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## TRW Automotive Holdings Corp. Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Our first question comes from Himanshu Patel - J.P. Morgan.

#### Himanshu Patel - J.P. Morgan

Do you guys have any initial thoughts on the scope of restructuring expense for 2009 that may be involved?

#### John C. Plant

It's a bit premature to say at this point. If you look at generally what we do, we tend to be very fast in addressing market conditions. So if you look at what we've already done since the view in the first half of this year, we have significantly increased our restructuring. As an example, in the October timeframe we looked at taking out an additional almost 1,000 salaried heads and in fact 70% of that will be completed by the end of this week. I think that generally speaking we have called it early, get on with it and execute and not make broad announcements. We didn't make an announcement. We just executed.

I'm not saying to you that we are done at this point. I think that we'll continue to examine the overall cost space and we will either take additional actions in the fourth quarter if we think we need to or in the early part of next year. I'm hoping that if we take the actions which we've taken already, we already completed them, and the ones which we could contemplate to readdress the lower levels of production, I'm hoping that the significant portion of that will be behind us within the next six months.

At this point I would imagine that the 2009 restructuring as we see it today should be lower than 2008. But it's a bit premature to be able to really define that at this point in time.

#### Himanshu Patel - J.P. Morgan

It sounds like the trajectory you're talking about is elevated restructuring expense for second half '08 and maybe into early '09 and then maybe tapering down into sort of a level more consistent with first half '08 by the end of '09. Is that a fair characterization?

#### John C. Plant

I think that'd be fair. Absolutely because we're going to right size the operation. You've already seen we've actually taken quite a dramatic step already and as I said 70% is completed by tomorrow of

the almost 1,000 salaried managers and directors. Everything we're going to do to right size the organization I think the majority will be completed within six months.

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