

16th Annual North American Supplier Conference

May 14, 2015

***“Maximizing Competitiveness through
Americas’ Relationships”***

Presented by
Yoshimasa Kimura, President, CEO and COO



2014 Recap (Market)

- Recovery of American Economy, low fuel cost
- Strong NA automotive sales: 16.5 Million unit sold.
- Luxury vehicles and light trucks : best selling items

Sales share % : Light truck 52%

Sedans 48%

- Expansion of production in Mexico
- Frequent mega recalls (Takata's airbag recalls)

2014 Recap (MITSUBA)

- Achieved the highest sales in history 306 B yen (consolidated)
 - Sales expanded in Asia, China and North America
 - Plants expansion all over the world
 - Enhance R&D at overseas locations
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- Number of associates worldwide
28,280 associates (Jan. 2015)
The Americas : 3,844 associates

2014 Recap (The Americas)

- Integration of AMC and MBT at the end of Dec. 2014
- Production started at CMM4 in Mexico
Nissan, Mazda, Honda(Celaya)
- Production started at MABL in Brazil
Brazil Honda, Nissan, GM
- Expansion of business opportunity with European and American customers

2014 Recap (The Americas)

Received awards from customers in USA and Brazil

USA

Nissan



2014 Nissan Annual Supplier Conference on Oct 28th 2014

Brazil

GM



Honda



Customer Concerns

AMC's main customer, HONDA, indicated 3 new key words.

Stable

A sustainable Supply Base that can provide a continuous flow of goods & services.

Flexible

A supply base that can meet changes in market demand and production allocation.

Competitive

A supply base that is competitive on a global basis even as we buy food & services locally.

****Quality:** Transparency and communication. Confirm education and training system. New Model awareness.

****Cost:** Apply 'Best Sourcing / Spec' to all vehicles. Prepare VA ideas.

****Delivery:** Capacity Management System – Identify Bottleneck Process.

****Development:** Complete all new model requirements on time. Confirm build plan to support upcoming events.

Customer Concerns

- Activities focused on quality

Customer audits increasing –VDA, QAV1, ASES, etc.

4M Change Point Control and Lot Traceability (as it relates to recalls)

Manage the supply chain (sub-supplier management) as a Tier 1 supplier.
This is critical to future business – sustainability.

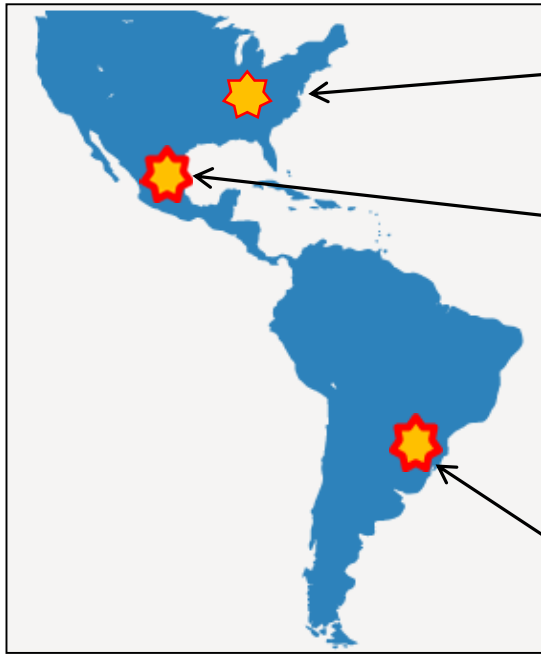
- Smooth launch of new vehicle models
- Stable production in Mexico
- Achieve cost down targets
- Prepare capacity to support customer growth and changes



*We need your quick
and strong support
to fully meet
customer activities
and requirements.*

Strategies for the Americas

Working together to enhance competitiveness in the Americas



AMM/AMI/AMB, **USA**

CMM1/CMM2/CMM3/

CMM4/CMM5, **Mexico**

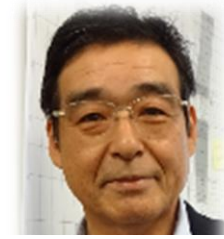
MBL, MABL, **Brazil**

Challenges

- Strengthen production structure in Mexico
- Expand local procurement
- Capacity to adapt production volume changes
- Launching new products for 2016 model
 - Mother-less, North America Launch
 - Speedy preparation of the production process
- Strengthen quality system (Mitsuba, suppliers)
 - Lot traceability
 - 4M change point control
- Quick analysis and countermeasure for market claim

Personnel Changes

- AMC Shirato VP → CMM SVP



Shirato

- AMC Hashimoto Officer → CMM Officer



Hashimoto

- MCJ Iijima → AMC R&D Officer



Iijima

- MCJ Matsumura → AMC Sales SMG



Matsumura

- AMC Abe SMG → MCJ MG



Abe

THANK YOU

