

**MCSV** Creation Forum  
Dialogue on  
Business Strategy  
2025

Strategies to Pursue Growth

**5** **Mobility Group**

Executive Vice President  
Group CEO, Mobility Group

Shigeru Wakabayashi

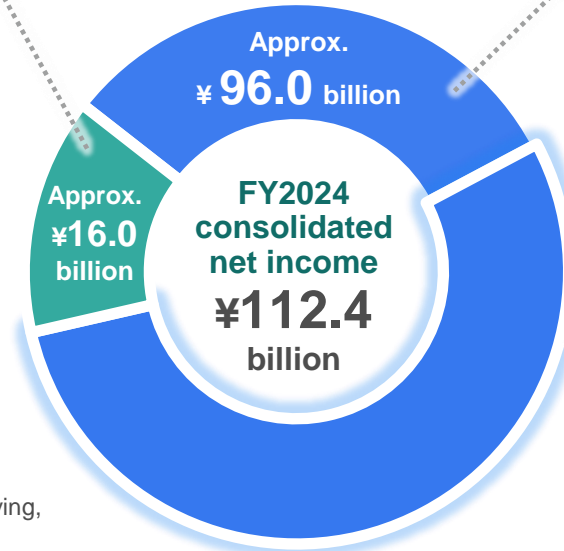
# 1. Mobility Group Overview

Our mission is to enable a thriving and comfortable society through our strong business platforms and customer base to provide products and services that enable the transportation of passengers and cargo

New focus area: Accelerate business development to create a future earnings base

















## Mobility Services Business

<b>Tires</b>	Tire OEM, wholesale, retail, maintenance
<b>After-sales services</b>	Vehicle maintenance, parts sales (wholesale/retail)
<b>Used car</b>	Used car retail/auctions
<b>Financing</b>	Auto loans, vehicle insurance, etc.
<b>Auto leasing</b>	Vehicle leasing and related businesses
<b>Transportation</b>	On-demand bus, autonomous driving, taxi dispatch, etc.
<b>E-mobility solutions</b>	EV and battery-related businesses Provision of fleets/energy/batteries/materials



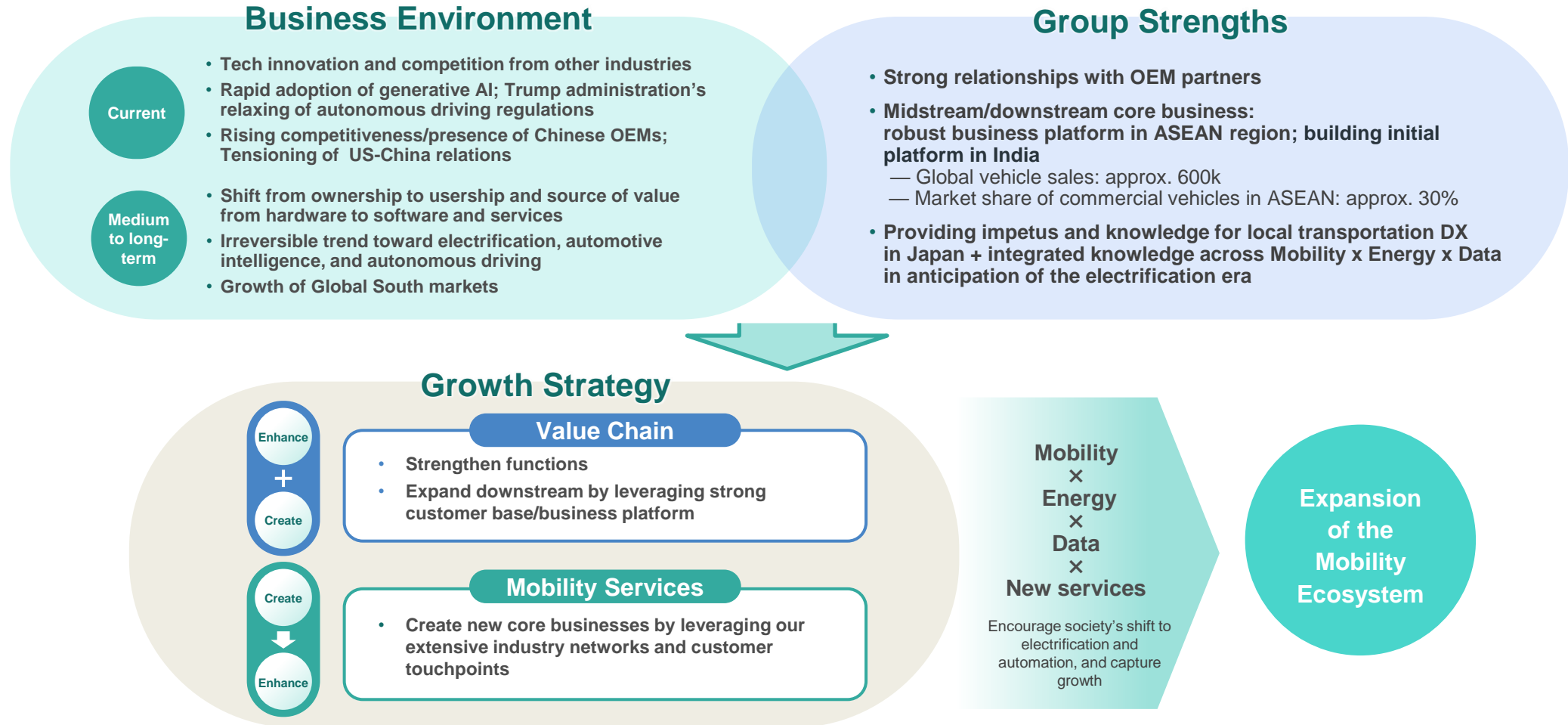
Core business:  
Reinforce existing business foundation

## OEM Partners / Value Chain Business

<b>OEM Partners</b>	  
<b>Value Chain</b>	Production, sales, financing, and after-sales services of vehicles and parts in 11 countries mainly in the ASEAN region, including Thailand and Indonesia  <b>Thailand /Indonesia Earnings: Approx. ¥61.0 billion</b>   Sales: 190k vehicles Production: 420k vehicles Exports: 180k vehicles      Sales: 200k vehicles Production: 50k vehicles Exports: 20k vehicles   etc.
<b>Multi-brand distributor</b>	  etc. (19 countries/41 brands) Sales: 200k vehicles
<b>Multi-brand dealership</b>	  Sales: 30k vehicles (Began investing at the end of FY2024)

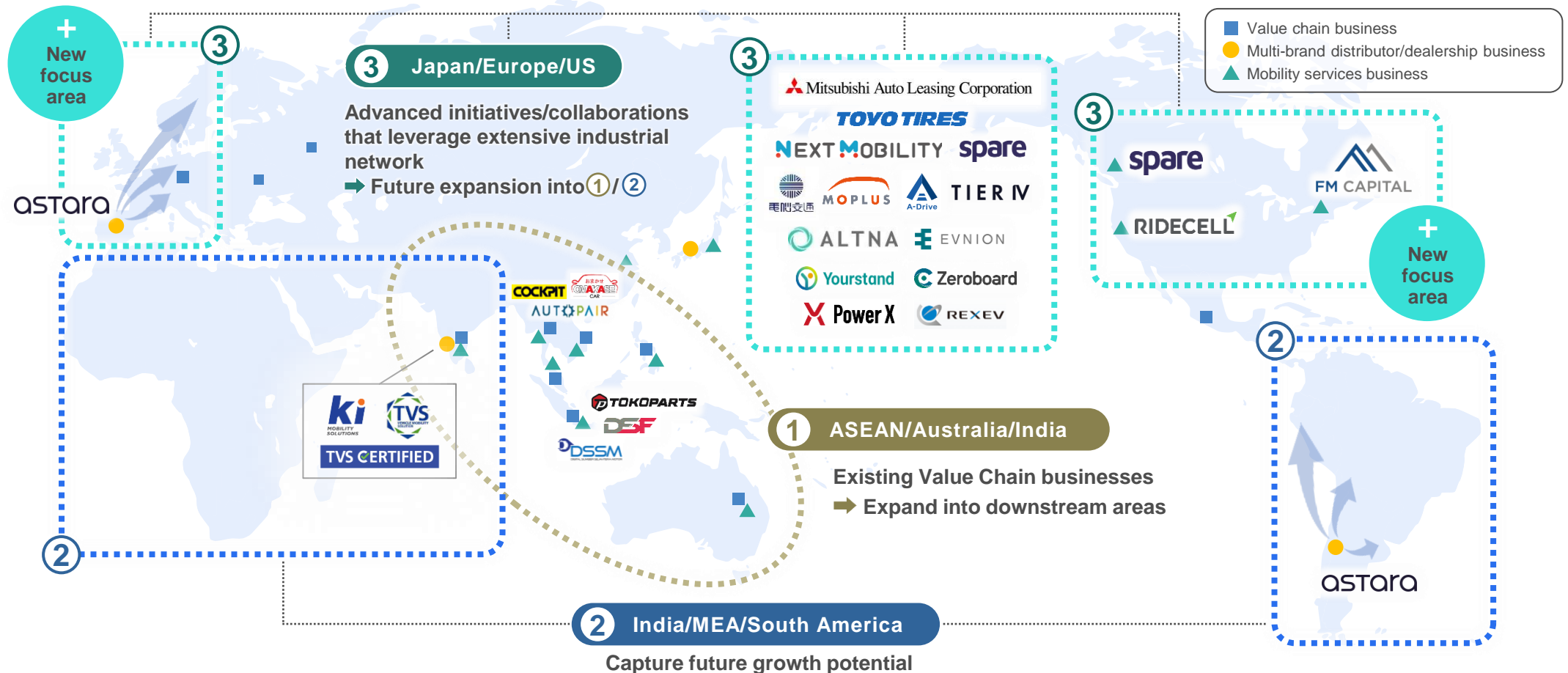
## 2. Business Environment, Group Strengths and Strategy

- We will use our strengths to navigate through changes in the business environment and enhance initiatives in both the Value Chain and Mobility Services businesses to work toward sustainable growth.



### 3. Positioning of Regions and Markets for Sustainable Growth

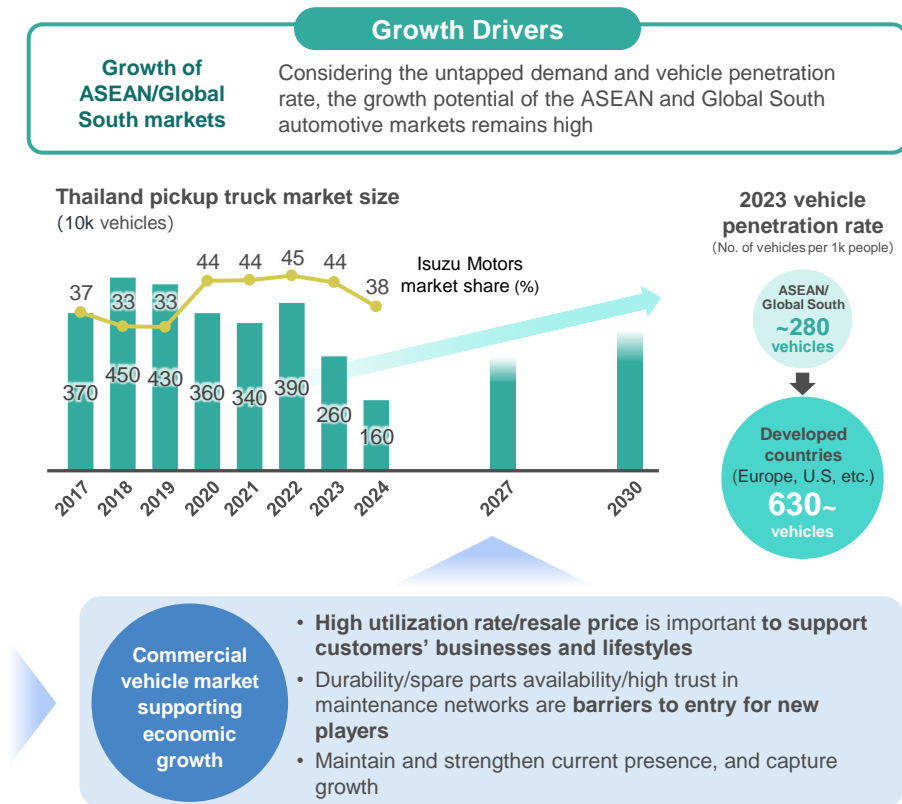
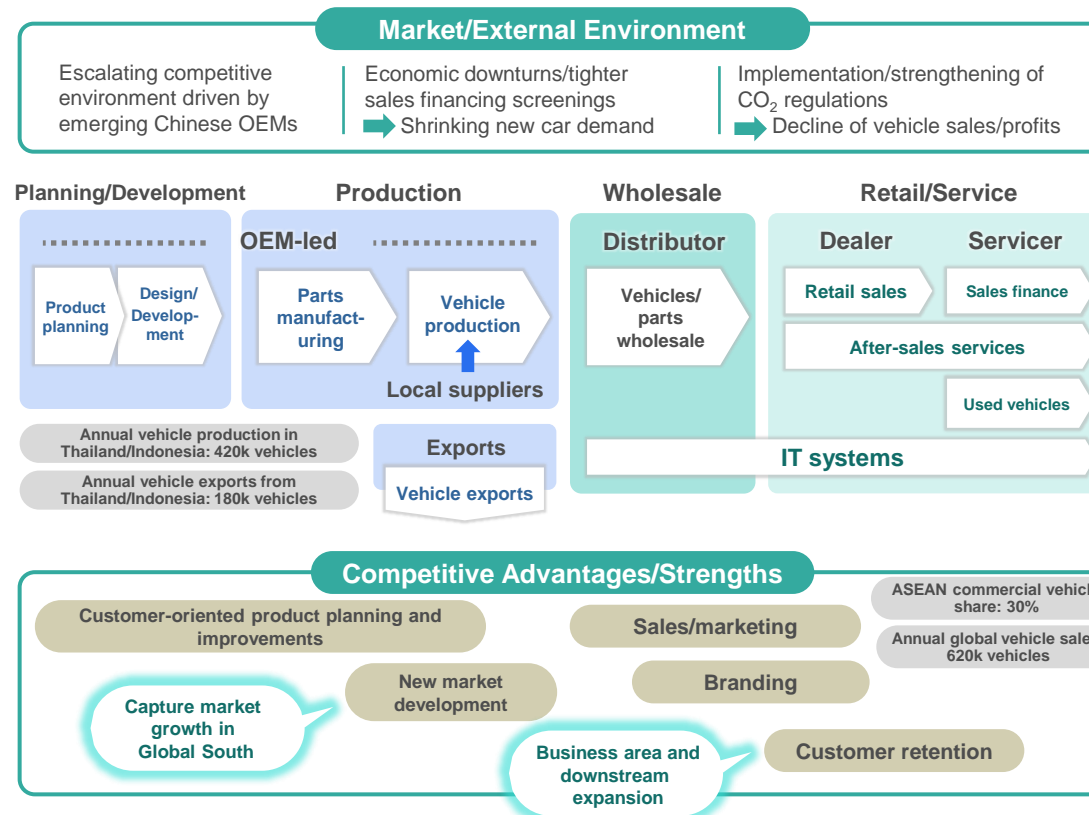
- Enhance existing businesses in the ASEAN region, Australia, and India (①), where we have a strong platform.
- Capture future potential growth in Global South markets including India, Africa, Middle East, and South America (②).
- Create advanced Mobility Services businesses in Japan, Europe, and the U.S. (③) and expand them into (①) and (②) in the future.



## 4. Growth Strategies by Business Area: Value Chain Business

Enhance

- We have built an automotive Value Chain platform in Thailand, Indonesia, and other countries for over 50 years, using our strong relationships with our OEM partners.
- Despite the ongoing global economic uncertainty and deteriorating market conditions in ASEAN and other regions, the medium to long-term growth potential of the ASEAN and Global South automotive markets remains high. Therefore, we will work to maintain and expand our earnings scale in this sector.



## 5. Value Chain Business: “Enhance” Initiatives (Thailand and Indonesia)



- Enhance profitability by strengthening Value Chain business functions, expanding our platform downstream, and reinforcing measures toward a carbon-neutral society

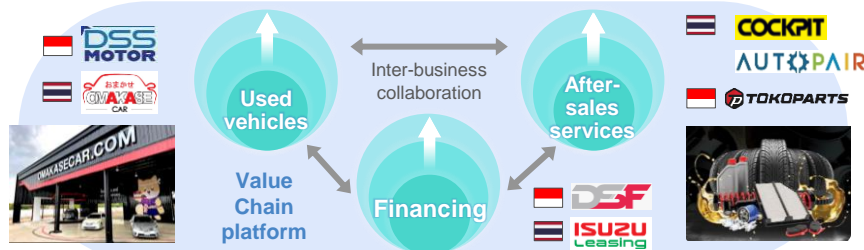
### Strengthen Value Chain Business Functions

- Thorough “market-in” type product proposals
- Maintain/enhance sales and service networks
- Enhance **fleet management services** by **strengthening** after-sales services and **connectivity**
- Enhance predictive purchasing behavior analysis and customer-tailored product proposal marketing through AI
- Enhance brand loyalty by improving the quality of the customer experience through DX



### Expand Platform Downstream

- Maximize use of platform(networks/customer base), retain customers by extending **downstream** and collaborating with other businesses (mutual customer referrals), and build new core businesses.



### Reinforce Decarbonization Measures

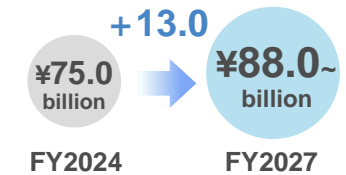
- Began **production** of battery-powered electric pickup trucks in Thailand
- Pilot project of battery-swappable EVs in Thailand



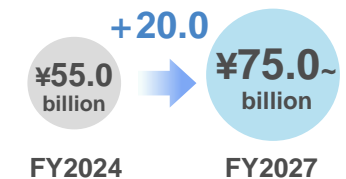
Announcement of Japan-Thailand Energy and Industry Dialogue MoU:  
Pilot project of battery-swappable EVs (April 2025)

### Quantitative Benefits

#### Underlying operating CF



#### Consolidated net income





## 6. Growth Strategies by Business Area: Mobility Services / Value Chain Businesses (India)



Enhance

Create

- In partnership with the prominent conglomerate TVS Group, we entered the after-sales service business in FY2018, and the used vehicle auction and multi-brand dealership businesses in FY2024. We are in the initial stages of building a downstream business platform in the country.
- While capturing India's vast economic growth potential, we aim to expand into, and strengthen ties with, other Global South markets in the future.

### Market /External Environment

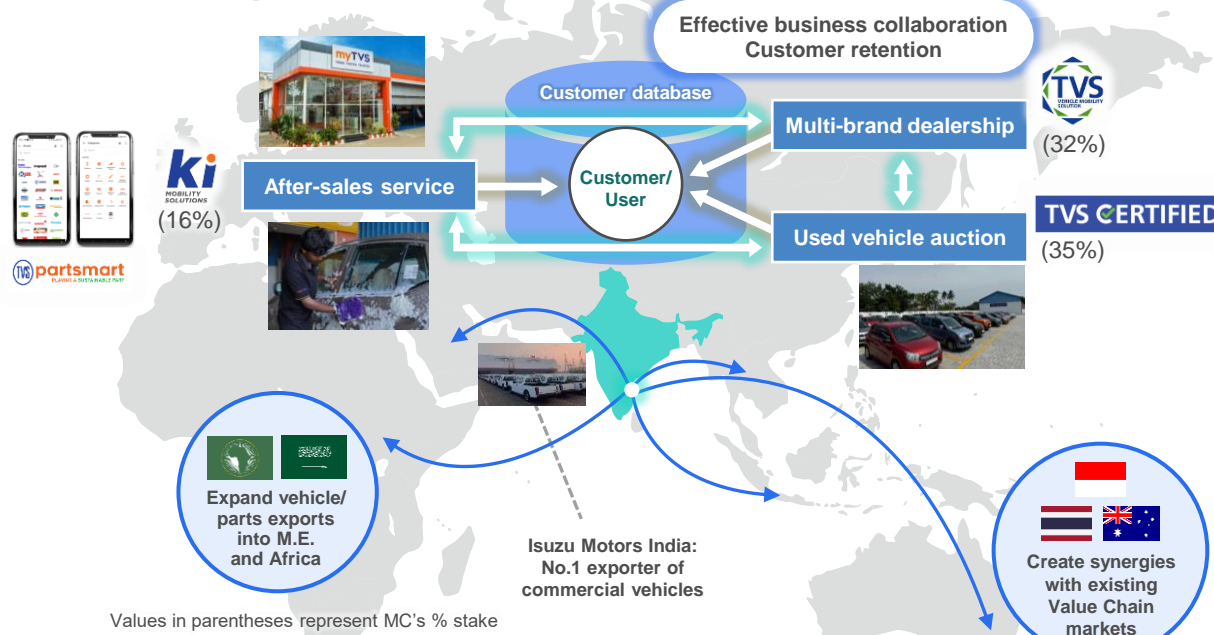
World's most populous country with 1.4 billion people

Four-wheeled vehicle penetration rate: approx. 6%

World's 3<sup>rd</sup> largest new vehicle sales market: approx. 5 million vehicles/year

Significant room for growth in sales/ vehicle ownership, so current market for ownership will continue for now

### TVS MOBILITY



### Competitive Advantages / Strengths

**Largest network and customer base in India developed with prominent conglomerate TVS Group**

**TVS's digital talent: 400 AI/digital engineers**

- After-sales services: Maintenance network (1k stores); vehicle parts retail (20k stores)
- Roadside service networks: 10k locations
- Multi-brand dealerships: 150 stores; accumulated total sales of over 1 million vehicles
- Used vehicle auctions: Collaboration between TVS, MC, and Arai Shoji, a major Japanese vehicle auction company

**Strong partnership with TATA Group, India's largest conglomerate**

- Developed joint venture TCSJ (MC's stake: 34%) in Japan with TCS, India's largest IT services company
- Supports collaboration with Japanese automotive OEMs

### Growth Strategies/Drivers

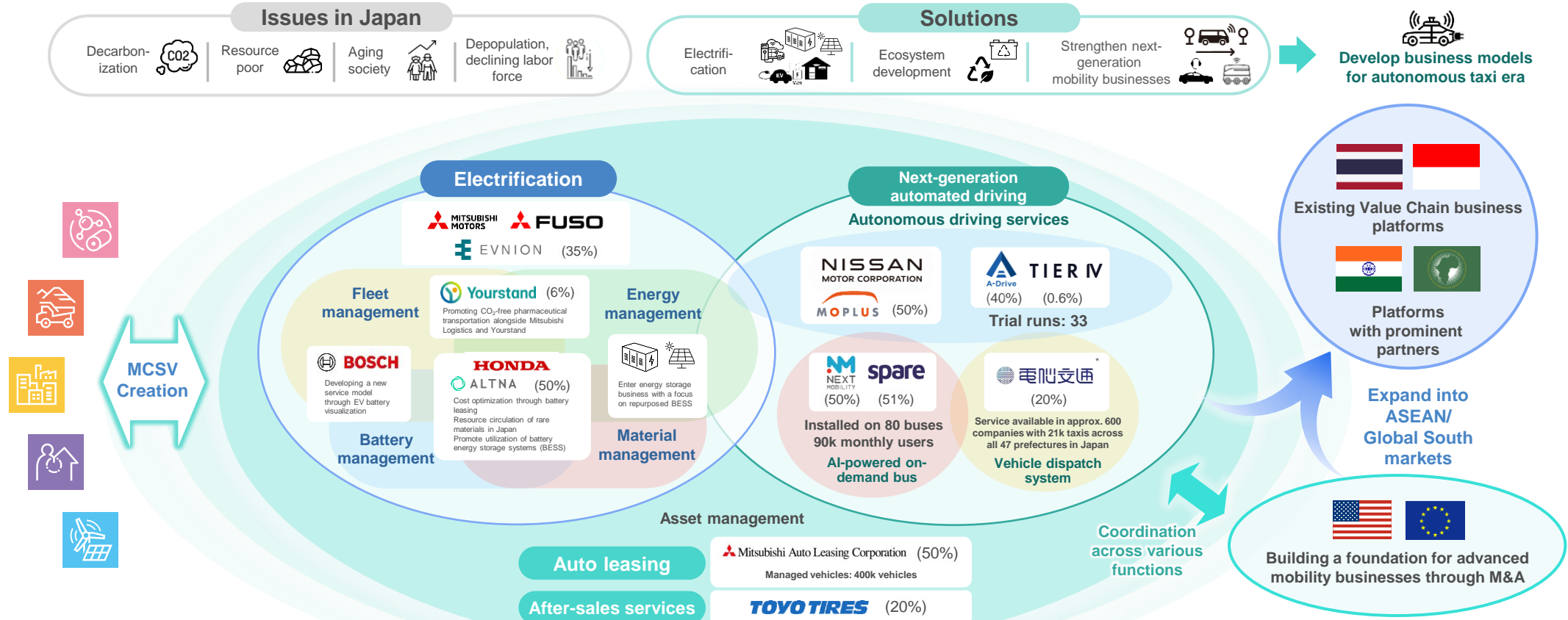
- Business scalability**  
Strengthen and link businesses using digital technology
- Platform expansion to related businesses**  
Leasing business, etc., including EVs, and building an ecosystem for electrification
- Expansion into other overseas markets**  
To source parts, software, engineers, and mechanics

## 7. Mobility Services Business: "Create" Initiatives (Japan)



Create

- As a **paradigm shift** occurs in the **automotive industry** toward **electrification**, **automotive intelligence**, and **autonomous driving**, there is a need to respond to changes in customer behavior.
- As a country at the forefront of dealing with **carbon neutrality** and **aging population** issues, we will position Japan to serve as a **case study** by leveraging our extensive industry and customer touchpoints, as well as our relationships with Japanese automotive OEMs.



Values in parentheses represent MC's % stake

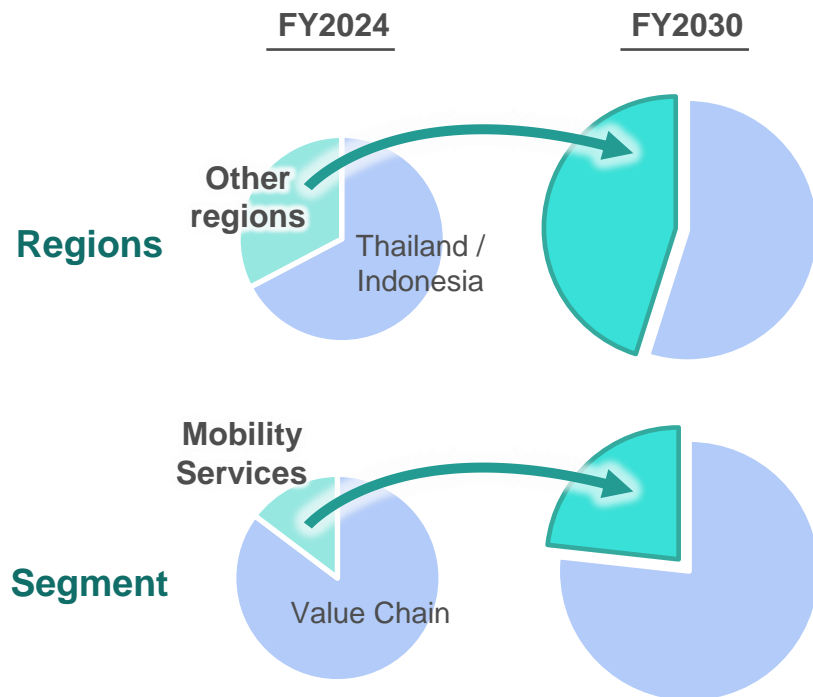
\*February 2025: Uber joins alliance that connects Dennekotsu's system with the taxi dispatch app  
April 2025: MC enters a capital and business alliance with Uber at the time of third-party allotment of shares conducted by Dennekotsu



## 8. Business Portfolio and Future Performance

- As the paradigm shift in the automotive industry continues, **we will create Mobility Services businesses and build new core businesses.**
- By “Enhancing” our existing Value Chain business and “Creating” Mobility Services businesses, we will aim for an earnings level of ¥150 billion in FY2030.

### Profit breakdown by region and segment



### Long-term growth plan

■ Value Chain ■ Mobility Services

(¥ bn)

