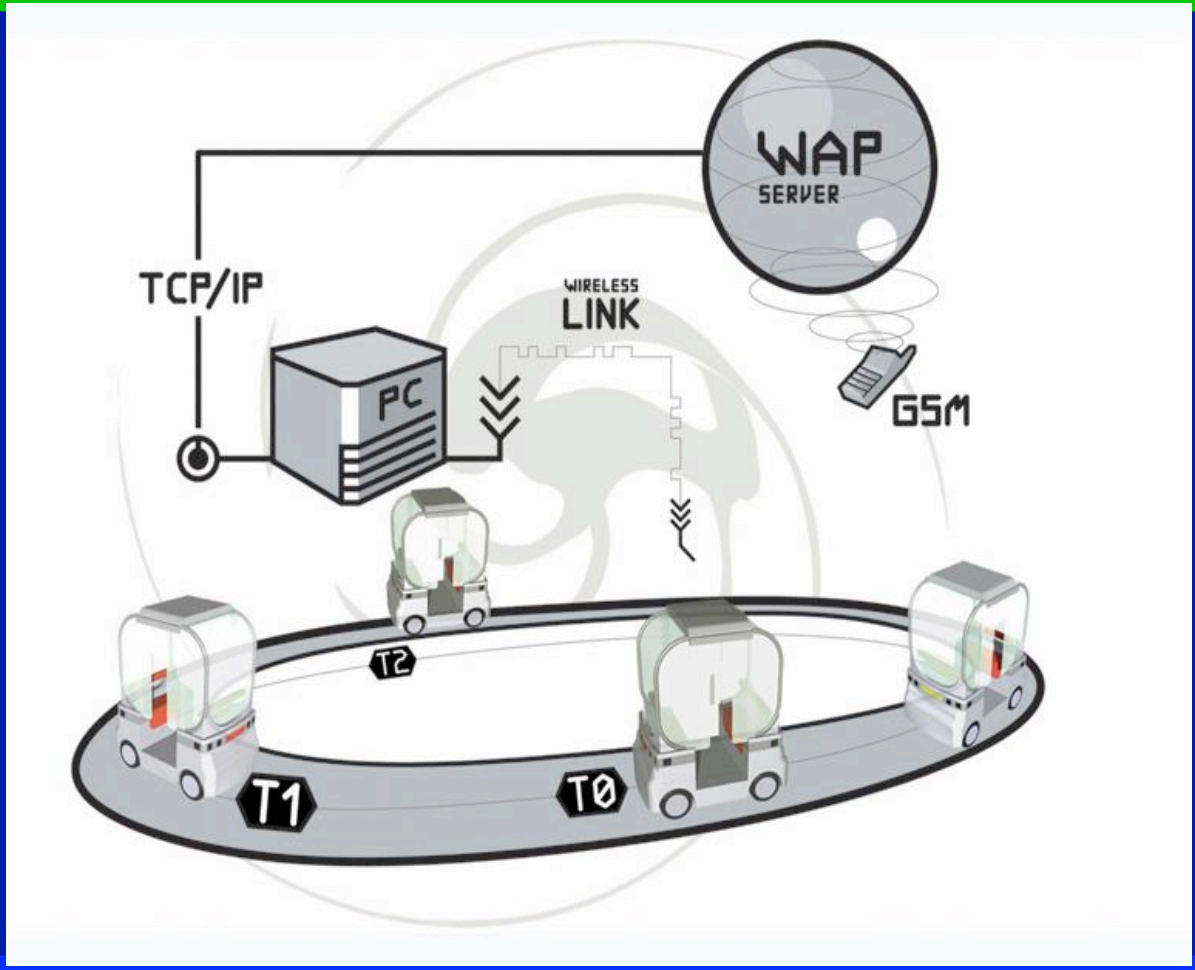
Needs and Market Potential Analysis

Developing the markets of CyberCars and CTS systems

A CTS System = a fleet of CC



Market Growth Conditions

The identified barriers to break are :

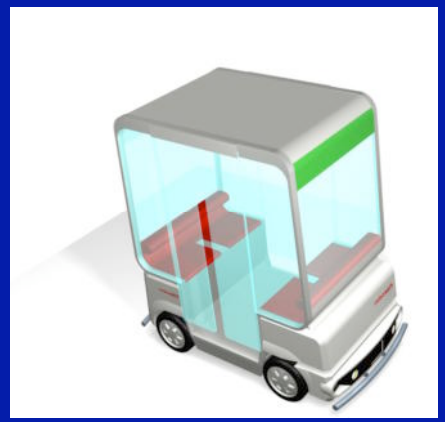
1 - flexibility = market of niches
2 - safety & legal issues = start by “certified” systems
3 - cut down the cost

Flexibility

- Ability to operate in taxi-mode or shuttle-mode
- Fleet scalability (ability to manage a scalable number of vehicles per fleet, from a few to dozens or hundreds)
- Ability to instantly reprogram fleet routes and schedules
- Ability to virtually attach multiple vehicles (virtual trains or "platooning")
- Easy customisation of vehicles in terms of:
  - car body design
  - transportation flow rate (passengers number per vehicle and per hour)
  - navigation solutions (vehicles guidance)
- Smart human machine interaction (HMI) between passengers and vehicles
- On-board multimedia and wireless communication capabilities (Internet-based audio and video in particular)
- Safety features in accordance with local regulations

robuCAB

robuCAB modular building (up to 5 seats, speed range 15-30km/h) :



robuRIDE

robuRIDE modular building (up to 22 seats, speed 12 km/h):

Reducing costs

1 - build CTS from proven low-cost modules

2 - manufacture simple vehicles in quantities

Target sites main criteria

. vast (over 5mn walking distance) but delimited area with a high concentration of people;
. not open to public (driven) vehicles (for regulatory reasons);
. subject to noise and pollution limitations (for environmental reasons);
. subject to cost reductions (for economic reasons);
. may want to display a high quality or modern image;
. may need dynamic reconfiguration of transport routing, fleet size and scheduling;
. may need to synchronize people transportation with multimedia guides or shows;
. may be hosting aged or disabled people.

Target sites list

. pedestrian city centres;

. industrial and academic campus;

. amusement, theme and holiday parks;

. large cultural sites and museums;

. medium to large airports and train stations;

. hospitals, retirement and rehabilitation centres…

Market potential : up to 30,000 vehicles/year

Estimated Total Available Market (TAM) size (Europe):

	2004	2005	2006	2007	2008	2009	Totals
Total number of target sites[1] (units x 1,000)	40	42	45	48	51	55	281
Target sites penetration rate[2] (with automatic transportation solutions)	1 %	1 %	2 %	2 %	3 %	4 %	-
Average number of vehicles per site	5	6	8	15	23	30[4]	-
Estimated TAM[3] (vehicles units x 1,000)	2.0	2.3	5.4	14.4	34.4	66.0	124,5

Note 1: estimated total of target sites (reaching criteria) in Europe, all categories of sites

Note 2: estimated rate of target sites actually in conditions to buy automatic transportation solutions

Note 3: estimated Total Available Market (potential of automatic vehicles to be bought by the European market)

Note 4: this number may be underestimated: ROBOSOFT is already pursuing sales opportunities with fleets of 100 vehicles for 2008 delivery.

Pricing : vehicle + engineering

Unitary Average Target Selling Prices for CyberCars:

	2004	2005	2006	2007	2008	2009
Small CC ASP (K€ per unit)	80	60	50	35	20	15
Big CC ASP (K€ per unit)	120	110	100	80	50	30

A Promising Business …

- an opportunity today for robotic solutions suppliers

- a new business for car manufacturers within a decade