



Press Release

J.D. Power and Associates Reports:

Magna Steyr Assembly Plant in Graz, Austria, Receives Top Vehicle Quality Award in Europe

Redesigned U.S. Initial Quality Study Shows That Vehicle Design Plays as Critical a Role in Consumer Perceptions of Quality as Defects and Malfunctions

LONDON: 7 June 2006 — The Magna Steyr assembly plant in Graz, Austria, receives the Gold Plant Quality Award for producing vehicles with the fewest number of defects among vehicle assembly plants in Europe supplying the U.S. market, according to the U.S. J.D. Power and Associates 2006 Initial Quality StudySM (IQS) released today.

The Magna Steyr plant, which assembles vehicles under contract for traditional manufacturers, produces the BMW X3, Mercedes-Benz E-Class/Wagon and the Saab 9-3 Convertible. The plant averages just 42 problems per 100 (PP100) vehicles.

BMW's Dingolfing, Germany, plant, which produces the BMW 5, 6 and 7 Series, receives the Silver Plant Quality Award in Europe, and the Valmet, Finland, plant, which produces the Cayman and Boxster under contract for Porsche, receives the Bronze Plant Quality Award.

Several models produced at plants in Europe rank within the top three of their respective segments in the study. They are:

- Porsche Cayman (Valmet, Finland, plant) ranks highest in the compact premium sporty car segment
- Porsche Boxster (Porsche's Stuttgart, Germany, plant as well as under contract at the Valmet, Finland, plant) ranks third among compact premium sporty cars
- Jaguar S-Type (Ford Motor Company's Castle Bromwich, UK, plant) ranks third among midsize premium cars
- Porsche 911 (Porsche's Stuttgart, Germany, plant) ranks second in the premium sporty car segment
- Mercedes-Benz SL-Class (produced at DaimlerChrysler's Bremen, Germany, plant) ties to rank third among premium sporty cars
- Audi A8 (Volkswagen AG's Neckarsulm, Germany, plant) ranks second among large premium cars
- BMW 7 Series (BMW's Dingolfing, Germany, plant) ranks third in the large premium car segment
- Honda CR-V (Honda's Swindon, UK plant) ranks second in the compact multi-activity vehicle (MAV) segment
- Volvo XC70 (Ford Motor Company's Torslanda, Sweden, plant) ranks second among midsize premium MAVs

Other 2006 Plant Quality Award Recipients

In the Asia Pacific region, Toyota's Higashi-Fuji, Japan, plant, which produces the Lexus SC 430, receives the Silver Plant Quality Award. Toyota's Kyushu, Japan, plant, which produces the Lexus IS 250/IS 350, Lexus RX 330/400h and Toyota Highlander/Highlander Hybrid, and Honda's Saitama, Japan, plant, which produces the Acura RL, Acura TSX and Honda CR-V, tie for the Bronze Plant Quality Award.

Among North and South American plants, the General Motors Oshawa #2 plant in Ontario, Canada, which produces the Buick LaCrosse and Pontiac Grand Prix, receives the Gold Plant Quality Award for a second consecutive year. Toyota's Georgetown, Ky., plant, which produces the Avalon, Camry and Solara Coupe/Convertible, and DaimlerChrysler's Windsor, Ontario, Canada plant, which produces the Pacifica, Town & Country, Caravan and Grand Caravan, tie for the Silver Plant Quality Award.

"The study shows that individual plants across the world are producing vehicles with excellent quality," said David Sargent, executive director of European operations for J.D. Power and Associates. "The way in which a plant is managed is much more important than where it is located. Some of the world's highest quality plants are located in Europe and it is interesting to note that two of them are not owned by the vehicle manufacturers but assemble vehicles under contract."

2006 Initial Quality Study Findings

The Initial Quality Study, now in its 20th year, finds that the way in which technology is integrated into new-vehicle design, particularly interior features and controls, is considered by consumers to be as important to quality as are defects and malfunctions.

The study, which serves as the industry benchmark for new-vehicle quality measured at 90 days of ownership, has been completely redesigned for 2006 to capture problems experienced by owners in two distinct categories—quality of design and quality of production (defects and malfunctions).

"New vehicles today are often packed with new technologies that unfortunately can be complicated and frustrating for the average consumer when their integration is not well executed," said Joe Ivers, executive director of quality and customer satisfaction research for J.D. Power and Associates. "In the eyes of consumers, design flaws can have as much of an impact on their perceptions of quality as can a defect. Yet, many manufacturers have tended to address quality solely on the plant floor without considering design factors."

Based on both design quality and production quality considerations, the study finds that automakers can vary widely in their performance on these two components. Brands with the fewest defects and malfunctions include BMW, Chrysler, Hyundai, Lexus, Porsche and Toyota. Brands with the fewest design problems include GMC, Hyundai, Jaguar, Lexus, Nissan and Porsche.

"Without considering both quality factors, one might fail to recognize vehicles that are, in fact, excellent in certain ways," said Ivers. "For example, BMW vehicles have among the fewest defects and malfunctions, along with Toyota. But BMW approaches controls and displays in a way that creates some problems for customers, leading to more design-related problems overall than Toyota incurs. Automakers differ significantly in how they define quality and what parts of the organization they hold accountable for it. Clearing both critical quality hurdles is an accomplishment experienced by only a limited number of brands."

2006 IQS Ranking Highlights

Lexus and Toyota models continue to dominate initial quality rankings, capturing 11 out of 19 segment awards in 2006. Lexus models rank highest in every segment in which they compete. In addition, the LS 430 ties the Porsche Cayman for having the fewest quality problems in the industry. Other top-ranking Lexus models include: IS 250/IS 350, ES 330, SC 430, GX 470 and LX 470.

Toyota remains a quality benchmark, capturing five model-level awards—for the Corolla, Solara, Camry, Highlander and Sequoia—more than any other non-luxury brand.

Porsche and Lexus lead the luxury brands, while Hyundai, Toyota and Honda set the pace among non-luxury brands. Averaging just 91 PP100, Porsche tops the overall nameplate rankings. Porsche's success can be partly attributed to the all-new Cayman, which tops the compact premium sporty segment. Porsche is followed in the rankings by Lexus, Hyundai, Toyota and Jaguar, respectively.

Hyundai ranks among the top three nameplates in the study for the first time in the history of IQS. Highlights include a top ranking for the Hyundai Tucson in the compact multi-activity vehicle (MAV) segment, and top-three segment performances for the redesigned Sonata and all-new Azera, as well as the Elantra and Tiburon.

Honda also maintains its position as a quality leader. Although Honda does not receive any awards outright, five Honda models rank among the top three of their respective segments.

Other nameplates receiving model awards in 2006 include Chevrolet, Chrysler, Ford, Kia, Mazda, Pontiac and Suzuki.

The 2006 Initial Quality Study is based on responses from 63,607 purchasers and lessees of new 2006 model-year cars and trucks surveyed after 90 days of ownership. The redesigned IQS is based on a new 217-question battery—up from 135 in previous years—to provide manufacturers with richer information to improve problem determination and drive product improvement. The study also groups models in a revised J.D. Power and Associates vehicle segmentation list.

For more detailed findings on new-vehicle quality performance as well as model photos and specs, visit the J.D. Power Consumer Center. www.jdpower.com

About J.D. Power and Associates

Headquartered in Westlake Village, California, J.D. Power and Associates is an ISO 9001-registered global marketing information services firm operating in key business sectors including market research, forecasting, consulting, training and customer satisfaction. The firm's quality and satisfaction measurements are based on responses from millions of consumers annually. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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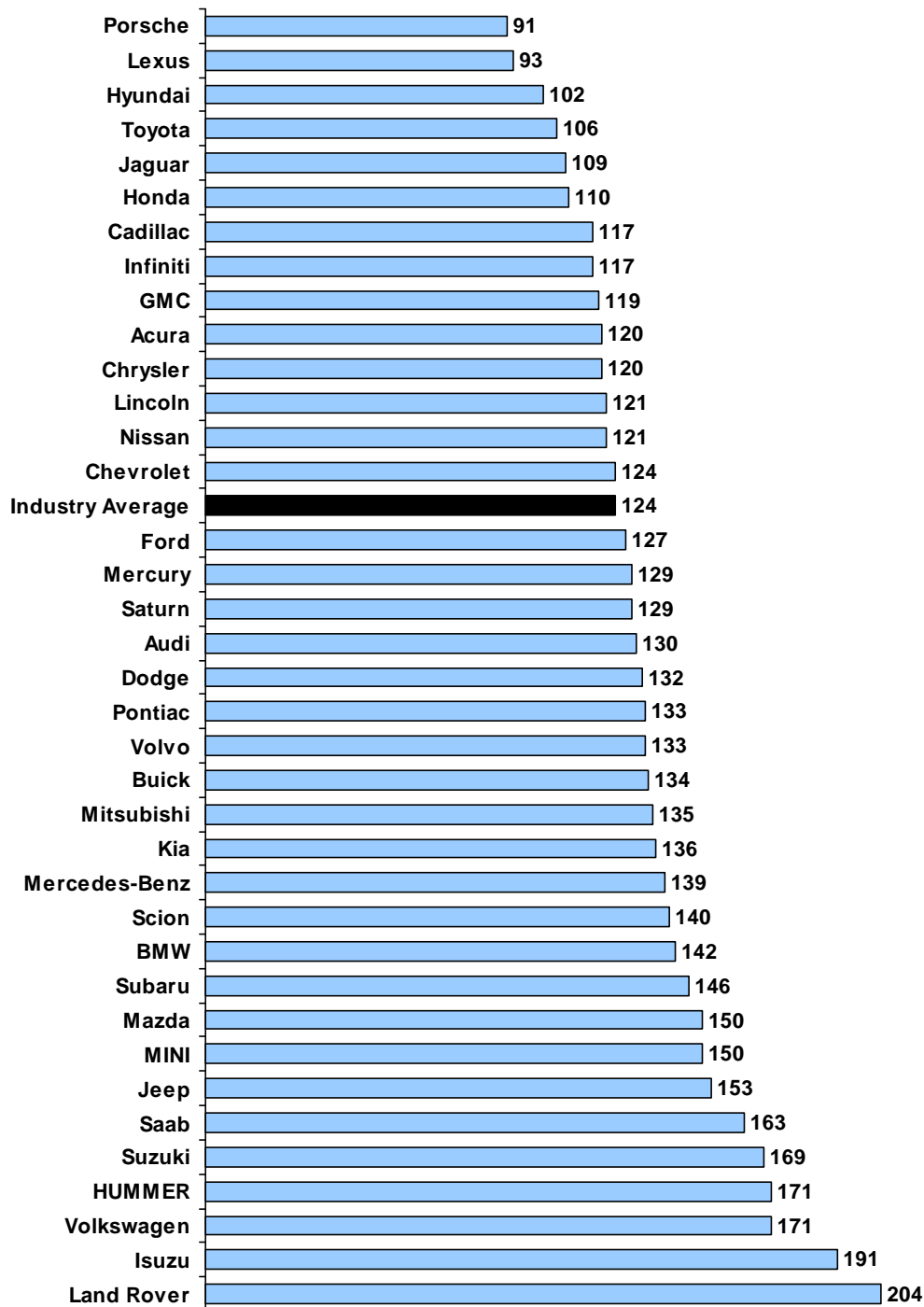
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NOTE: Four charts follow.

J.D. Power and Associates 2006 Initial Quality StudySM (IQS)

2006 Nameplate IQS Ranking

Problems Per 100 Vehicles



NOTE: Due to changes in study methodology, 2006 IQS scores are not comparable to previous years. Scores are based on rounded figures for problems per 100 vehicles.

Source: J.D. Power and Associates 2006 Initial Quality StudySM

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J.D. Power and Associates 2006 Initial Quality StudySM (IQS)

Top Three Models per Segment Car Segments

Sub-Compact Car	Large Premium Car
Highest Ranked: Kia Rio/Rio Cinco and Suzuki Aerio (tie) Scion xA	Highest Ranked: Lexus LS 430 Audi A8 BMW 7 Series
Compact Car	Premium Sporty Car
Highest Ranked: Toyota Corolla Hyundai Elantra Honda Civic	Highest Ranked: Lexus SC 430 Porsche 911 Chevrolet Corvette (tie) Mercedes-Benz SL-Class (tie)
Compact Sporty Car	Midsize Sporty Car
Highest Ranked: Mazda MX-5 Miata Hyundai Tiburon Scion tC	Highest Ranked: Toyota Solara Ford Mustang Chevrolet Monte Carlo
Compact Premium Sporty Car	Midsize Car
Highest Ranked: Porsche Cayman Honda S2000 Porsche Boxster	Highest Ranked: Toyota Camry Honda Accord Hyundai Sonata
Entry Premium Car	Large Car
Highest Ranked: Lexus IS 250/IS 350 Lincoln Zephyr Acura TL	Highest Ranked: Pontiac Grand Prix Hyundai Azera Nissan Maxima
Midsize Premium Car	
Highest Ranked: Lexus ES 330 Infiniti M-Series (tie) Jaguar S-Type (tie)	

**For more detailed findings on new-vehicle quality performance, visit the
J.D. Power Consumer Center at: www.jdpower.com**

Source: J.D. Power and Associates 2006 Initial Quality StudySM

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J.D. Power and Associates 2006 Initial Quality StudySM (IQS)

Top Three Models per Segment *Truck / Multi-Activity Vehicle (MAV) Segments*

Compact MAV

Highest Ranked: Hyundai Tucson

Honda CR-V
Nissan Xterra

Midsized MAV

Highest Ranked: Toyota Highlander

Buick Rainier
Toyota 4Runner

Large MAV

Highest Ranked: Toyota Sequoia

GMC Yukon
Chevrolet Tahoe

Midsized Premium MAV

Highest Ranked: Lexus GX 470

Volvo XC70
Lexus RX 330/RX 400h

Large Premium MAV

Highest Ranked: Lexus LX 470

Lincoln Mark LT
HUMMER H2

Large Pickup

Highest Ranked: Chevrolet Silverado LD

Chevrolet Silverado HD (tie)
GMC Sierra HD (tie)

Midsized Pickup

Highest Ranked: Ford Ranger

Honda Ridgeline (tie)
Subaru Baja (tie)

Van

Highest Ranked: Chrysler

Town & Country
GMC Savana
Dodge Caravan

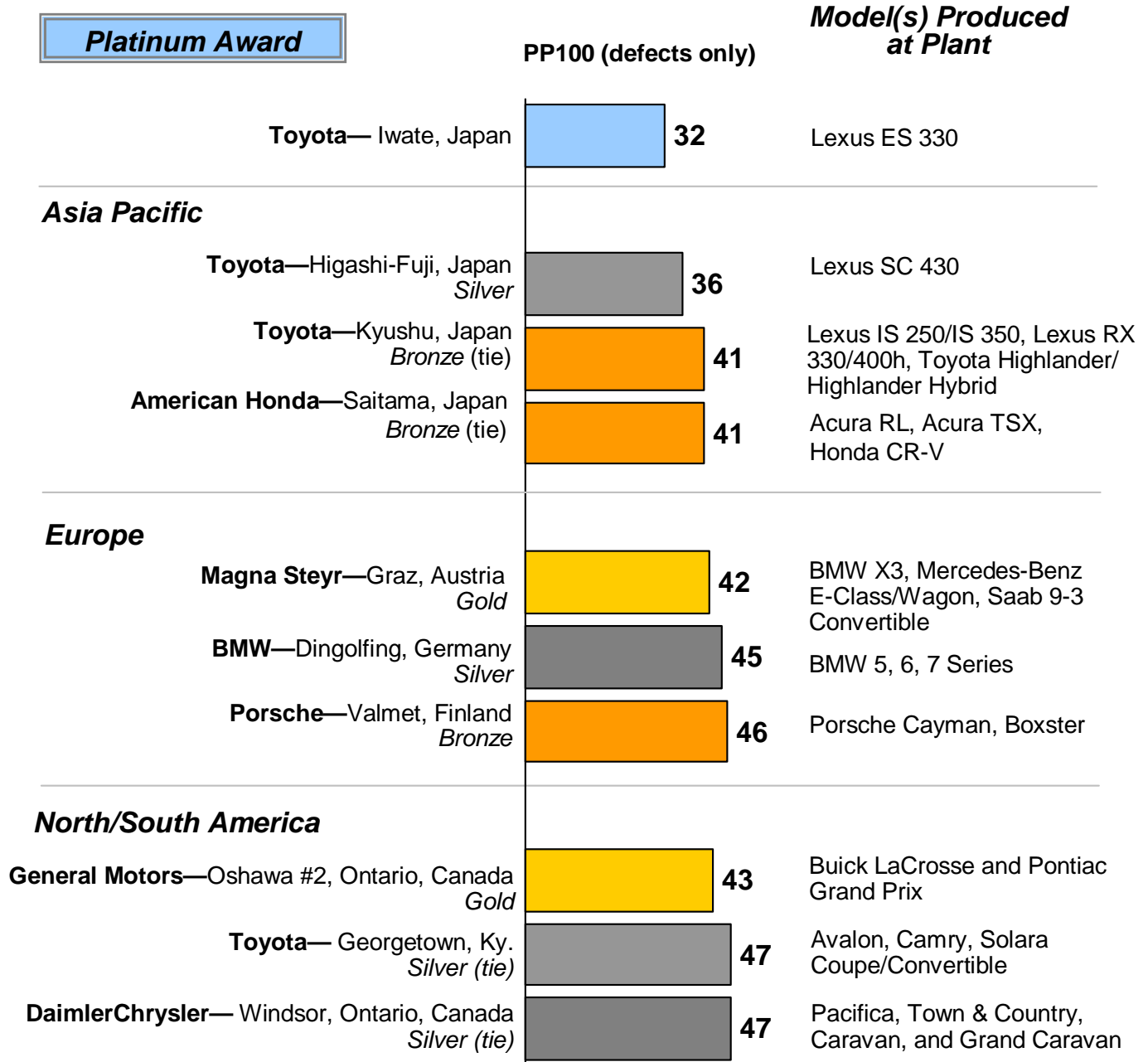
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J.D. Power and Associates 2006 Initial Quality StudySM (IQS)

2006 Plant Quality Award Recipients Based on Vehicles Produced for U.S. Market



Source: J.D. Power and Associates 2006 Initial Quality StudySM

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