

ON THE MOVE

The Newsletter of PBR International Limited

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Maximum Performance 4

Introduction



Vince Joy
Vice President Sales and Marketing
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Welcome to the latest edition of *On The Move*. As always, change and growth are high on PBR's activity list. Whilst new manufacturing facilities continue construction in China, PBR's global aftermarket activity in North America is moving through a significant growth phase.

The establishment of a distribution arrangement with WORLD PAC in North America will ensure that high quality PBR replacement parts are accessible to a much broader range of vehicle repairers.

In Europe, another raft of new models were released for Fiat, Nissan, Renault and Toyota incorporating AP drum brake technology and more will follow in 2006.

Also in Europe PBR's ePark™ technology was placed under the spotlight as part of the Frankfurt Motor Show where it drew interest from a number of leading European vehicle manufacturers.

In this issue we look at the release of PBR's M-Series Hi-Performance brake calipers into the North American aftermarket under the PBR Performance brand at the SEMA show in Las Vegas. We also take time out to reflect on the successful introduction of PBR's high performance Z06 Corvette brake system following record times being clocked at the famous Nürburgring Grand Prix circuit.

With a continued focus on developing an internationally competitive global manufacturing footprint and advanced product technologies, PBR is well poised for future success.

We hope you enjoy reading this latest issue.

Vince Joy

ePark™ on Show in Frankfurt



With an eye firmly fixed on capturing the attention of European vehicle manufacturers, PBR's ePark™ electric park brake technology was recently displayed at the Frankfurt Motor Show.

The Frankfurt Motor Show is arguably one of the most important International auto shows, occurring once every two years. Approximately 1,000 exhibitors from 44 countries, including major automakers from around the globe, filled eight multi-story halls with the latest motor vehicle technology.

An important aspect of the show is the inclusion of automotive suppliers with names such as Valeo, Siemens VDO, Robert Bosch, Continental Teves, TRW and Delphi in attendance.

PBR displayed the latest ePark™ product options in conjunction with Valeo who helped develop the highly efficient motors incorporated in these systems. Both the ePB (electric Park Brake) cable puller version and the ePBHC (electric Park Brake Hydraulic

"Interest was high in PBR's ePark™ technology"

Caliper) were displayed in a private area set aside for soon-to-be-released technology.

Interest was high in PBR's ePark™ technology, which boasts being lighter, quieter and faster than competitive products. Representatives from Audi, BMW, Ford, McLaren, Magna-Steyr, Porsche and VW, visited the stand and discussed the products in detail with PBR's European Business Development Manager, Wolf Von Bulow and By-Wire Systems Engineer, Dennis Plunket.

A product brochure detailing the benefits of PBR's ePark™ technology can be downloaded from the PBR website www.pbr.com.au.

Oz industry update

Despite a slight dip in the sales graph for October, the Australian new vehicle market looks set to crash through the one million sales barrier for the first time.

October has returned the first month-on-month sales drop since July 2004 but that hasn't dampened the Federal Chamber of Automotive Industries move to adjust their official sales forecast for 2005 up from 980,000 vehicles to one million.

Sales for October were down 9.9% on September and 6.8% on October 2004. Industry analysts have suggested that the softer October figures are possibly the

“Crashing through the one million sales barrier”

reaction by consumers to erratic petrol pricing. However, with the pre-Christmas sales push already underway by most of

the major car brands stronger sales are anticipated for November and December.

The trend towards small cars continued during October where this market segments recorded 10.9% growth over September and 20.4% growth YTD compared to 2004.

Toyota continues to hold overall market leadership by 2.3 percentage points over Holden whilst Mitsubishi posted the first sales of its new 380 sedan which helped to achieve a 6.0% lift in sales over October 2004.

North American Aftermarket Expansion

WORLD PAC
Worldwide Aftermarket Parts Distribution



PBR has significantly expanded its aftermarket presence in North America through the establishment of a distribution arrangement with WORLD PAC, one of North America's leading distributors of automotive parts for imported vehicles.

The new arrangement also provides WORLD PAC the opportunity to expand into the domestic market by offering a range of PBR brake parts suitable for locally produced vehicles.

The PBR brand was originally introduced to the North American aftermarket approximately 40 years ago through a Repco driven brake hydraulics program for imported vehicles. More recently the PBR brand has expanded through a popular friction material program with a broad range of disc brake pads.

Expansion to the PBR range in North America will include brake hydraulics (master cylinders, wheel cylinders, clutch master cylinders and clutch slave cylinders), brake hoses, brake calipers, park brake shoe kits, disc brake rotors, brake drums and drum brake shoes.

The new aftermarket program will leverage PBR's longstanding reputation as one of the leading suppliers of brake system technology to North American vehicle manufacturers General Motors, Ford and Daimler Chrysler. PBR has achieved significant success in the U.S. market over the past two decades through the development of high performance brake systems for American icons such as the

Chevrolet Corvette and a vast array of light trucks, SUVs and passenger sedans.

PBR's aftermarket brand image in North America has been exclusively developed for that region and consists of very distinctive packaging reflecting the high quality level of these products. A dedicated website has also been developed and can be viewed at www.pbrbrakes.com.

WORLD PAC's distribution network extends to over 50 branches across the U.S. and Canada and includes the unique WORLD PAC speedDIAL on-line ordering and tracking system which delivers a new benchmark in automotive spare parts procurement for the trade.

Latest European Drums Hit Market

In a flurry of activity over recent months, AP Italia has significantly stepped up production to supply drum brakes to five new models just released to the European market.

In all, these contracts represent 900,000 vehicles worth of business and were a key component of the expansion to AP's facilities in Savona, Italy, which were completed in late 2003.

The new models include; Fiat Doblo 350, Fiat Ducato 250, Nissan Tone, Renault Clio X85 and Toyota Yaris. The Yaris drum brake is the first Toyota product to be supplied by AP Italia and is significant business at 200,000 vehicles annually.

Further contracts with Opel will commence production in 2006.

By 2007, AP Italia will have effectively doubled its production capacity from where it was in 2001.



Fiat Doblo 350



Fiat Ducato 250



Nissan Tone



Renault Clio X85



Toyota Yaris



Maximum Performance

At the recent SEMA automotive specialty show in Las Vegas, PBR tantalised crowds of performance enthusiasts with the latest edition to the PBR Performance brake range – M-Series Hi-Performance brake calipers.

The M-Series range consists of six and four piston caliper options, each with a unique multi-pad feature (patent pending) where each piston is assigned its own disc pad. By increasing the number of pads the incidence of tapered pad wear can be significantly reduced.

Drawing on PBR's leadership in aluminium brake calipers for the high performance sports car market, M-Series brake calipers are a monoblock design delivering optimum

levels of brake caliper stiffness. These calipers have been abuse tested to 1000°C at the pad face with virtually no deterioration in performance.

PBR's M-Series calipers were first featured on the newly released Corvette Z06 which has been dubbed the fastest Corvette ever built.

M-Series Hi-Performance calipers will soon be available for the Australian aftermarket.



Stopping the Rocket

Some people might consider it a stretch referring to the latest Corvette Z06 as a "rocket" but there's no denying the power that GM has packed into this latest edition to the Corvette stable.

When the time came to launch the new Z06 to the World motoring press, it almost launched itself by clocking an incredible 7 minutes, 42 seconds around the famous Nürburgring Grand Prix circuit in Germany. That officially makes it the fastest Corvette ever built and the second fastest production car ever to take to the Nürburgring track.

With a 7.0 litre V8 engine delivering 505 horsepower, getting the Z06 to stop as fast as it goes was always going to be a challenge. But it was a challenge that PBR's design team was well and truly ready for.

"Squeezing on the brake pedal, the Z06 hauls down to a civilised speed in milliseconds, its six-piston front brakes providing stomach-wrenching force."

The resultant brake system has managed to turn heads as well as stomachs with the latest edition of Corvette Quarterly reporting – "Squeezing on the brake pedal, the Z06 hauls down to a civilised speed in milliseconds, its six-piston front brakes providing stomach-wrenching force."



The new PBR brake package incorporates six-piston calipers on the front and four-piston calipers on the rear. However, the real beauty of this system comes through the inclusion of a unique pad feature allocating a single pad to each piston (patent pending). This delivers significant benefits in reducing the incidence of tapered pad wear.

This is a brake system that has been designed with the racing enthusiast in mind as those who have flown it around the Nürburgring, and the Spa-Francorchamp Belgian Grand Prix circuit can testify.

But it's not only the Corvette enthusiasts and GM engineers who have been impressed by PBR's latest performance brake offering. A number of other vehicle manufacturers, with high performance platforms in their stables, have turned their heads in PBR's direction to find out more.



With over 20 years experience developing performance brake systems for the Corvette platform the goal now is working out how to make the best better.



Going Green

MAINTAINING ISO14001 FOCUS

Following the move to a new production facility in Thailand earlier this year, PBR Thailand has recently undergone a recertification process to the latest ISO14001_2004 Environmental Management System standard.

The audit, conducted by BVQI (Bureau Veritas Independent Certification), went exceptionally well and formal acknowledgment of the recertification approval is expected before the end of 2005.

PBR Thailand's focus on the continuous improvement of environmental issues has this year led to the switch from petrol to LPG as the preferred forklift

fuel. In 2006, three improvement programs have been established to target; condensate management,

energy management and waste minimisation with a specific focus on recycling.





Around the globe

CHINA FOUNDRY LAYS FOUNDATION



Construction is steadily progressing on the new foundry located in Dalian, China. This latest facility will compliment the production activities already underway in Dalian through a recently completed manufacturing centre which focuses on the production of brake calipers and Banksia park brakes for local and overseas markets.

The new foundry has a designed capacity of 45,000 tonnes of high quality cast iron products per annum and will initially focus on the production of brake caliper housings, caliper brackets and park brake backplates.

Located in the Dalian Development Zone Liaoning Province in North East China, the new production facilities are well situated with access to international sea and air ports.

Foundry production is planned for commencement in October 2006 and, combined with the existing Dalian manufacturing centre, will play a key role in PBR delivering long term globally competitive brake systems to vehicle manufacturers.



Earlier this year contracts were awarded by Shanghai GM for the local production of PBR brake systems which will commence in November 2006.