

INNOVATION –
AS THE BASIS FOR ECONOMIC DIVERSIFICATION
THE RUSSIA-JAPAN BUSINESS DIALOGUE



Innovation in Industrial Manufacturing Auto Parts **JOINT VENTURE** in Russia

5 November 2007

IHI Corporation

Moscow Representative Office



FORD : 2002 – (St. Petersburg)



RENAULT : 2005 – (Moscow)



GM : 2002 – (Tolyatti)



GM : 2008 – (St. Petersburg)



VOLKSWAGEN : 2008 – (Kaluga)

NISSAN : 2008 – (St. Petersburg)



TOYOTA : 2008 – (St. Petersburg)

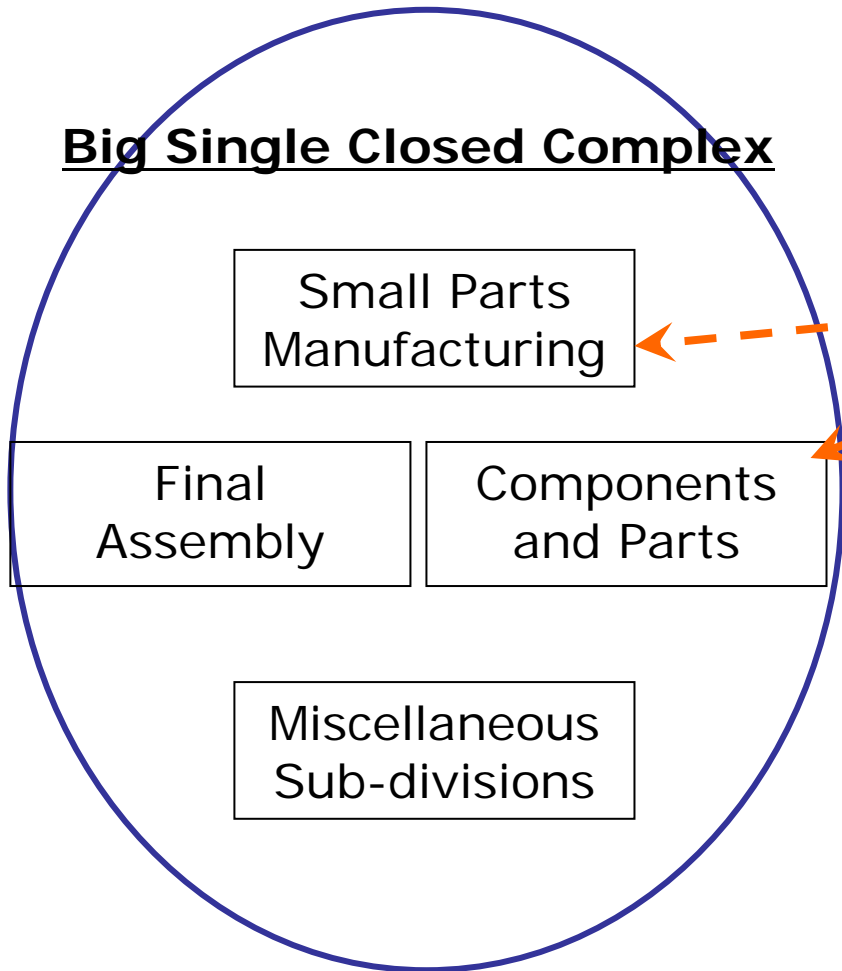
HYUNDAI : 1998 – (Taganrog)

SUZUKI, PEUGEOT-CITROEN

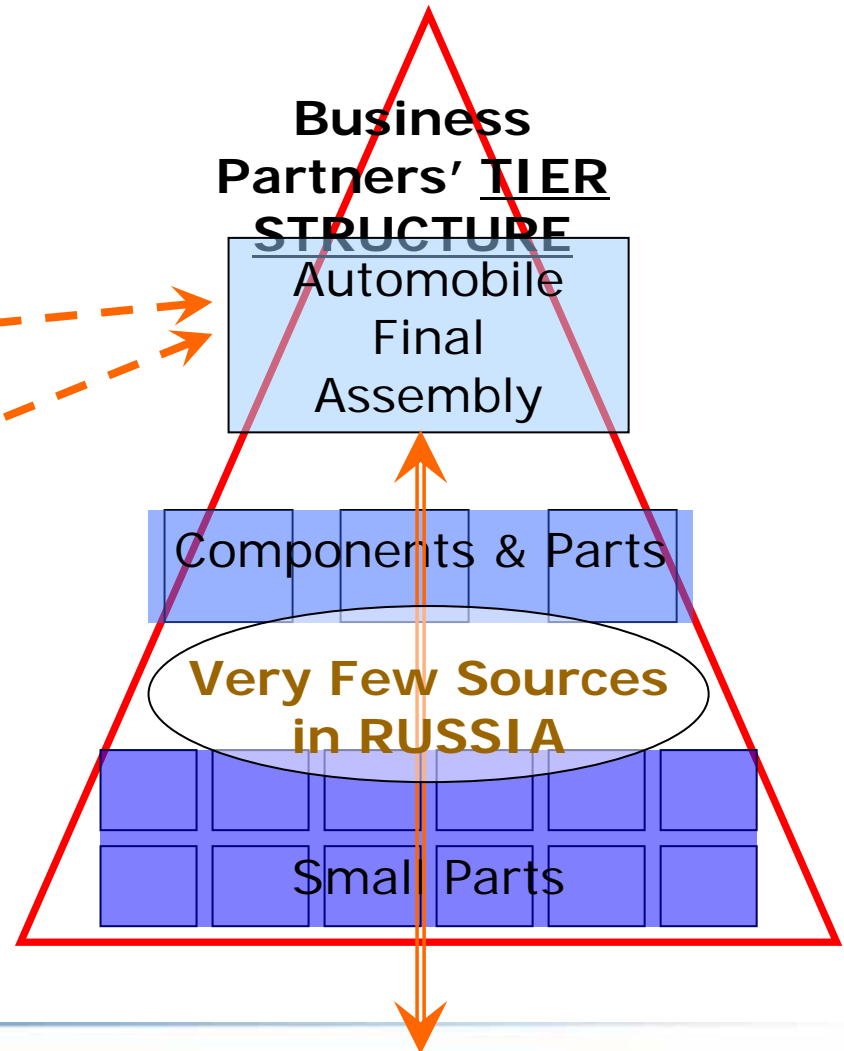
AUTOMOBILE assembled in Russia, while
COMPONENTS & PARTS from Germany, Romania, Japan, Korea

Struggling in Local Sourcing

Traditional Russian Manufacturing Structure



Typical Automobile Manufacturing Structure



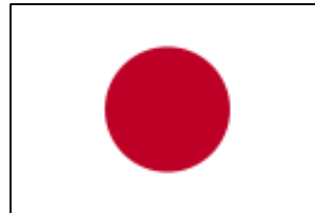


CONCEPT is EASY to share, while
PRACTICE is DIFFICULT to understand each other
BUT NOT IMPOSSIBLE, Just need long exercise

- Scope of Service BODY PANEL STAMPING
 - First Step Die Supply and Panel Stamping
 - Second Step Module Sub-assemblying
- Location Russia
- Employees 70–80 (5-6 from Japan) – Jan. 2008
- Investment In-kind from Russia & Cash from Japan



- 1853 IHI Started Ship Building
- 1856** Technology of General **PUTJATIN's "DIANA"**
- 1915 First Export Business – **To RUSSIA**
- 1970s **STAMPING PRESS LINES to KAMAZ & GAZ**
- 1978 Established Moscow Representative Office
- 1980s **STAMPING PRESS LINES to ZIL & AvtoVAZ**
- 2006 **NEW MOSCOW OFFICE**
- 2007 NEW STAMPING JOINT VENTURE**
- 2008 NEXT INNOVATION in Manufacturing**



What is IHI's NEXT INNOVATION in RUSSIA?



We are building another world...

On July 1st, 2007, Ishikawajima-Harima Heavy Industries Co., Ltd. became IHI Corporation, celebrating a new approach to all our businesses.

