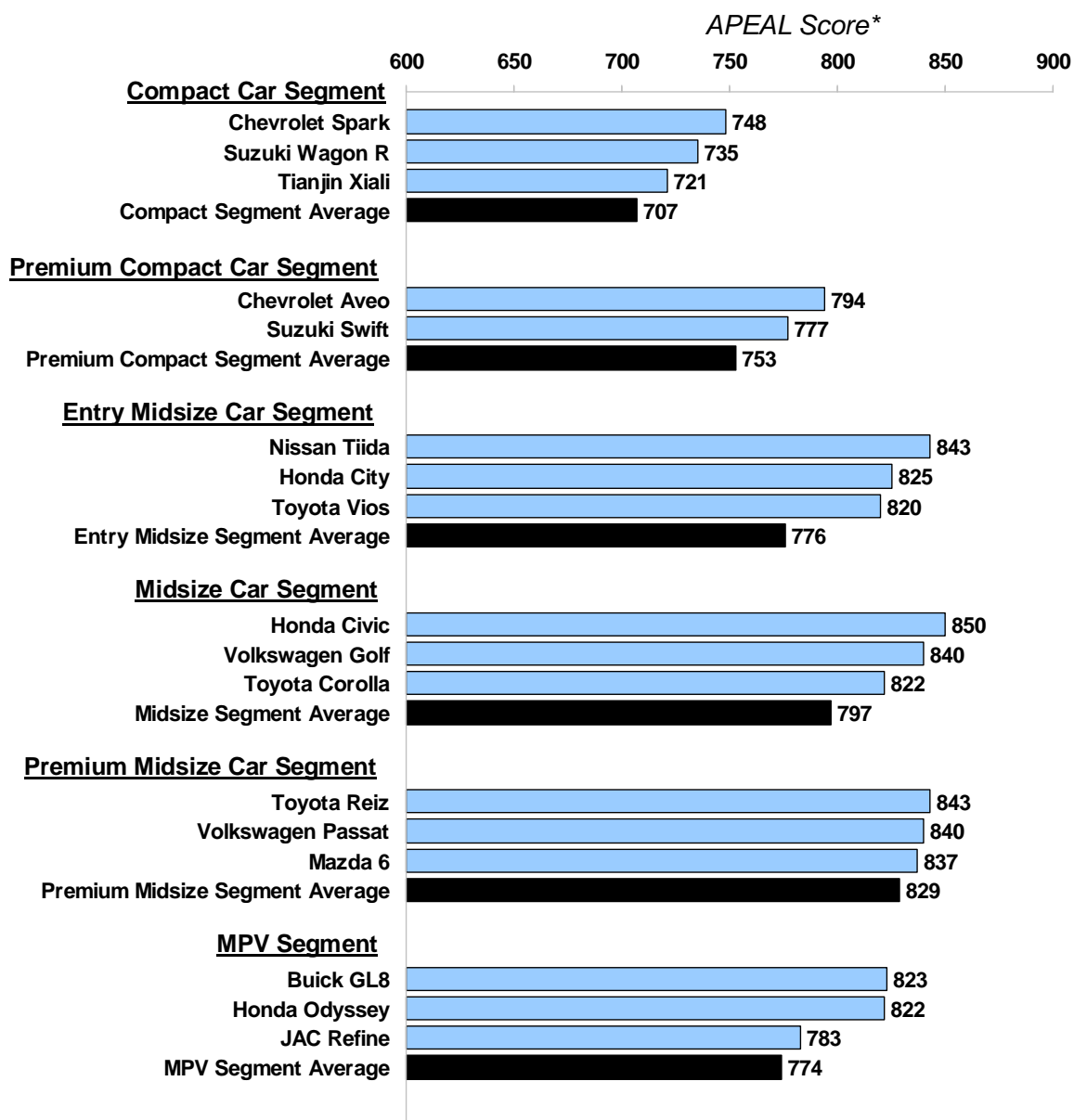
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NOTE: One chart follows.

J.D. Power Asia Pacific 2006 China Automotive Performance, Execution and Layout (APEAL) StudySM

Top Three Vehicles per Segment in APEAL (Based on a 1,000-point scale)



*A higher score reflects better product performance.

Note: No official rankings are published for the entry luxury car, luxury car and SUV segments due to an insufficient number of models in the sample. No official rankings are published for models performing below the segment average.

Source: J.D. Power Asia Pacific 2006 China Automotive Performance, Execution and Layout (APEAL) StudySM

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