

18th Annual North American Supplier Conference

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“Growth Through the Pursuit of Quality”

Presented by
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- U.S. Tax Reform (税制改革)

Tax Reduction and Balance of Budget 減税と財政均衡

- ObamaCare … Passing the House of Representative with compromise 妥協の上、下院通過
- Border Tax/Destination Base Cash Flow Tax … deferred 国境税・国境調整先送り
⇒ Major Revenue Increases are difficult to be realized 歳入増諸策の頓挫

- NAFTA “Reform” (NAFTA改訂) Not withdraw => “Reform” (撤退は否定=>再交渉)

- GSP Scheme (特惠関税) Philippines/Indonesia/Malaysia etc.

- Current scheme (No import duty) is expired in Dec. 2017 12月に期限切れ

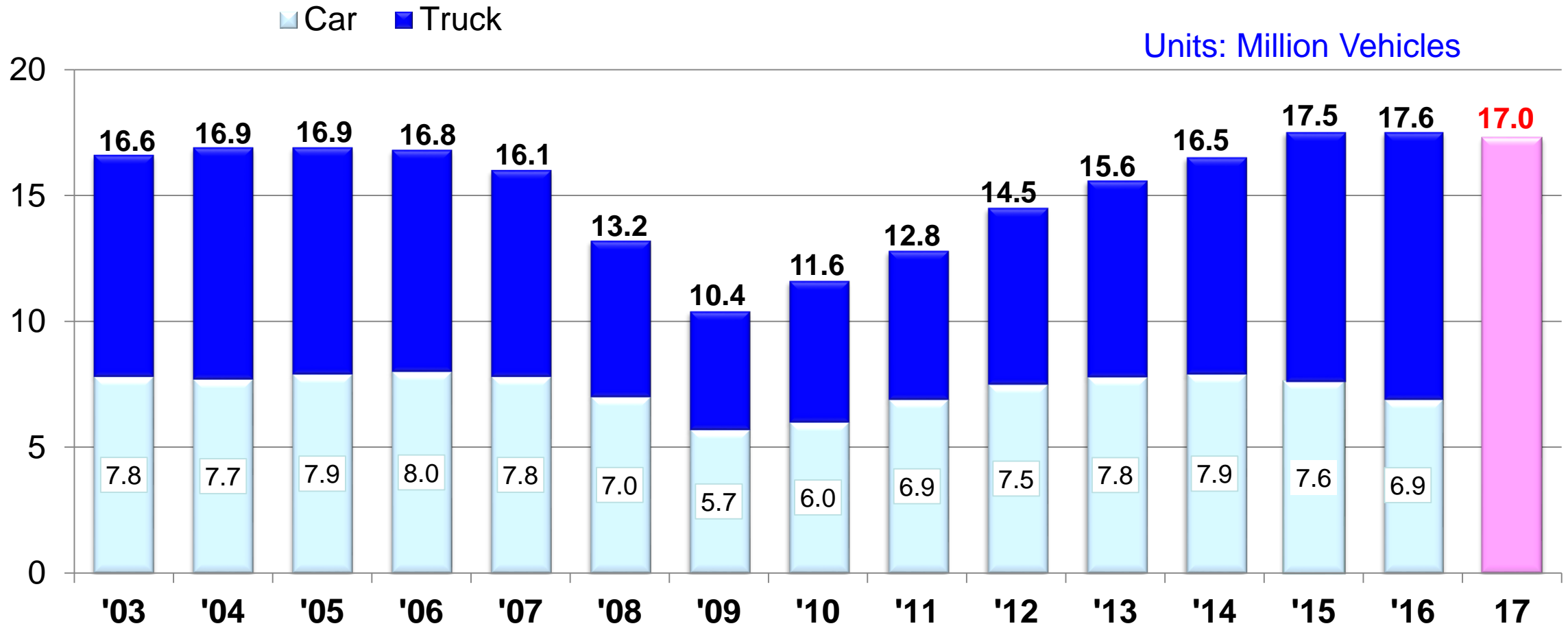
- Economic Growth (経済成長) GDP 2-3% up annually in the mid-term

- Stable Actual economy vs Money Market Risk 金融リスクの実体経済への影響
Money market risk = Trump Risk, Geopolitical Risk トランプ&地政学的リスク
- “Japanization” of U.S. Economy (高貯蓄率、低生産性向上、高齢化)
⇒ High saving ratio/Low productivity improvement/aging of society

- Automotive Sales (自動車販売) : 17M annual sales 年間17 百万台レベル

- Interest rate up/ Gas price up 利上げ・ガソリン価格上昇
- Increase of Used-Vehicle Market with the prices down 中古車流入拡大・価格ダウン
- Increase of Incentives and Subprime Auto loans インセンティブ、サブプライムローンの増加

U.S. Market Vehicle Sales

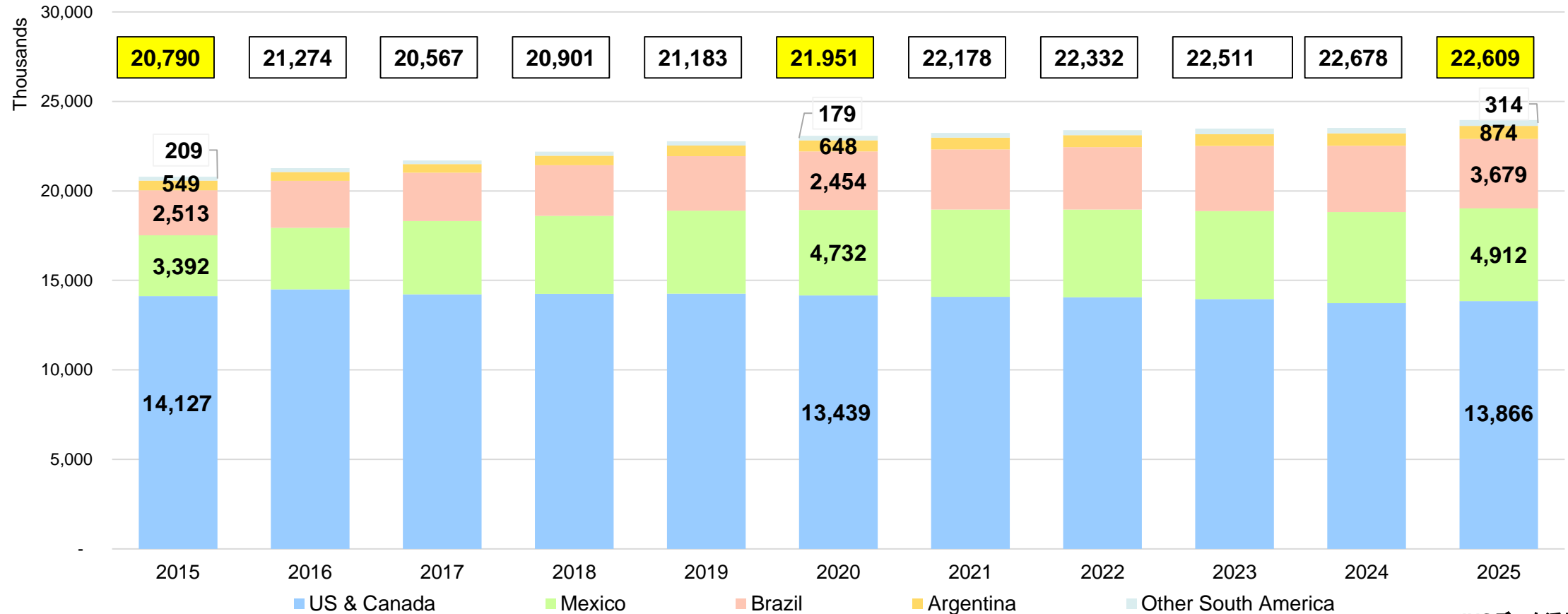


Major Analysts comment the peak of Sales in U.S. was over, but continue the sales in the range of 16.8M – 17.3M for a couple of years. Average price per vehicle is up by the strong light truck sales.

Americas Production Forecast

Vehicle Production in Americas 2015 - 2025 (IHS)

Unit: K Car



‘IHSデータ活用

Comparing the last year’s forecast, this year’s forecast shows the total growth of Americas from 2015 to 2020 down to half (from +3M to +1.2M). Mexico/Brazil still increases, but US will decrease by 0.7M.

Major Customers' Production Estimate

Unit: K Cars

	2017	2018	2019	2020	2021
HONDA TOTAL	2,108	2,158	2,181	2,184	2,227
Honda US	1,713	1,743	1,762	1,762	1,762
Honda Mex	254	258	260	260	266
Honda Brazil	141	157	159	162	199
NISSAN TOTAL	1,901	1,995	2,004	2,021	2,046
Nissan US	998	1,000	960	969	970
Nissan Mex	836	882	889	893	917
Nissan Brazil	67	113	155	159	159
SUBARU TOTAL	436	454	460	468	480
TOTAL	4,445	4,607	4,645	4,673	4,753

Mitsuba Americas Sales Plan

(does not include Mitsuba Inter-Group Transaction)

Unit: \$K

	2017	2018	2019	2020	2021
AMC(US)	589,894	587,452	614,443	740,657	778,018
CMM(MEX)	136,582	141,746	145,947	148,455	140,595
MABL(BRL)	16,805	25,531	30,459	30,746	36,193
MBL(BRL)	30,693	32,300	34,191	41,030	49,827
TOTAL	773,974	787,030	825,020	960,881	1,004,634

U.S. Business Expansion:

- Current Products Line: American and European OEMs/Tier1s
- New Products Line: Braking System Actuators/PTG etc.

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