

### FY2015 Organizational Changes

In order to achieve its goal to be the global No. 1 transmission manufacturer in 2020, JATCO will carry out its Mid-term Plan starting from FY2015. In order to implement the plan in a thorough manner, and further strengthen quality improvements within each division, we will conduct the following organizational changes in FY2015:

- A Marketing & Sales, and UPD<sup>\*</sup> Division will be established as an independent division in order to enhance product planning and sales (increasing customer satisfaction), which are the keys to effectively promoting a growth strategy.
- In order to gain traction for JATCO's growth strategy at a corporate level, the current Corporate Planning Department will be reorganized to form the new Corporate Planning Department. Two new groups will be created within this department, the Corporate Initiative Group and the Business Management Group, which will not only strengthen corporate strategic functions but also promote methods of effectively solving cross-company issues. The Core System Project Group will also be established within this same department in order to carry out innovative Monozukuri activities that utilize IT under the leadership of the COO.
- The Global Communications Department and Brand Management Office will merge in order to achieve a strong JATCO brand that drives the company's growth strategy.
- A Marketing & Sales Department will be established by integrating the Product Marketing Strategy Office, the Sales Department and the Remanufacturing & Service Business Department. Cooperation between the Marketing & Sales Department, Unit Program Director Office and R&D Division will be enhanced, and by planning and proposing products that satisfy customers JATCO will expand its business and realize highly profitable program management.
- In terms of technological development, the project-promoting process with PCEs (Product Chief Engineer) will be strengthened, and newly assigned S-PCEs (Senior Product Chief Engineer) will manage projects.

- In order to integrate product quality in the planning and preparation stages of the project, and strengthen product quality technology developments that can respond to ever-sophisticated product functions, a Quality Process Engineering Section will be established within the Quality Assurance Department in the Production Division.
- All domestic and overseas affiliates will report directly to the CEO to provide more focus to business performance.

\* Unit Program Director