

We consider 2019 as „year one“ of the automotive transformation phase on the way to 2025/2030.

- **European CO₂ regulation** sets extremely ambitious targets of -15% (2025) and -37,5% (2030) based on 2020/2021.
- In 2019 the **first wave of e-cars** will appear on the market, although charging infrastructure, demand etc. are still lagging behind.
- OEMs are changing the business model from car producer to **mobility service provider**.
- Speeding-up hybridisation and electrification comes along with **autonomous driving** and creating new business models (**mobility on demand, ride-hailing**) as future drivers of growth.
- The **market environment** in China, UK (Brexit) or North America is getting “cloudy”. Worldwide flat demand is expected.
- So far, the present has financed the future (good margins, high R&D).
Companies are at a crossroad: The focus is now more on **execution, FCF and margin improvements**.