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more on our core original equipment markets will enable us to capitalize on the continuing trends toward modularity and systems integration in these markets.

New Business

In the OE vehicular business, new programs are generally awarded to suppliers well in advance of the expected start of production. The amount of lead time varies based on the nature of the product, size of the program and required start-up investment. The awarding of new business often coincides with model changes on the part of vehicle manufacturers. Given the cost and service concerns associated with changing suppliers, we expect to retain any awarded business over the vehicle life, which is typically several years.

During 2003, more than $400 of our sales increase resulted from the addition of net new business — new business in excess of lost business. As of December 31, 2003, we expected net new business to contribute a minimum of $400 to our 2004 sales. Beyond 2004, based on business already awarded or lost, we expect net new business contributions through 2009.

Summary

Over the last three years, we have repositioned the organization — through divestitures, restructuring, outsourcing and strategic partnerships — to be more strategically focused and more competitive. In the process, we have downsized from a company with sales in excess of $13,000 (before adjustments to reflect discontinued businesses) to a company with 2003 sales of just under $8,000 reported by our continuing operations. At the same time, we have improved our overall profitability and financial position. With a more focused strategy and improved financial situation, we are better positioned to grow the business in our core markets.

Liquidity and Capital Resources

Cash Flows (2003 versus 2002)

	2003	2002	Dollar Change
Cash Flows from Operating Activities:			
Net income (loss)	**$ 222**	$(182)	$ 404
Effect of change in accounting		220	(220)
Depreciation and amortization	**394**	478	(84)
Deferred income taxes	**(35)**	(135)	100
Unremitted earnings of affiliates	**(49)**	(43)	(6)
Gains on divestitures and asset sales	**(47)**	(53)	6
Asset impairment charges	**21**	114	(93)
Decrease (increase) in operating working capital	**(212)**	50	(262)
Other	**41**	72	(31)
Cash flows from operating activities	**$ 335**	$ 521	$(186)

For a number of reasons, the substantial increase in net income did not translate into stronger