



April, 2010 News Bulletin

Steering & Suspension Sales Increased 10.4% In 2009

According to NPD's Aftermarket Industry Monitor, steering and suspension 2009 dollar sales exceeded **\$1.09 billion** which represented a 10.4% increase from the previous year. Sales in the suspension category accounted for 64% of the total and also grew at a faster rate of 12.1% in dollar sales.

General suspension parts like ball joints, control arms and sway bars grew dollar sales by 18.6%, out pacing all other sub-categories like ride control. In the steering category, overall dollar sales grew 7.7%, with steering linkages contributing significantly to the growth with an 11.4% increase.

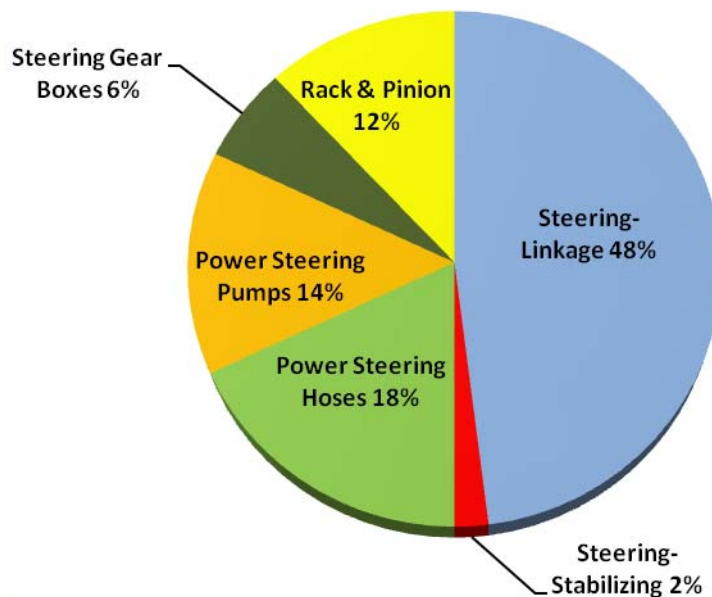
This growth was likely influenced by three significant factors:

1. **The economic down turn** which began in 2008 was hard hitting and many consumers cut spending or delayed repairs wherever they could. In 2009, many consumers found they could no longer postpone needed repairs and made the necessary repairs verses buying a new vehicle.
2. **New vehicle sales are now at a 15 year low** and the average age of cars and trucks is **10.2 years** (Source: USA Today). The aging vehicle population inevitably has lead to a need for more replacement parts repairs.
3. **Continued deteriorating road conditions**, especially in states or local county municipalities that were the hardest hit by the recession and lack funds for needed repairs.

Source: NPD Group (The NPD Group is a leading provider of consumer and retail market data)

Falcon Steering's continued commitment to re-invest in new product R & D and inventory expansion helped enable us to outpace the market by more than 2.5 times, resulting in a **48% increase in sales for 2009**. For 2010 we remain vigilant in our commitment to provide premium products, first to market coverage and superior service support to help ensure our customers maximize their sales opportunities.

Steering & Suspension Aftermarket Dollar Sales by Subcategory



Designed To A Standard - Not To A Price

