

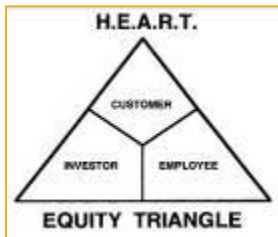



wescast industries inc.
we innovate



Key Milestones

- 1902 – Original foundry and company was established
- 1971 – Produced first exhaust manifold
- 1987 – Focus on exhaust manifolds: cast and machined
- 1994 – Public offering & name change (TSX – WCS.A)
- 2002 – Mfg presence in Europe and focus on Turbos
- 2002 – Richard W. LeVan Technical Centre
- 2002 – 100 Years - People Moulding A Legacy!
- 2003 – Wecast Japan – Design & Engineering Office
- 2007 – Manufacturing presence in Wuhan, China
- 2007 – Manufacturing of Stainless Steel – Stratford





Global Footprint

Ontario – Canada

1 Casting and 2 Machining Facilities
Corporate Office and
Technical Development Centre



Michigan – USA

Machining Facility
Sales and Design Centre

United Kingdom

Sales and Design Centre

France

Sales and Design Support

Kassel - Germany

Sales and Design Centre

Oroszlány - Hungary

Casting & Machining Facility

Yokohama, Japan

Sales and Design Centre

Shanghai, China

Sales and Design Support

Wuhan, China

Manufacturing Facility (2007)



Customers

North America

Ford Motor Co.
General Motors
Nissan
Isuzu – DMAX
Chrysler
International/Navistar
Emcon
Jaguar
Faurecia
Delphi
Mazda
Flexible Metals Inc.

Europe

Mitsubishi Heavy
Renault/ Nissan
Volkswagen
Ford of Europe
Daimler AG
Audi
GM/Isuzu (Ispol)
Honeywell TT
BorgWarner TS
Peugeot
Sata (Fiat)
Jaguar
JCB
Iveco
BMW

Asia - Pacific

Nissan
IHI
Holden
Proton
Ford of Australia
Great Wall
Chang'an
Looking to Grow ...





Why Yokohama?

- ❑ Costs: Office Rent Fee in Yokohama (Kanagawa) area is 30-40% less than Tokyo
 - 33 square meter space: Tokyo 500,000 JPY/Month/ Yokohama 300,000 JPY/Month
- ❑ Customer location: Purchasing and Design department for Nissan, MHI and ISUZU which are located in Kanagawa
 - Within 1 hour, we can reach our customers while from Tokyo it would be 2 hours.
 - Also, well situated to go to NAGOYA area for Toyota, Suzuki, and Mitsubishi Motors
- ❑ Intercompany travel is quite convenient to Yokohama
 - Travelling from China is easy into Haneda airport
 - Travelling from International cities is easy into Narita airport



Doing Business in Japan

□ Advice/ Challenges

- Focus on Japanese OEMs that are open to non Keiretsu companies
 - To break through Keiretsu is very difficult.
 - Toyota and Honda maintains a very strong Keiretsu system
- Japanese OEMs prefer not to be the “first user” and are inherently more conservative than NA/ EU customers
 - Exception would be if you had long standing market presence and reputation to offset concerns
- Expect small volume programs to start and then slowly build up the customer’s confidence



Doing Business in Japan

❑ Advice/ Challenges

- Allow time to develop awareness and capability to meet quality expectations consistently
 - Compared with NA and EU customers, the quality requirement is very tough but beneficial in the long run!
- In general, having only a price advantage does not win you the program – having technology and quality is needed as well
- Relationships are critical so find a key person to lead your Japanese office/ facility
 - Japanese language is a must