



FOR RELEASE: November 29, 2010 @ 2:30 P.M. EDT

PCM Completes Acquisition of Nexteer Automotive, Opens New Channels for Growth in China

Largest Chinese Investment in a U.S. Based Automotive Supplier

SAGINAW, Mich. – PCM, an entity formed by PCAS and Beijing E-Town International Investment & Development Co., Ltd. (E-Town) an affiliate of the Beijing Municipal Government, today announced the completion of its acquisition of Nexteer Automotive, a global leading supplier in advanced steering and driveline systems, from General Motors. The transaction marks the single largest Chinese investment in the global automotive supplier industry. The transaction is effective on Tuesday, November 30.

Saginaw will remain the worldwide headquarters for Nexteer and the key center for engineering, research and development. The current management team will remain in place under the leadership of Robert J. Remenar, CEO. According to Moelis & Company, the investment banker of PCM, the Nexteer business includes global steering and half shaft operations in 22 manufacturing facilities, six engineering facilities and 14 customer support centers in North and South America, Europe and Asia. Under the terms of the agreement, PCM will support the recently approved 5-year labor agreement with the UAW.

“We are committed to building on the hard work and success of the management team and everyone at Nexteer,” said Mr. Zhao Guangyi, Chairman of the Board of E-Town and PCM. “As the new ownership, PCM is proud to provide access to continued capital investment that will allow Nexteer to continue its global growth in technology and manufacturing, particularly in the China market.”

“With a well-capitalized owner committed to growing the business, we can focus all of our resources on our industry-leading engineering and product development,” said Robert J. Remenar. “This sale was an important move for us to strengthen a diverse, global customer base and build on our current growth trajectory. While we will continue to build in high growth regions around the world, our owner’s relationships will open new channels to the dynamic and rapidly growing Chinese automotive market, particularly among Asia-Pacific OEMs and manufacturers globally.”

Nexteer Automotive customers include GM, Fiat, Ford, Toyota, Chrysler, and PSA Peugeot Citroen, as well as automakers in India, China and South America.

The Chinese automotive industry is expected to grow at an annual rate of 10 percent, creating tremendous opportunity for parts manufacturers. While the global market for steering is currently largely hydraulic, the industry is fast moving to EPS systems. Nexteer anticipates that EPS will be standard on more than half of the world’s vehicles by 2020. Nexteer’s product lineup is devoted to the development and commercialization of electric power steering, hydraulic power steering, driveline and columns. In the last 11 years, Nexteer has put 14 million EPS systems on the road globally, saving nearly 800 million gallons of fuel.

This transaction represents the culmination of 10 months of analysis and negotiations by PCM with Nexteer, General Motors and the United Auto Workers of America. PCM previously announced the signing of this transaction on July 7, 2010.

About Nexteer Automotive

Nexteer Automotive is a multi-billion dollar global steering and driveline business solely dedicated to electric and hydraulic steering systems, steering columns and driveline products for original equipment manufacturers. Its 8,300 employees serve more than 60 customers in every major region of the world. The company has 22 manufacturing plants, six engineering centers and 14 customer service centers strategically located in North and

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South America, Europe and Asia. Nexteer Automotive's customers include GM, Fiat, Ford, Toyota, Chrysler and PSA Peugeot Citroen, as well as automakers in India, China and South America. www.nexteer.com

About PCM

PCM is a joint entity formed by Beijing E-Town International Investment & Development Co., Ltd. (E-Town) as the major investor with limited investment from PCAS. E-Town is a state-owned enterprise under Beijing Economic-Technological Development Area (BDA). Serving as the financing and investing arm of the Beijing Municipal Government, E-Town plays an active role in funding investments of strategic importance with high levels of technology. E-Town has been granted over US\$15 billion in the form of credit facilities provided by various banks and financial institutions in China for the purpose of financing acquisitions. More information can be found at www.bda.gov.cn.

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