

Organization Changes for Fiscal 2013

1. FY2013 President's Business Policy

Speed is Our Strongest Weapon

"Waku-Waku" Road to 1 Trillion Yen Company

- 5S
- Kill Redundancy
- Technological Leadership
- Talent Development

2. FY2013 Organization changes

FY2013 Organization changes are conducted to realize President's Business Policy

**1) Establish organizations to enhance awareness and improve opinions of JATCO brand**

Brand Management Office and Global Communications Department are established to enhance awareness and improve opinions of JATCO brand. JATCO WAY Promotion group in Talent Development Department is integrated to these organizations in order to promote understanding of corporate philosophy and JATCO brand within the company. Brand Management Office reports directly to the President.

**2) Re-establish experiment function to improve development capability of JATCO Group**

Improving the development capability is needed to ensure quality for the new markets and to cope with the reduced development period. Also needed is a flexible experiment organization to cope with complicated drivetrain systems. To satisfy this,

1. Reorganize the Experiment Department by abolishing the Groups to enhance project management functionality and mutual cooperation among groups.
2. Set up the center of expertise for experimental skill at JATCO Engineering Corp. and accelerate the improvement of the skills for experimentation by gathering the experimental skill at the center. We will also transfer a part of the application development function to JATCO Engineering Corp. in order to improve development efficiency and enhance cooperation among groups.

**3) Maximize the efficiencies of organizational power by the reorganization of factories**

Disband Mizushima Production Section at Mizushima Plant with the end of production.

Integrate Kambara Production Section No.1, and Kambara Production Section No.2 at Kambara Plant with the current operating ratio.

**4) Establish Moscow Q&S office**

Establish Moscow Q&S office to investigate field quality issue in the growing Russian market.

This office will also serve as the center for the investigation of field quality in European & GCC markets.