

✕ THE MOTOR INDUSTRY ✕
OF JAPAN

2015

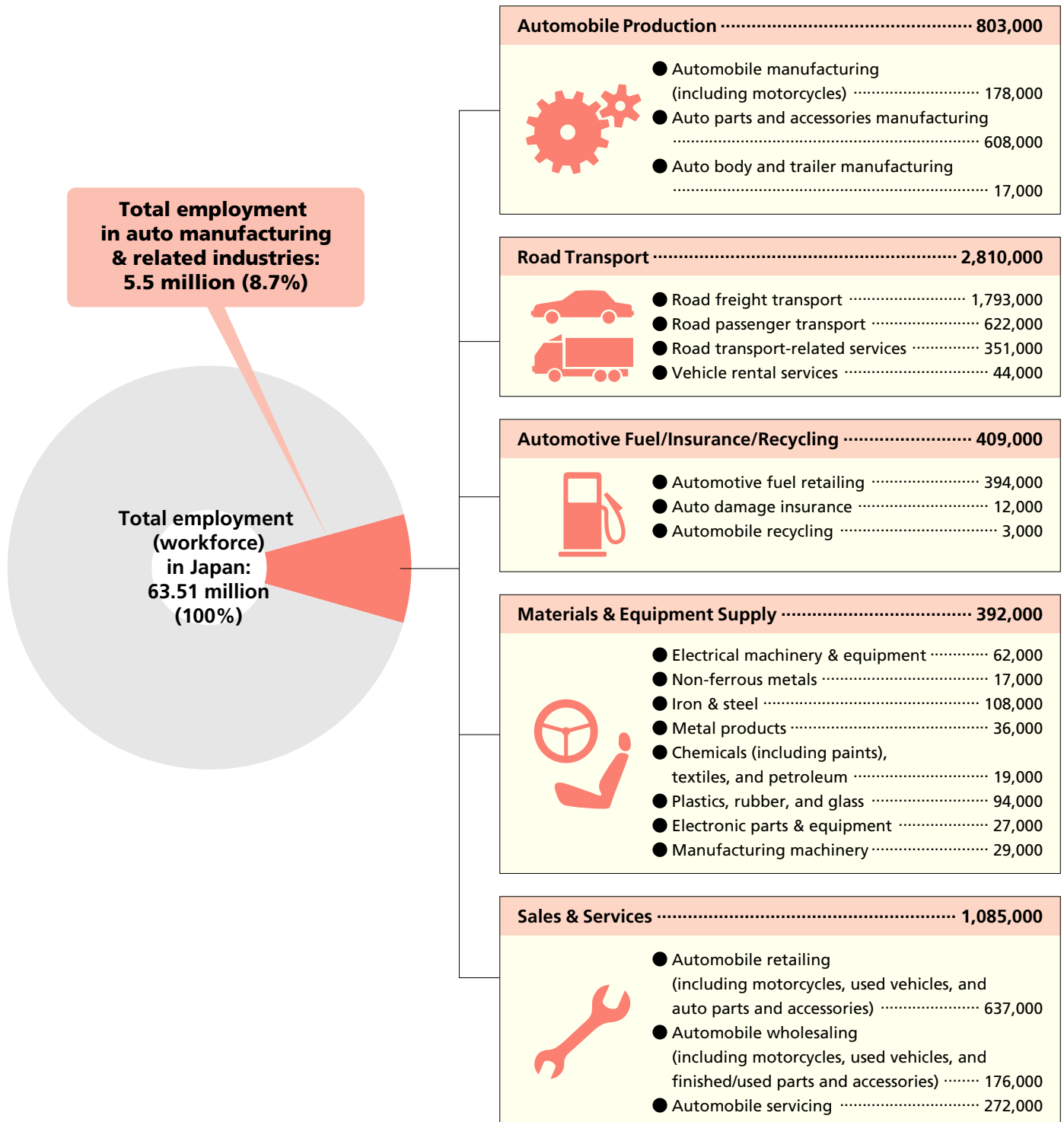
JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.

A Vast Range of Related Industries

Automobiles are the focus of an extremely wide range of industrial and related activity, from materials supply and vehicle production to sales, servicing, freight shipping and other auto-centered operations. Auto-related employment in Japan at present totals 5.5 million people.

● EMPLOYMENT IN THE AUTOMOBILE MANUFACTURING AND RELATED INDUSTRIES

Number of employees



Note: Figures are rounded off to the nearest thousand.

Automobile Manufacturing Is an Integrated Industry

An automobile typically is composed of 20,000 to 30,000 parts, all of which even the largest vehicle manufacturers cannot produce themselves. Automakers therefore either outsource production or purchase finished products (such as tires, batteries, air conditioners and audio systems). Finished products purchased by the automakers include products manufactured abroad, and the volume of imported components increases yearly. Automobile manufacturing is thus an integrated industry because it relies on many supporting industries to produce the great diversity of materials and components it uses. Trends in the automobile industry, which makes huge investments in equipment and research-and-development activities, are considered a barometer of the economy.

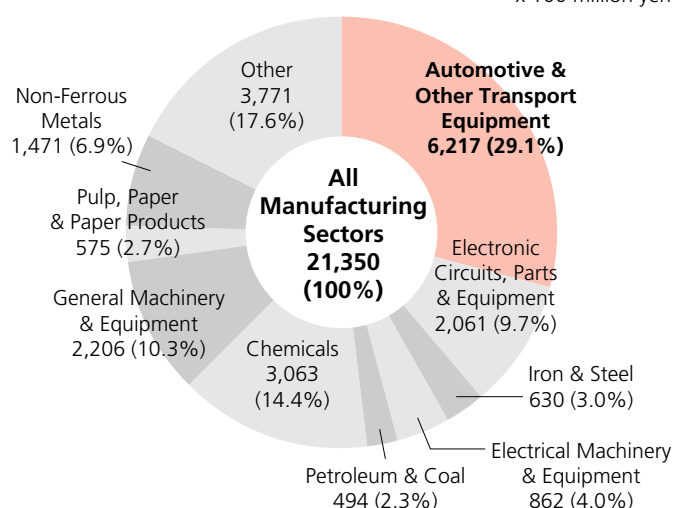
● PRINCIPAL MATERIALS AND COMPONENTS USED IN AUTOMOBILE MANUFACTURING

Cast iron	Engine parts, e.g. cylinder blocks
Common steel	Chassis, frames, wheel parts
Special steel	Gears, axle shafts, crankshafts, fuel injection equipment
Copper	Electricals, radiators, cables
Lead, tin, zinc	Engine metals, solder, body varnish, batteries
Aluminum	Engine parts (e.g. pistons, cylinder heads), wheels, chassis
Noble metals	Emissions aftertreatment parts
Other non-ferrous metals	Magnets, plating
Synthetic resin	Steering wheels, bumpers, radiator grilles, body components
Glass	Window glass, mirrors, headlamps
Rubber	Tires, sealing parts, vibration control parts
Ceramics	Plugs, electronic parts, sensors, emissions aftertreatment parts
Textiles	Seats, linings, seatbelts
Leather	Seats, packing
Paper	Filters
Wood	Load-carrying platforms, interior equipment
Paints	Ornamental and rustproof paints
Chemicals	Antifreeze, engine oil, transmission oil, brake oil
Animal and vegetable oils	For casting
Fats and oils	For lubrication, heat treatment, etc.

Springs, dampers	
Turbochargers	
Bearings	
Machined parts, e.g. pumps	
Tires and tubes	
Batteries	
Window glass	
Onboard tools, e.g. jacks	
Supplies, e.g. extinguishers, tire chains	
Electronic parts	Sensors, ECUs, actuators
Lights, cables, optical fibers	
Air conditioners, air cleaners	
Starters, alternators, generators, inverters, meters	
Audio systems, phones, navigation systems	
Safety equipment, e.g. anti-lock brakes, airbags, traction control	
Coke	For casting
Petroleum, electricity, natural gas	Fuel, heat treatment, paint drying, power generation

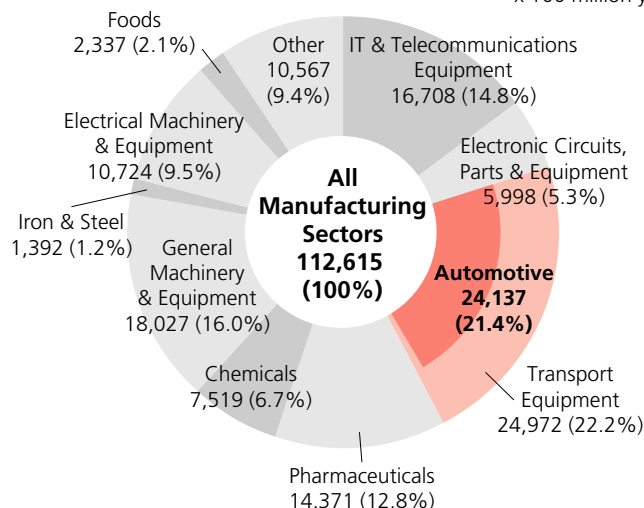
● INVESTMENTS IN EQUIPMENT OF MAJOR MANUFACTURING SECTORS (PROJECTED, FY 2014)

x 100 million yen



● INVESTMENTS IN R&D OF MAJOR MANUFACTURING SECTORS (FY 2013)

x 100 million yen



Note: Japan's fiscal year (FY) starts on April 1 and ends on March 31 of the following year.
Source: Survey on Corporate Finance, Ministry of Economy, Trade and Industry

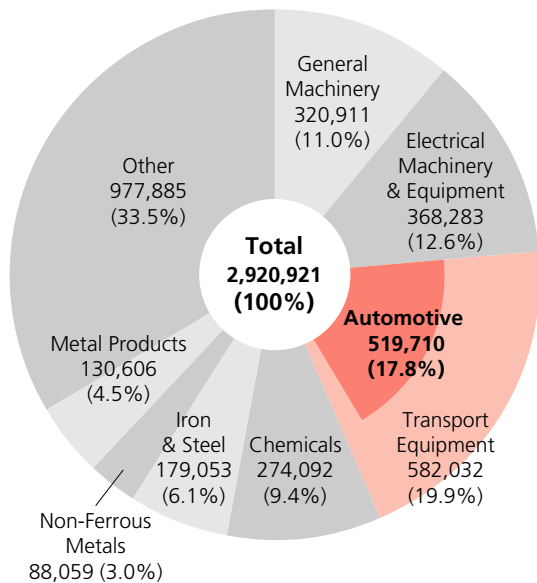
Source: Survey on Research Activities in Science and Technology, Ministry of Internal Affairs and Communications

Automobile Manufacturing Is a Core Industry

The automotive industry is one of the Japanese economy's core industrial sectors. In 2013 automotive shipments accounted for 17.8% of the total value of Japan's manufacturing shipments, and 40.9% of the value of the machinery industries' combined shipments. Automotive shipments (both domestic and export shipments, including motorcycles, auto parts, etc.) in value terms totalled 52.0 trillion yen in 2013, up 3.4% from the previous year.

SHIPMENTS OF MAJOR MANUFACTURING SECTORS IN VALUE TERMS (2013)

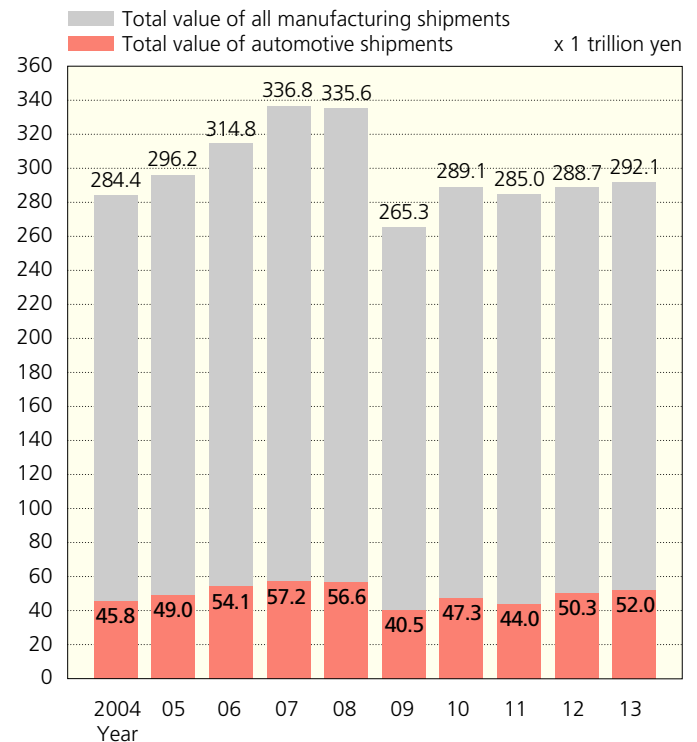
x 100 million yen



Breakdown of automotive shipments:

- Automobiles (including motorcycles) 203,394
- Auto bodies and trailers 5,271
- Automotive parts and accessories 311,045

COMPARISON OF VALUE OF AUTOMOTIVE SHIPMENTS TO TOTAL VALUE OF ALL MANUFACTURING SHIPMENTS



SHIPMENTS OF MAJOR MANUFACTURING SECTORS IN VALUE TERMS

x 100 million yen

Year	Chemicals	Iron & Steel	Non-Ferrous Metals	Metal Products	Machinery Industries					Other	Total	Automotive Shipments	
					General Machinery	Electrical Machinery & Equipment	Transport Equipment		Subtotal			As % of Value of Machinery Shipments	As % of Total Value of Manufacturing Shipments
								Automotive					
1970	55,402	65,648	30,547	37,277	68,028	73,305	72,758	54,673	223,008	287,383	690,348	24.5	7.9
1975	104,381	113,063	39,087	65,731	106,112	108,213	147,935	105,241	379,551	589,807	1,274,329	27.7	8.3
1980	179,787	178,956	81,186	106,465	175,998	222,346	249,536	212,346	682,457	952,724	2,146,998	31.1	9.9
1985	205,524	177,543	63,836	130,944	241,904	408,422	361,793	276,927	1,055,932	1,063,240	2,653,206	26.2	10.4
1990	235,030	182,687	78,217	185,736	332,249	545,286	468,582	423,106	1,397,439	1,205,939	3,233,726	30.3	13.1
1995	233,625	140,727	64,964	176,465	298,844	548,309	442,145	395,613	1,330,364	1,155,277	3,060,356	29.7	12.9
2000	237,994	119,630	62,189	155,868	304,132	595,817	444,474	400,429	1,385,612	1,115,720	3,035,824	28.9	13.2
2004	241,493	141,413	61,931	134,543	290,742	498,469	506,995	458,122	1,335,931	968,597	2,844,183	34.3	16.1
2005	250,271	168,964	67,116	140,159	312,108	495,083	539,999	489,548	1,385,037	988,717	2,962,417	35.3	16.5
2006	261,995	184,727	90,162	144,510	333,313	511,634	598,356	541,091	1,484,034	1,023,649	3,148,346	36.5	17.2
2007	282,939	211,917	107,705	151,889	362,734	553,265	639,100	571,848	1,597,840	1,058,017	3,367,566	35.8	17.0
2008	281,299	243,322	104,805	151,492	402,477	518,797	637,666	566,053	1,558,940	1,015,930	3,355,788	36.3	16.9
2009	242,757	159,884	69,400	124,267	289,320	400,593	471,866	404,915	1,161,779	894,503	2,652,590	34.9	15.3
2010	262,120	181,463	89,114	122,920	306,186	442,848	542,136	472,962	1,291,170	944,290	2,891,077	36.6	16.4
2011	263,512	186,656	90,225	121,277	322,495	403,789	505,870	439,592	1,232,154	955,863	2,849,688	35.7	15.4
2012	260,379	180,121	89,228	128,607	330,816	369,426	564,858	502,627	1,265,100	963,841	2,887,276	39.7	17.4
2013	274,092	179,053	88,059	130,606	320,911	368,283	582,032	519,710	1,271,226	977,885	2,920,921	40.9	17.8

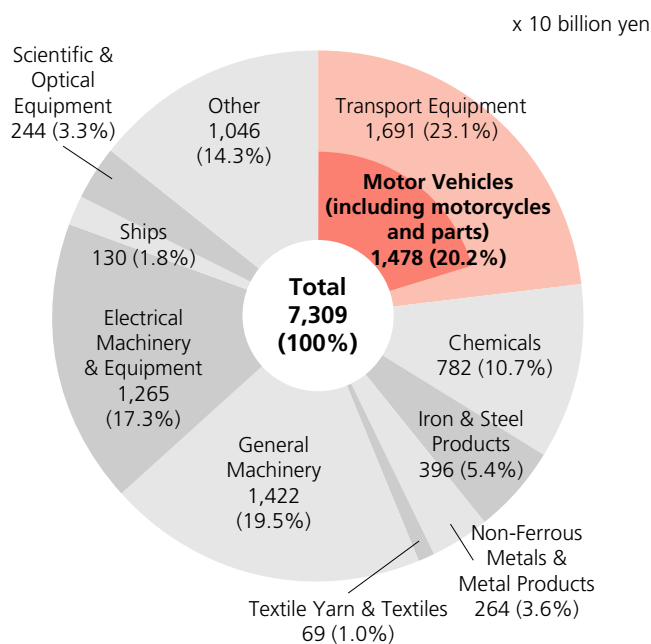
Notes: 1. Shipments from all manufacturing operations with four or more employees are included in this data. 2. Compilation of data on production in value terms was discontinued in 1996 and replaced by data on shipments in value terms. 3. Figures in value terms include domestic consumption tax revenue from shipments. 4. "Electrical Machinery & Equipment" includes IT-related electronic parts and equipment as of 2002.

Source for all statistical data on this page: Census of Manufactures, Ministry of Economy, Trade and Industry

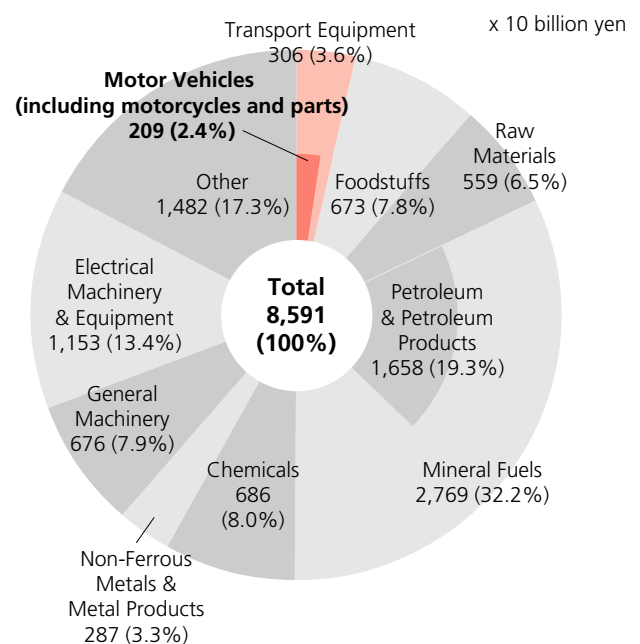
Motor Vehicle Exports and Imports Both Show an Increase

In 2014 Japan's gross exports rose by 4.8% from the previous year, and imports increased by 5.7%. In value terms, automotive exports grew 3.8% from 2013 to 14.8 trillion yen, while automotive imports increased by 10.4% year-on-year to 2.1 trillion yen.

EXPORTS BY PRINCIPAL COMMODITY (FOB) IN 2014



IMPORTS BY PRINCIPAL COMMODITY (CIF) IN 2014



AUTOMOTIVE EXPORTS IN VALUE TERMS (FOB)

x 100 million yen

Year	Motor Vehicles				Exports Total	
		Chg. (%)	Passenger Cars, Trucks, Buses	Auto Parts	Motorcycles & Motorcycle Parts	Chg. (%)
2007	185,267	114.5	143,170	33,555	8,543	111.5
2008	175,126	94.5	137,361	30,655	7,110	96.5
2009	93,679	53.5	66,933	23,089	3,657	66.9
2010	125,956	134.5	91,741	30,833	3,382	124.4
2011	115,417	91.6	82,042	29,972	3,403	97.3
2012	127,521	110.5	92,250	32,051	3,220	97.3
2013	142,411	111.7	104,125	34,762	3,524	109.5
2014	147,849	103.8	109,194	34,750	3,905	104.8

AUTOMOTIVE IMPORTS IN VALUE TERMS (CIF)

x 100 million yen

Year	Motor Vehicles				Imports Total	
		Chg. (%)	Passenger Cars, Trucks, Buses	Auto Parts	Motorcycles & Motorcycle Parts	Chg. (%)
2007	16,531	108.5	9,294	6,291	945	108.6
2008	15,138	91.6	7,499	6,662	978	108.0
2009	8,982	59.3	4,549	3,696	736	65.2
2010	11,518	128.2	5,958	4,879	682	118.0
2011	12,805	111.2	7,352	4,717	736	112.1
2012	15,506	121.1	9,082	5,549	875	103.8
2013	18,948	122.2	10,857	6,981	1,109	114.9
2014	20,925	110.4	11,623	8,148	1,154	105.7

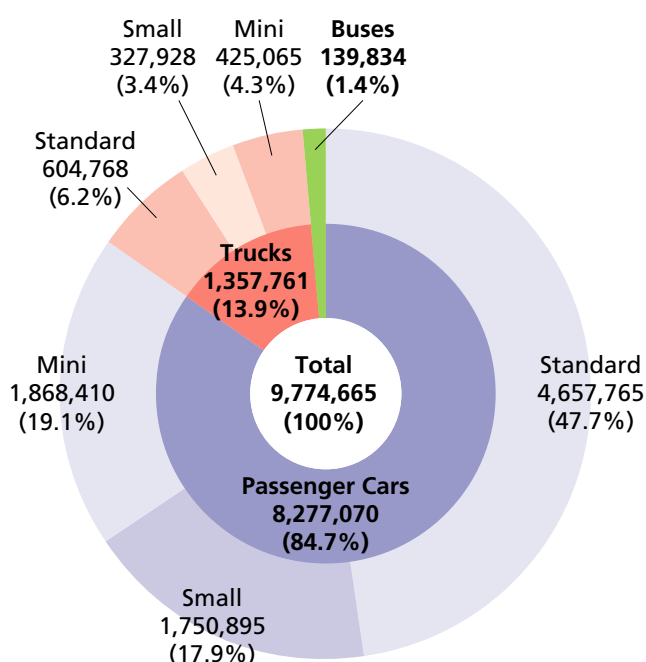
Notes: 1. "Passenger Cars, Trucks, Buses" includes chassis. 2. FOB: Free on board; CIF: Cost, insurance, and freight. 3. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Motor Vehicle Production Up for First Time in 2 Years

In 2014 motor vehicle production in Japan increased for the first time in two years, totalling 9.77 million units, up 1.5% from the previous year. Passenger car production grew 1.1% to a total of 8.28 million units. Within that category, standard car and minicar production rose 0.9% and 11.0%, to 4.66 million and 1.87 million units respectively, whereas small car production dropped 7.3% to 1.75 million units. Truck and bus production showed an increase over 2013, growing 3.8% to 1.36 million units and 5.4% to 139,000 units, respectively.

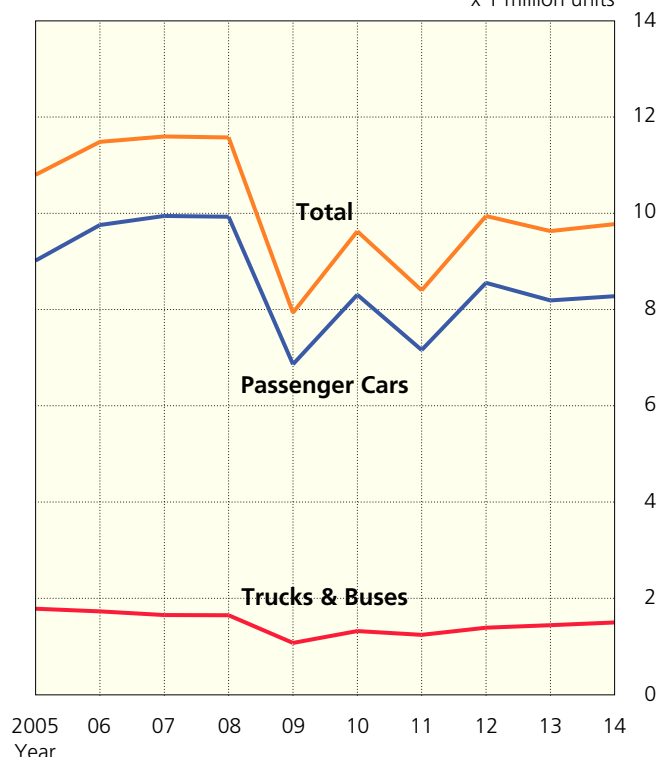
MOTOR VEHICLE PRODUCTION BY TYPE IN 2014

In vehicle units



TRENDS IN MOTOR VEHICLE PRODUCTION

x 1 million units

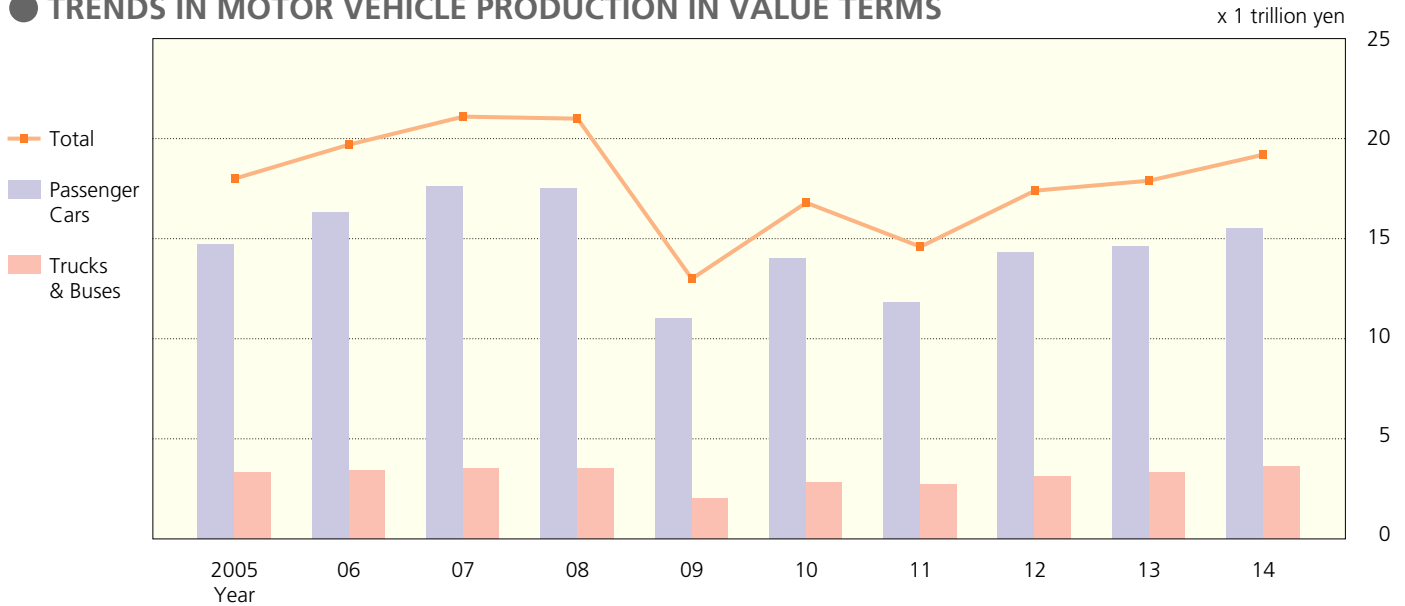


MOTOR VEHICLE PRODUCTION

Year	Passenger Cars					Trucks				
	Standard	Small	Mini	Total	Chg. (%)	Standard			Small	
						Gasoline	Diesel	Subtotal	Gasoline	Diesel
1970	51,619	2,377,639	749,450	3,178,708	121.7	52,047	206,053	258,100	1,156,729	97,132
1975	209,032	4,198,550	160,272	4,567,854	116.2	84,304	203,866	288,170	1,441,759	168,716
1980	403,338	6,438,847	195,923	7,038,108	114.0	457,208	427,990	885,198	1,663,834	449,477
1985	494,792	6,991,432	160,592	7,646,816	108.1	842,792	435,420	1,278,212	1,218,423	659,470
1990	1,750,783	7,361,224	835,965	9,947,972	109.9	635,255	614,270	1,249,525	517,972	744,971
1995	2,553,703	4,140,629	916,201	7,610,533	97.5	232,514	591,626	824,140	304,495	604,826
2000	3,376,447	3,699,893	1,283,094	8,359,434	103.2	153,280	495,900	649,180	204,253	279,029
2005	4,191,360	3,416,622	1,408,753	9,016,735	103.4	106,530	617,133	723,663	233,694	203,069
2006	4,915,428	3,302,265	1,537,210	9,754,903	108.2	96,083	603,327	699,410	213,687	205,717
2007	5,864,354	2,638,842	1,441,441	9,944,637	101.9	125,262	593,639	718,901	177,425	188,107
2008	5,786,333	2,714,413	1,427,397	9,928,143	99.8	121,443	613,480	734,923	163,237	166,521
2009	3,459,589	2,145,279	1,257,293	6,862,161	69.1	83,442	288,244	371,686	127,004	88,135
2010	4,846,411	2,159,119	1,304,832	8,310,362	121.1	75,016	445,611	520,627	133,043	105,733
2011	4,180,361	1,861,279	1,116,885	7,158,525	86.1	58,951	453,309	512,260	135,335	99,251
2012	4,686,396	2,252,672	1,615,435	8,554,503	119.5	73,016	510,140	583,156	162,012	113,980
2013	4,618,014	1,888,759	1,682,550	8,189,323	95.7	77,951	502,061	580,012	168,512	132,123
2014	4,657,765	1,750,895	1,868,410	8,277,070	101.1	70,899	533,869	604,768	176,760	151,168

Notes: 1. Passenger cars and trucks are classified under Japan's Road Vehicles Act in three categories, based primarily on engine capacity: "standard" (over 2,000cc), "small" (661cc-vehicle and have been treated as components since 1988. 3. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

● TRENDS IN MOTOR VEHICLE PRODUCTION IN VALUE TERMS



● MOTOR VEHICLE PRODUCTION IN VALUE TERMS

x 1 million yen

Year	Passenger Cars				Trucks					Buses			Grand Total
	Standard	Small	Mini	Total	Standard	Small	Mini	Tractors	Total	Large	Small	Total	
1985	895,041	7,049,323	85,925	8,030,289	1,793,000	1,519,934	679,498	46,745	4,039,177	103,053	101,007	204,060	12,273,526
1990	3,717,356	8,676,715	572,188	12,966,259	1,953,924	1,180,028	591,144	64,913	3,790,009	134,015	66,988	201,003	16,957,271
1995	5,147,637	4,869,427	790,303	10,807,367	1,619,428	849,511	510,579	124,764	3,104,282	107,647	89,441	197,088	14,108,737
2000	6,640,075	4,298,370	1,237,605	12,176,050	1,111,558	543,408	357,765	45,453	2,058,184	80,897	109,007	189,904	14,424,138
2005	9,352,545	4,178,641	1,169,871	14,701,057	1,916,692	588,224	357,615	104,567	2,967,098	127,605	163,069	290,674	17,958,829
2006	10,891,826	4,088,449	1,333,394	16,313,669	2,029,030	574,272	352,050	122,267	3,077,619	131,726	203,231	334,957	19,726,245
2007	13,122,924	3,167,910	1,309,576	17,600,410	2,146,513	512,887	319,400	120,346	3,099,146	129,209	264,477	393,686	21,093,242
2008	13,006,119	3,207,109	1,293,624	17,506,852	2,110,682	463,435	312,374	136,277	3,022,768	136,115	313,594	449,709	20,979,329
2009	7,261,654	2,548,371	1,155,681	10,965,706	1,127,974	312,497	281,888	34,778	1,757,137	109,723	166,115	275,838	12,998,681
2010	10,239,303	2,609,861	1,207,423	14,056,587	1,684,489	358,081	323,800	75,944	2,442,314	118,300	211,359	329,659	16,828,560
2011	8,451,638	2,343,337	1,045,460	11,840,435	1,713,798	351,515	285,454	89,976	2,440,743	97,157	199,301	296,458	14,577,636
2012	9,683,441	3,091,067	1,486,926	14,261,434	1,954,449	422,502	302,836	106,209	2,785,996	120,992	237,199	358,191	17,405,621
2013	10,422,008	2,628,986	1,579,510	14,630,504	1,987,340	479,914	312,959	102,073	2,882,286	119,670	290,001	409,671	17,922,461
2014	11,110,105	2,636,867	1,795,440	15,542,412	2,189,242	546,377	313,522	118,091	3,167,232	124,114	318,410	442,524	19,152,168

Source: Ministry of Economy, Trade and Industry

In vehicle units

				Buses						Year
				Large	Small	Total	Chg. (%)	Total	Chg. (%)	
Subtotal	Mini	Total	Chg. (%)	(≥30 passengers)	(≤29 passengers)					
1,253,861	551,922	2,063,883	102.1	15,265	31,301	46,566	111.3	5,289,157	113.1	1970
1,610,475	438,987	2,337,632	90.8	13,624	22,481	36,105	78.8	6,941,591	105.9	1975
2,113,311	914,679	3,913,188	115.2	16,470	75,118	91,588	146.4	11,042,884	114.6	1980
1,877,893	1,388,583	4,544,688	105.2	15,547	64,044	79,591	110.2	12,271,095	107.0	1985
1,262,943	986,171	3,498,639	89.0	15,787	24,398	40,185	95.5	13,486,796	103.5	1990
909,321	804,276	2,537,737	93.9	12,814	34,452	47,266	96.2	10,195,536	96.6	1995
483,282	594,356	1,726,818	98.8	8,035	46,509	54,544	112.7	10,140,796	102.5	2000
436,763	546,185	1,706,611	98.6	11,763	64,550	76,313	126.3	10,799,659	102.7	2005
419,404	521,879	1,640,693	96.1	11,063	77,574	88,637	116.1	11,484,233	106.3	2006
365,532	453,587	1,538,020	93.7	11,516	102,154	113,670	128.2	11,596,327	101.0	2007
329,758	443,718	1,508,399	98.1	11,660	127,442	139,102	122.4	11,575,644	99.8	2008
215,139	398,276	985,101	65.3	8,783	78,012	86,795	62.4	7,934,057	68.5	2009
238,776	449,776	1,209,179	122.7	10,274	99,060	109,334	126.0	9,628,875	121.4	2010
234,586	389,150	1,135,996	93.9	9,427	94,682	104,109	95.2	8,398,630	87.2	2011
275,992	407,206	1,266,354	111.5	10,598	111,622	122,220	117.4	9,943,077	118.4	2012
300,635	427,530	1,308,177	103.3	9,755	122,926	132,681	108.6	9,630,181	96.9	2013
327,928	425,065	1,357,761	103.8	9,402	130,432	139,834	105.4	9,774,665	101.5	2014

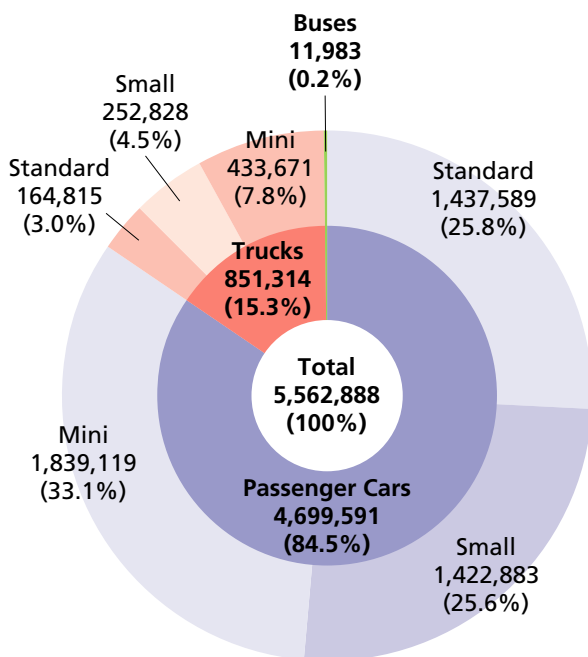
2,000cc), and "mini" (660cc and under); see page 66 for details. 2. KD sets have been excluded since 1979; they represent less than 60% of the cost of compositional components per Source: Japan Automobile Manufacturers Association

Motor Vehicle Sales Rise for Third Consecutive Year

Passenger car and commercial vehicle demand in Japan in 2014 totalled 5.56 million units, an increase of 3.5% from the previous year. Total passenger car sales grew 3.0% to 4.70 million units, with standard cars rising 2.7% to 1.44 million units, small cars dropping 3.4% to 1.42 million units, and minicars surging 8.8% to 1.84 million units. Meanwhile, sales of trucks and buses increased 6.2% and 6.5% from 2013, to 851,000 and 12,000 units respectively.

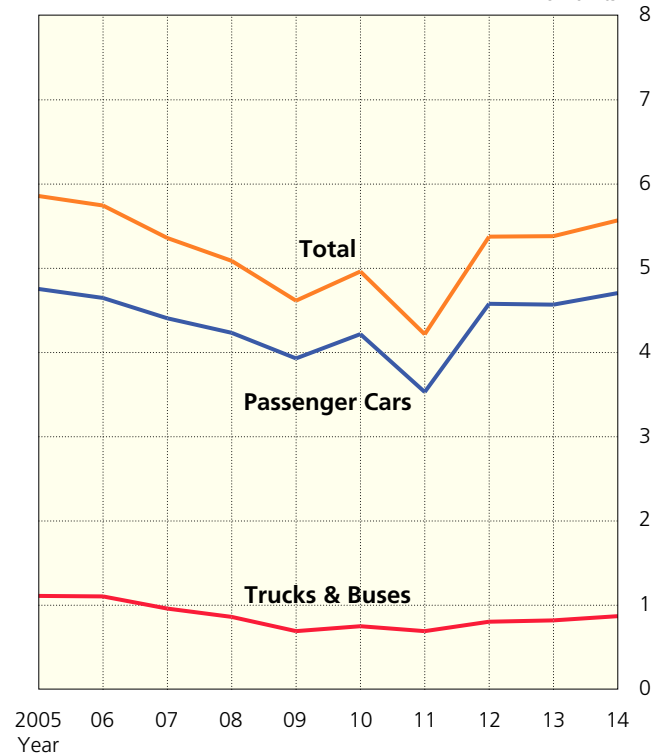
NEW MOTOR VEHICLE REGISTRATIONS BY TYPE IN 2014

In vehicle units



TRENDS IN NEW MOTOR VEHICLE REGISTRATIONS

x 1 million units



NEW MOTOR VEHICLE REGISTRATIONS

Year	Passenger Cars					Trucks				
	Standard	Small	Mini	Subtotal	Chg. (%)	Standard	Small	Mini	Subtotal	Chg. (%)
1970	9,068	1,652,899	717,170	2,379,137	116.8	168,086	986,673	538,743	1,693,502	95.6
1975	49,125	2,531,396	157,120	2,737,641	119.7	121,118	999,155	431,181	1,551,454	100.7
1980	71,931	2,608,215	174,030	2,854,176	94.0	154,472	1,144,167	839,308	2,137,947	102.2
1985	73,539	2,869,527	161,017	3,104,083	100.3	118,009	945,484	1,367,685	2,431,178	104.7
1990	467,490	3,839,221	795,948	5,102,659	115.9	193,775	1,449,678	1,006,456	2,649,909	93.7
1995	889,260	2,654,291	900,355	4,443,906	105.6	177,264	1,411,296	815,265	2,403,825	104.6
2000	770,220	2,208,387	1,281,265	4,259,872	102.5	84,626	1,015,313	586,660	1,686,599	99.6
2005	1,271,349	2,089,992	1,387,068	4,748,409	99.6	197,548	351,708	536,648	1,085,904	101.8
2006	1,225,867	1,908,267	1,507,598	4,641,732	97.8	209,283	354,870	516,021	1,080,174	99.5
2007	1,299,168	1,654,025	1,447,106	4,400,299	94.8	171,998	293,021	472,713	937,732	86.8
2008	1,250,987	1,549,677	1,426,979	4,227,643	96.1	146,690	249,655	442,914	839,259	89.5
2009	1,160,175	1,480,137	1,283,429	3,923,741	92.8	87,692	180,509	404,742	672,943	80.2
2010	1,419,909	1,507,693	1,284,665	4,212,267	107.4	101,697	187,642	441,755	731,094	108.6
2011	1,139,910	1,246,126	1,138,752	3,524,788	83.7	107,290	185,097	382,393	674,780	92.3
2012	1,411,700	1,602,951	1,557,681	4,572,332	129.7	136,359	227,326	421,765	785,450	116.4
2013	1,399,407	1,472,704	1,690,171	4,562,282	99.8	143,272	235,883	422,820	801,975	102.1
2014	1,437,589	1,422,883	1,839,119	4,699,591	103.0	164,815	252,828	433,671	851,314	106.2

Notes: 1. Chassis-based through 2002, data compilation became vehicle registration number-based as of 2003. 2. Truck figures include special-purpose vehicles (except large ones). 3. Data

● NEW MINI-VEHICLE SALES BY TYPE

In vehicle units

Year	Passenger Cars (Minicars)	Commercial Vehicles ("Bonnet" minivans)	Commercial Vehicles (Cab-over-engine minivans)	Commercial Vehicles (Mini-trucks)	Total	
						Chg. (%)
2005	1,387,068	77,547	197,141	261,960	1,923,716	101.7
2006	1,507,598	68,714	204,838	242,469	2,023,619	105.2
2007	1,447,106	57,509	196,040	219,164	1,919,819	94.9
2008	1,426,979	51,622	185,806	205,486	1,869,893	97.4
2009	1,283,429	42,932	167,358	194,452	1,688,171	90.3
2010	1,284,665	41,630	180,505	219,620	1,726,420	102.3
2011	1,138,752	33,023	168,705	180,665	1,521,145	88.1
2012	1,557,681	27,730	198,843	195,192	1,979,446	130.1
2013	1,690,171	25,199	194,728	202,893	2,112,991	106.7
2014	1,839,119	22,929	194,431	216,311	2,272,790	107.6

Note: "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Source: Japan Mini Vehicles Association

● RECREATIONAL VEHICLE (RV) SALES

In vehicle units

Year	Station Wagons	Vans	Off-Road 4WD Vehicles	Minivans	Total	
						Chg. (%)
2005	612,667	9,363	179,776	1,169,006	1,970,812	94.8
2006	509,936	9,406	211,135	1,126,216	1,856,693	94.2
2007	460,950	8,752	226,159	980,181	1,676,042	90.3
2008	454,164	9,396	213,209	938,694	1,615,463	96.4
2009	339,827	7,433	157,284	890,265	1,394,809	86.3
2010	365,565	8,762	195,783	946,473	1,516,583	108.7
2011	378,041	8,482	170,304	748,133	1,304,960	86.0
2012	430,995	10,165	212,341	902,715	1,556,216	119.3
2013	404,075	9,887	227,532	770,541	1,412,035	90.7
2014	423,917	9,691	374,220	750,999	1,558,827	110.4

Note: "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Source: Japan Automobile Dealers Association

In vehicle units

Buses										Year
Large	Small	Subtotal	Chg. (%)	Total	Chg. (%)	Total Vehicle Registrations	Chg. (%)	Total Mini-Vehicles	Chg. (%)	
10,256	17,572	27,828	104.2	4,100,467	106.9	2,844,554	104.9	1,255,913	111.7	1970
8,818	11,018	19,836	87.4	4,308,931	111.9	3,720,630	118.8	588,301	82.1	1975
9,414	13,973	23,387	97.5	5,015,510	97.3	4,002,172	93.1	1,013,338	118.3	1980
8,798	12,775	21,573	106.4	5,556,834	102.2	4,028,132	101.3	1,528,702	104.8	1985
9,162	15,763	24,925	105.9	7,777,493	107.2	5,975,089	107.4	1,802,404	106.3	1990
6,475	10,828	17,303	97.0	6,865,034	105.2	5,149,414	104.8	1,715,620	106.2	1995
4,333	12,238	16,571	114.5	5,963,042	101.7	4,095,117	102.7	1,867,925	99.7	2000
5,856	11,898	17,754	97.8	5,852,067	100.0	3,928,351	99.1	1,923,716	101.7	2005
6,064	11,536	17,600	99.1	5,739,506	98.1	3,715,887	94.6	2,023,619	105.2	2006
5,153	10,464	15,617	88.7	5,353,648	93.3	3,433,829	92.4	1,919,819	94.9	2007
5,357	9,976	15,333	98.2	5,082,235	94.9	3,212,342	93.5	1,869,893	97.4	2008
4,234	8,338	12,572	82.0	4,609,256	90.7	2,921,085	90.9	1,688,171	90.3	2009
4,777	7,998	12,775	101.6	4,956,136	107.5	3,229,716	110.6	1,726,420	102.3	2010
3,136	7,515	10,651	83.4	4,210,219	84.9	2,689,074	83.3	1,521,145	88.1	2011
4,266	7,672	11,938	112.1	5,369,720	127.5	3,390,274	126.1	1,979,446	130.1	2012
4,181	7,075	11,256	94.3	5,375,513	100.1	3,262,522	96.2	2,112,991	106.7	2013
4,498	7,485	11,983	106.5	5,562,888	103.5	3,290,098	100.8	2,272,790	107.6	2014

includes imported cars. 4. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

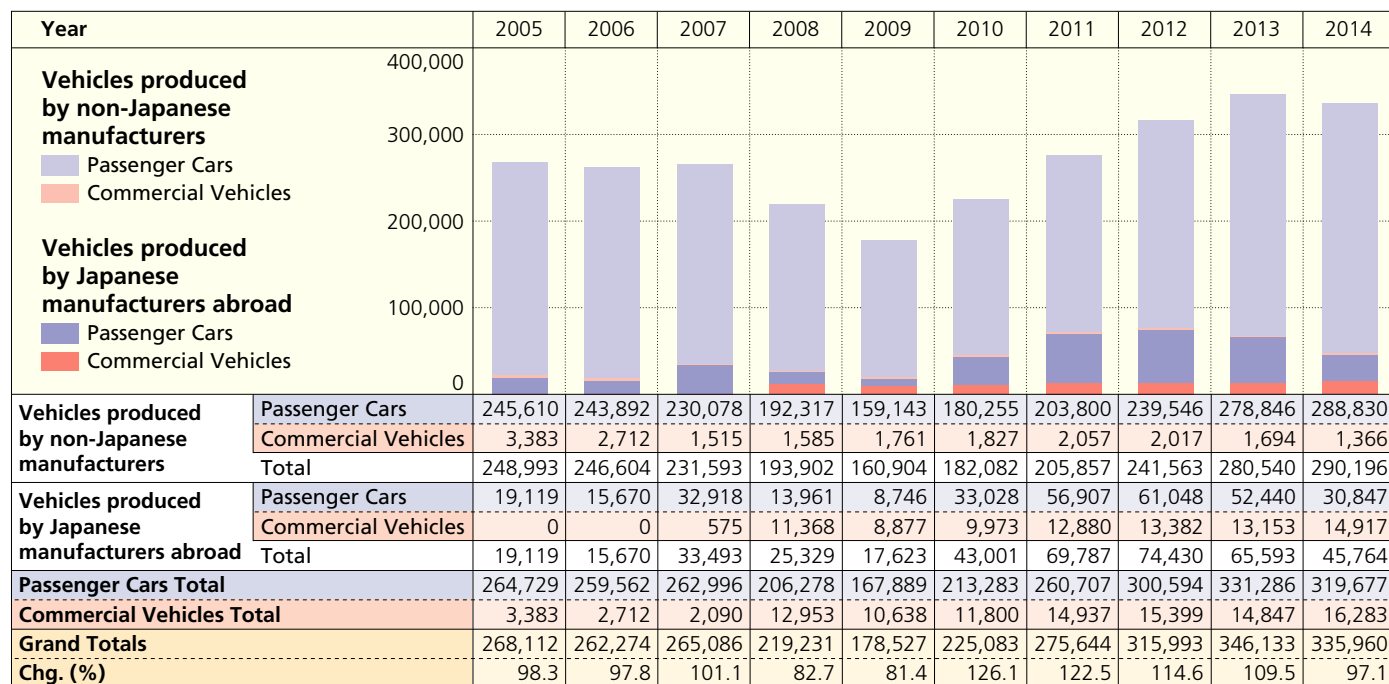
Sources: Japan Automobile Dealers Association; Japan Mini Vehicles Association

Sales of Imported Vehicles Show First Decrease in 5 Years

Imported vehicle sales in Japan in 2014 totalled 336,000 units, down 2.9% from the previous year. While passenger car sales fell 3.5% to 320,000 units, commercial vehicles (trucks and buses) climbed 9.7% to 16,000 units. Sales of used imported vehicles declined 0.7% to 504,000 units, with passenger cars slipping 0.6% to 485,000 units, and trucks dropping 1.8% to 15,000 units.

TRENDS IN IMPORTED MOTOR VEHICLE SALES

In vehicle units



Note: "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Source: Japan Automobile Importers Association

IMPORTED MOTOR VEHICLES (ON CUSTOMS CLEARANCE BASIS)

In vehicle units

Year	Passenger Cars	Chg. (%)	Commercial Vehicles	Other	Total Motor Vehicles	Chg. (%)	Motorcycles
1980	46,285	71.4	547	1,085	47,917	72.2	17,015
1985	52,225	118.3	380	546	53,151	118.4	7,087
1990	251,169	128.6	911	761	252,841	128.6	28,696
1995	401,836	136.0	2,469	390	404,695	130.3	43,936
2000	283,582	109.2	1,470	376	285,428	109.3	74,906
2005	282,654	98.6	1,420	660	284,734	98.4	444,635
2006	278,726	98.6	1,615	654	280,995	98.7	458,966
2007	291,387	104.5	1,662	708	293,757	104.5	458,722
2008	228,255	78.3	14,288	796	243,339	82.8	413,817
2009	145,687	63.8	9,088	593	155,368	63.8	367,727
2010	230,791	158.4	11,922	780	243,493	156.7	353,260
2011	273,798	118.6	14,185	816	288,799	118.6	386,949
2012	333,380	121.8	15,107	948	349,435	121.0	421,991
2013	343,730	103.1	16,255	1,348	361,333	103.4	438,737
2014	336,764	98.0	16,662	1,278	354,704	98.2	410,143

Notes: 1. "Other" denotes special-purpose vehicles and engine-mounted chassis. 2. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Source: Trade Statistics of Japan, Ministry of Finance

USED IMPORTED VEHICLE SALES

In vehicle units

Year	Passenger Cars	Chg. (%)	Trucks	Chg. (%)	Special-Purpose Vehicles	Chg. (%)	Other	Total	Chg. (%)
2005	588,397	102.0	9,468	118.9	27,269	85.6	228	625,362	101.4
2006	586,398	99.7	11,121	117.5	22,640	83.0	303	620,462	99.2
2007	543,211	92.6	12,518	112.6	17,574	77.6	204	573,507	92.4
2008	504,710	92.9	12,441	99.4	13,292	75.6	355	530,798	92.6
2009	470,986	93.3	12,547	100.9	10,083	75.9	165	493,781	93.0
2010	461,050	97.9	13,381	106.6	7,878	78.1	182	482,491	97.7
2011	462,435	100.3	14,370	107.4	6,756	85.8	164	483,725	100.3
2012	487,675	105.5	14,636	101.9	5,469	81.0	248	508,028	105.0
2013	487,750	100.0	15,428	105.4	4,724	86.4	220	508,122	100.0
2014	485,055	99.4	15,156	98.2	3,963	83.9	185	504,359	99.3

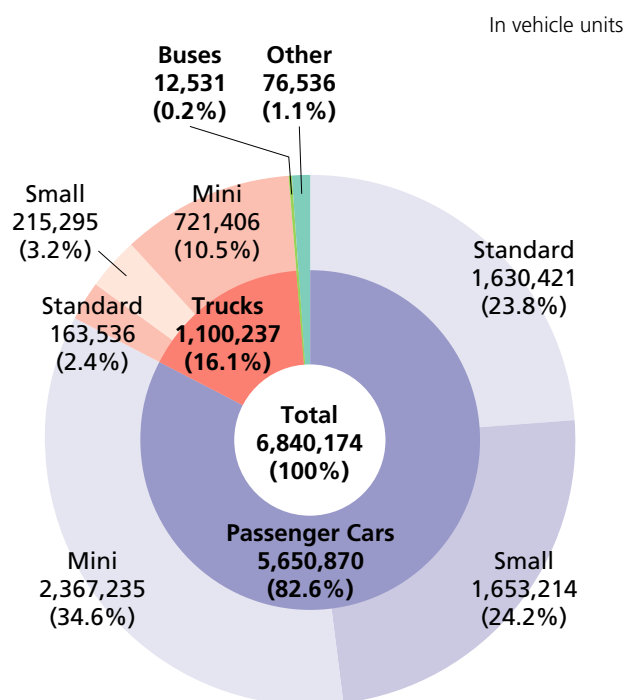
Notes: 1. For motor vehicle classifications in Japan, see page 66. 2. "Other" includes buses, large special-purpose vehicles and small-sized three-wheeled trucks. 3. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Source: Japan Automobile Importers Association

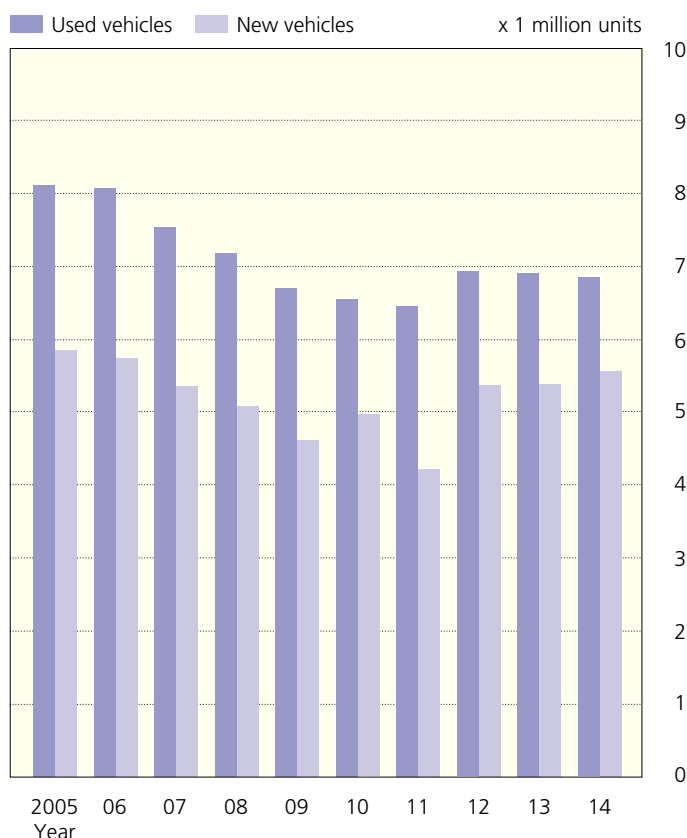
Growth in Sales of Used Mini Passenger Cars

In 2014 sales of used motor vehicles slipped 0.8% from the previous year to total 6.84 million units. Used passenger car sales dipped 0.2% to 5.65 million units, with standard passenger cars and small cars dropping 2.2% to 1.63 million units and 5.0% to 1.65 million units respectively, but minicars growing 5.0% to 2.37 million units. Sales of used trucks slid 3.3% to 1.10 million units and sales of used buses fell 2.3% to 13,000 units.

USED VEHICLE SALES BY TYPE IN 2014



TRENDS IN NEW AND USED MOTOR VEHICLE SALES



USED MOTOR VEHICLE SALES

In vehicle units

Year	Passenger Cars					Trucks					Buses		Other			
	Standard	Small	Mini	Subtotal	Chg. (%)	Standard	Small	Mini	Subtotal	Chg. (%)		Chg. (%)		Chg. (%)	Total	Chg. (%)
1985	160,150	3,295,092	356,726	3,811,968	100.9	139,459	589,321	1,125,545	1,854,325	108.3	11,655	103.1	44,620	116.7	5,722,568	103.3
1990	304,193	3,945,086	304,782	4,554,061	106.2	185,851	555,634	1,746,495	2,487,980	102.1	13,377	98.3	54,118	107.3	7,109,536	104.7
1995	994,311	3,845,076	727,259	5,566,646	106.6	221,523	521,244	1,538,718	2,281,485	102.2	13,327	105.4	84,409	119.1	7,945,867	105.4
2000	1,742,786	3,050,087	1,448,546	6,241,419	104.8	201,714	412,511	1,169,626	1,783,851	99.1	15,173	102.7	173,475	105.2	8,213,918	103.5
2005	2,002,563	2,460,410	1,890,154	6,353,127	101.0	240,060	368,778	980,714	1,589,552	101.8	18,871	109.5	144,910	106.4	8,106,460	101.3
2006	1,959,739	2,304,226	2,033,569	6,297,534	99.1	244,770	365,180	1,003,607	1,613,557	101.5	20,643	109.4	135,130	93.3	8,066,864	99.5
2007	1,810,596	2,105,122	2,022,866	5,938,584	94.3	220,989	302,043	935,745	1,458,777	90.4	16,418	79.5	116,317	86.1	7,530,096	93.3
2008	1,728,090	1,944,766	1,995,333	5,668,189	95.4	225,848	278,673	884,836	1,389,357	95.2	16,193	98.6	104,516	89.9	7,178,255	95.3
2009	1,619,370	1,855,071	1,864,874	5,339,315	94.2	194,180	266,395	787,957	1,248,532	89.9	15,293	94.4	95,452	91.3	6,698,592	93.3
2010	1,592,110	1,816,696	1,873,466	5,282,272	98.9	177,327	245,642	732,854	1,155,823	92.6	14,163	92.6	87,238	91.4	6,539,496	97.6
2011	1,542,614	1,733,519	1,906,523	5,182,656	98.1	168,470	233,556	769,613	1,171,639	101.4	13,849	97.8	82,007	94.0	6,450,151	98.6
2012	1,688,606	1,826,335	2,133,725	5,648,666	109.0	168,439	235,246	769,469	1,173,154	100.1	14,799	106.9	82,484	100.6	6,919,103	107.3
2013	1,666,732	1,740,725	2,255,560	5,663,017	100.3	167,793	223,734	746,631	1,138,158	97.0	12,830	86.7	81,016	98.2	6,895,021	99.7
2014	1,630,421	1,653,214	2,367,235	5,650,870	99.8	163,536	215,295	721,406	1,100,237	96.7	12,531	97.7	76,536	94.5	6,840,174	99.2

Notes: 1. Passenger cars and trucks are classified under Japan's Road Vehicles Act in three categories, based primarily on engine capacity: "standard" (over 2,000cc), "small" (661cc-2,000cc), and "mini" (660cc and under); see page 66 for details. 2. Includes imported vehicles. 3. "Other" refers to emergency vehicles, special vehicles equipped with beds, refrigerated trucks, tank trucks, tractors, bulldozers, steamrollers, snowplows, snowmobiles, etc., that are assigned special registration numbers. 4. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

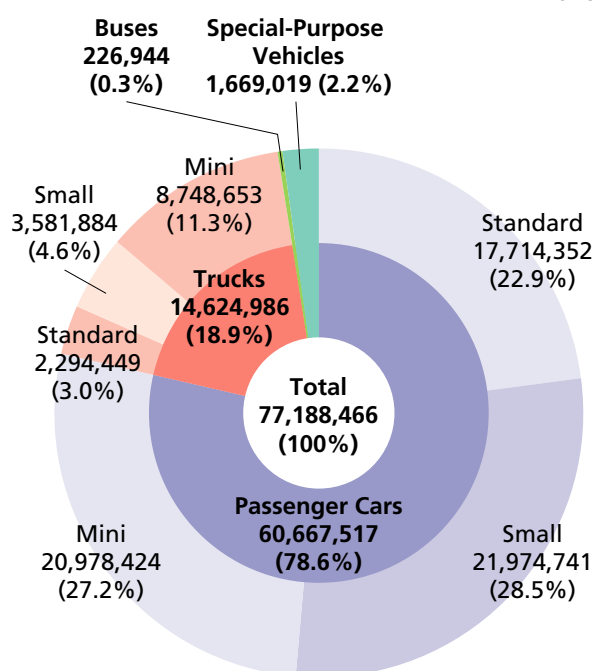
Sources: Japan Automobile Dealers Association; Japan Mini Vehicles Association

Slight Increase in Number of Motor Vehicles in Use

At the end of December 2014, motor vehicles in use in Japan (excluding motorcycles) totalled 77.2 million units, a 0.7% increase over the previous year. Passenger cars in use increased 1.1% to 60.7 million units, with standard and minicars growing 1.2% and 4.4% to 17.7 million and 21.0 million units respectively, but small cars dropping 2.1% to 22.0 million units. Meanwhile, trucks in use dipped 0.5% from 2013 to 14.6 million units, but buses in use rose 0.5% to 227,000 units. At the end of March 2014, the average service life of motor vehicles in Japan was 12.64 years for passenger cars, 13.31 years for trucks, and 17.63 years for buses.

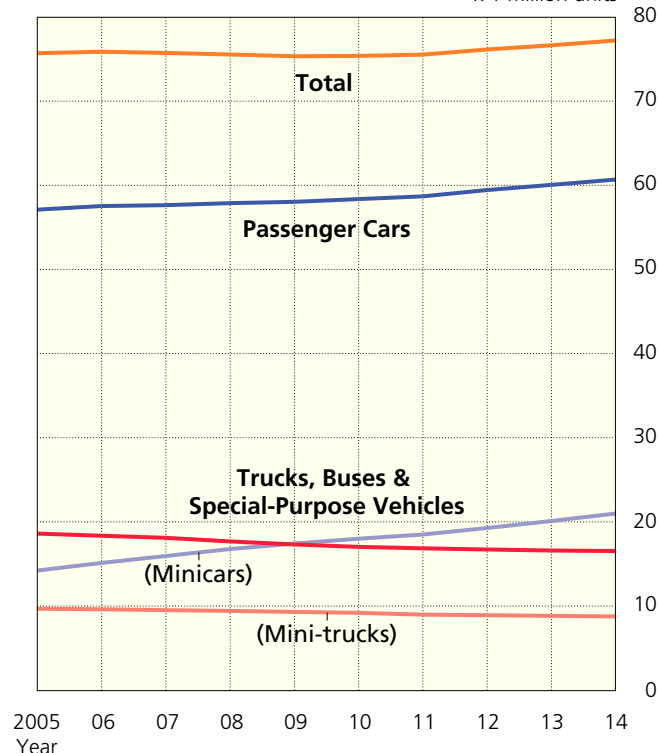
MOTOR VEHICLES IN USE BY TYPE AT END OF 2014

In vehicle units



TRENDS IN MOTOR VEHICLES IN USE

x 1 million units



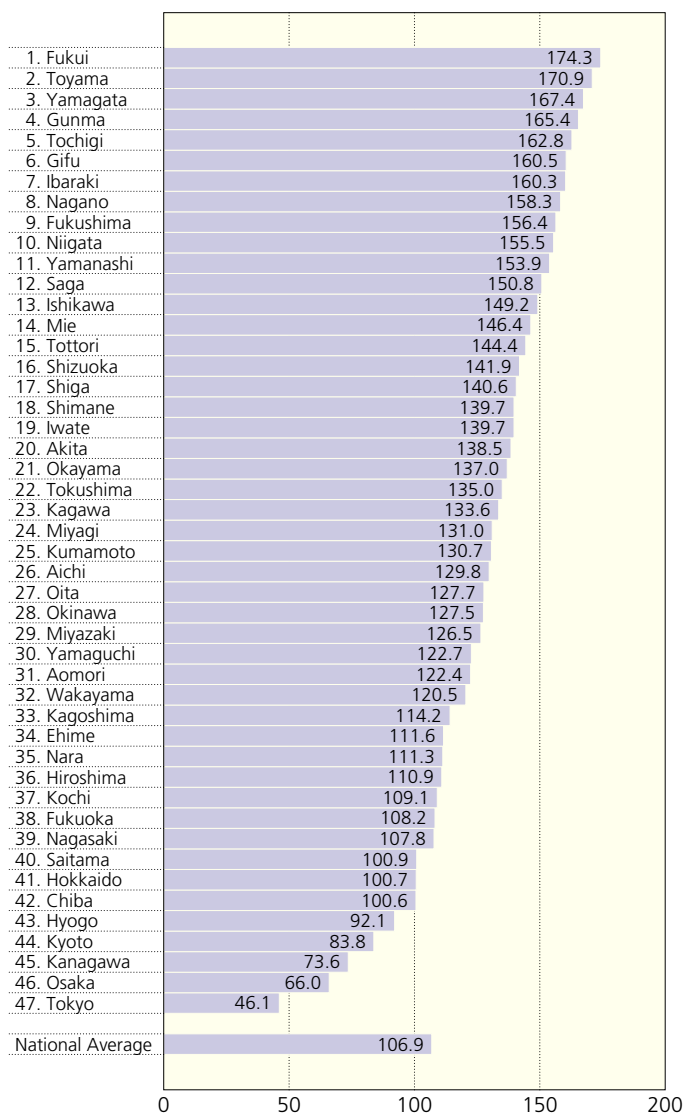
MOTOR VEHICLES IN USE (at end of every calendar year)

Year	Passenger Cars					Trucks				
	Standard	Small	Mini	Subtotal	Chg. (%)	Standard	Small	Mini	Subtotal	Chg. (%)
1970	77,374	6,457,181	2,244,417	8,778,972	126.6	798,256	4,478,486	3,005,017	8,281,759	107.1
1975	207,511	14,417,680	2,611,130	17,236,321	108.7	1,158,465	6,100,206	2,785,182	10,043,853	98.9
1980	472,314	21,011,096	2,176,110	23,659,520	104.4	1,494,464	7,155,221	4,527,794	13,177,479	104.8
1985	711,914	25,116,179	2,016,487	27,844,580	102.6	1,668,852	6,679,665	8,791,289	17,139,806	105.5
1990	1,784,594	30,554,652	2,584,926	34,924,172	107.1	2,176,488	6,609,536	12,535,415	21,321,439	101.1
1995	7,874,189	31,030,462	5,775,386	44,680,037	104.7	2,574,433	6,213,405	11,642,311	20,430,149	98.9
2000	13,942,626	28,593,491	9,901,258	52,437,375	102.5	2,596,421	5,474,660	10,154,427	18,225,508	97.8
2005	16,634,529	26,254,546	14,201,714	57,090,789	102.0	2,474,378	4,594,363	9,665,130	16,733,871	99.7
2006	16,714,523	25,698,303	15,108,217	57,521,043	100.8	2,465,823	4,431,103	9,602,484	16,499,410	98.6
2007	16,771,502	24,921,226	15,931,025	57,623,753	100.2	2,455,268	4,323,579	9,495,420	16,274,267	98.6
2008	16,748,373	24,356,113	16,760,486	57,864,972	100.4	2,386,255	4,102,553	9,407,694	15,896,502	97.7
2009	16,688,645	23,919,019	17,412,189	58,019,853	100.3	2,319,612	3,952,534	9,288,679	15,560,825	97.9
2010	16,890,402	23,470,003	17,986,982	58,347,387	100.6	2,281,711	3,825,632	9,177,282	15,284,625	98.2
2011	17,039,684	23,143,892	18,486,738	58,670,314	100.6	2,266,420	3,740,361	8,963,641	14,970,422	97.9
2012	17,294,021	22,868,749	19,258,239	59,421,009	101.3	2,266,836	3,672,649	8,895,635	14,835,120	99.1
2013	17,509,103	22,435,835	20,090,359	60,035,297	101.0	2,270,812	3,614,925	8,818,149	14,703,886	99.1
2014	17,714,352	21,974,741	20,978,424	60,667,517	101.1	2,294,449	3,581,884	8,748,653	14,624,986	99.5

Notes: 1. "Special-purpose vehicles" refers to emergency vehicles, special vehicles equipped with beds, refrigerated trucks, tank trucks, tractors, bulldozers, steamrollers, snowplows, 100). 3. "Three-wheeled vehicles" includes three-wheeled passenger cars, trucks, and special-purpose vehicles.

● PRIVATE PASSENGER CARS IN USE PER 100 HOUSEHOLDS BY PREFECTURE (at March 31, 2014)

In vehicle units



Source: Automobile Inspection & Registration Information Association

● PASSENGER CARS IN USE BY YEAR OF FIRST REGISTRATION

At March 31, 2014

Year of First Registration	Vehicles in Use	% of Total Vehicles in Use
April 2013-March 2014	2,990,766	7.51
April 2012-March 2013	2,833,623	7.12
April 2011-March 2012	2,662,378	6.69
April 2010-March 2011	2,523,533	6.34
April 2009-March 2010	2,715,040	6.82
April 2008-March 2009	2,222,420	5.58
April 2007-March 2008	2,570,671	6.46
April 2006-March 2007	2,534,471	6.36
April 2005-March 2006	2,736,229	6.87
April 2004-March 2005	2,566,565	6.45
April 2003-March 2004	2,410,144	6.05
April 2002-March 2003	2,136,878	5.37
April 2001-March 2002	1,808,215	4.54
April 2000-March 2001	1,478,845	3.71
-March 2000	5,631,265	14.14
Total Vehicles in Use	39,821,043	100.00

● AVERAGE AGE BY TYPE

In years

Year	Passenger Cars	Trucks	Buses
2005	6.77	8.36	9.53
2006	6.90	8.50	9.61
2007	7.09	8.68	9.80
2008	7.23	8.98	10.02
2009	7.48	9.16	10.26
2010	7.56	9.62	10.50
2011	7.74	10.04	10.78
2012	7.95	10.43	11.12
2013	8.07	10.73	11.38
2014	8.13	10.93	11.56

● AVERAGE SERVICE LIFE BY TYPE

In years

Year	Passenger Cars	Trucks	Buses
2005	10.93	11.72	15.34
2006	11.10	11.47	15.02
2007	11.66	11.92	14.83
2008	11.67	11.72	15.62
2009	11.68	13.50	15.00
2010	12.70	12.72	16.59
2011	12.43	13.04	17.37
2012	12.16	12.81	16.82
2013	12.58	13.24	17.91
2014	12.64	13.31	17.63

Notes: 1. "Average age" means the average number of years elapsed since first registration. 2. "Average service life" means average vehicle lifespan. 3. "Average age" and "average service life" figures are as at the end of every fiscal year. 4. The above three tables exclude mini-vehicles.

Source: Automobile Inspection & Registration Information Association

In vehicle units

Buses				Special-Purpose Vehicles		Total		Trailers	Three-Wheeled Vehicles	Year
Large	Small	Subtotal	Chg. (%)		Chg. (%)		Chg. (%)			
104,895	83,085	187,980	110.5	333,132	110.5	17,581,843	116.2	23,079	243,934	1970
102,186	124,098	226,284	101.7	584,100	101.7	28,090,558	104.9	39,808	47,998	1975
106,633	123,387	230,020	100.4	789,155	100.4	37,856,174	104.5	56,804	17,724	1980
108,967	122,261	231,228	100.5	941,647	100.5	46,157,261	103.7	65,485	6,123	1985
114,819	130,849	245,668	101.6	1,206,390	101.6	57,697,669	104.7	87,359	4,056	1990
114,478	128,617	243,095	99.1	1,500,219	99.1	66,853,500	102.8	120,171	3,621	1995
110,046	125,437	235,483	99.9	1,750,733	99.9	72,649,099	101.3	133,676	3,827	2000
109,917	121,816	231,733	100.3	1,630,062	98.8	75,686,455	101.4	147,626	3,280	2005
109,763	121,918	231,681	100.0	1,606,934	98.6	75,859,068	100.2	151,441	3,238	2006
109,621	121,307	230,928	99.7	1,585,873	98.7	75,714,821	99.8	154,798	3,201	2007
109,808	120,873	230,681	99.9	1,536,160	96.9	75,528,315	99.8	157,951	3,119	2008
108,760	119,637	228,397	99.0	1,515,411	98.6	75,324,486	99.7	152,381	3,127	2009
108,136	119,135	227,271	99.5	1,502,593	99.2	75,361,876	100.0	152,834	3,120	2010
107,435	118,513	225,948	99.4	1,646,203	109.6	75,512,887	100.2	154,100	3,089	2011
107,528	118,551	226,079	100.1	1,643,325	99.8	76,125,533	100.8	155,835	14,816	2012
107,723	118,204	225,927	99.9	1,653,956	100.6	76,619,066	100.6	157,212	15,478	2013
108,545	118,399	226,944	100.5	1,669,019	100.9	77,188,466	100.7	159,863	16,376	2014

snowmobiles, etc., that are identified as special-purpose vehicles by special registration numbers. 2. "Chg. (%)" means change from the previous year (with the previous year's result indexed at

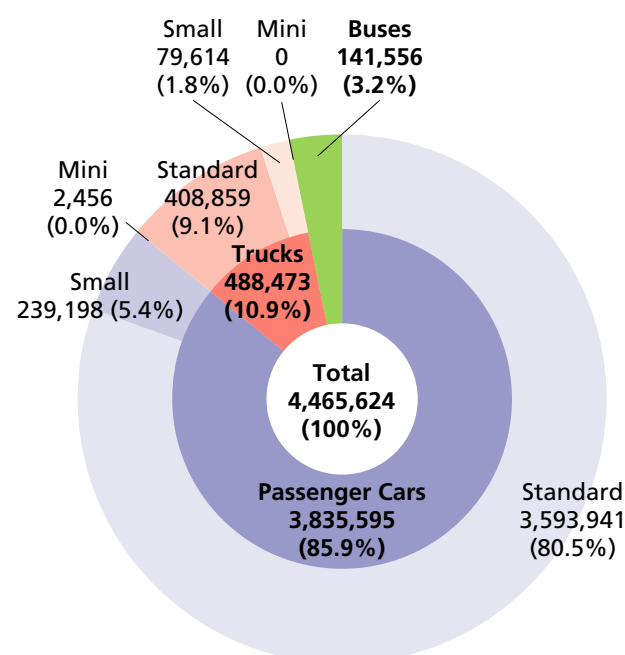
Source: Ministry of Land, Infrastructure, Transport and Tourism

An Increase in Exports of Standard Passenger Cars, Trucks and Buses

Exports of motor vehicles in 2014 declined 4.5% from the previous year to 4.47 million units. While total passenger car exports fell 5.7% to 3.84 million units, exports of standard passenger cars, which account for over 90% of total passenger car exports, increased 0.8% to 3.59 million units. Truck exports rose 3.5% to 488,000 units and bus exports grew 3.4% to 142,000 units.

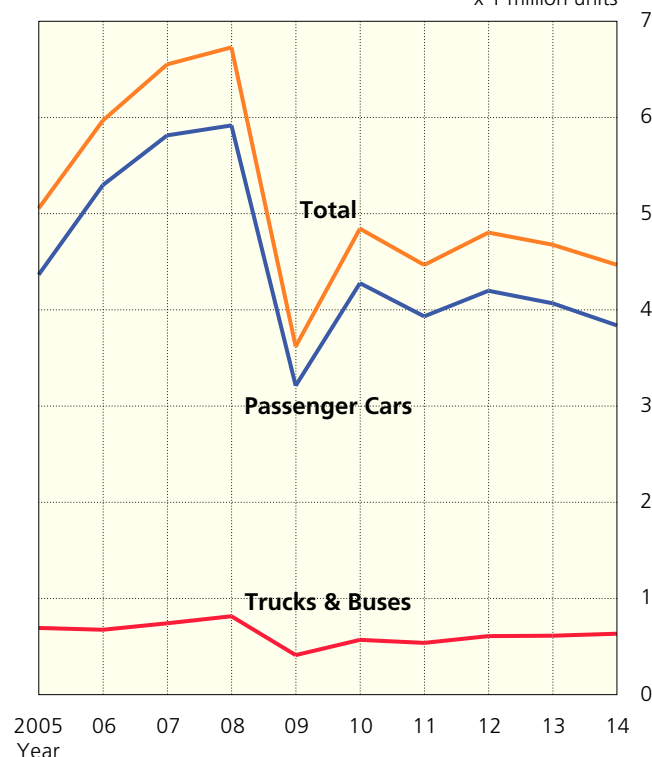
MOTOR VEHICLE EXPORTS BY TYPE IN 2014

In vehicle units



TRENDS IN MOTOR VEHICLE EXPORTS

x 1 million units

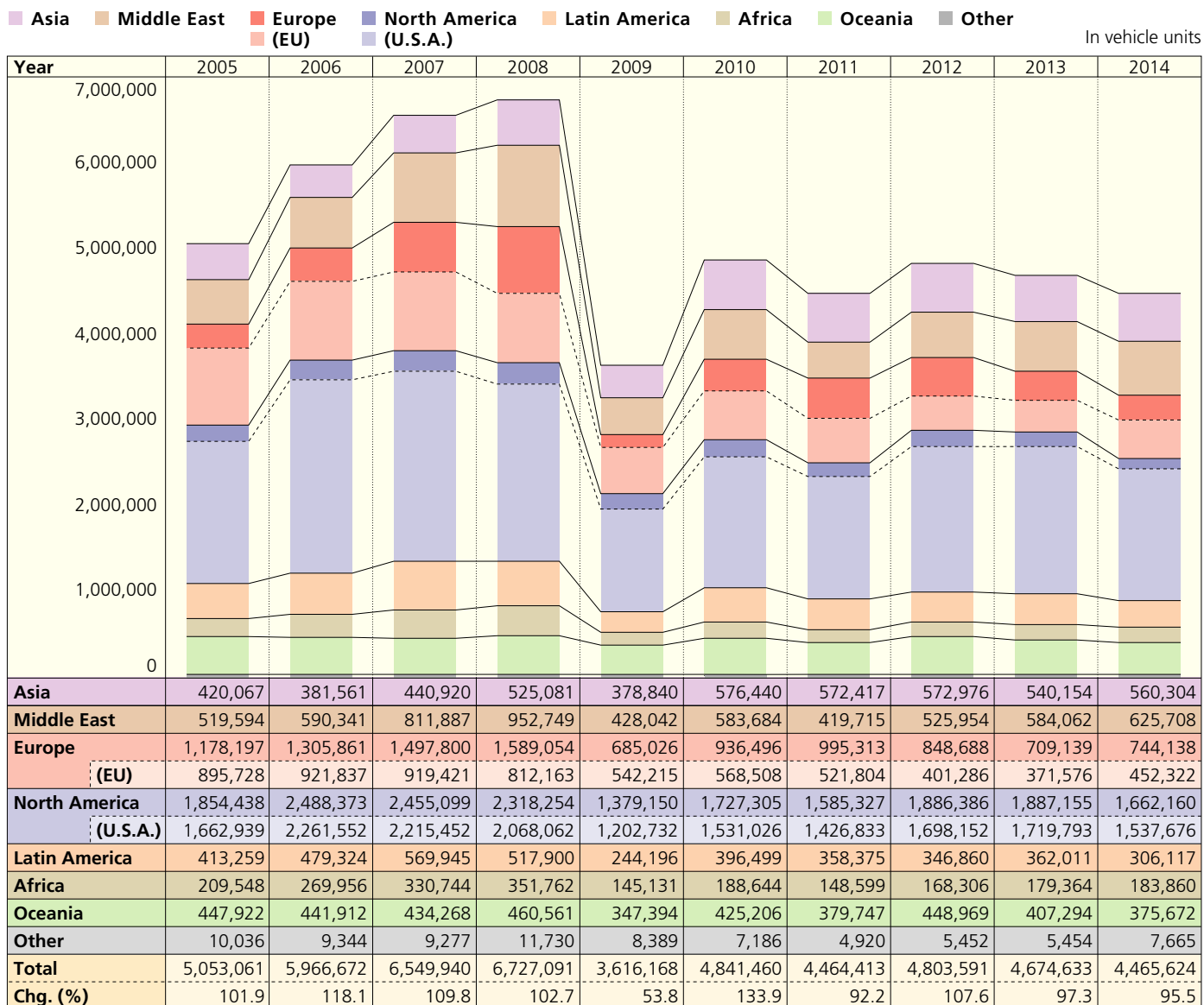


MOTOR VEHICLE EXPORTS

Year	Passenger Cars					Trucks		
	Standard	Small	Mini	Subtotal	Chg. (%)	Standard	Small	Mini
1970	715,450		10,136	725,586	129.5	65,170	272,549	13,892
1975	1,821,835		5,451	1,827,286	105.8	168,370	643,232	22,071
1980	345,413	3,580,623	21,124	3,947,160	127.2	332,257	1,548,251	73,177
1985	493,047	3,932,414	1,301	4,426,762	111.2	1,196,973	1,029,757	11,374
1990	1,343,967	3,138,147	16	4,482,130	101.8	944,737	364,376	8
1995	1,156,122	1,732,050	8,044	2,896,216	86.2	612,654	236,929	276
2000	2,333,263	1,462,069	520	3,795,852	101.0	530,823	86,329	718
2005	3,164,603	1,198,273	292	4,363,168	103.5	521,848	89,946	162
2006	3,845,081	1,449,608	808	5,295,497	121.4	488,632	89,201	141
2007	4,450,934	1,359,414	1,611	5,811,959	109.8	527,010	89,128	312
2008	4,379,569	1,534,975	885	5,915,429	101.8	567,596	90,581	41
2009	2,403,359	804,980	300	3,208,639	54.2	267,060	48,447	0
2010	3,453,951	818,660	2,755	4,275,366	133.2	397,404	52,908	0
2011	3,176,195	743,509	10,200	3,929,904	91.9	369,973	53,786	8
2012	3,550,010	641,749	6,735	4,198,494	106.8	410,251	66,652	16
2013	3,564,559	499,541	1,419	4,065,519	96.8	397,694	74,465	20
2014	3,593,941	239,198	2,456	3,835,595	94.3	408,859	79,614	0

Notes: 1. Figures represent ex-factory export shipments of motor vehicles manufactured in Japan, which are classified in the above categories as per Japanese law, including the Road Vehicles Act. 2. Vehicle components per vehicle and have been treated as components since 1988. 4. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

● MOTOR VEHICLE EXPORT TRENDS (BY REGION OF DESTINATION)



Note: "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

In vehicle units

		Buses						Year
Subtotal	Chg. (%)	Large	Small	Subtotal	Chg. (%)	Total	Chg. (%)	
351,611	120.9	4,520	5,059	9,579	141.6	1,086,776	126.7	1970
833,673	95.3	6,406	10,247	16,653	104.3	2,677,612	102.3	1975
1,953,685	137.2	7,616	58,500	66,116	179.4	5,966,961	130.8	1980
2,238,104	108.0	6,249	59,357	65,606	116.7	6,730,472	110.2	1985
1,309,121	90.6	6,066	33,895	39,961	113.7	5,831,212	99.1	1990
849,859	82.8	8,028	36,706	44,734	60.8	3,790,809	85.0	1995
617,870	100.8	7,131	34,032	41,163	107.3	4,454,885	101.0	2000
611,956	89.0	9,957	67,980	77,937	139.6	5,053,061	101.9	2005
577,974	94.4	11,567	81,634	93,201	119.6	5,966,672	118.1	2006
616,450	106.7	13,887	107,644	121,531	130.4	6,549,940	109.8	2007
658,218	106.8	17,574	135,870	153,444	126.3	6,727,091	102.7	2008
315,507	47.9	11,106	80,916	92,022	60.0	3,616,168	53.8	2009
450,312	142.7	13,969	101,813	115,782	125.8	4,841,460	133.9	2010
423,767	94.1	14,495	96,247	110,742	95.6	4,464,413	92.2	2011
476,919	112.5	19,026	109,152	128,178	115.7	4,803,591	107.6	2012
472,179	99.0	19,712	117,223	136,935	106.8	4,674,633	97.3	2013
488,473	103.5	15,886	125,670	141,556	103.4	4,465,624	95.5	2014

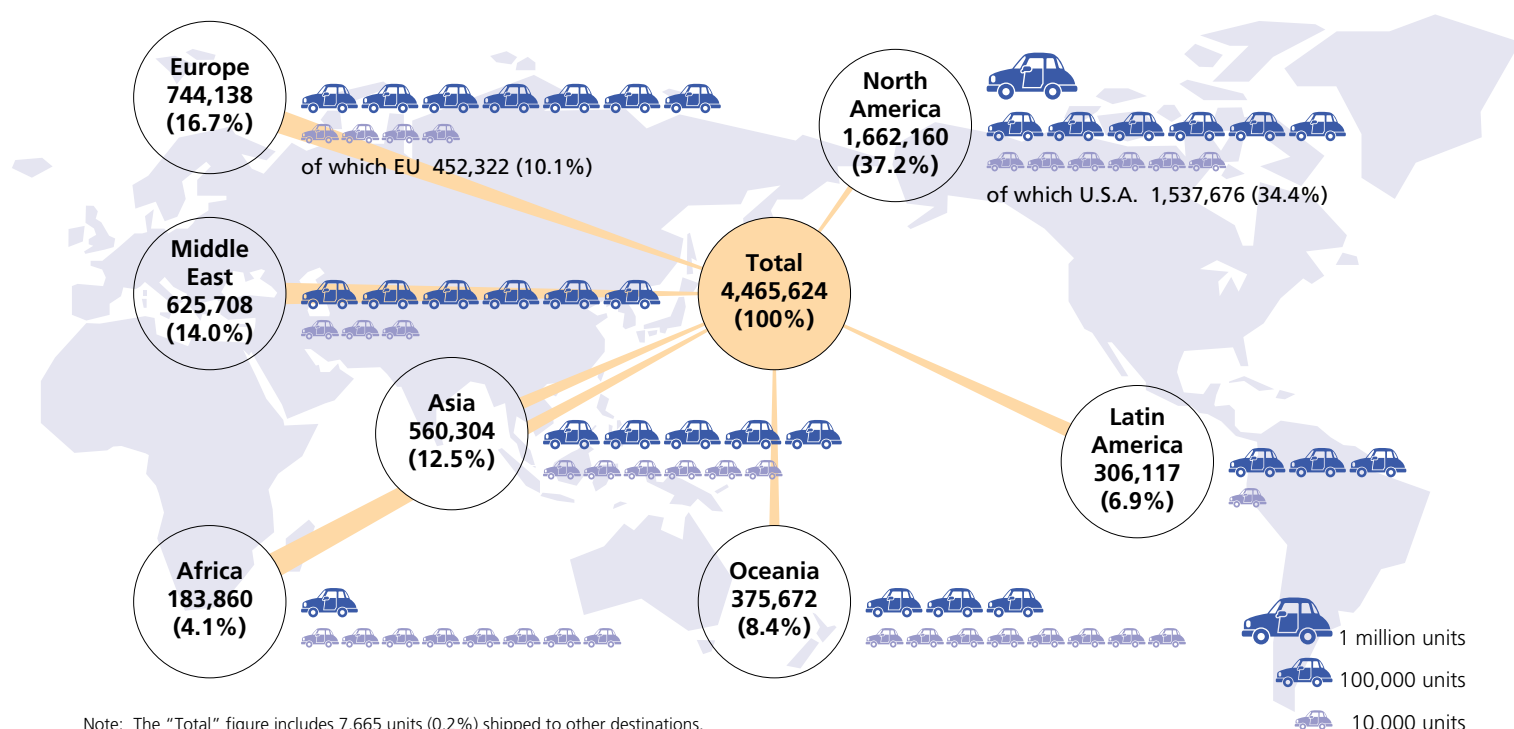
type classification in this table differs somewhat from that used in Ministry of Finance export data. 3. KD sets have been excluded since 1979; they represent less than 60% of the cost of compositional
Source: Japan Automobile Manufacturers Association

An Increase in Motor Vehicle Exports to the Middle East, Europe, Asia, and Africa

Compared to the previous year, motor vehicle exports in 2014 climbed 7.1% to the Middle East, 4.9% to Europe, 3.7% to Asia, and 2.5% to Africa, but declined 15.4% to Latin America, 11.9% to North America, and 7.8% to Oceania.

MOTOR VEHICLE EXPORTS BY DESTINATION IN 2014

In vehicle units



MOTOR VEHICLE EXPORT TRENDS (BY REGION OF DESTINATION)

In %

	2005	06	07	08	09	10	11	12	13	14
Asia	8.3	6.4	6.7	7.8	10.5	11.9	12.8	11.9	11.6	12.5
Middle East	10.3	9.9	12.4	14.2	11.8	12.1	9.4	11.0	12.5	14.0
Europe	23.3	21.9	22.9	23.6	19.0	19.3	22.3	17.7	15.2	16.7
(EU)	(17.7)	(15.4)	(14.0)	(12.1)	(15.0)	(11.7)	(11.7)	(8.4)	(7.9)	(10.1)
North America	36.7	41.7	37.5	34.5	38.1	35.7	35.5	39.3	40.4	37.2
(U.S.A.)	(32.9)	(37.9)	(33.8)	(30.7)	(33.3)	(31.6)	(32.0)	(35.4)	(36.8)	(34.4)
Latin America	8.2	8.0	8.7	7.7	6.8	8.2	8.0	7.2	7.7	6.9
Africa	4.1	4.5	5.1	5.2	4.0	3.9	3.4	3.5	3.8	4.1
Oceania	8.9	7.4	6.6	6.8	9.6	8.8	8.5	9.3	8.7	8.4
Other	0.2	0.2	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.2
Year	2005	06	07	08	09	10	11	12	13	14

● MOTOR VEHICLE EXPORTS BY DESTINATION IN 2014

In vehicle units

Destination		Passenger Cars				Trucks				Buses			Total
		Standard	Small	Mini	Subtotal	Standard	Small	Mini	Subtotal	Large	Small	Subtotal	
Asia	South Korea	14,203	345	0	14,548	25	0	0	25	0	0	0	14,573
	China	215,668	3,836	0	219,504	184	0	0	184	0	367	367	220,055
	Taiwan	52,334	4,152	0	56,486	7,225	31	0	7,256	706	288	994	64,736
	Hong Kong	12,730	6,011	161	18,902	10,277	513	0	10,790	117	962	1,079	30,771
	Thailand	1,768	0	0	1,768	13,751	192	0	13,943	182	7,629	7,811	23,522
	Singapore	6,806	751	0	7,557	8,009	1,591	0	9,600	48	707	755	17,912
	Malaysia	24,910	1,601	0	26,511	15,526	4,332	0	19,858	188	3,217	3,405	49,774
	Philippines	12,915	424	0	13,339	5,389	1,111	0	6,500	195	15,601	15,796	35,635
	Indonesia	16,606	1,152	0	17,758	35,581	0	0	35,581	943	1,381	2,324	55,663
	Pakistan	364	4,529	0	4,893	4,701	132	0	4,833	365	368	733	10,459
	Other	17,157	1,600	43	18,800	10,130	4,647	0	14,777	527	3,100	3,627	37,204
Subtotal		375,461	24,401	204	400,066	110,798	12,549	0	123,347	3,271	33,620	36,891	560,304
Middle East	Bahrain	19,015	0	0	19,015	2,127	642	0	2,769	311	1,667	1,978	23,762
	Saudi Arabia	86,470	971	0	87,441	43,995	2,382	0	46,377	1,167	7,409	8,576	142,394
	Kuwait	44,658	538	0	45,196	2,208	957	0	3,165	532	1,508	2,040	50,401
	Oman	65,087	1,163	0	66,250	22,632	3,023	0	25,655	1,029	10,905	11,934	103,839
	Israel	32,529	5,673	0	38,202	434	0	0	434	0	0	0	38,636
	United Arab Emirates	110,275	1,838	0	112,113	19,172	10,342	0	29,514	2,432	9,594	12,026	153,653
	Qatar	27,881	161	0	28,042	3,446	2,058	0	5,504	724	3,219	3,943	37,489
	Other	50,988	1,246	0	52,234	16,807	2,082	0	18,889	762	3,649	4,411	75,534
Subtotal		436,903	11,590	0	448,493	110,821	21,486	0	132,307	6,957	37,951	44,908	625,708
Europe	Sweden	18,519	527	0	19,046	7	0	0	7	0	0	0	19,053
	Denmark	4,623	494	0	5,117	0	0	0	0	0	0	0	5,117
	UK	87,958	10,265	0	98,223	0	0	0	0	0	0	0	98,223
	Netherlands	23,041	1,527	6	24,574	0	0	0	0	0	0	0	24,574
	Belgium	10,627	3,718	0	14,345	0	0	0	0	0	0	0	14,345
	France	45,127	3,704	1,178	50,009	0	0	0	0	0	0	0	50,009
	Germany	84,207	12,393	200	96,800	0	0	0	0	0	0	0	96,800
	Spain	37,389	983	2	38,374	0	0	0	0	0	0	0	38,374
	Italy	22,738	3,149	0	25,887	3,391	0	0	3,391	0	0	0	29,278
	Finland	7,380	422	0	7,802	0	0	0	0	0	0	0	7,802
	Poland	20,117	347	0	20,464	0	0	0	0	0	0	0	20,464
	Austria	13,643	2,718	7	16,368	34	0	0	34	0	51	51	16,453
	Greece	504	173	0	677	0	0	0	0	0	0	0	677
	Other	28,277	757	29	29,063	2,090	0	0	2,090	0	0	0	31,153
	Subtotal	404,150	41,177	1,422	446,749	5,522	0	0	5,522	0	51	51	452,322
	Norway	18,000	410	446	18,856	383	0	0	383	0	0	0	19,239
	Switzerland	16,309	3,149	5	19,463	286	0	0	286	0	0	0	19,749
	Russia	219,759	1,627	21	221,407	5,294	890	0	6,184	1	458	459	228,050
	Turkey	5,172	0	0	5,172	6,373	120	0	6,493	0	0	0	11,665
	Ukraine	10,608	81	0	10,689	558	1	0	559	0	0	0	11,248
	Other	1,799	63	0	1,862	0	0	0	0	0	3	3	1,865
Subtotal		675,797	46,507	1,894	724,198	18,416	1,011	0	19,427	1	512	513	744,138
North America	Canada	116,347	5,866	137	122,350	2,134	0	0	2,134	0	0	0	124,484
	U.S.A.	1,455,038	57,309	218	1,512,565	23,320	1,791	0	25,111	0	0	0	1,537,676
Subtotal		1,571,385	63,175	355	1,634,915	25,454	1,791	0	27,245	0	0	0	1,662,160
Latin America	Mexico	54,496	16,512	0	71,008	13,542	663	0	14,205	72	5,459	5,531	90,744
	Puerto Rico	5,326	2,889	0	8,215	0	0	0	0	0	0	0	8,215
	Colombia	12,797	3,191	0	15,988	17,112	246	0	17,358	1,080	0	1,080	34,426
	Ecuador	13,227	192	0	13,419	4,245	312	0	4,557	756	27	783	18,759
	Peru	11,753	2,666	2	14,421	3,099	1,063	0	4,162	0	2,202	2,202	20,785
	Chile	25,568	6,382	0	31,950	2,249	630	0	2,879	0	276	276	35,105
	Brazil	35,921	321	0	36,242	0	0	0	0	0	0	0	36,242
	Other	35,173	6,809	1	41,983	9,162	3,455	0	12,617	1,569	5,672	7,241	61,841
Subtotal		194,261	38,962	3	233,226	49,409	6,369	0	55,778	3,477	13,636	17,113	306,117
Africa	Algeria	660	98	0	758	5,690	296	0	5,986	336	437	773	7,517
	Egypt	8,416	5,614	0	14,030	14,633	30,001	0	44,634	782	4,852	5,634	64,298
	Nigeria	1,243	0	0	1,243	447	56	0	503	215	2,841	3,056	4,802
	Kenya	1,101	21	0	1,122	9,011	697	0	9,708	0	215	215	11,045
	South Africa	21,408	2,585	0	23,993	16,500	1,218	0	17,718	0	16,888	16,888	58,599
	Other	16,525	3,330	0	19,855	8,907	2,124	0	11,031	697	6,016	6,713	37,599
Subtotal		49,353	11,648	0	61,001	55,188	34,392	0	89,580	2,030	31,249	33,279	183,860
Oceania	Australia	259,445	33,465	0	292,910	28,140	1,576	0	29,716	40	3,561	3,601	326,227
	New Zealand	24,209	8,686	0	32,895	4,778	241	0	5,019	0	460	460	38,374
	Other	4,211	749	0	4,960	2,975	199	0	3,174	73	2,864	2,937	11,071
Subtotal		287,865	42,900	0	330,765	35,893	2,016	0	37,909	113	6,885	6,998	375,672
Other		2,916	15	0	2,931	2,880	0	0	2,880	37	1,817	1,854	7,665
Grand Totals		3,593,941	239,198	2,456	3,835,595	408,859	79,614	0	488,473	15,886	125,670	141,556	4,465,624

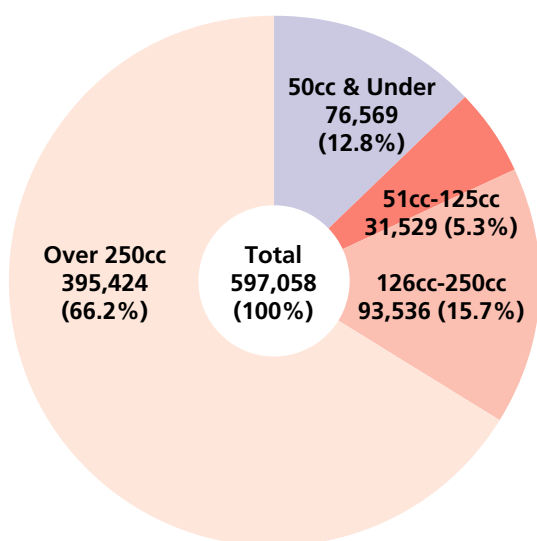
Source: Japan Automobile Manufacturers Association

Motorcycle Production Shows First Increase in 4 Years

Overall domestic motorcycle production in 2014 increased 6.0% from the previous year to 597,000 units. Class 1 motor-driven cycles (50cc and under) grew 2.2% to 77,000 units, Class 2 motor-driven cycles (51cc to 125cc) surged 13.9% to 32,000 units, mini-sized motorcycles (126cc to 250cc) rose 6.2% to 94,000 units, and small-sized motorcycles (over 250cc) climbed 6.1% to 395,000 units. The combined total for larger motorcycles (all those over 50cc) expanded 6.6% to 520,000 units.

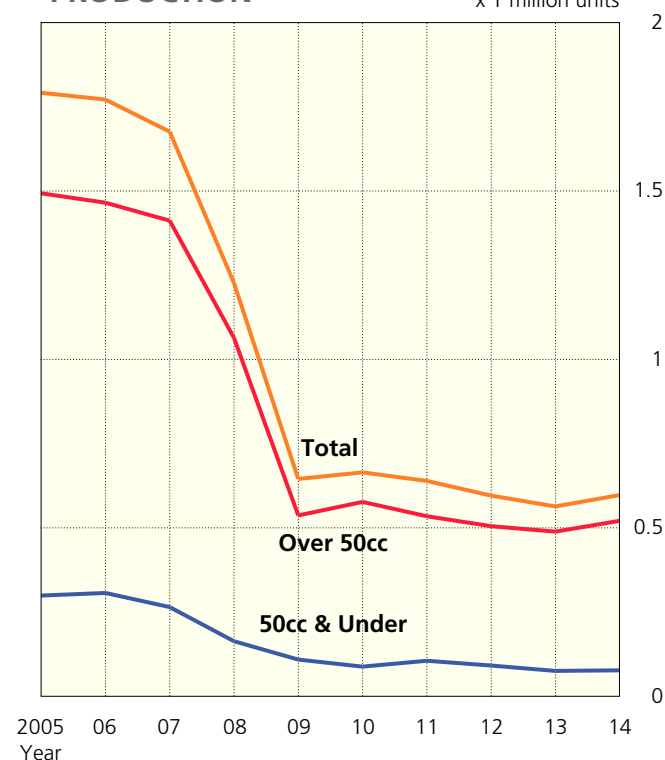
MOTORCYCLE PRODUCTION BY ENGINE CAPACITY IN 2014

In vehicle units



TRENDS IN MOTORCYCLE PRODUCTION

x 1 million units



MOTORCYCLE PRODUCTION

In vehicle units

Year	Motor-Driven Cycles Class 1 (50cc & Under)	Over 50cc				Total	Chg. (%)
		Motor-Driven Cycles Class 2 (51cc-125cc)	Mini-Sized Motorcycles (126cc-250cc)	Small-Sized Motorcycles (Over 250cc)	Subtotal		
1970	895,599	1,407,205	259,145	385,723	2,052,073	2,947,672	114.4
1975	1,030,822	1,887,701	331,733	552,291	2,771,725	3,802,547	84.3
1980	2,493,910	2,181,206	660,831	1,098,577	3,940,614	6,434,524	143.8
1985	2,014,850	1,373,423	469,728	678,346	2,521,497	4,536,347	112.7
1990	1,343,220	686,734	270,304	506,637	1,463,675	2,806,895	100.4
1995	951,803	1,038,938	217,738	544,760	1,801,436	2,753,239	101.0
2000	636,546	630,221	297,433	851,191	1,778,845	2,415,391	107.3
2005	298,549	260,343	279,274	953,419	1,493,036	1,791,585	103.0
2006	306,246	149,868	276,043	1,039,229	1,465,140	1,771,386	98.9
2007	264,336	178,827	269,689	963,245	1,411,761	1,676,097	94.6
2008	162,928	128,381	192,863	742,667	1,063,911	1,226,839	73.2
2009	108,417	57,424	125,384	353,676	536,484	644,901	52.6
2010	87,513	80,630	108,950	387,082	576,662	664,175	103.0
2011	104,936	64,507	104,636	365,108	534,251	639,187	96.2
2012	90,886	39,569	91,925	373,093	504,587	595,473	93.2
2013	74,940	27,670	88,108	372,591	488,369	563,309	94.6
2014	76,569	31,529	93,536	395,424	520,489	597,058	106.0

Notes: 1. KD sets have been excluded since 1979; they represent less than 60% of the cost of compositional components per vehicle and have been treated as components since 1988.
2. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

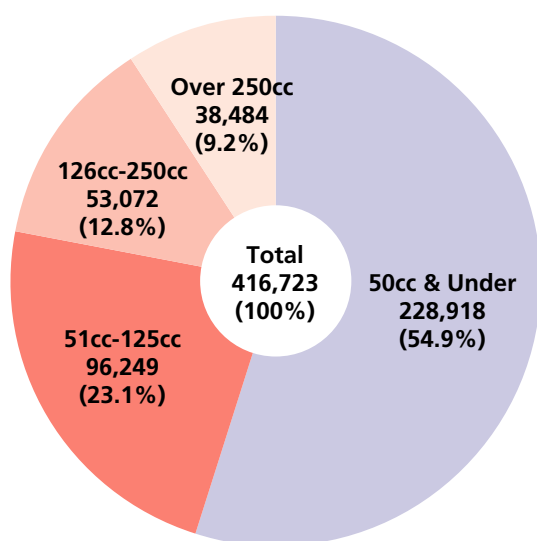
Source: Japan Automobile Manufacturers Association

Overall Motorcycle Sales Down for First Time in 2 Years

Domestic motorcycle sales (defined here as ex-factory shipments to domestic dealers, not as new registrations) in 2014 totalled 417,000 units, down 0.6% from the previous year. By engine capacity, whereas sales of Class 1 motor-driven cycles (50cc and under) declined 4.1% to 229,000 units and Class 2 motor-driven cycles (51cc to 125cc) dropped 4.7% to 96,000 units, sales of mini-sized motorcycles (126cc to 250cc) and small-sized motorcycles (over 250cc) grew 11.1% and 20.7%, to 53,000 and 38,000 units respectively. Overall sales of motorcycles with engine capacity over 50cc thus totalled 188,000 units, an increase of 4.0% over 2013.

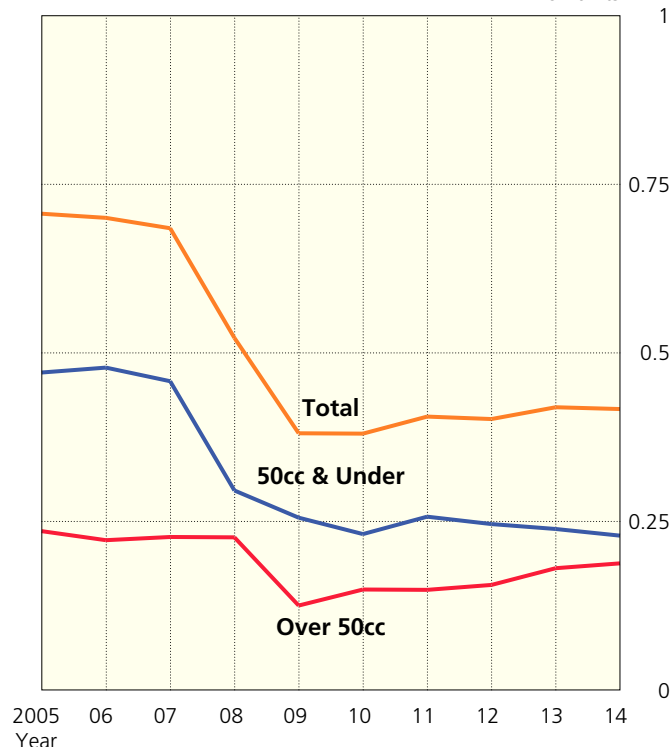
MOTORCYCLE SALES BY ENGINE CAPACITY IN 2014

In vehicle units



TRENDS IN MOTORCYCLE SALES

x 1 million units



MOTORCYCLE SALES (SHIPMENTS TO DOMESTIC DEALERS)

In vehicle units

Year	Motor-Driven Cycles Class 1 (50cc & Under)	Over 50cc				Total	Chg. (%)
		Motor-Driven Cycles Class 2 (51cc-125cc)	Mini-Sized Motorcycles (126cc-250cc)	Small-Sized Motorcycles (Over 250cc)	Subtotal		
1980	1,978,426	200,238	88,188	103,184	391,610	2,370,036	122.7
1985	1,646,115	130,574	173,887	145,674	450,135	2,096,250	102.6
1990	1,213,512	169,618	158,882	76,921	405,421	1,618,933	97.6
1995	884,718	138,115	98,833	91,186	328,134	1,212,852	101.6
2000	558,459	102,116	72,886	46,416	221,418	779,877	93.2
2005	470,922	88,747	99,658	47,186	235,591	706,513	100.9
2006	478,196	82,211	91,395	48,564	222,170	700,366	99.1
2007	458,023	100,720	86,081	40,120	226,921	684,944	97.8
2008	295,908	120,990	55,674	49,743	226,407	522,315	76.3
2009	255,561	65,888	37,180	22,148	125,216	380,777	72.9
2010	231,247	96,368	27,275	25,352	148,995	380,242	99.9
2011	257,045	95,702	31,767	21,019	148,488	405,533	106.7
2012	246,095	90,291	39,707	25,802	155,800	401,895	99.1
2013	238,786	100,947	47,788	31,877	180,612	419,398	104.4
2014	228,918	96,249	53,072	38,484	187,805	416,723	99.4

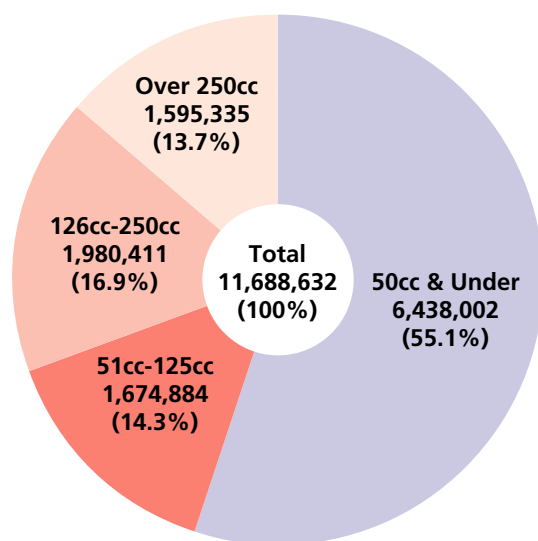
Note: "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

Continued Rise in Number of In-Use Motorcycles Over 50cc in Engine Capacity

As of March 31, 2014, the number of motorcycles in use in Japan dipped to 11.69 million, down 1.1% from the previous year. By engine capacity, Class 1 motor-driven cycles, which account for 55.1% of all motorcycles in use, dropped 3.4% to 6.44 million units, whereas Class 2 motor-driven cycles, mini-sized motorcycles and small-sized motorcycles in use rose 3.0%, 0.6% and 1.9%, to 1.67 million, 1.98 million and 1.60 million units respectively. Thus, motorcycles over 50cc in use increased 1.7%, to a total of 5.25 million units.

● MOTORCYCLES IN USE BY ENGINE CAPACITY (at March 31, 2014)

In vehicle units



● TRENDS IN MOTORCYCLES IN USE (at March 31 yearly)

x 1 million units



● MOTORCYCLES IN USE (at March 31 yearly)

In vehicle units

Year	Motor-Driven Cycles Class 1 (50cc & Under)	Over 50cc				Total	Chg. (%)
		Motor-Driven Cycles Class 2 (51cc-125cc)	Mini-Sized Motorcycles (126cc-250cc)	Small-Sized Motorcycles (Over 250cc)	Subtotal		
1970	3,727,426	4,431,745	583,316	109,771	5,124,832	8,852,258	100.5
1975	4,851,140	3,132,818	492,307	276,715	3,901,840	8,752,980	101.9
1980	8,794,335	2,281,006	506,567	383,639	3,171,212	11,965,547	109.8
1985	14,609,399	1,747,957	1,047,426	775,627	3,571,010	18,180,409	104.8
1990	13,539,269	1,517,228	1,669,771	1,045,519	4,232,518	17,771,787	97.6
1995	11,165,390	1,421,031	1,823,446	1,177,229	4,421,706	15,587,096	98.0
2000	9,643,487	1,337,395	1,704,522	1,288,399	4,330,316	13,973,803	98.0
2005	8,566,613	1,353,732	1,857,439	1,397,392	4,608,563	13,175,176	99.3
2006	8,345,225	1,378,714	1,908,402	1,428,149	4,715,265	13,060,490	99.1
2007	8,134,692	1,397,085	1,950,512	1,452,893	4,800,490	12,935,182	99.0
2008	7,902,051	1,429,738	1,976,829	1,478,724	4,885,291	12,787,342	98.9
2009	7,694,009	1,479,588	1,996,311	1,505,304	4,981,203	12,675,212	99.1
2010	7,448,862	1,511,440	1,992,939	1,524,176	5,028,555	12,477,417	98.4
2011	7,154,455	1,540,667	1,975,623	1,535,181	5,051,471	12,205,926	97.8
2012	6,899,459	1,582,925	1,959,845	1,542,856	5,085,626	11,985,085	98.2
2013	6,661,807	1,626,094	1,969,187	1,566,341	5,161,622	11,823,429	98.7
2014	6,438,002	1,674,884	1,980,411	1,595,335	5,250,630	11,688,632	98.9

Notes: 1. Motor-driven cycle data is as at April 1, and since 2006 motorcycles with engine capacity of 125cc and under whose owners fail to pay the mandatory motorcycle ownership tax are not included in this data. 2. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

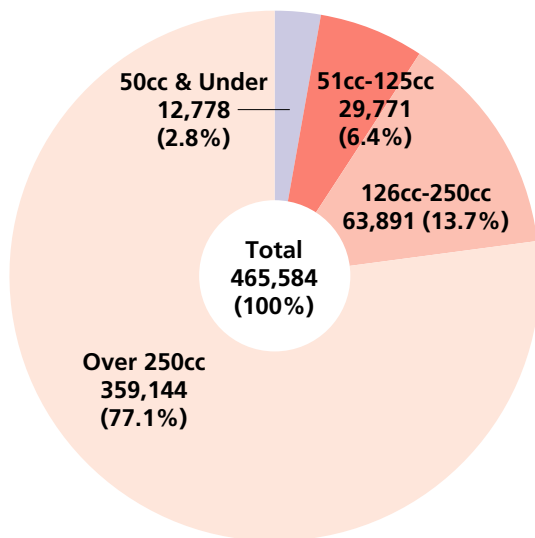
Sources: Ministry of Land, Infrastructure, Transport and Tourism; since 2006 (only for the 125cc-and-under categories), Ministry of Internal Affairs and Communications

Motorcycle Exports Rise for First Time in 3 Years

Motorcycle exports in 2014 increased 8.0% over the previous year to 466,000 units. By engine capacity, exports of Class 1 motor-driven cycles, Class 2 motor-driven cycles, and small-sized motorcycles grew 1.7%, 7.6%, and 10.1%, to 13,000, 30,000, and 359,000 units respectively, whereas mini-sized motorcycles declined 1.0% to 64,000 units.

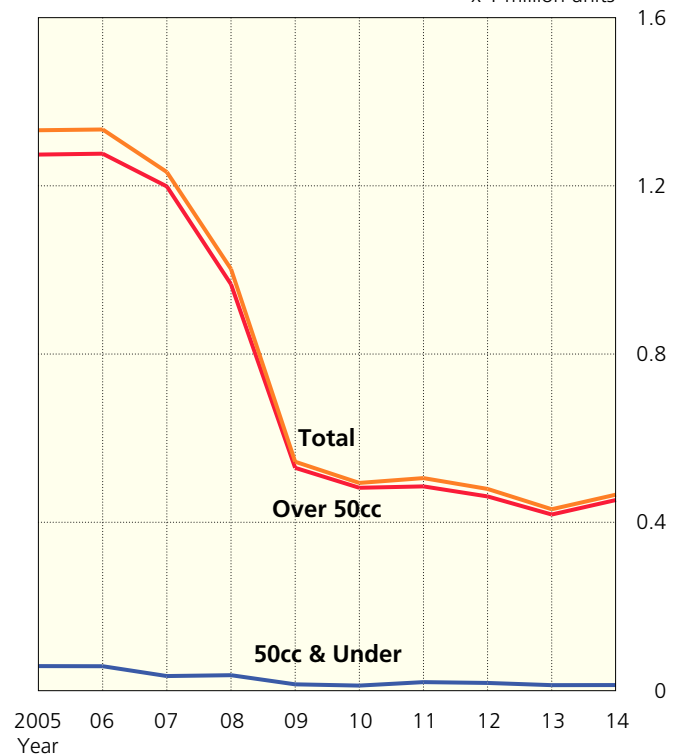
MOTORCYCLE EXPORTS BY ENGINE CAPACITY IN 2014

In vehicle units



TRENDS IN MOTORCYCLE EXPORTS

x 1 million units



MOTORCYCLE EXPORTS

In vehicle units

Year	Motor-Driven Cycles Class 1 (50cc & Under)	Over 50cc				Total	Chg. (%)
		Motor-Driven Cycles Class 2 (51cc-125cc)	Mini-Sized Motorcycles (126cc-250cc)	Small-Sized Motorcycles (Over 250cc)	Subtotal		
1970	326,815	914,325	187,185	309,277	1,410,787	1,737,602	133.8
1975	288,843	1,546,170	328,313	527,344	2,401,827	2,690,670	83.0
1980	501,027	1,907,481	548,306	972,226	3,428,013	3,929,040	144.0
1985	369,167	1,350,412	296,865	525,038	2,172,315	2,541,482	119.7
1990	147,301	507,840	117,222	411,381	1,036,443	1,183,744	107.3
1995	61,627	691,433	129,961	442,689	1,264,083	1,325,710	94.2
2000	82,038	549,040	204,591	805,508	1,559,139	1,641,177	116.1
2005	57,860	197,378	177,824	899,161	1,274,363	1,332,223	100.4
2006	57,558	124,335	183,980	968,153	1,276,468	1,334,026	100.1
2007	34,192	134,570	177,673	886,361	1,198,604	1,232,796	92.4
2008	36,234	95,114	149,530	721,309	965,953	1,002,187	81.3
2009	14,493	44,708	101,298	383,380	529,386	543,879	54.3
2010	11,522	48,976	85,506	347,460	481,942	493,464	90.7
2011	19,745	45,853	83,594	355,793	485,240	504,985	102.3
2012	17,794	35,579	69,963	355,827	461,369	479,163	94.9
2013	12,560	27,676	64,566	326,095	418,337	430,897	89.9
2014	12,778	29,771	63,891	359,144	452,806	465,584	108.0

Notes: 1. Figures represent ex-factory export shipments of motorcycles manufactured in Japan. 2. Class 2 motor-driven cycles include three-wheeled motor-driven cycles. 3. KD sets have been excluded since 1979; they represent less than 60% of the cost of compositional components per vehicle and have been treated as components since 1988. 4. "Chg. (%)" means change from the previous year (with the previous year's result indexed at 100).

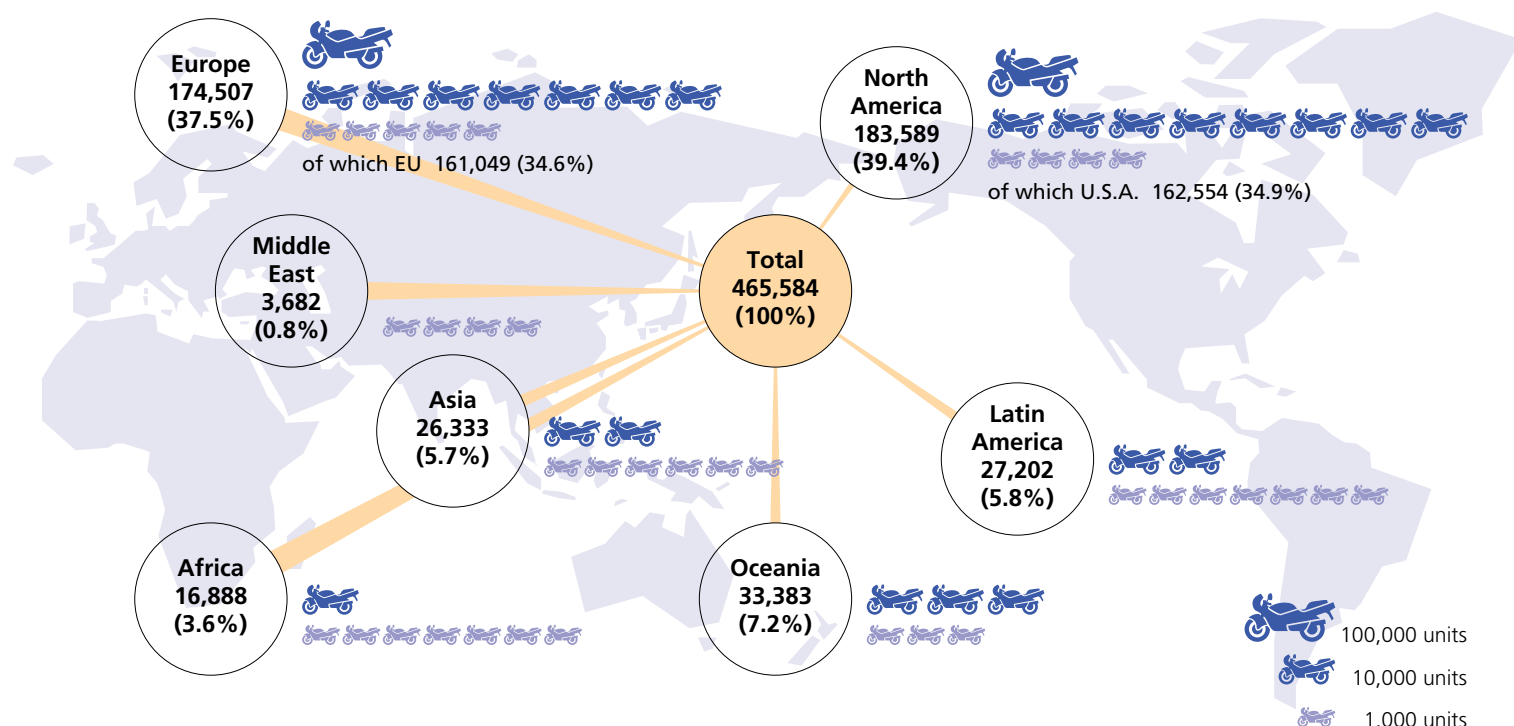
Source: Japan Automobile Manufacturers Association

An Increase in Motorcycle Exports to Asia, Europe, Africa, Oceania, and North America

Compared to the previous year, motorcycle exports in 2014 grew 36.0% to Asia, 17.9% to Europe, 8.6% to Africa, 5.1% to Oceania, and 3.0% to North America, but declined 20.1% to Latin America and 6.0% to the Middle East.

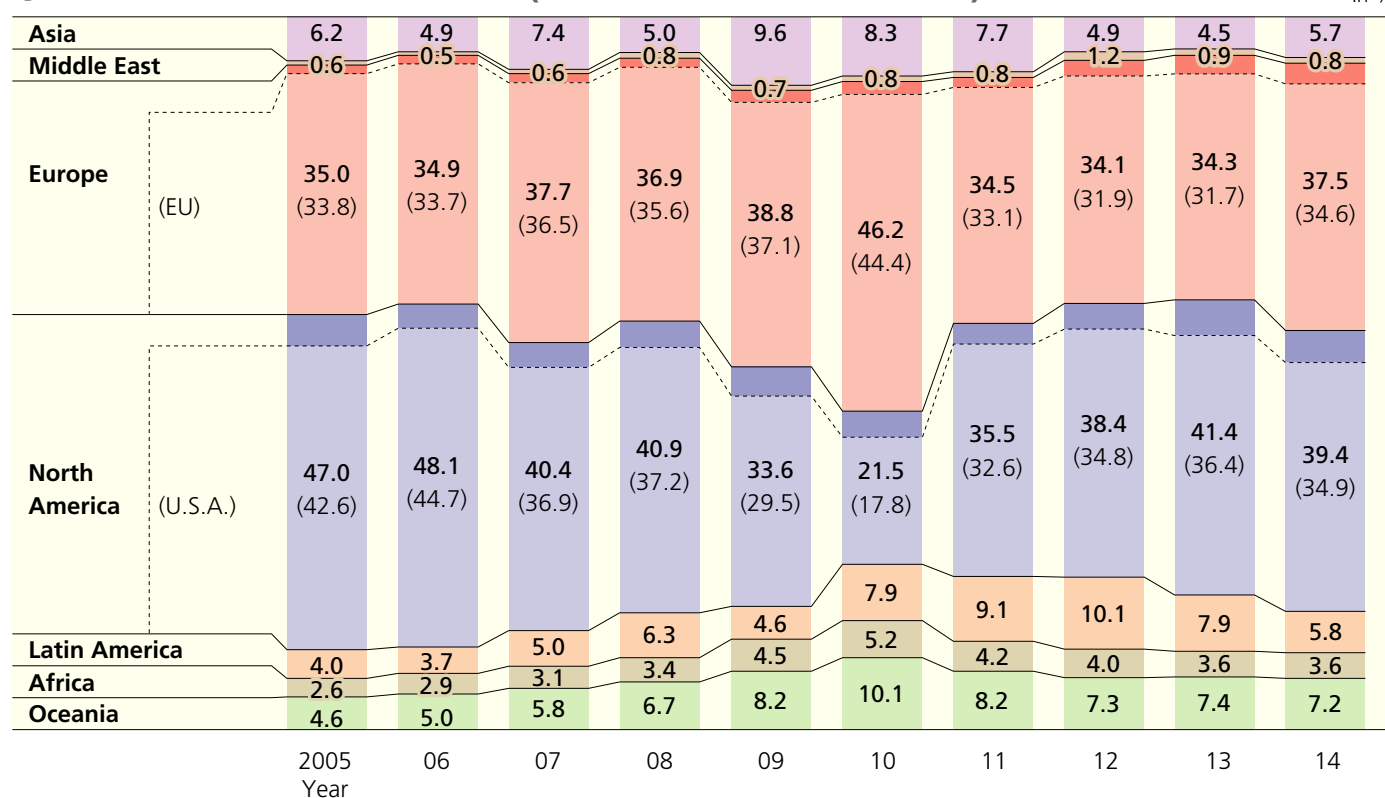
MOTORCYCLE EXPORTS BY DESTINATION IN 2014

In vehicle units



MOTORCYCLE EXPORT TRENDS (BY REGION OF DESTINATION)

In %



● MOTORCYCLE EXPORTS BY DESTINATION IN 2014

In vehicle units

Destination		Motor-Driven Cycles Class 1 (50cc & Under)	Over 50cc				Total
			Motor-Driven Cycles Class 2 (51cc-125cc)	Mini-Sized Motorcycles (126cc-250cc)	Small-Sized Motorcycles (Over 250cc)	Subtotal	
Asia	South Korea	33	4	1	1,913	1,918	1,951
	Taiwan	0	1,074	0	2,800	3,874	3,874
	Hong Kong	0	25	123	2,529	2,677	2,677
	Thailand	0	1,003	1,188	3,370	5,561	5,561
	Singapore	3	71	208	2,822	3,101	3,104
	Malaysia	0	6	0	5,522	5,528	5,528
	Philippines	18	3	829	342	1,174	1,192
	Indonesia	102	101	449	488	1,038	1,140
	Other	46	6	342	912	1,260	1,306
	Subtotal	202	2,293	3,140	20,698	26,131	26,333
Middle East	Kuwait	6	9	46	460	515	521
	Israel	0	8	67	929	1,004	1,004
	United Arab Emirates	69	90	158	829	1,077	1,146
	Other	0	86	19	906	1,011	1,011
	Subtotal	75	193	290	3,124	3,607	3,682
Europe	Sweden	0	2	335	710	1,047	1,047
	Denmark	0	20	109	448	577	577
	UK	0	231	834	9,233	10,298	10,298
	Netherlands	0	930	2,351	18,931	22,212	22,212
	Belgium	0	39	21	774	834	834
	France	450	3,342	1,544	42,497	47,383	47,833
	Germany	156	874	1,729	33,259	35,862	36,018
	Portugal	0	12	28	874	914	914
	Spain	81	302	206	9,037	9,545	9,626
	Italy	45	216	1,858	23,784	25,858	25,903
	Finland	21	30	97	560	687	708
	Poland	0	0	60	652	712	712
	Hungary	0	0	94	730	824	824
	Greece	6	10	39	1,437	1,486	1,492
	Slovenia	6	6	31	659	696	702
	Czech Republic	0	0	12	537	549	549
	Other	0	2	143	655	800	800
	Subtotal	765	6,016	9,491	144,777	160,284	161,049
	Norway	0	5	93	509	607	607
	Switzerland	21	46	277	6,138	6,482	6,482
	Turkey	0	1	68	3,493	3,562	3,562
	Russia	87	70	100	2,276	2,446	2,533
	Other	0	0	7	267	274	274
	Subtotal	873	6,138	10,036	157,460	173,634	174,507
North America	Canada	1,118	1,335	3,408	15,174	19,917	21,035
	U.S.A.	8,427	7,322	26,106	120,699	154,127	162,554
	Subtotal	9,545	8,657	29,514	135,873	174,044	183,589
Latin America	Mexico	0	0	310	2,463	2,773	2,773
	Guatemala	3	2	449	128	579	582
	Nicaragua	0	0	845	5	850	850
	Panama	3	48	197	1,102	1,347	1,350
	Colombia	0	60	2,719	3,827	6,606	6,606
	Ecuador	6	8	154	272	434	440
	Bolivia	0	6	932	99	1,037	1,037
	Chile	45	94	445	1,157	1,696	1,741
	Brazil	0	8	574	9,215	9,797	9,797
	Other	43	162	750	1,071	1,983	2,026
	Subtotal	100	388	7,375	19,339	27,102	27,202
Africa	Senegal	0	432	0	50	482	482
	Togo	0	1,518	50	0	1,568	1,568
	Mali	0	1,004	180	0	1,184	1,184
	Niger	0	850	280	0	1,130	1,130
	Rwanda	0	412	29	0	441	441
	Dem Rep Congo	0	1,614	54	0	1,668	1,668
	Ethiopia	0	0	1,480	79	1,559	1,559
	Kenya	0	218	294	1	513	513
	Uganda	0	431	9	0	440	440
	South Africa	63	622	1,239	2,682	4,543	4,606
	Other	9	1,553	1,035	700	3,288	3,297
	Subtotal	72	8,654	4,650	3,512	16,816	16,888
Oceania	Australia	1,575	2,191	6,763	17,246	26,200	27,775
	New Zealand	330	1,243	2,033	1,797	5,073	5,403
	Other	6	14	90	95	199	205
	Subtotal	1,911	3,448	8,886	19,138	31,472	33,383
Grand Totals		12,778	29,771	63,891	359,144	452,806	465,584

Source: Japan Automobile Manufacturers Association

Climate Change and CO₂ Emissions Reduction: The Response of the Transport Sector

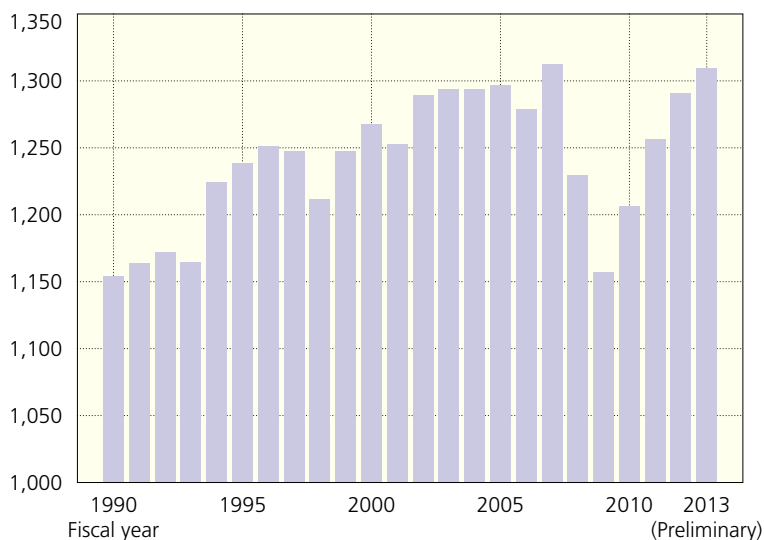
In 2013 Japan's CO₂ emissions totalled 1.31 billion tons (preliminary figure), of which the transportation sector accounted for 17%. Since peaking in 2001 following a decade of growth, CO₂ emission volumes in Japan's transport sector have steadily declined and, owing largely to increased fuel efficiency in passenger cars and greater efficiency in goods distribution, recently fallen back to roughly the same level recorded in 1990. The automobile industry will continue to vigorously promote CO₂ emissions reduction in road transport by further improving vehicle fuel efficiency and expanding the market supply of next-generation vehicles.

CO₂ EMISSIONS IN JAPAN

The transportation sector accounts for 17% of Japan's total CO₂ emissions, which in 2013 amounted to 1.31 billion tons (preliminary figure).

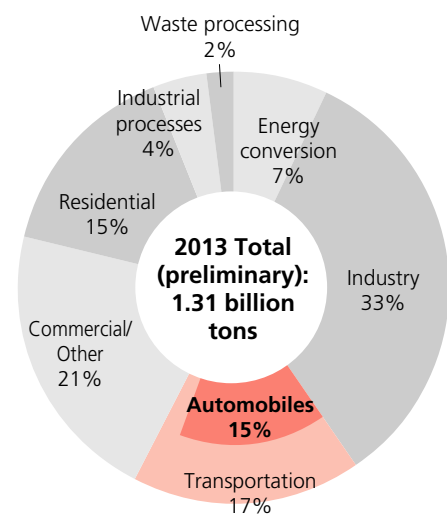
Japan's CO₂ Emission Volumes, 1990-2013

x 1 million tons



Note: Emission levels here reflect new calculation methods; the preliminary 2013 figure does not take into account forest sink, etc. offsetting.

CO₂ Emission Shares by Sector in 2013

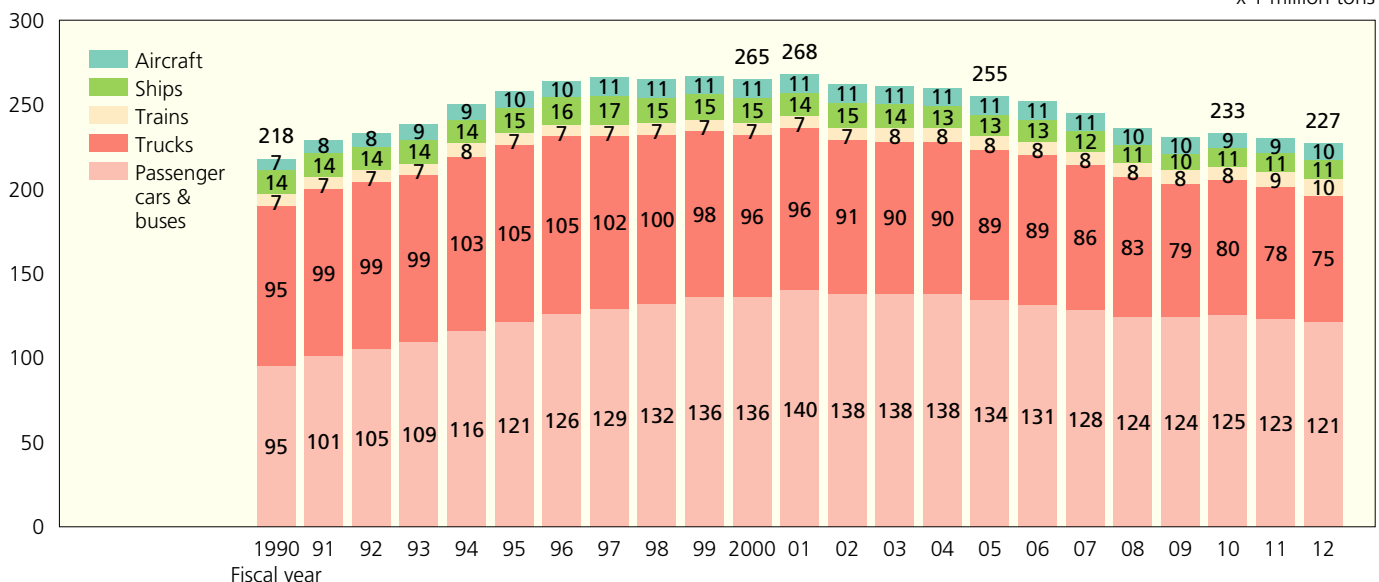


Source: Ministry of the Environment

TRENDS IN CO₂ EMISSION VOLUMES IN JAPAN'S TRANSPORT SECTOR, BY MODE

Motor vehicle-emitted CO₂ accounts for about 90% of the totality of CO₂ emitted by Japan's transport sector. CO₂ emissions from road transportation in Japan have seen a particularly significant decrease since transport-sector emissions peaked in 2001.

x 1 million tons

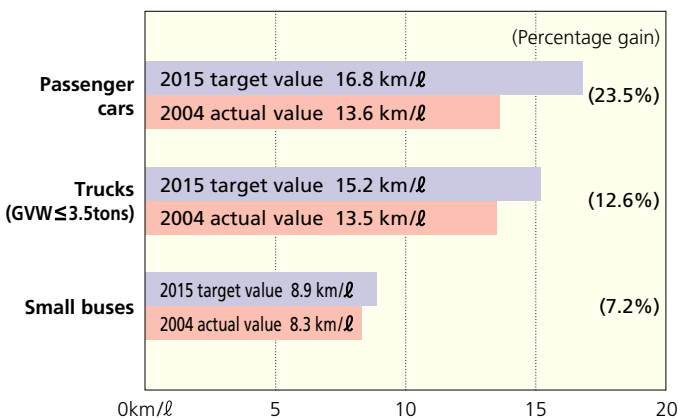


Source: Ministry of the Environment

CO₂ Emissions Reduction: Improving Vehicle Fuel Efficiency

For gasoline-powered passenger cars and trucks weighing 3.5 tons or less, fuel efficiency targets for 2015 were formulated in 2007, applying "top runner" criteria whereby the target value for a given vehicle weight category is established based on the leading fuel efficiency performance to date for that weight category. The 2015 target for passenger cars signifies a nearly 24% increase in average fuel efficiency compared to the 2004 level. For heavy-duty vehicles (trucks and buses with GVW>3.5 tons), fuel efficiency targets—the first in the world—were introduced in 2006. Compliance here will mean that by 2015 the average fuel efficiency of heavy-duty vehicles will increase by over 12% compared to the 2002 level. Japan's automakers are working hard to further advance fuel efficiency technologies, aiming now to comply with an even more stringent target established in 2012 for passenger cars for enforcement in 2020.

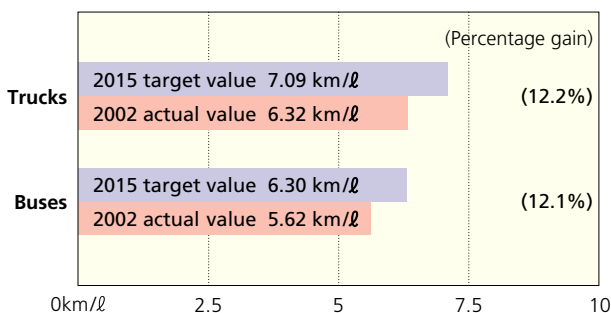
2015 AVERAGE FUEL EFFICIENCY TARGETS FOR NEW PASSENGER CARS & TRUCKS/SMALL BUSES



Note: Fuel efficiency here is JC08 test cycle-based (see page 67), and targets were established assuming the same shipment volume ratios by vehicle weight category for 2015 as those recorded in 2004.

Sources: Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure, Transport and Tourism

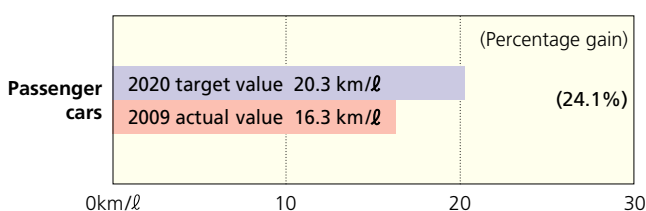
2015 AVERAGE FUEL EFFICIENCY TARGETS FOR NEW HEAVY-DUTY VEHICLES (GVW>3.5t)



Note: Fuel efficiency here is JE05 test cycle-based (see page 67), and targets were established assuming the same shipment volume ratios by vehicle weight category for 2015 as those recorded in 2002.

Sources: Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure, Transport and Tourism

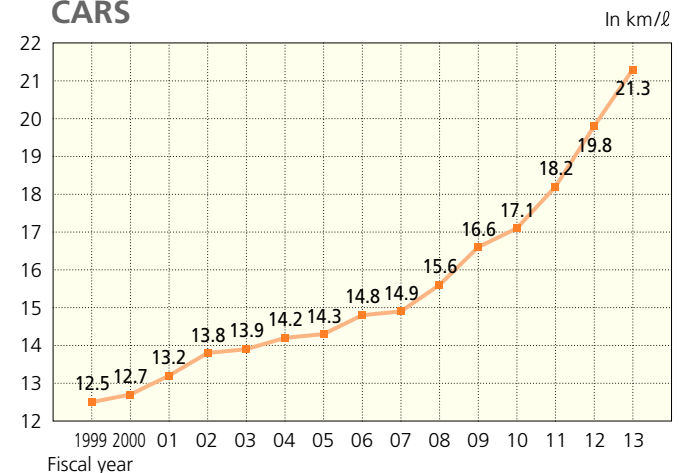
2020 AVERAGE FUEL EFFICIENCY TARGET FOR NEW PASSENGER CARS



Note: Fuel efficiency here is JC08 test cycle-based (see page 67), and the target was established assuming the same shipment volume ratios by vehicle weight category for 2020 as those recorded in 2009.

Sources: Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure, Transport and Tourism

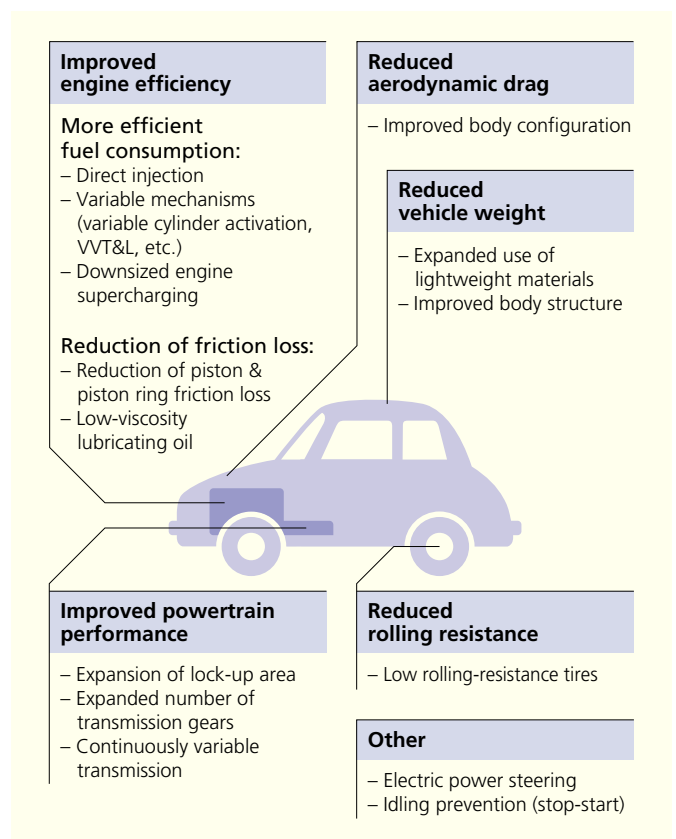
AVERAGE FUEL EFFICIENCY OF DOMESTIC NEW GASOLINE-POWERED PASSENGER CARS



Note: All figures here have been converted from their 10·15-mode test cycle values to their JC08 test cycle values (see page 67).

Source: Japan Automobile Manufacturers Association

VEHICLE TECHNOLOGIES FOR INCREASED FUEL EFFICIENCY



In-Use Status of Next-Generation Vehicles

Beginning in April 2009, when the government's tax incentive/subsidy programs for the purchase of eco-friendly vehicles were first introduced, the share of next-generation vehicles (including hybrid, plug-in hybrid, electric, fuel cell, natural gas, clean diesel, and other new-energy vehicles) in total passenger car sales surged. In 2014 about 5.15 million next-generation vehicles were in circulation in Japan, but this is still a very small number, accounting for only 6.7% of all the motor vehicles in use in Japan today. The more widespread use of these vehicles requires not only further advances in vehicle and related technologies, but also, among other government initiatives, the establishment of the necessary fuel/energy supply infrastructures and the continued provision of purchasing incentives.

TRENDS IN NEXT-GENERATION PASSENGER CAR NEW REGISTRATIONS

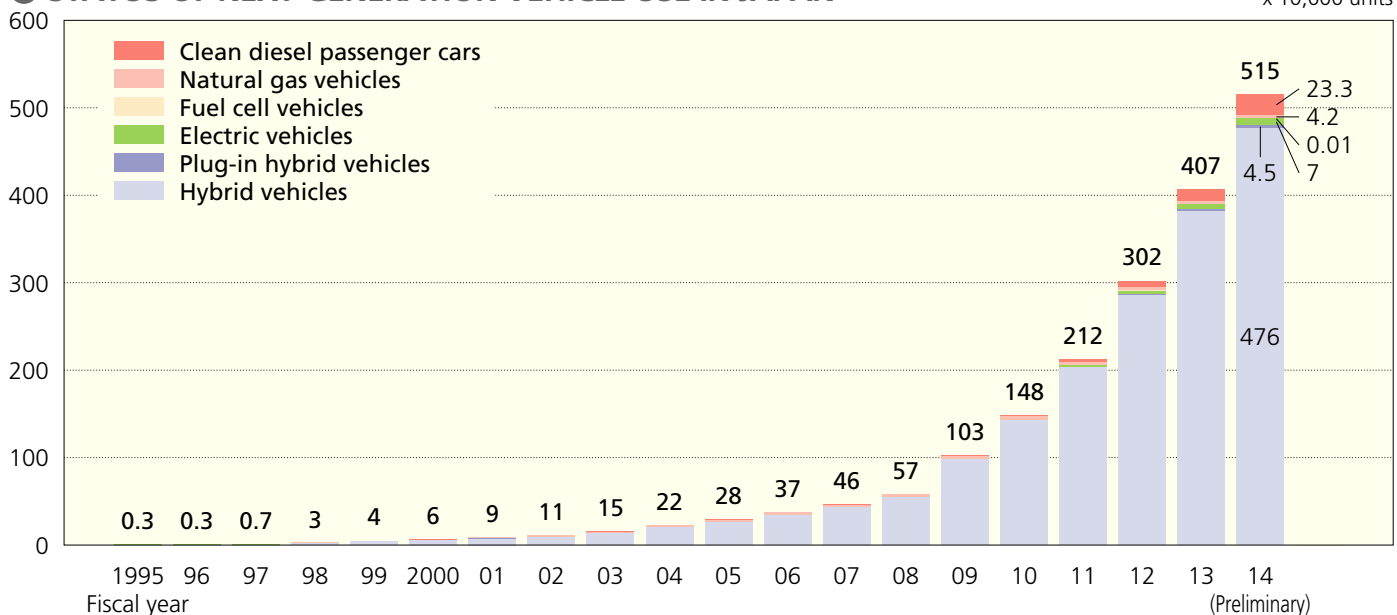
In vehicle units

Fiscal Year	2010	2011	2012	2013	2014
Hybrid vehicles	447,840	631,335	857,240	1,015,356	950,294
Plug-in hybrid vehicles	0	3,742	13,178	12,972	14,714
Electric vehicles	6,983	11,226	13,911	15,594	15,471
Fuel cell vehicles	0	0	0	0	102
Clean diesel vehicles	7,988	11,861	55,513	78,384	100,070
Total	462,811	658,164	939,842	1,122,306	1,080,651

Source: Japan Automobile Manufacturers Association

STATUS OF NEXT-GENERATION VEHICLE USE IN JAPAN

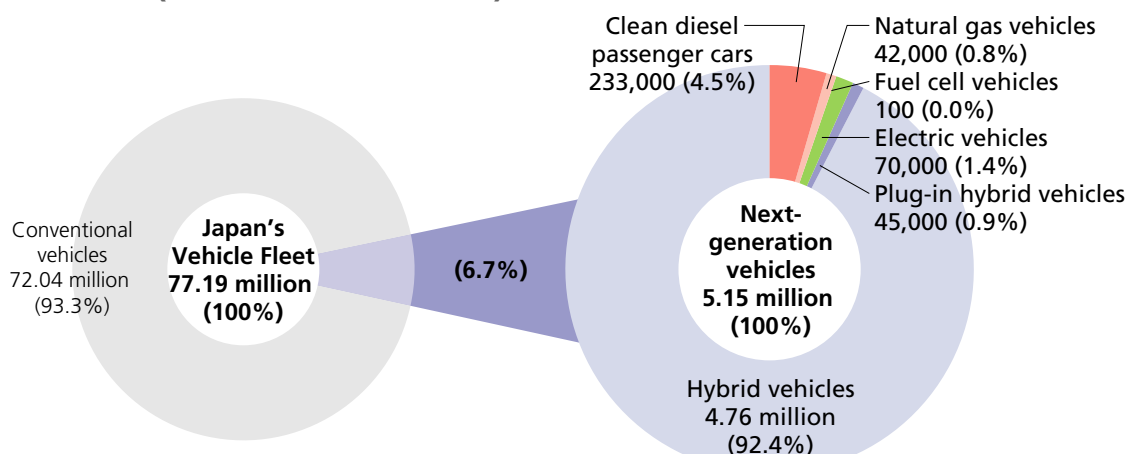
x 10,000 units



Source: Japan Automobile Manufacturers Association

COMPOSITION OF JAPAN'S VEHICLE FLEET, WITH BREAKDOWN OF NEXT-GENERATION VEHICLE SHARE (FISCAL 2014 ESTIMATE)

In vehicle units



Note: Figures are rounded off.

Source: Japan Automobile Manufacturers Association

Promoting Fuel-Conserving Ecodriving

Individual drivers can increase fuel efficiency and thus help reduce CO₂ emissions by improving their driving habits. JAMA has therefore been conducting an ongoing public-awareness campaign, in collaboration with the government and industry partners, to promote sound, fuel-conserving ecodriving practices, urging drivers to adopt the ten smart tips listed below. While the already widespread use of digital tachographs in truck fleet operations in Japan continues to expand, automakers are equipping more and more passenger cars not only with fuel efficiency gauges and systems for real-time on-screen displays of fuel efficiency performance, but also with idling-prevention (stop-start) systems and “eco-mode” buttons that activate fuel efficiency-promoting functions.

● TEN TIPS FOR FUEL-CONSERVING ECODRIVING as promoted in Japan

	<p>1. Accelerate gently.</p> <p>Think “eco-start” when you accelerate—increasing your speed at a relaxed pace, to 20km/h in 5 seconds, boosts fuel efficiency by 10%. Gentle acceleration also contributes to safer driving.</p>		<p>6. Plan your itinerary to avoid congested routes.</p> <p>Plan the route to your destination using a map or your navigation system before starting off. Check traffic information to avoid congested areas and save time and fuel. Ten minutes of unnecessary driving in a one-hour trip results in a 17% drop in fuel efficiency.</p>
	<p>2. Maintain a steady speed and keep your distance.</p> <p>Maintain a suitably steady speed for safe and fuel-efficient driving. Tailgating leads to unnecessary acceleration/deceleration, resulting in 2% and 6% lower fuel efficiency in urban and suburban areas, respectively.</p>		<p>7. Check your tire pressure regularly.</p> <p>Driving on tires whose air pressure is 50kPa (0.5kg/cm²) lower than it should be decreases fuel efficiency by 2% in urban areas and 4% in suburban areas. Timely replacement of engine oil and items such as oil filters and air cleaner elements also contributes to increased fuel efficiency.</p>
	<p>3. Slow down by releasing the accelerator.</p> <p>Releasing the accelerator when recognizing the need to slow down (e.g., at changing traffic lights) stops the fuel supply, resulting in a 2% gain in fuel efficiency. Use your engine's braking function whenever appropriate, including on downhill descents.</p>		<p>8. Reduce your load.</p> <p>Onboard weight is a key factor in fuel efficiency performance. Driving with 100kg of unnecessary onboard weight causes a 3% loss in fuel efficiency. Another factor is your vehicle's aerodynamic drag, which you can reduce by removing exterior rack equipment when not in use.</p>
	<p>4. Make appropriate use of your air conditioner.</p> <p>The AC function is for cooling and dehumidifying <i>only</i>, so don't leave your AC on when you're heating the cabin. When you do use it, be sure not to set it too low. (Continuous use of the AC functioning at 25°C when the outdoor temperature is 25°C results in a fuel efficiency loss of 12%.)</p>		<p>9. Respect parking rules and regulations.</p> <p>Don't leave your vehicle where it blocks traffic. Illegal or imprudent on-street parking causes traffic congestion which leads to increased emissions and a greater risk of accident. Roads that are not encumbered by illegally or improperly parked vehicles promote smoother traffic flow and higher fuel efficiency.</p>
	<p>5. Don't warm up or idle your engine.</p> <p>Today's passenger cars don't require warming up, so start off slowly right after turning on the ignition. When waiting or loading/unloading, make a habit of turning your engine off instead of letting it idle. Ten minutes of engine idling (with the AC off) wastes 130cc of fuel. (See notes below.)</p>		<p>10. Check the readings on your fuel efficiency-monitoring equipment.</p> <p>Be aware of your vehicle's fuel efficiency performance by consulting onboard equipment that monitors it.</p>

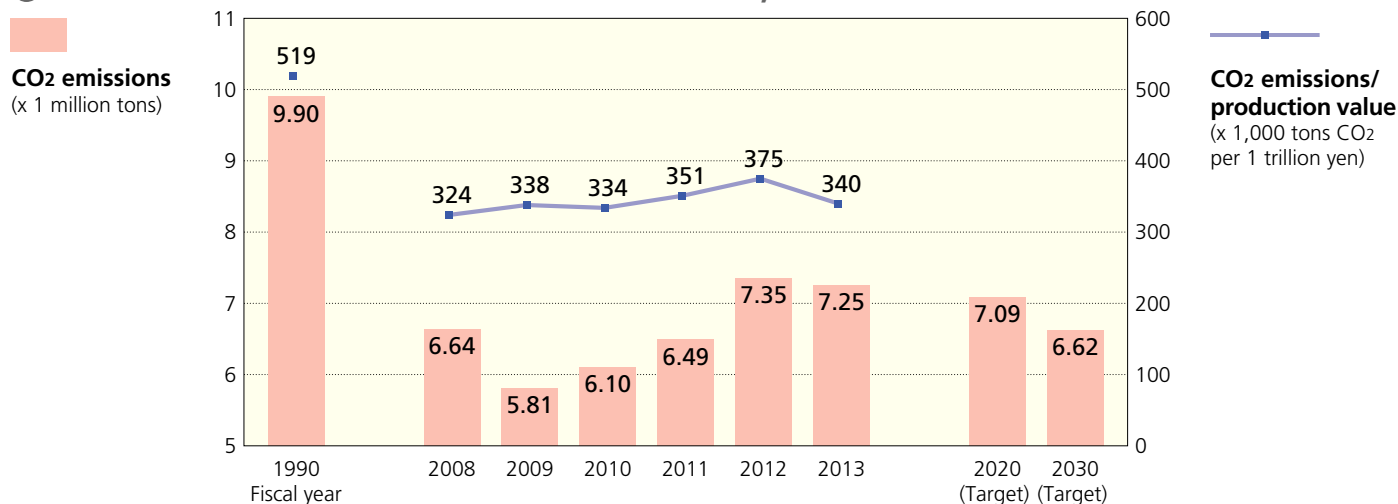
Notes: 1. Warming up a vehicle engine is necessary only in extremely cold climates (-20°C or colder) or after long periods of non-use. 2. For drivers stopping engine idling manually, i.e. by turning their vehicle's ignition off and then back on again, caution is advised as follows (but does not apply to drivers of vehicles equipped with idling-prevention systems): 1) Stepping on the brake pedal repeatedly during engine shut-down may diminish braking power; 2) Drivers not accustomed to shutting down their engines and starting them up again may experience slow or faulty restarts; 3) Excessive shutting down and restarting may drain the batteries, resulting in engine start-up failure; 4) Do not use this method when stopped at the head of a line or on a gradient, because turn signals and windshield wipers, as well as airbags and other safety features, will not function during engine shut-down.

CO₂ Reductions at Manufacturers' Facilities

Japan's automakers, together with the member companies of the Japan Auto-Body Industries Association (JABIA), have for years taken measures to reduce energy consumption and otherwise cut CO₂ emissions at their production plants. Having more recently expanded their voluntary CO₂ reduction activities to also include administrative and research facilities, their combined facility-emitted CO₂ in 2013 totalled 7.25 million tons, down 100,000 tons from the previous year. JAMA and JABIA members now aim to reduce their combined facility-emitted CO₂ to 7.09 million tons (a 28% reduction from the 1990 level) by 2020 and to 6.62 million tons (a 33% reduction from 1990) by 2030.

Note: In a departure from previous editions of this publication, the 1990-2012 figures in the chart below reflect revisions made to include CO₂ emission volumes from JAMA and JABIA members' combined facilities.

● FACILITY-GENERATED CO₂ EMISSION VOLUMES, 1990-2013



Source: Japan Automobile Manufacturers Association

Voluntary Initiatives to Reduce the Use of Hazardous Substances in Motor Vehicles

JAMA member manufacturers have, on a voluntary basis, eliminated the use of four so-called substances of concern (SOCs)—lead, mercury, hexavalent chromium and cadmium—in new vehicles to lessen their environmental impact, particularly when they are dismantled and processed at the end of their service life. Separate restrictions on the use of SOC have been established for motorcycles.

● RESTRICTIONS ON THE USE OF SUBSTANCES OF CONCERN IN NEW VEHICLES & COMPLIANCE STATUS

SOC	Restrictions	Compliance Status
Lead	As of January 2006, a 90% decrease or more from the 1996 level of 1,850 grams (i.e., a maximum permissible level of 185 grams); for large commercial vehicles including buses, a 75% decrease or more from the 1996 level (or a maximum level of 462.5 grams). Batteries are exempt.	All models have complied since January 2006.
Mercury	As of January 2005, banned except for trace amounts in safety-related components such as: - Instrument panel displays - Liquid crystal displays in navigation devices - Discharge lamps - Fluorescent cabin lamps	All models have complied since January 2003. Instrument panel displays are now mercury-free in all models, as are fluorescent cabin lamps in passenger cars. Navigation-device liquid crystal displays and discharge lamps will be mercury-free in the near future.
Hexavalent chromium	Banned as of January 2008.	All models have complied since January 2008.
Cadmium	Banned as of January 2007.	All models have complied since January 2006.

A Voluntary Approach to Reducing Vehicle Cabin VOCs

New-model passenger cars marketed in and after 2007 and new-model commercial vehicles sold in and after 2008 have met the target values established by Japan's Ministry of Health, Labor and Welfare for indoor concentration levels of 13 volatile organic compounds (VOCs). In July 2012, ISO 12219-1 was established as the global standard for restricting the use of in-cabin VOCs in passenger cars. Accordingly, JAMA's previously established VOC test procedure for passenger cars has been replaced by the ISO procedure. However, for trucks and buses not covered by the ISO standard, JAMA test methods for measuring in-cabin VOC concentration levels will remain in application. Meanwhile, automakers are working to lower in-cabin VOC concentration levels even further. This voluntary initiative applies only to vehicles that are manufactured and sold in Japan.

● COMPARISON OF JAMA AND ISO IN-CABIN VOC TEST PROCEDURES (for passenger cars)

	JAMA Procedure	ISO Procedure
Heating method	Radiation lamp heating from above the cabin (No radiation density prescribed.)	Radiation lamp heating from above the cabin (Radiation density: $400 \pm 50 \text{ W/m}^2$)
In-cabin temperature	40°C in driver's breathing zone (Note: 35°C for buses.)	No in-cabin test temperature prescribed. (Presumed to be 40°C in driver's breathing zone [compact car].)
Pre-test conditions	Cabin doors and windows left open for at least 30 minutes.	Cabin doors and windows left open for one hour.
Ambient mode	—	Cabin doors and windows closed for at least 7.5 hours, then cabin air sample-tested over a period of 30 minutes.
Parking mode (airtight state)	Cabin air sample-tested over a period of 30 minutes, 4.5 hours after reaching the prescribed temperature.	Cabin air sample-tested over a period of 30 minutes, 3.5 hours after start of heating.
Driving mode	Cabin air sample-tested over a period of 15 minutes, with engine and AC on (internal air circulation mode). (Note: 30 minutes for trucks and 120 minutes for buses.)	Cabin air sample-tested over a period of 30 minutes, with engine and AC on (external air ventilation mode).
Test procedure schematic		<p>B.G.: "Background" air, i.e., air in test chamber.</p>

Source: ISO 12219-1:2012

● TARGET VALUES FOR INDOOR CONCENTRATION LEVELS OF 13 SUBSTANCES (VOCs)

Substance	Target Value for Indoor Concentration Level	Principal Sources
Formaldehyde	100 $\mu\text{g/m}^3$ (0.08 ppm)	Adhesives for plywood, wallpaper, etc.
Toluene	260 $\mu\text{g/m}^3$ (0.07 ppm)	Adhesives/paints for interior finishing materials, furniture, etc.
Xylene	870 $\mu\text{g/m}^3$ (0.20 ppm)	Adhesives/paints for interior finishing materials, furniture, etc.
Paradichlorobenzene	240 $\mu\text{g/m}^3$ (0.04 ppm)	Moth repellents, lavatory air fresheners
Ethylbenzene	3,800 $\mu\text{g/m}^3$ (0.88 ppm)	Adhesives/paints for plywood, furniture, etc.
Styrene	220 $\mu\text{g/m}^3$ (0.05 ppm)	Insulation materials, bath units, tatami-mat core materials
Chlorpyrifos	1 $\mu\text{g/m}^3$ (0.07 ppb) (see note)	Insecticides (esp. ant exterminators)
Di- <i>n</i> -butyl phthalate	220 $\mu\text{g/m}^3$ (0.02 ppm)	Paints, pigments, adhesives
Tetradecane	330 $\mu\text{g/m}^3$ (0.04 ppm)	Kerosene, paints
Di-2-ethylhexyl phthalate	120 $\mu\text{g/m}^3$ (7.6 ppb)	Wallpaper, flooring materials, wire-coating materials
Diazinon	0.29 $\mu\text{g/m}^3$ (0.02 ppb)	Pesticides
Acetaldehyde	48 $\mu\text{g/m}^3$ (0.03 ppm)	Adhesives for construction materials, wallpaper, etc.
Fenobucarb	33 $\mu\text{g/m}^3$ (3.8 ppb)	Insecticides (esp. termite exterminators)

Note: 0.1 $\mu\text{g/m}^3$ (0.007 ppb) for children.

Global Harmonization in the Regulation of Vehicle Exhaust Emissions

Japan's vehicle exhaust emissions regulations have always been among the world's most stringent, and its automakers have worked very hard to develop the advanced technologies required to comply with them. As a result, NO_x and other atmospheric pollutant levels have been, even in large urban areas, on a steady decline. Based on the Ministry of the Environment-affiliated Central Environment Council's policy recommendations for future reductions in motor vehicle exhaust emissions (released in April 2005), comprehensive and even stricter new regulations, covering both gasoline and diesel vehicles, were implemented by the Japanese government in 2009. Japan has participated in international discussions on the global harmonization of emission test cycles and in 2010 introduced the UN test cycle for motorcycle emissions. Japan will adopt UN test cycles to measure emissions from heavy-duty diesel vehicles and from gasoline-powered passenger cars in 2016 and 2018, respectively.

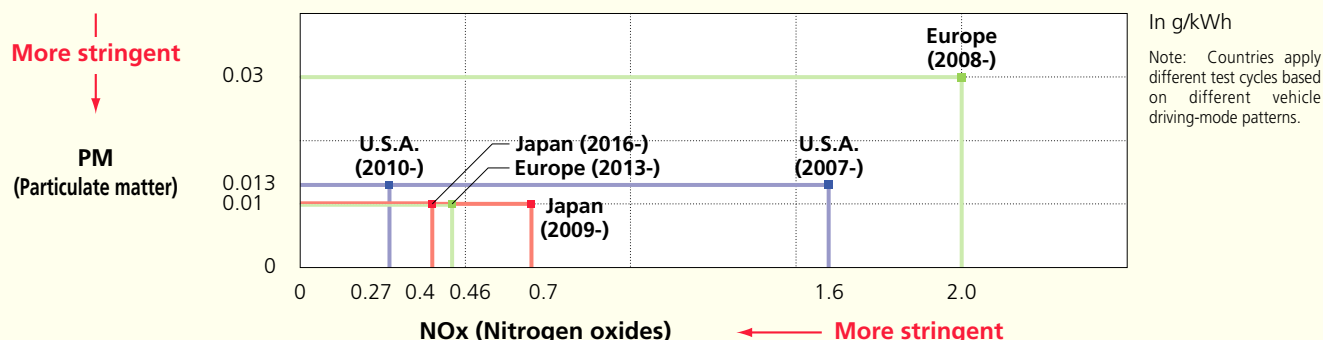
● COMPARISON OF HEAVY-DUTY DIESEL TRUCK EMISSIONS REGULATIONS

All regulatory values below apply to the heaviest truck categories. In g/kWh

	NO _x Nitrogen oxides	THC Total hydrocarbons	NMHC Non-methane hydrocarbons	CO Carbon monoxide	PM Particulate matter
Japan (GVW=Over 3.5 tons) ⁽¹⁾					
Long-term regulations (1997, 1998, 1999)	4.50	2.90	—	7.40	0.25
New short-term regulations (2003, 2004)	3.38	0.87	—	2.22	0.18
New long-term regulations (2005) ⁽²⁾	2.0	—	0.17	2.22	0.027
Post-new long-term regulations (2009, 2010)	0.7	—	0.17	2.22	0.01
Future regulations (2016, 2017, 2018)	0.4	—	0.17	2.22	0.01
U.S.A. (GVW=Over 3.85 tons)					
1998 standard	5.36	1.74	—	20.78	0.134
2004 standard	Automobile manufacturers must comply with one of the following: 1) NO _x + NMHC 3.22 2) NO _x + NMHC 3.35 with mandatory NMHC value of 0.67			20.78	0.134
2007 standard ⁽³⁾	0.27 (1.6)	—	0.188	20.78	0.013
2010 standard	0.27	—	0.188	20.78	0.013
Europe (GVW=Over 3.5 tons)					
EURO II (1995)	7.0	1.1	—	4.0	0.15
EURO III (2000) ⁽⁴⁾	Transient mode	5.0	0.78	5.45	0.16
	Steady state mode	(5.0)	(0.66)	(2.1)	(0.10)
EURO IV (2005)	Transient mode	3.5	0.55	4.0	0.03
	Steady state mode	(3.5)	(0.46)	(1.5)	(0.02)
EURO V (2008)	Transient mode	2.0	0.55	4.0	0.03
	Steady state mode	(2.0)	(0.46)	(1.5)	(0.02)
EURO VI (2013)	Transient mode	0.46	0.16	4.0	0.01
	Steady state mode	(0.4)	(0.13)	(1.5)	(0.01)
EEV ⁽⁵⁾	Transient mode	2.0	0.40	3.0	0.02
	Steady state mode	(2.0)	(0.25)	(1.5)	(0.02)

(1) GVW (gross vehicle weight) (Japan) = Vehicle weight + Maximum load + Maximum occupants x 55 kg. Weight per occupant and other details slightly differ from those of U.S. and European regulations. (2) Japan's 1997-2004 regulations applied to the over-2.5t GVW vehicle category; regulations as of 2005 apply to the over-3.5t GVW vehicle category. (3) The U.S.'s 2007 standard permitted an NO_x compliance level of around 1.6g until 2010 depending on engine family type. (4) EURO III (Europe): All vehicle categories were regulated in the steady state (ESC) mode only, except DPF- and NO_x reduction catalyst-equipped vehicles, which were regulated in both the steady state (ESC) and transient (ETC) modes. Beginning with EURO IV, all vehicle categories, whether DPF- and NO_x reduction catalyst-equipped or not, are regulated in both modes. (5) EEV (Europe): Enhanced Environmentally Friendly Vehicles. EEV regulations constitute a special category and are applied by EU member countries only in specific instances when urban air quality is particularly poor (for example, when temporary restrictions on vehicle circulation in cities are enforced). Emission values indicated are provisional.

● COMPARISON OF HEAVY-DUTY DIESEL TRUCK EMISSIONS REGULATIONS (PM and NO_x)



● MOTOR VEHICLE EMISSIONS REGULATIONS IN JAPAN

Vehicle Type			Current Regulations				Future Regulations				
			Test cycle	Year enforced	Emission	Regulatory value (Average)	Test cycle	Year enforced	Emission	Regulatory value (Average)	
Gasoline and LPG Vehicles	Passenger cars		JC08 (g/km) (1)	2009	CO	1.15	WLTP (g/km) (2)	2018	CO	1.15	
					NMHC	0.05			NMHC	0.10	
					NOx	0.05			NOx	0.05	
			JC08 (g/km) (1)	2009	PM (3)	0.005			WLTP (g/km) (2)	2018	PM (3)
	Trucks and buses	Mini	JC08 (g/km) (1)	2009	CO	4.02	WLTP (g/km) (2)	2019	CO	4.02	
					NMHC	0.05			NMHC	0.10	
					NOx	0.05			NOx	0.05	
			JC08 (g/km) (1)	2009	PM (3)	0.005			WLTP (g/km) (2)	2019	PM (3)
		Light-duty (GVW≤1.7t)	JC08 (g/km) (1)	2009	CO	1.15	WLTP (g/km) (2)	2018	CO	1.15	
					NMHC	0.05			NMHC	0.10	
					NOx	0.05			NOx	0.05	
			JC08 (g/km) (1)	2009	PM (3)	0.005			WLTP (g/km) (2)	2018	PM (3)
		Medium-duty (1.7t<GVW≤3.5t)	JC08 (g/km) (1)	2009	CO	2.55	WLTP (g/km) (2)	2019	CO	2.55	
					NMHC	0.05			NMHC	0.15	
					NOx	0.07			NOx	0.07	
			JC08 (g/km) (1)	2009	PM (3)	0.007			WLTP (g/km) (2)	2019	PM (3)
		Heavy-duty (GVW>3.5t)	JE05 (g/kWh)	2009	CO	16.0	(Continued application of current regulations)				
					NMHC	0.23					
					NOx	0.7					
			PM (3)	0.01							
Diesel Vehicles	Passenger cars (4)		JC08 (g/km) (1)	2009	CO	0.63	WLTP (g/km) (2)	2018	CO	0.63	
					NMHC	0.024			NMHC	0.024	
					NOx	0.08			NOx	0.15	
					PM	0.005			PM	0.005	
	Trucks and buses	Light-duty (GVW≤1.7t)	JC08 (g/km) (1)	2009	CO	0.63	WLTP (g/km) (2)	2018	CO	0.63	
					NMHC	0.024			NMHC	0.024	
					NOx	0.08			NOx	0.15	
					PM	0.005			PM	0.005	
		Medium-duty (1.7t<GVW≤3.5t)	JC08 (g/km) (1)	2009 (5)	CO	0.63	WLTP (g/km) (2)	2019	CO	0.63	
					NMHC	0.024			NMHC	0.024	
					NOx	0.15			NOx	0.24	
					PM	0.007			PM	0.007	
		Heavy-duty (GVW>3.5t)	JE05 (g/kWh)	2009 (5)	CO	2.22	WHTC (g/kWh) (6)	2016	CO	2.22	
					NMHC	0.17			NMHC	0.17	
					NOx	0.7			NOx (7)	0.4	
					PM	0.01			PM	0.01	
	Motorcycles	Motor-driven cycles Class 1		WMTC (g/km) (8)	2010	CO	2.2				
		Motor-driven cycles Class 2		WMTC (g/km) (8)	2010	THC	0.45				
						NOx	0.16				
CO						2.2					
Mini-sized motorcycles		WMTC (g/km) (8)	2010	THC	0.45						
				NOx	0.16						
				CO	2.62						
Small-sized motorcycles		WMTC (g/km) (8)	2010	THC	0.27						
				NOx	0.21						
				CO	2.62						
Class I motorcycles*		WMTC (g/km) (8)	2010	THC	0.27						
				NOx	0.21						
				CO	2.62						
Class I motorcycles*		Under 0.150ℓ in engine capacity with a maximum speed of 50km/h, or under 0.150ℓ in engine capacity with a maximum speed of 99km/h. *Equivalent to motor-driven cycles, Class 1 and Class 2.				WMTC (g/km) (8)	2016	CO	1.14		
								THC	0.30		
								NOx	0.07		
Class II motorcycles*		Under 0.150ℓ in engine capacity with a maximum speed of <130km/h, or 0.150ℓ or over in engine capacity with a maximum speed of <130km/h. *Equivalent to mini-sized and small-sized motorcycles with a maximum speed of <130km/h.				WMTC (g/km) (8)	2016	CO	1.14		
								THC	0.20		
								NOx	0.07		
Class III motorcycles*		With a maximum speed of ≥130km/h. *Equivalent to mini-sized and small-sized motorcycles with a maximum speed of ≥130km/h.				WMTC (g/km) (8)	2016	CO	1.14		
								THC	0.17		
								NOx	0.09		

(1) All vehicles weighing 3.5t or less are regulated on the basis of (values measured in cold-start state in JC08 test cycle) x 0.25 + (values measured in warm-start state in JC08 test cycle) x 0.75. (2) WLTP: Worldwide harmonized Light vehicles Test Procedure, on the basis of values measured in cold-start state. (3) PM values apply only to direct-injection, lean-burn vehicles equipped with absorption-type NOx reduction catalysts. (4) Small-sized diesel passenger cars have an equivalent inertia weight (EIW) of 1.25t (GVW of 1.265t) or less, and mid-sized diesel passenger cars have an EIW over 1.25t. (5) Enforced since 2010 for medium-duty diesel vehicles (1.7t<GVW≤2.5t) and heavy-duty diesel vehicles (3.5t<GVW≤12t). (6) WHTC: World Harmonized Transient Cycle, on the basis of (values measured in cold-start state) x 0.14 + (values measured in warm-start state) x 0.86. (7) Enforcement: 2016 for GVW>7.5t; 2017 for tractors; 2018 for 3.5t<GVW≤7.5t. (8) World Motorcycle Test Cycle.

Note: CO: Carbon monoxide; NMHC: Non-methane hydrocarbons; THC: Total hydrocarbons; NOx: Nitrogen oxides; PM: Particulate matter.

Sources: Ministry of the Environment; Ministry of Land, Infrastructure, Transport and Tourism

Improving Air Quality

Japan's central government as well as local governments in major metropolitan areas have implemented measures to address air quality problems caused by motor vehicles. In accordance with national legislation aimed at curbing nitrogen oxide (NOx) and particulate matter (PM) emissions, the issuance of inspection-compliance certification is prohibited for vehicles that fail to meet the legal standards at inspection time. Moreover, local governments in major metropolitan areas have introduced additional regulations for diesel trucks and buses for the specific purpose of reducing PM emissions. Enforcement of those regulations means that restrictions are imposed on diesel vehicle circulation in the areas concerned.

● PROVISIONS OF THE NATIONAL AUTOMOTIVE NOx AND PM LAW/ DIESEL TRUCK & BUS PM EMISSION REGULATIONS FOR MAJOR METROPOLITAN AREAS

	Provisions of the National Automotive NOx and PM Law (Major Metropolitan Areas)	Provisions of PM Emission Regulations for Diesel Vehicles (Major Metropolitan Areas)
Areas Regulated	Tokyo and Aichi, Chiba, Hyogo, Kanagawa, Mie, Osaka, and Saitama (designated areas)	Tokyo (except for islands) and Chiba, Kanagawa, and Saitama (all areas); Hyogo (designated areas); Osaka (same areas as those designated under the Automotive NOx & PM Law)
Vehicle Types Regulated	Diesel, gasoline, and LPG trucks and buses Diesel passenger cars	Diesel trucks and buses Note: Not applicable to diesel passenger vehicles with up to 10-passenger occupancy.
Substances Regulated	NOx and PM	PM only NOx and PM in Hyogo and Osaka
Regulatory Values in Force	Trucks and Buses GVW = Gross vehicle weight GVW=1.7 tons & under: NOx: 0.48g/km (same as 1988 regulatory value for new gasoline vehicles) PM: 0.055g/km (half the 2002 regulatory value for new diesel vehicles) GVW=Over 1.7 tons to 2.5 tons: NOx: 0.63g/km (same as 1994 regulatory value for new gasoline vehicles) PM: 0.06g/km (half the 2003 regulatory value for new diesel vehicles) GVW=Over 2.5 tons to 3.5 tons: NOx: 5.9g/kWh (same as 1995 regulatory value for new gasoline vehicles) PM: 0.175g/kWh (half the 2003 regulatory value for new diesel vehicles) GVW=Over 3.5 tons: NOx: 5.9g/kWh (same as 1998-1999 regulatory value for new diesel vehicles) PM: 0.49g/kWh (same as 1998-1999 regulatory value for new diesel vehicles) Passenger Cars NOx: 0.48g/km (same as 1978 regulatory value for new gasoline vehicles) PM: 0.055g/km (half the 2002 regulatory value for new diesel vehicles)	In Chiba and Kanagawa, same as 1997, 1998, and 1999 regulatory values for new diesel trucks and buses In Tokyo and in Saitama, same as 2002, 2003, and 2004 regulatory values for new diesel trucks and buses In Hyogo and Osaka, same values as those mandated by the Automotive NOx & PM Law
Specific Provisions	New Vehicles In regulated areas, new vehicles not meeting the standards cannot be registered. Vehicles in Use Regulated vehicles whose principal places of use (as declared in their inspection certificates) fall in regulated areas and that do not meet the standards will not be granted inspection certification after grace periods have expired. Note: Vehicles whose principal places of use (as declared in their inspection certificates) do not fall in regulated areas can travel through regulated areas even if they do not meet the standards.	New Vehicles No restriction. Vehicles in Use Vehicles not meeting the standards are prohibited from travelling through regulated areas after grace periods have expired. In Osaka, vehicles not meeting the standards are prohibited from travelling on roads directly accessing regulated areas. In Tokyo and in Chiba, Kanagawa, and Saitama, vehicles equipped with local government-specified PM reduction systems are deemed to be in compliance with the standards. Note: Applicable to diesel trucks and buses registered anywhere in Japan and travelling through regulated areas.
Grace Periods	From first registration: ● Small trucks 8 years etc. ● Diesel passenger cars 9 years etc. ● Standard trucks 9 years etc. ● Minibuses 10 years etc. ● Large buses 12 years etc.	Seven years from first registration, regardless of vehicle type (truck or bus) Note: In Chiba, vehicles neither registered in nor travelling through areas designated under the Automotive NOx & PM Law will be exempted for a period of 12 years, provided vehicle owners apply for such an exemption. In Hyogo, grace periods differ according to year of first registration and vehicle type. In Osaka, grace periods are the same as those specified in the Automotive NOx & PM Law.

Promoting Vehicles with Greater Fuel Efficiency and Lower Emissions

Vehicles with greater fuel efficiency help counter global warming through their reduced emission of CO₂, while vehicles with reduced tailpipe emissions help improve air quality. The Japanese government has established motor vehicle environmental performance certification criteria keyed to Japan's latest fuel efficiency and emission standards. Trucks and buses that comply with NO_x (nitrogen oxides) and PM (particulate matter) emissions requirements are also certified, separately. To boost widespread public awareness of vehicles with advanced fuel efficiency and/or low emissions, such vehicles are identified with appropriately coded stickers.

● CERTIFICATION FOR VEHICLES WITH ADVANCED FUEL EFFICIENCY

For Gasoline and Diesel Passenger Cars

Performance Criteria	Vehicle Sticker
Compliant +20% with 2020 fuel efficiency standards	
Compliant +10% with 2020 fuel efficiency standards	
Compliant with 2020 fuel efficiency standards	
Compliant +20% with 2015 fuel efficiency standards	
Compliant +10% with 2015 fuel efficiency standards	
Compliant +5% with 2015 fuel efficiency standards	
Compliant with 2015 fuel efficiency standards	

Note: Fuel efficiency is JC08 test cycle-based.

For Small Trucks and Buses with GVW≤2.5t

Performance Criteria	Vehicle Sticker
Compliant +35% with 2015 fuel efficiency standards	
Compliant +25% with 2015 fuel efficiency standards	
Compliant +20% with 2015 fuel efficiency standards	
Compliant +15% with 2015 fuel efficiency standards	
Compliant +10% with 2015 fuel efficiency standards	
Compliant +5% with 2015 fuel efficiency standards	
Compliant with 2015 fuel efficiency standards	

Note: Fuel efficiency is JC08 test cycle-based.

For Trucks and Buses with GVW>2.5t

Performance Criteria	Vehicle Sticker
Compliant +35% with 2015 fuel efficiency standards	
Compliant +25% with 2015 fuel efficiency standards	
Compliant +15% with 2015 fuel efficiency standards	
Compliant +10% with 2015 fuel efficiency standards	
Compliant +5% with 2015 fuel efficiency standards	
Compliant with 2015 fuel efficiency standards	

Note: Fuel efficiency is JC08 or JE05 test cycle-based.

● CERTIFICATION FOR VEHICLES WITH LOW EMISSIONS

Performance Criteria	Vehicle Sticker
Emissions down by 10% from 2009 standards	
Emissions down by 75% from 2005 standards	
Emissions down by 50% from 2005 standards	

● CERTIFICATION FOR TRUCKS AND BUSES WITH LOW NO_x & PM EMISSIONS

Performance Criteria	Vehicle Sticker
Compliant with 2009 emission standards	
Compliant with 2005 emission standards	
Compliant with other designated NO _x and PM emission standards	

Vehicle Recycling and Waste Reduction

Under Japan's End-of-Life Vehicle (ELV) Recycling Law which entered into force in January 2005, automobile manufacturers and importers are responsible for recovery, recycling and appropriate disposal with respect to fluorocarbons, airbags, and automobile shredder residue (ASR). Compliance with the law was anticipated to enable ASR to be recycled at a rate of 70% by 2015, resulting in an automobile recycling rate, by vehicle weight, of 95% (as compared with the 80% rate prevailing prior to the introduction of the law); those rates were in fact surpassed in 2008. Japan's vehicle recycling infrastructure as mandated by its ELV Recycling Law is the first in the world to administer the entire process of auto recycling—from ELV recovery to final disposal—on the basis of electronic “manifests” (or compliance checklists). JAMA itself played a central role in the development and implementation of this advanced vehicle recycling system; it has, moreover, provided continuous cooperation in, and financial support for, the development, maintenance, and upgrading of related systems. In line with legislative provisions promoting the so-called 3-R initiatives (“reduce, reuse, and recycle”), Japan's automakers are also striving to design vehicles using lightweight materials that are easy to dismantle and recycle, and to reduce and recycle waste generated in the manufacturing process. In 2013 the volume of auto plant-generated waste destined for landfill disposal totalled 400 tons, representing a 99.9% decrease from the 1990 level and surpassing by a very wide margin the 2015 target of 10,000 tons.

● INDUSTRY MEASURES IN LINE WITH NATIONAL LEGISLATION

	Promotion of Effective Utilization of Resources Law (the “3-R” Law)		Distribution, Servicing and Use	End-of-Life Vehicle Recycling Law
	Product Design	Waste Management		ELV Recycling
“Reduce” initiatives	For designated products: - Weight reduction/ Downsizing - Longer product life - Reduced use of hazardous substances	For designated areas of activity: - Reduction/recycling of designated waste products generated in vehicle manufacturing operations: 1) Scrap metals 2) Casting sand residue		Basic premise: - Environmentally responsible vehicle design on the part of automobile manufacturers
“Reuse” initiatives	For designated products: - Use of recyclable materials			
“Recycle” initiatives	- Ease of dismantling - Ease of sorting - Non-hazardous recycling - Materials identification	- Total waste volume*: 1990 (baseline): 352,000 tons ↓ 2013: 400 tons (a 99.9% reduction from 1990) JAMA target: 10,000 tons by fiscal 2015 *For landfill disposal, including scrap metals, casting sand residue, and other waste		- Recovery and recycling of: 1) Fluorocarbons 2) Airbags 3) ASR Note: Motorcycles are not covered by the ELV Recycling Law.

● ELV RECOVERY IN NUMBERS

In vehicle units

Fiscal Year		2013	2014
No. of ELVs recovered		3,433,356	3,331,901
Appropriate disposal of three designated items	Fluorocarbons	2,911,189	2,904,066
	Airbags (1)	2,273,857	2,403,905
	ASR (2)	3,391,740	3,330,462

(1) Through recovery/appropriate disposal of inflators or through onboard deactivation.
(2) Covers all categories of processors, whether for direct disposal or for transfer to other markets.

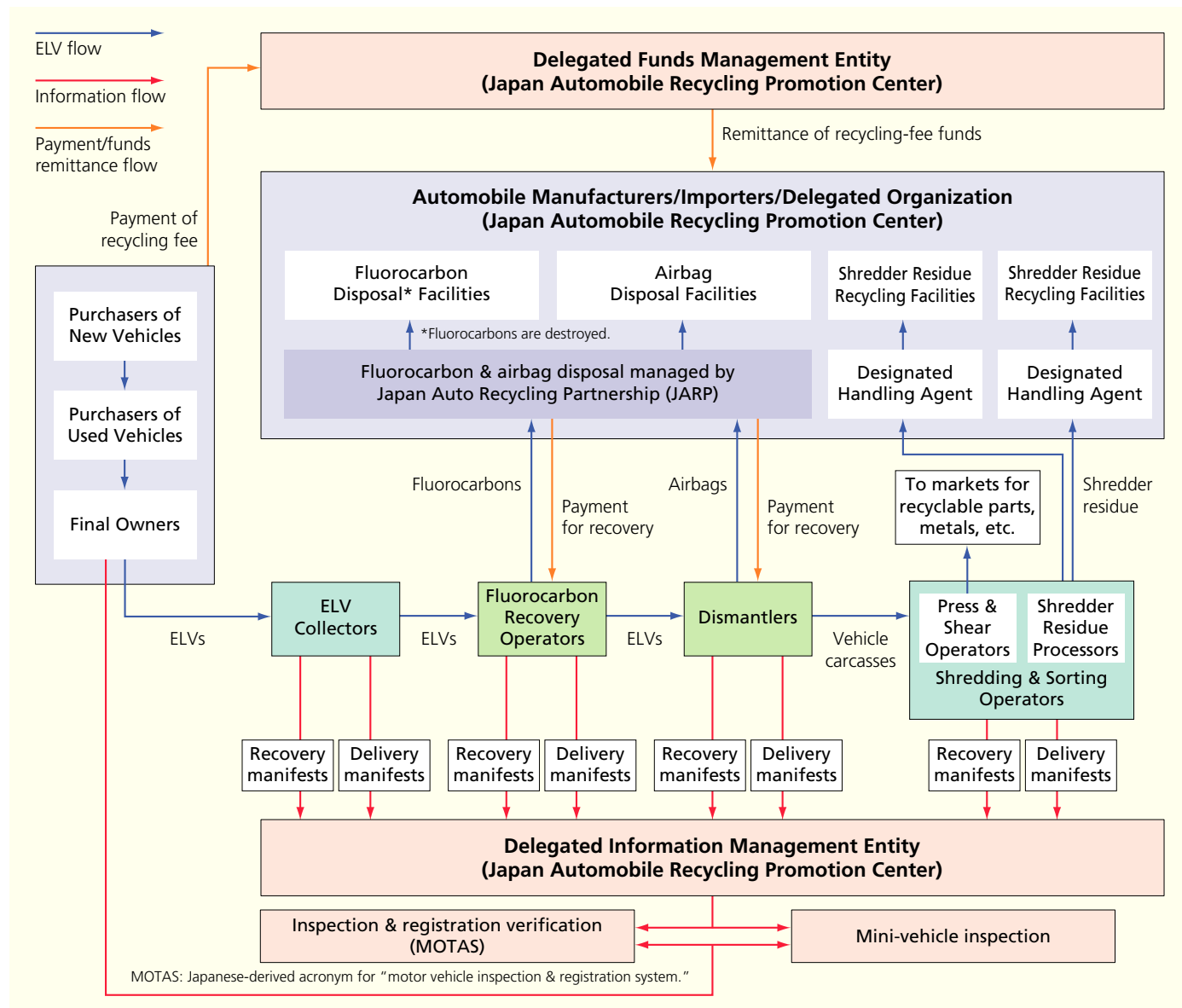
Source: Japan Automobile Recycling Promotion Center

● RECYCLING RATES: TARGETED & ACHIEVED

Three Designated Items	Target	Achieved
Fluorocarbons	Destruction	2.91 million vehicle units (2013)
Airbags	85%	94-95% (2013)
ASR	2005: 30% 2010: 50% 2015: 70%	96-97.7% (2013)

Sources: Government-affiliated entities

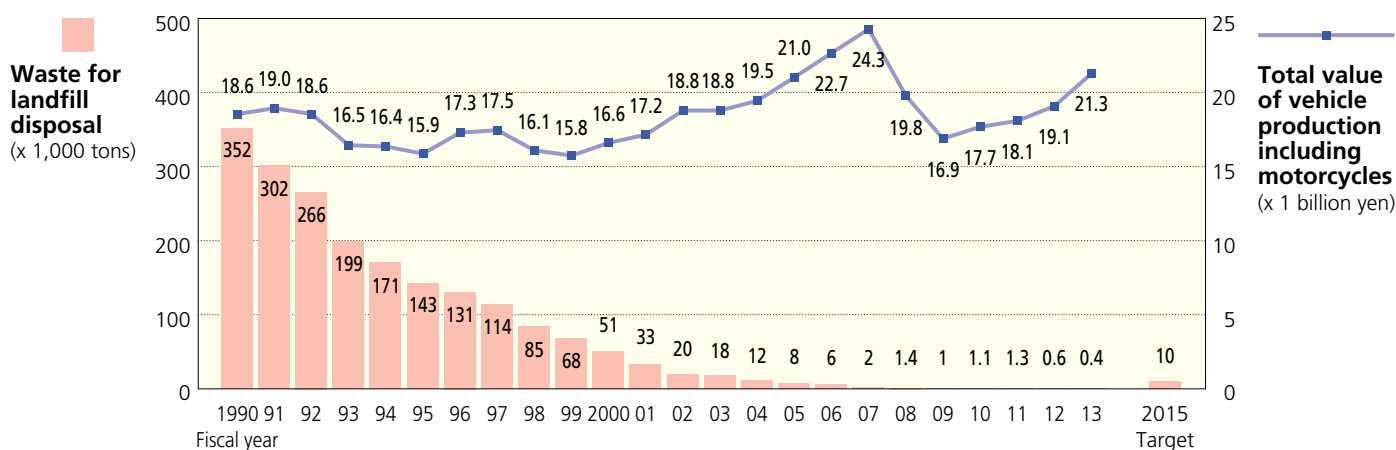
● THE ELV RECYCLING FLOW (as per the provisions of the End-of-Life Vehicle Recycling Law)



Note: The Japan Automobile Recycling Promotion Center assumes the same responsibilities as automobile manufacturers and importers when an ELV has no manufacturer representation under the provisions of this law. It also assumes transport-to-mainland costs for ELVs turned in on Japan's smallest islands.

● REDUCTIONS IN PRODUCTION PLANT-GENERATED WASTE

As a result of the efforts made by Japan's automobile manufacturers, the total volume of auto plant-generated waste destined for landfill has decreased dramatically. It surpassed the 2015 target of 10,000 tons for the first time in 2005, shrinking more than 97% from the 1990 baseline level to 8,000 tons. In 2013 plant-generated waste totalled 400 tons, marking not only a decrease from the previous year, but also a 99.9% reduction from the 1990 level—and thus very significantly surpassing the 2015 target.

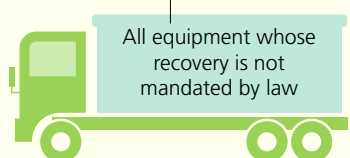
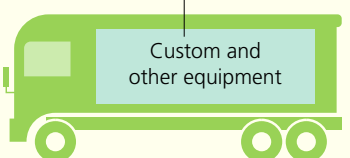


Source: Japan Automobile Manufacturers Association

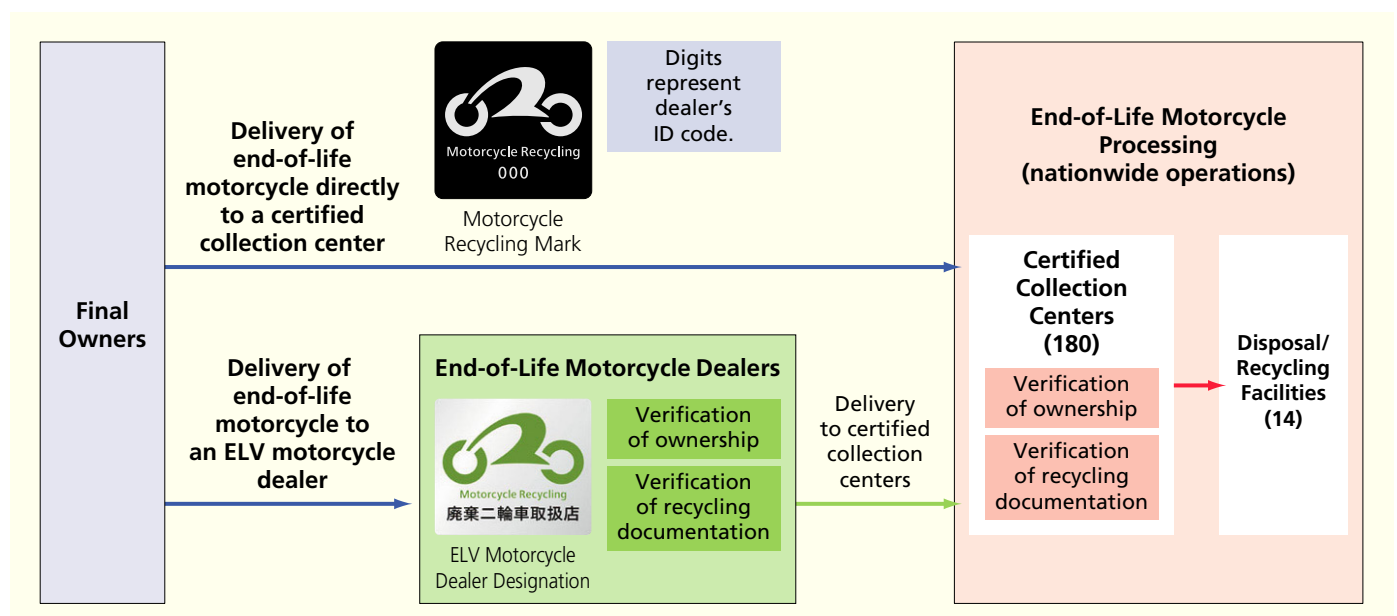
Voluntary Initiatives to Recycle Commercial Vehicle Rack Equipment and Motorcycles

Japan's End-of-Life Vehicle Recycling Law does not cover some types of commercial vehicle rack and custom equipment, nor does it cover motorcycles. In response, JAMA, in cooperation with the Japan Auto-Body Industries Association, promotes the voluntary development and use of rack equipment that is easy to dismantle and contains minimal amounts of hazardous substances. JAMA has also introduced a recycling-and-disposal system for such equipment and encourages operator participation in the system. As of January 2015, a total of 160 operators across Japan are participating in this system voluntarily. Meanwhile, since October 2004 JAMA's four motorcycle-manufacturing members, along with 12 motorcycle importers, have been voluntarily operating a recycling system under which motorcycle dealers nationwide sell only vehicles that feature an official motorcycle recycling mark, enabling, without any additional charge to their final owners, their recovery and processing through the proper disposal channels at the end of their service life. In October 2011, the motorcycle recycling fee was eliminated for vehicles sold prior to the introduction of the motorcycle recycling system seven years earlier. The disposal of municipally-owned end-of-life motorcycles requires advance approval by the Japan Automobile Recycling Promotion Center.

● COMMERCIAL VEHICLE RACK EQUIPMENT NOT COVERED BY THE END-OF-LIFE VEHICLE RECYCLING LAW

Voluntary Recovery (from Cab-Type Vehicles)		Voluntary Recovery (from Single-Body Vehicles)		Vehicles Not Covered by the End-of-Life Vehicle Recycling Law	
(Color code explains cost burden placement.)		(Color code explains cost burden placement.)			
					
Cost Burden for Equipment Not Covered by the Law		The End-of-Life Vehicle Recycling Law does not cover some types of rack and custom equipment for commercial vehicles. Recovery costs through final disposal are therefore not included in the vehicle recycling fee but rather market-determined.		Van-type CVs such as:	
Cost Burden for Equipment Covered by the Law		For all commercial vehicle rack equipment covered by the End-of-Life Vehicle Recycling Law, including single-body vehicle equipment (exclusive of custom equipment), the vehicle recycling fee covers the entire cost of recovery through final disposal.		Tank-type CVs such as:	
				Hauling CVs such as:	
				Special-purpose CVs such as:	

● THE MOTORCYCLE RECYCLING FLOW

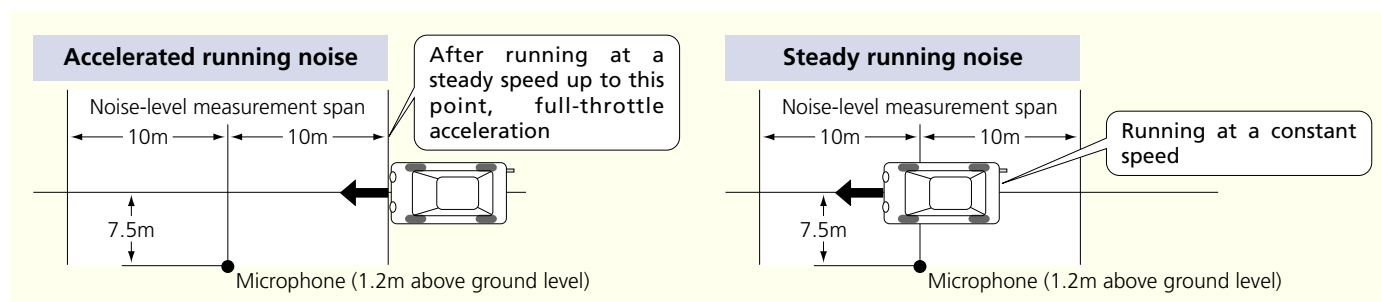


Note: The cost of ELV motorcycle delivery from ELV dealers to certified collection centers is financed by the motorcycle manufacturers on the basis of the consumer's recycling fee paid at the time of motorcycle purchase.
Source: Japan Automobile Recycling Promotion Center

Reducing Automobile-Emitted Noise

Automobiles generate various kinds of noise, including the noise emitted by the engine, intake system, powertrain, and cooling and exhaust systems. Tires also generate tire/road noise. Automotive noise in Japan is regulated by standards—on accelerated running noise, steady running noise, and stationary exhaust proximity noise—which have become progressively more stringent, requiring automakers to develop the technologies necessary for compliance. As regards the noise intentionally emitted through tampered mufflers, which has been recognized as a public nuisance, strengthened regulations in effect since April 2010 mandate a) that mufflers be tamper-resistant so as to prevent the alteration of their noise-suppression mechanism, and b) that replacement mufflers not only meet Japan's relevant noise standards through type approval compliance but also be ID-marked accordingly. Although very significant progress has been made as a result of all of these efforts, the Japanese government's Central Environment Council is nevertheless working on the updating of noise regulations in line with the results of studies conducted under the United Nations' World Forum for Harmonization of Vehicle Regulations (WP.29). Accordingly, in its "New Measures for Reducing Automobile-Emitted Noise" released in April 2012, the government announced its intention to introduce, beginning in 2014, UN R41-04, the new international standard on motorcycle acceleration noise, as well as UN R117-02, to regulate tire noise generated by passenger cars, trucks and buses. Meanwhile, the Forum's Working Party on Noise continues to discuss the quietness of electric vehicles and hybrid vehicles running at low speed, with a view to creating a global technical standard in this regard.

PROCEDURES FOR TESTING MOTOR VEHICLE NOISE LEVELS



OVERVIEW OF JAPAN'S MOTOR VEHICLE NOISE REGULATIONS (for accelerated running noise) In dB(A)

Passenger Cars, Trucks and Buses					Regulation				
Vehicle Type			1971	1976-1977	1979	1982-1987	1998-2001		
Large-sized vehicles	Vehicles with GVW>3.5 tons and maximum engine output>150 kW	4WD vehicles, etc.					82		
		Trucks	92	89	86	83	81		
		Buses							
Medium-sized vehicles	Vehicles with GVW>3.5 tons and maximum engine output≤150 kW	4WD vehicles, etc.					81		
		Trucks	89	87	86	83	80		
		Buses							
Small-sized vehicles	Vehicles with GVW≤3.5 tons	Other than mini-vehicles	85	83	81	78	76		
		Mini-vehicles							
Passenger cars	Vehicles exclusively for the transport of passengers, with up to 10-passenger occupancy	Over 6 occupants	84	82	81	78	76		
		6 occupants or fewer							

Notes: 1. In pre-1987 regulations, "150 kW" reads "200 horsepower." 2. "4WD vehicles, etc." includes 4WDs, tractors, and cranes.

Motorcycles						
Vehicle Type		Regulation				
		1971	1976-1977	1979	1982-1987	1998-2001
Small-sized motorcycles	Over 250cc	86				
Mini-sized motorcycles	126cc-250cc	84	83	78	75	73
Class III (see note)	Over 50 (PMR*-based)	Mini-sized and small-sized motorcycles under the current classification				
Motor-driven cycles Class 2	51cc-125cc	82	79	75	72	71
Class II (see note)	26-50 (PMR*-based)	Mostly Class 2 but also some Class 1 motor-driven cycles and some mini-sized motorcycles under the current classification				
Motor-driven cycles Class 1	50cc & under	80	79	75	72	71
Class I (see note)	25 & under (PMR*-based)	Class 1 motor-driven cycles under the current classification				

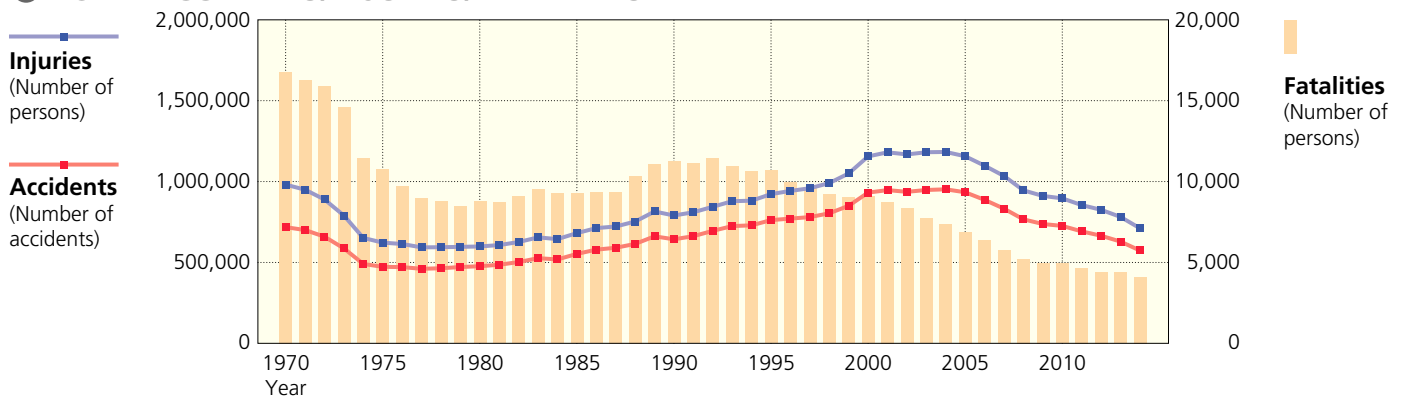
*PMR: Power-to-mass ratio. Note: Beginning in 2014, for noise regulation purposes, motorcycles in Japan will be classified (based on their PMR values) under the Class I, II and III categories, and the Class 1 motor-driven cycle, Class 2 motor-driven cycle, mini-sized motorcycle and small-sized motorcycle categories will no longer apply.

Source: Ministry of the Environment

Road Accidents and Resulting Fatalities and Injuries Continue to Decline

In 2014 road fatalities (defined as occurring within 24 hours after the accident) in Japan fell for the fourteenth straight year, to a total of 4,113. Road accidents and road injuries also declined, for the tenth consecutive year, to 573,842 and 711,374 respectively. Increased seatbelt use is one of the major factors behind the downward trend in road fatalities. The June 2008 revision to the Road Traffic Act requires all automobile passengers, including rear-seat occupants, to use seatbelts. Although the rate of use of rear seatbelts in 2014 stood at 35.1% on regular roads and at 70.3% on expressways, those rates remain low compared to the rate of use of front seatbelts, which approaches 100%. Further measures are needed to encourage rear-seat occupants to buckle up.

ROAD ACCIDENTS/INJURIES/FATALITIES



ROAD ACCIDENTS/INJURIES/FATALITIES (exact figures)

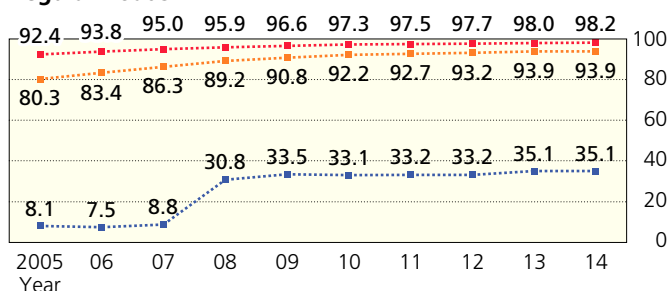
Year	1970	1975	1980	1985	1990	1995	2000	2005	2010	2011	2012	2013	2014
Accidents	718,080	472,938	476,677	552,788	643,097	761,794	931,950	934,339	725,903	692,056	665,138	629,021	573,842
Injuries (Number of persons)	981,096	622,467	598,719	681,346	790,295	922,677	1,155,707	1,157,115	896,294	854,610	825,396	781,494	711,374
Fatalities (Number of persons)	16,765	10,792	8,760	9,261	11,227	10,684	9,073	6,927	4,922	4,663	4,411	4,373	4,113

Source: National Police Agency

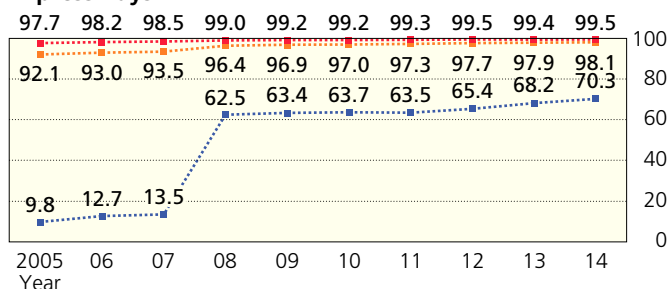
SEATBELT USE RATES BY SEAT POSITION

Driver's seat Front passenger's seat Rear seat In %

Regular Roads



Expressways

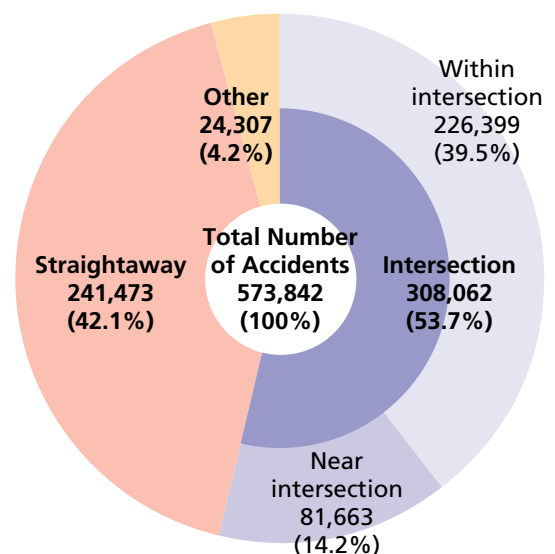


Notes: 1. The survey on seatbelt use is conducted annually in October. 2. 2014 survey samples totalled roughly 413,000 on regular roads and 88,000 on expressways.

Sources: National Police Agency; Japan Automobile Federation

ROAD ACCIDENTS IN 2014 BY ROAD CONFIGURATION

Number of accidents



Notes: 1. "Straightaway" includes some curves and tunnels. 2. "Other" includes railroad crossings.

Source: National Police Agency

Equipping More Vehicles with Advanced Safety Features

Road safety involves three factors—vehicles, road users, and road infrastructure—and greater road safety requires that progress be made in all three areas. The automotive industry continuously strives for greater *active* safety by upgrading vehicle safety equipment and expanding its onboard installation rates, to help prevent accident occurrence. At the same time, it seeks to increase *passive* safety through enhanced structural safety and vehicle features designed to mitigate injury when accidents do occur.

● VEHICLE SAFETY FEATURES & YEAR OF INTRODUCTION

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014-
Active Safety	● Inter-vehicle distance warning																
	● Adaptive cruise control																
Passive Safety	● Active head restraints																
	● Curtain airbags																
	● Rollover curtain airbags																
	● Pedestrian protection vehicle design																
	● ISOFIX anchorages (for child safety seats)																
	● Advanced compatibility vehicle structure																
	● Knee airbags																
	● Pre-crash seatbelts																
	● Automatic pop-up hood																

Source: Japan Automobile Manufacturers Association

● SAFETY FEATURE ONBOARD INSTALLATION STATUS (for passenger cars produced in 2013 for home market)

	Safety Feature	Installation Status			
		In no. of models (1)	In % (2)	In vehicle units	In % (2)
Active Safety	Brake assist	172 (163)	95.6	4,067,482	96.0
	Unfastened seatbelt warning (front passenger's seat)	84 (83)	46.9	2,163,150	51.1
	Power-window jamming prevention (with auto-up function)	173 (173)	96.1	4,183,182	98.8
	Power-window jamming prevention (without auto-up function)	27 (26)	15.0	721,555	17.0
	High-intensity discharge headlamps	137 (47)	76.1	2,017,438	47.6
	Adaptive front-lighting system (AFS)	43 (13)	23.9	232,084	5.5
	Back-up monitoring (rear obstacle detection)	120 (19)	66.7	878,848	20.8
	Vehicle perimeter monitoring	35 (7)	19.4	161,539	3.8
	Vehicle perimeter obstacle warning	32 (4)	17.8	192,838	4.6
	Blind-corner monitoring	19 (0)	10.6	58,125	1.4
	Night vision monitoring	4 (0)	2.2	2,175	0.1
	Curve detection	16 (1)	8.9	46,357	1.1
	Tire pressure monitoring	12 (6)	6.7	71,858	1.7
	Driver inattention warning	25 (2)	13.9	152,851	3.6
	Inter-vehicle distance warning	29 (1)	16.1	175,599	4.1
	Lane departure warning	30 (1)	16.7	134,698	3.2
	Rear collision warning-equipped headrest control	7 (0)	3.9	3,014	0.1
	Collision-mitigation braking system (pre-crash safety)	49 (1)	27.2	197,419	4.7
	Adaptive cruise control	37 (0)	20.6	180,996	4.3
	Adaptive cruise control with low-speed following mode	6 (0)	3.3	94,288	2.2
	Full-range adaptive cruise control	12 (1)	6.7	98,061	2.3
	Lane-keeping assist	13 (0)	7.2	12,953	0.3
	Back-up monitoring (parking assistance)	17 (0)	9.4	13,983	0.3
	Navigator-based gearshift control	25 (5)	13.9	45,887	1.1
	Pre-crash seatbelts	36 (4)	20.0	253,888	6.0
	Electronic stability control	143 (90)	79.4	2,567,799	60.6
	Traction control with ABS	128 (82)	71.1	2,471,090	58.4
	Navigator-based stop sign alert with brake assist	11 (5)	6.1	104,227	2.5
	Rearward-approaching-vehicle warning	7 (0)	3.9	60,855	1.4
	Emergency braking warning	43 (35)	23.9	1,282,336	30.3
	Vehicle proximity warning (for HVs/EVs) (3)	29 (27)	26.9	759,539	27.2
	Collision-mitigation braking system (pre-crash safety at low-speed vehicle operation)	21 (0)	11.7	455,572	10.8
	Accelerator suppression for pedal misapplication	24 (0)	13.3	528,812	12.5
	Automatic high-to-low-beam headlamp control	13 (0)	7.2	33,806	0.8
Passive Safety	Side airbags	133 (58)	73.9	1,160,114	27.4
	Curtain airbags	134 (57)	74.4	1,073,737	25.4
	Active head restraints	118 (116)	65.6	2,518,876	59.5
	ISOFIX anchorages (for child safety seats)	172 (168)	95.6	4,189,449	98.9
	Three-point seatbelt for rear center seat (4)	127 (119)	84.7	2,521,453	85.3
Total		180		4,234,874	

(1) "In no. of models" indicates the number of models in which the safety feature is installed as standard or optional equipment. Figures in parentheses indicate the number of models in which the safety feature is standard equipment. (2) "In %" means as a percentage of the total number of models/units produced. (3) In 2013 a total of 108 hybrid/electric car models (2,789,874 vehicle units) were produced. (4) In 2013 a total of 150 passenger car models (2,956,058 vehicle units) were produced, excluding mini and other passenger cars which are not eligible for rear seat inclusion.

Note: Passenger cars here include minicars.

Source: Japan Automobile Manufacturers Association

JAMA Initiatives in Promoting Greater Road Safety

In April 2004, JAMA pledged its support of the Japanese government's goal to reduce road fatalities by 50% over a period of ten years. JAMA's own initiatives towards that goal are outlined below.

● JAMA'S ROAD SAFETY INITIATIVES IN EIGHT PRIORITY AREAS

Priority Area	Road Users: Public Awareness Campaigns	Vehicles: Safety Measures	Road Infrastructure: Proposals to Government
① Accidents involving pedestrians or cyclists	• Continued implementation of road safety public awareness campaigns, based on the results of accident causation studies.	• More widespread application of AFS (1), ABS (2), BA (3), and stability control.	• For infrastructural improvements, based on the results of accident causation studies.
② Special measures for the elderly	• Development of road safety educational programs specifically for the elderly.	• Development of technologies specifically geared to aging-related physical changes.	• For more widespread roadway/sidewalk demarcation and greater barrier-free mobility.
③ Greater use of seatbelts	• Public awareness campaigns to promote the use of seatbelts.		
④ Delays in driver recognition and incorrect vehicle control	• Campaigns aimed at preventing faulty driver recognition and incorrect vehicle control.	• Research into the mechanisms of accident causation and human-machine interface conditions using data recorders, etc.	
⑤ Accidents occurring at twilight/night	• Campaigns to promote the early lighting of automobile headlamps.	• More widespread application of AFS.	• For improved nighttime road illumination.
⑥ Accidents occurring at intersections	• Public awareness campaigns to encourage drivers to exercise greater caution at intersections, where the majority of fatal road accidents occur.	• More widespread application of ABS, BA, and stability control. • Improvement of side-impact protection performance.	• For road infrastructure regulations for effective utilization of ITS technologies.
⑦ Collisions with stationary objects		• Improvement of side-impact and vehicle occupant protection performance and of side and curtain airbags.	• For expanded provision of underground power lines and impact-absorbing road installations.
⑧ Compatibility		• R&D on crash-compatible vehicle bodies and compatibility evaluation methods to improve vehicle performance.	

(1) Adaptive front-lighting systems. (2) Anti-lock braking systems. (3) Brake-assist systems.

Japan's 9th Basic Plan for Road Safety

Japan's road safety measures are promoted on the basis of its succession of consecutive "basic plans" for road safety, the first of which was implemented in 1970. In line with the government's goal of eventually achieving "zero road accidents" nationwide, Japan's ninth road safety plan (2011-2015) aims to create a highly road safety-conscious society that places maximum priority on human life and, in particular, the safety of those of its members who are most vulnerable to road accidents—namely, pedestrians, senior citizens, and persons who are disabled. The plan emphasizes the need to pursue aggressive measures targeting further reductions in the occurrence of road accidents and fatalities.

● JAPAN'S ROAD SAFETY TARGETS

- To reduce the annual number of road fatalities (occurring within 24 hours post-accident) to below 3,000 by 2015, and thus to make Japan's roads the safest in the world.
- To reduce the total annual number of road fatalities (occurring within 24 hours post-accident) and injuries to below 700,000 by 2015.

● EIGHT MAJOR AREAS OF ROAD SAFETY PROMOTIONAL ACTIVITY

Road Infrastructure Improvements <ul style="list-style-type: none"> - Sidewalk construction/upgrades, especially in school zones - More pedestrian routes suitable for the elderly and disabled - Increased use of ITS 	Road Safety Public Awareness Campaigns <ul style="list-style-type: none"> - Promotion of safe cycling - Promotion of road safety education for the elderly - Promotion of seatbelt use by all vehicle occupants - Promotion of road safety activities in local communities with the participation of residents
Promotion of Safe Driving <ul style="list-style-type: none"> - Implementation of special driver-education programs for the elderly - Vehicle fleet operation-related road accident analysis 	Enhancement of Vehicle Safety <ul style="list-style-type: none"> - Expanded development and onboard application of Advanced Safety Vehicle technologies - Implementation of improvements to the national vehicle recall system - Promotion of regular vehicle checks and maintenance
Enforcement of Road Traffic Laws <ul style="list-style-type: none"> - Strict enforcement of traffic regulations - Stronger crackdowns on "hot-rodding" motorcyclists 	Reinforcement of Emergency Rescue Operations Infrastructure <ul style="list-style-type: none"> - Improved training and deployment of emergency rescue personnel - Upgrading of emergency dispatch support systems - Promotion of doctor-staffed helicopters
Provision of Fair Compensation for Road Accident Victims <ul style="list-style-type: none"> - Enhanced support for the provision of fair "damages" compensation 	Promotion of Road Safety Research and Analysis <ul style="list-style-type: none"> - Promotion of further safe-driving research - Promotion of comprehensive analysis of road accident causation

Source: Japan's 9th Basic Plan for Road Safety

82.1 Million People Hold Driver's Licenses

At the end of 2014 there were 82.1 million people, or 45.4 million men and 36.6 million women, holding valid driver's licenses in Japan. The number of driver's licenses held totalled 128.2 million (with one count allotted to each vehicle category covered, whenever a license covers multiple vehicle categories). By license category, Class 2 licenses were held by 2.27 million people, or 2.21 million men and 0.06 million women, and Class 1 licenses by 125.9 million people, or 81.51 million men and 44.42 million women.

● GENDER TRENDS IN DRIVER'S LICENSE HOLDERS (at end of every calendar year) Number of persons

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Men	45,135,941	45,257,391	45,412,614	45,517,585	45,539,419	45,487,010	45,448,263	45,437,260	45,463,791	45,430,245
Women	33,662,880	34,072,475	34,494,598	34,930,257	35,272,526	35,523,236	35,767,003	36,050,586	36,396,221	36,645,978
Total	78,798,821	79,329,866	79,907,212	80,447,842	80,811,945	81,010,246	81,215,266	81,487,846	81,860,012	82,076,223

● TOTAL NUMBER OF LICENSES HELD, BY YEAR & LICENSE/VEHICLE CATEGORY Number of licenses held

Year		2008	2009	2010	2011	2012	2013	2014
Class 2 Licenses	Large motor vehicle	1,106,704	1,089,135	1,068,347	1,046,361	1,026,180	1,007,743	986,518
	Middle-category motor vehicle	1,200,328	1,162,250	1,121,287	1,081,474	1,042,120	1,002,043	960,304
	Ordinary motor vehicle	168,575	190,198	200,961	208,060	214,555	220,403	224,823
	Large special-purpose vehicle	47,753	47,238	46,698	46,055	45,463	45,041	44,330
	Traction vehicle	53,703	53,125	52,480	51,716	51,035	50,473	49,665
	Subtotal	2,577,063	2,541,946	2,489,773	2,433,666	2,379,353	2,325,703	2,265,640
Class 1 Licenses	Large motor vehicle	5,499,204	5,464,835	5,415,730	5,375,268	5,337,727	5,299,480	5,253,880
	Middle-category motor vehicle	75,059,457	74,378,308	73,587,938	72,814,101	72,070,665	71,409,459	70,632,500
	Ordinary motor vehicle	1,961,618	3,177,214	4,370,510	5,550,718	6,749,966	7,936,169	9,113,940
	Large special-purpose vehicle	2,417,497	2,428,901	2,435,324	2,443,687	2,454,123	2,465,978	2,473,823
	Traction vehicle	1,130,186	1,139,434	1,145,609	1,152,732	1,160,509	1,168,205	1,174,267
	Large two-wheeler	12,006,075	11,765,267	11,472,937	11,197,903	10,938,930	10,703,691	10,430,075
	Ordinary two-wheeler	8,663,075	8,839,410	8,996,934	9,154,873	9,310,786	9,472,692	9,619,692
	Small special-purpose vehicle	629,151	598,136	565,103	532,892	503,338	477,296	450,123
	Motorized bicycle	17,358,087	17,304,896	17,190,548	17,075,472	16,977,729	16,905,848	16,784,700
	Subtotal	124,724,350	125,096,401	125,180,633	125,297,646	125,503,773	125,838,818	125,933,000
Total		127,301,413	127,638,347	127,670,406	127,731,312	127,883,126	128,164,521	128,198,640

Note: In the above figures, one count is allotted to each vehicle category covered, whenever a license covers multiple vehicle categories.

● CLASS 1 LICENSES AND THE VEHICLE CATEGORIES THEY COVER

Vehicle Category	Class 1 Licenses								
	Large motor vehicle	Middle-category motor vehicle	Ordinary motor vehicle	Large special-purpose vehicle	Large two-wheeler	Ordinary two-wheeler	Ordinary two-wheeler (51cc-125cc)	Small special-purpose vehicle	Motorized bicycle
Large motor vehicle	●								
Middle-category motor vehicle	●	●							
Ordinary motor vehicle	●	●	●						
Large special-purpose vehicle				●					
Large two-wheeler (over 400cc)					●				
Ordinary two-wheeler					●	●	●		
Small special-purpose vehicle	●	●	●	●	●	●	●	●	
Motorized bicycle (50cc & under)	●	●	●	●	●	●	●		●

Notes: 1. As per a revision to the Road Traffic Act, the middle-category motor vehicle license went into effect from June 2, 2007. 2. The ordinary motor vehicle and large two-wheeler license categories include licenses restricted to automatic transmission (AT) cars/motorcycles; the ordinary two-wheeler license category includes licenses restricted, respectively, to AT motorcycles, to small-sized (over 250cc) motorcycles, and to small-sized AT motorcycles.

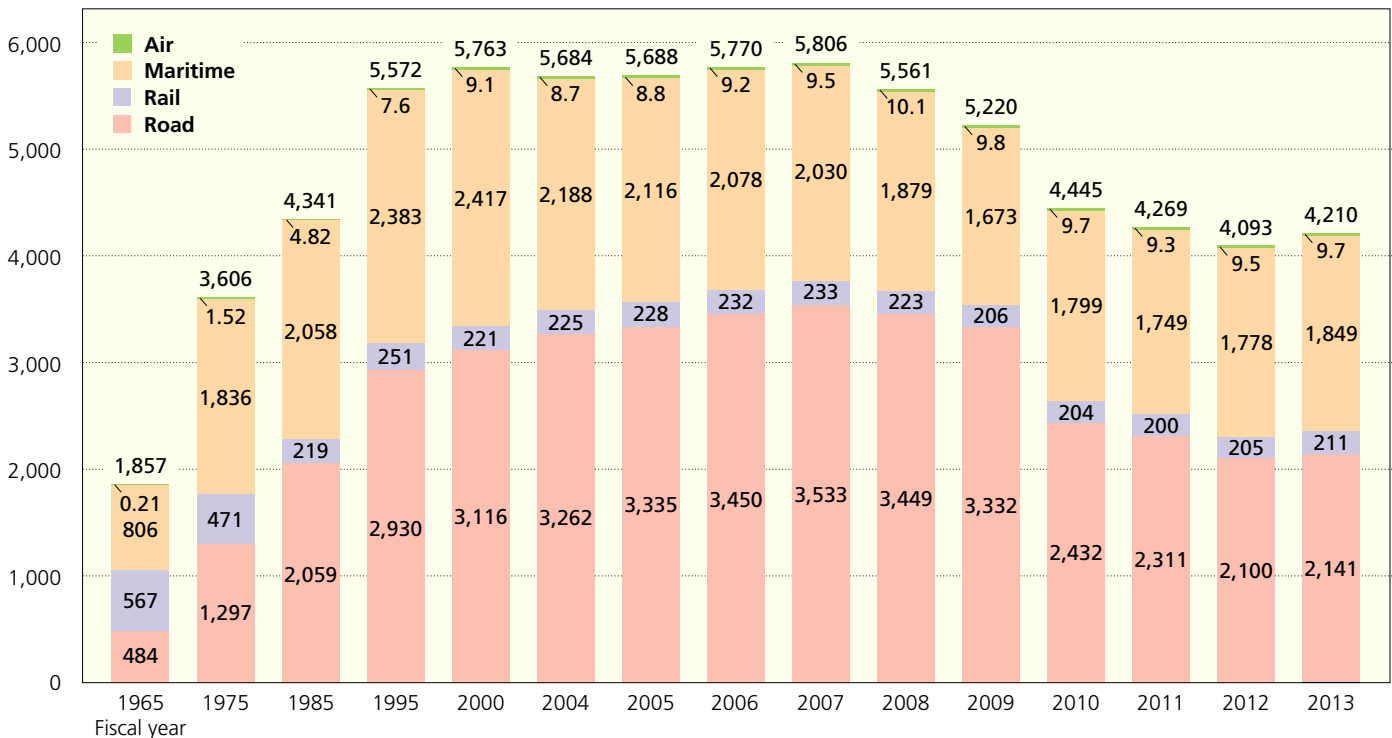
Source for all statistical data on this page: National Police Agency

Motor Vehicles Are Vital to Goods Distribution

Accounting at present for 51% of Japan's total freight transport, road transportation plays an essential role in goods distribution. The role of motor vehicles in freight transport, especially small cargo transport, will become even more significant in the years ahead.

● TRENDS IN DOMESTIC FREIGHT TRANSPORT VOLUMES, BY MODE

x 100 million tons/km



Notes: 1. Since 1987, "Road" includes transport by mini-vehicles. 2. Survey and calculation methods for "Road" data changed in 2010. 3. "Road" figures for fiscal 2010 (ending March 31, 2011) and 2011 do not include March and April 2011 data from the Tohoku region and Hokkaido as a consequence of the March 11, 2011 earthquake. Sources: Ministry of Land, Infrastructure, Transport and Tourism, etc.

Automobile Customs Tariffs

After repeated reductions in tariff rates, import tariffs in Japan on finished motor vehicles and major auto components were completely abolished in 1978. Meanwhile, some countries still impose high tariffs on imported vehicles. The United States imposes a 25% tariff on imported trucks, and EU import tariffs range from 10% (on finished passenger cars) to 22% (on larger-sized trucks). China's auto tariffs remain high despite having been progressively lowered after the country's accession to the World Trade Organization.

● AUTOMOBILE CUSTOMS TARIFFS, JAPAN/U.S.A./EU/CHINA

As of February 2015

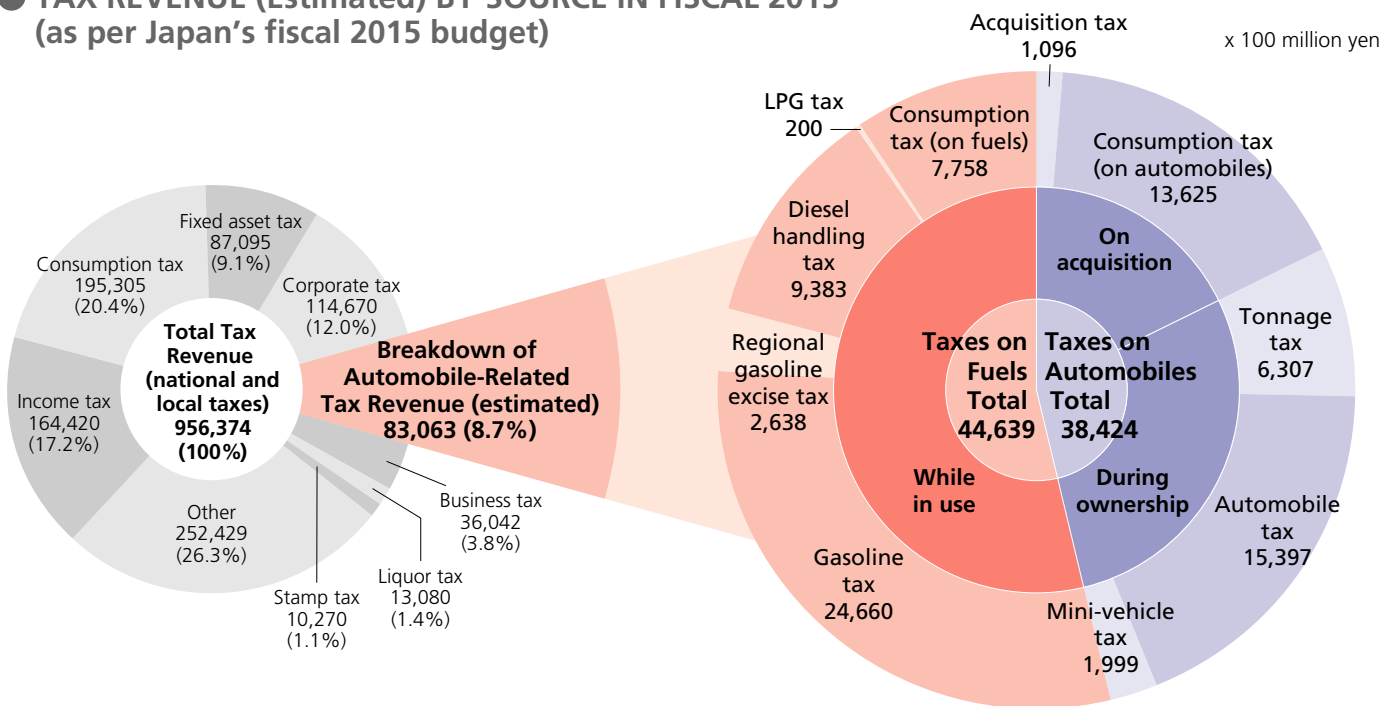
	Japan	U.S.A.	EU	China
Passenger Cars	None	2.5%	10%	25%
Trucks	None	25% Cab chassis, from 5t up to 20t in GVW 4%	Gasoline trucks, over 2800cc 22% Diesel trucks, over 2500cc 22% Gasoline trucks, 2800cc or under 10% Diesel trucks, 2500cc or under 10%	Trucks, under 5t in GVW 25% Gasoline trucks, 5t or greater in GVW 20% Diesel trucks, from 5t up to 20t in GVW 20% Diesel trucks, 20t or greater in GVW 15%
Buses	None	Vehicles for the transport of 10 or more persons, incl. the driver 2%	Vehicles for the transport of 10 or more persons, incl. the driver 16% Gasoline buses, over 2800cc 16% Diesel buses, over 2500cc 10% Gasoline buses, 2800cc or under 10% Diesel buses, 2500cc or under 10%	25%
Components, etc.	Major components: None	Bodies, parts and accessories 2.5%	Bodies, parts and accessories 3-4.5%	Major components 6-10%

Sources: Customs tariff schedules of countries/region concerned

8 Trillion Yen in Annual Automobile-Related Tax Revenue

Since the initial earmarking of funds for road construction and road maintenance programs in line with Japan's first five-year road improvement plan in 1954, there has been a steady increase both in the number of automobile-related taxes assessed on users and in their respective rates. Currently, the automobile tax structure consists of nine different taxes, creating a very heavy tax burden for motor vehicle owners in Japan. Under the government's budget for fiscal 2015, the total value of tax revenue from these automobile-related taxes has been estimated at 8.3 trillion yen, or 8.7% of Japan's projected total tax revenue of 96 trillion yen in fiscal 2015.

● TAX REVENUE (Estimated) BY SOURCE IN FISCAL 2015 (as per Japan's fiscal 2015 budget)



Notes: 1. Automobile-related consumption tax revenue is not included in the "Consumption tax" segment in the chart on the left, but is included in the breakdown of automobile-related tax revenue appearing in the chart on the right. 2. Automobile-related consumption tax revenue values (including the consumption tax revenue from automobile servicing, not shown but included in figures here) have been calculated by JAMA. 3. The consumption tax is a national sales tax, of which 1.7% of the revenue is redistributed as revenue to local governments.

Sources: Ministry of Finance; Ministry of Internal Affairs and Communications

● AUTOMOBILE-RELATED TAXES IN JAPAN (as of May 1, 2015)

Tax Category	On Acquisition		During Ownership
	Acquisition Tax	Consumption Tax	Tonnage Tax
How Assessed	Assessed on the acquisition of an automobile, whether new or used, based on the purchase price	Assessed on the purchase price of the automobile	Assessed according to vehicle weight at each mandatory vehicle inspection
National/Local Tax	Prefectural tax	National and local tax	National tax
Tax Rate/ Amount	(Private use) - 3% of purchase price (2% for commercial vehicles and mini-vehicles) - Exempted for vehicles purchased for ¥500,000 or less Note: For eco-friendly vehicles, reductions/exemptions apply to the acquisition tax (see pages 48-51).	8% (of which 1.7% is a local tax)	1) Only eco-friendly vehicles and new passenger cars and small trucks and buses (GVW≤2.5t) complying with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards: ¥2,500/0.5t/year for private-use passenger cars (i.e., base rate) 2) Vehicles on the road 18 years or longer since first registration: ¥6,300/0.5t/year for private-use passenger cars 3) Vehicles on the road 13 years or longer since first registration: ¥5,400/0.5t/year for private-use passenger cars (¥5,700/0.5t/year for private-use passenger cars, from April 2016) 4) Other vehicles for private use: - Passenger cars: ¥4,100/0.5t/year - Trucks (GVW>2.5t): ¥4,100/t/year; Trucks (GVW≤2.5t): ¥3,300/t/year - Buses: ¥4,100/t/year; Mini-vehicles: ¥3,300/year - Motorcycles (251cc and over): ¥1,900/year - Motorcycles (126 to 250cc): ¥4,900 upon registration Note: For eco-friendly vehicles, reductions/exemptions apply to the tonnage tax (see pages 48-51).

● JAPAN'S ESTIMATED AUTOMOBILE-RELATED TAX REVENUE IN FISCAL 2015

			Tax Revenue (x 100 million yen)	Base Tax Rate (for reference)	Current Tax Rate	Comparison with Base Tax Rate (multiplier value)
Taxes on Automobiles	On acquisition During ownership	Acquisition tax	1,096	3%	3% (Excluding commercial/mini-vehicles)	1.0
		Consumption tax (on automobiles)	13,625	8%		
		Tonnage tax	6,307	¥2,500/0.5t/year (Vehicles for private use)	¥4,100/0.5t/year (Vehicles for private use)	1.6
		Automobile tax	15,397	Based on engine capacity (e.g., for 1,001≤1,500cc passenger cars, ¥34,500/year; see below)		
		Mini-vehicle tax	1,999	¥10,800/year (Passenger cars for private use)		
		Total	38,424			
Taxes on Fuels	While in use	Gasoline tax	24,660	¥24.3/l	¥48.6/l	2.0
		Regional gasoline excise tax	2,638	¥4.4/l	¥5.2/l	1.2
		Diesel handling tax	9,383	¥15.0/l	¥32.1/l	2.1
		LPG tax	200	¥17.5/kg		
		Consumption tax (on fuels)	7,758	8%		
		Total	44,639			
Grand Total			83,063			

Notes: 1. Consumption tax revenue values (including the consumption tax revenue from automobile servicing, not shown but included in figures here) have been calculated by JAMA.
2. Current tax rates effective as of April 1, 2015.

● TAX RATES IN EFFECT (Examples), 1954-2015, TO SUPPORT ROAD NETWORK IMPROVEMENTS

Duration	"Five-Year" Plan	Fiscal Year	Acquisition Tax	Tonnage Tax ¥/0.5t/year	Gasoline Tax ¥/l	Regional Gasoline Excise Tax ¥/l	Diesel Handling Tax ¥/l	LPG Tax ¥/kg
1954-'57	First	'54 '55 '56 '57	Commercial and mini- vehicles excluded	In the case of a passenger car for private use	13.0 11.0 14.8 19.2 22.1 24.3	2.0 3.5	6.0 8.0 10.4 12.5 15.0	5 10 17.5
'58-'60	Second	'59						
'61-'63	Third	'61						
'64-'66	Fourth	'64 '66						
'67-'69	Fifth	'67 '68						
'70-'72	Sixth	'70 '71						
'73-'77	Seventh	'74 '76						
'78-'82	Eighth	'79						
'83-'87	Ninth							
'88-'92	Tenth							
'93-'97	Eleventh	'93						
'98-'02	Twelfth	'98						
2003-'07	As per the national priority infrastructure development plan							
'08-	As per the national medium-term road infrastructure plan							
'10-'11	—							
'12-'13	—							
'14-	—							
Comparison with base tax rate (multiplier value)			1.00	1.64	2.00	1.18	2.14	1.00

Base tax rate: *The base tonnage tax rate (¥2,500/0.5t/year) is applied only to eco-friendly vehicles and new passenger cars and small trucks and buses (GVW≤2.5t) complying with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards. Source: Japan Automobile Manufacturers Association

		While in Use				
Automobile Tax	Mini-Vehicle Tax	Gasoline Tax	Regional Gasoline Excise Tax	Diesel Handling Tax	LPG Tax	Consumption Tax
Fixed amount assessed on the owner each year as of April 1	Fixed amount assessed on the owner each year as of April 1	Assessed on gasoline		Assessed on light oil	Assessed on LPG	Assessed on the purchase price of fuels
		Included in the fuel price				
Prefectural tax	Municipal tax	National tax		Prefectural tax	National tax	National and local tax
Passenger cars (for private use) - Up to 1,000cc ¥29,500/year - 1,001 to 1,500cc ¥34,500/year - 1,501 to 2,000cc ¥39,500/year - 2,001 to 2,500cc ¥45,000/year - 2,501 to 3,000cc ¥51,000/year - 3,001 to 3,500cc ¥58,000/year - 3,501 to 4,000cc ¥66,500/year - 4,001 to 4,500cc ¥76,500/year - 4,501 to 6,000cc ¥88,000/year - Over 6,000cc ¥111,000/year	1) Mini-vehicles (for private use) - Passenger cars ¥10,800/year - Trucks ¥5,000/year 2) Motorcycles - Up to 50cc ¥1,000/year - 51 to 90cc ¥1,200/year - 91 to 125cc ¥1,600/year - 126 to 250cc ¥2,400/year - 251cc and over ¥4,000/year Note: For eco-friendly new mini-vehicles (cars and trucks) purchased in fiscal 2015, reductions apply to the mini-vehicle tax in fiscal 2016 (see page 50).	¥48.6/l	¥5.2/l	¥32.1/l (light oil)	¥17.5/kg (LPG)	8% of the purchase price of fuels (of which 1.7% is a local tax) [For light oil, imposed on the light oil price excluding the diesel handling tax]

Source: Japan Automobile Manufacturers Association



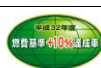













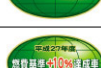



Tax Incentives to Promote the Wider Use of Eco-Friendly Vehicles

To help expedite the shift to low-carbon road transport in the interest of curbing global warming, the Japanese government has, since April 2009, applied auto-related tax incentives to promote the wider use of eco-friendly vehicles. A new package of incentives, introduced for application beginning in April 2015, updates vehicle eligibility requirements in line with upgraded fuel efficiency standards.

INCENTIVES & ELIGIBILITY REQUIREMENTS FOR NEW VEHICLES





































● ACQUISITION AND TONNAGE TAX REDUCTIONS/EXEMPTIONS

Period in effect: April 1, 2015 through March 31, 2017 for the acquisition tax; May 1, 2015 through April 30, 2017 for the tonnage tax.

Vehicle Type			Reductions/Exemptions	
	Requirements	Certification Sticker(s)	Acquisition Tax (3)	Tonnage Tax (4)
Passenger Cars				
Electric Vehicles, Fuel Cell Vehicles, Plug-In Hybrid Vehicles, Clean Diesel Vehicles (1), Natural Gas Vehicles (2)			Exempt	Exempt at time of 1st and 2nd vehicle inspection
Gasoline Vehicles (including hybrid vehicles)	Compliant +20% with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	Exempt	Exempt at time of 1st and 2nd vehicle inspection
	Compliant +10% with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	80% reduction	75% reduction
	Compliant with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	60% reduction	50% reduction
	Compliant +10% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	40% reduction	25% reduction
	Compliant +5% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	20% reduction	
Small Trucks and Buses (GVW≤2.5t)				
Electric Vehicles, Fuel Cell Vehicles, Plug-In Hybrid Vehicles, Natural Gas Vehicles (2)			Exempt	Exempt at time of 1st and 2nd vehicle inspection
Gasoline Vehicles (including hybrid vehicles)	Compliant +25% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	Exempt	Exempt at time of 1st and 2nd vehicle inspection
	Compliant +20% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	80% reduction	75% reduction
	Compliant +15% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	60% reduction	50% reduction
	Compliant +10% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	40% reduction	25% reduction
	Compliant +5% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	20% reduction	

(1) Passenger cars complying with 2009 emission standards. (2) With NOx emissions down by 10% from 2009 emission standards. (3) Acquisition tax reductions/exemptions are applied once, at the time of new vehicle purchase during the period in which these reductions/exemptions are in effect. (4) Tonnage tax reductions are applied once, at the time of new vehicle purchase during the period in which these reductions/exemptions are in effect.

Note: In addition to the tonnage tax reductions/exemptions for passenger cars and small trucks and buses (GVW≤2.5t) listed here, new passenger cars and small trucks and buses (GVW≤2.5t) complying with 2015 fuel efficiency standards and with emissions down by 75% from 2005 standards benefit from the application of the base tonnage tax rate (see pages 46-47).

Vehicle Type			Reductions/Exemptions	
	Requirements	Certification Sticker(s)	Acquisition Tax (3)	Tonnage Tax (4)
Mid-Sized Trucks and Buses (2.5t<GVW≤3.5t)				
Electric Vehicles, Fuel Cell Vehicles, Plug-In Hybrid Vehicles, Natural Gas Vehicles (2)			Exempt	Exempt at time of 1st and 2nd vehicle inspection
Diesel Vehicles (including hybrid vehicles)	Compliant +15% with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	Exempt	Exempt at time of 1st and 2nd vehicle inspection
	Compliant +10% with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	80% reduction	75% reduction
	Compliant +15% with 2015 fuel efficiency standards, and compliant with 2009 emission standards		80% reduction	75% reduction
	Compliant +5% with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	60% reduction	50% reduction
	Compliant +10% with 2015 fuel efficiency standards, and compliant with 2009 emission standards		60% reduction	50% reduction
	Compliant with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	40% reduction	25% reduction
	Compliant +5% with 2015 fuel efficiency standards, and compliant with 2009 emission standards		40% reduction	25% reduction
Gasoline Vehicles (including hybrid vehicles)	Compliant +15% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	Exempt	Exempt at time of 1st and 2nd vehicle inspection
	Compliant +10% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	80% reduction	75% reduction
	Compliant +15% with 2015 fuel efficiency standards, with emissions down by 50% from 2005 standards	 	80% reduction	75% reduction
	Compliant +5% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	60% reduction	50% reduction
	Compliant +10% with 2015 fuel efficiency standards, with emissions down by 50% from 2005 standards	 	60% reduction	50% reduction
	Compliant with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	 	40% reduction	25% reduction
	Compliant +5% with 2015 fuel efficiency standards, with emissions down by 50% from 2005 standards	 	40% reduction	25% reduction
Heavy-Duty Trucks and Buses (GVW>3.5t)				
Electric Vehicles, Fuel Cell Vehicles, Plug-In Hybrid Vehicles, Natural Gas Vehicles (2)			Exempt	Exempt at time of 1st and 2nd vehicle inspection
Diesel Vehicles (including hybrid vehicles)	Compliant +15% with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	Exempt	Exempt at time of 1st and 2nd vehicle inspection
	Compliant +10% with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	80% reduction	75% reduction
	Compliant +15% with 2015 fuel efficiency standards, and compliant with 2009 emission standards		80% reduction	75% reduction
	Compliant +5% with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	60% reduction	50% reduction
	Compliant +10% with 2015 fuel efficiency standards, and compliant with 2009 emission standards		60% reduction	50% reduction
	Compliant with 2015 fuel efficiency standards, with NOx and PM emissions down by 10% from 2009 standards	 	40% reduction	25% reduction
	Compliant +5% with 2015 fuel efficiency standards, and compliant with 2009 emission standards		40% reduction	25% reduction

● ACQUISITION AND TONNAGE TAX REDUCTIONS/EXEMPTIONS FOR HEAVY-DUTY VEHICLES EQUIPPED WITH ADVANCED SAFETY FEATURES AND PUBLIC-USE ASSISTED-MOBILITY VEHICLES

Period in effect: April 1, 2015 through March 31, 2017 for the acquisition tax; May 1, 2015 through April 30, 2018 for the tonnage tax.

Vehicle Type		Reductions/Exemptions	
		Acquisition Tax	Tonnage Tax
Trucks (3.5t<GVW≤22t) and Buses (GVW≤12t, for seated passengers only) equipped with a collision-mitigation braking system and/or an electronic stability control system	Equipped with either of the two systems	¥3.5 million deduction from purchase price (1), (2)	50% reduction (1), (3)
	Equipped with both systems	¥5.25 million deduction from purchase price (1), (2)	75% reduction (1), (3)
Assisted-Mobility Vehicles	Low-floor ("non-step") buses (for use in public transport)	¥10 million deduction from purchase price (2)	Exempt (3)
	Buses equipped with an electric lift (for use in public transport)	• For large buses (occupancy≥30 persons), ¥6.5 million deduction from purchase price (2) • For small buses (occupancy<30 persons), ¥2 million deduction from purchase price (2)	Exempt (3)
	Universal design-based taxis (for use in public transport)	¥1.0 million deduction from purchase price (2)	Exempt (3)

(1) For large trucks (20t<GVW≤22t) equipped with only one of the systems, period in effect: April 1, 2015 through October 31, 2016. Thereafter, only those equipped with both systems will be eligible for incentives (specifically, an acquisition tax incentive of a ¥3.5 million deduction from vehicle purchase price and a tonnage tax incentive of a 50% reduction from the applicable tonnage tax rate). Eligibility for small buses (GVW≤5t, for seated passengers only) requires that they be equipped with a collision-mitigation braking system. (2) Deductions are applied once, at the time of first registration. (3) Tonnage tax reductions/exemptions are applied once, at the time of new vehicle purchase during the period in which these reductions/exemptions are in effect.

Notes: 1. The acquisition tax is assessed on the amount remaining after deduction. 2. The above tonnage tax reductions/exemptions do not apply to vehicles targeted by this scheme that are eligible for the tonnage tax reductions/exemptions prescribed for eco-friendly vehicles (see pages 48 and 49), to which the latter measures only are applied. Regarding the acquisition tax, owners of vehicles covered under this scheme can opt either for the deductions indicated here or for the acquisition tax reductions/exemptions prescribed for eco-friendly vehicles (see pages 48 and 49).

● FISCAL 2014-2015 AUTOMOBILE TAX REDUCTIONS FOR PASSENGER CARS AND SMALL TRUCKS AND BUSES (GVW≤2.5t) *

Requirements	Reduction
Electric Vehicles, Fuel Cell Vehicles, Plug-In Hybrid Vehicles, Clean Diesel Vehicles (1), Natural Gas Vehicles (2) Compliant +20% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (also, compliant with 2020 fuel efficiency standards)	75% reduction approximately (3)
Compliant +10% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	50% reduction approximately (3)

*Also applies to trucks and buses (2.5t<GVW≤3.5t, gasoline vehicles only) certified as fuel-efficient and low-emission vehicles.

(1) Only passenger cars complying with 2009 emission standards. (2) With NOx emissions down by 10% from 2009 emission standards. (3) For eligible vehicles newly registered in 2014 and 2015, the one-time-only automobile tax reduction is applied in the fiscal year subsequent to the year of registration.

Note: This scheme also mandates a yearly 15% (10% for trucks and buses) surcharge on the automobile tax for gasoline and LPG-powered vehicles on the road 13 years or longer, and for diesel vehicles on the road 11 years or longer, since first registration.

● FISCAL 2015 MINI-VEHICLE TAX REDUCTIONS (Minicars and Mini-Trucks) *

Requirements		Reduction
Minicars	Electric Vehicles, Fuel Cell Vehicles, Natural Gas Vehicles (1)	75% reduction approximately (2)
	Compliant +20% with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards	50% reduction approximately (2)
	Compliant with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards	25% reduction approximately (2)
Mini-Trucks	Electric Vehicles, Fuel Cell Vehicles, Natural Gas Vehicles (1)	75% reduction approximately (2)
	Compliant +35% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	50% reduction approximately (2)
	Compliant +15% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards	25% reduction approximately (2)

*Applies only to newly registered three- or four-wheeled mini-vehicles.

(1) With NOx emissions down by 10% from 2009 emission standards. (2) Reductions to be applied in fiscal 2016 for new vehicles purchased in fiscal 2015.





















Note: This scheme also mandates a yearly 20% surcharge on the mini-vehicle tax for mini-vehicles (excluding electric vehicles) on the road 13 years or longer since first registration.

INCENTIVES & ELIGIBILITY REQUIREMENTS FOR USED VEHICLES

● ACQUISITION INCENTIVES

FOR PASSENGER CARS AND SMALL TRUCKS AND BUSES (GVW≤2.5t) *

Period in effect: April 1, 2015 through March 31, 2017.

Requirements (1)	Certification Stickers	Incentive
Passenger Cars		
Compliant +20% with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥450,000 deduction from purchase price
Compliant +10% with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥350,000 deduction from purchase price
Compliant with 2020 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥250,000 deduction from purchase price
Compliant +10% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥150,000 deduction from purchase price
Compliant +5% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥50,000 deduction from purchase price
Small Trucks and Buses (GVW≤2.5t)		
Compliant +25% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥450,000 deduction from purchase price
Compliant +20% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥350,000 deduction from purchase price
Compliant +15% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥250,000 deduction from purchase price
Compliant +10% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥150,000 deduction from purchase price
Compliant +5% with 2015 fuel efficiency standards, with emissions down by 75% from 2005 standards (2)	 	¥50,000 deduction from purchase price

*Also applies to trucks and buses (gasoline vehicles only) and heavy-duty trucks and buses (hybrid vehicles only) certified as fuel-efficient and low-emission vehicles.

(1) Applies additionally to electric vehicles, fuel cell vehicles, plug-in hybrid vehicles, clean diesel passenger cars (compliant with 2009 emission standards) and natural gas vehicles (with NOx emissions down by 10% from 2009 emission standards). (2) Fuel consumption and exhaust emission requirements are JC08 test cycle-based, with "Compliant +20% with 2020 fuel efficiency standards," "Compliant +10% with 2020 fuel efficiency standards," "Compliant with 2020 fuel efficiency standards," "Compliant +25% with 2015 fuel efficiency standards," "Compliant +20% with 2015 fuel efficiency standards," "Compliant +15% with 2015 fuel efficiency standards," "Compliant +10% with 2015 fuel efficiency standards," and "Compliant +5% with 2015 fuel efficiency standards" being equivalent to "Compliant +80% with 2010 fuel efficiency standards," "Compliant +65% with 2010 fuel efficiency standards," "Compliant +50% with 2010 fuel efficiency standards," "Compliant +38% with 2010 fuel efficiency standards," "Compliant +25% with 2010 fuel efficiency standards," "Compliant +10% with 2010 fuel efficiency standards," and "Compliant with 2010 fuel efficiency standards," respectively, when measured in the 10·15-mode test cycle.

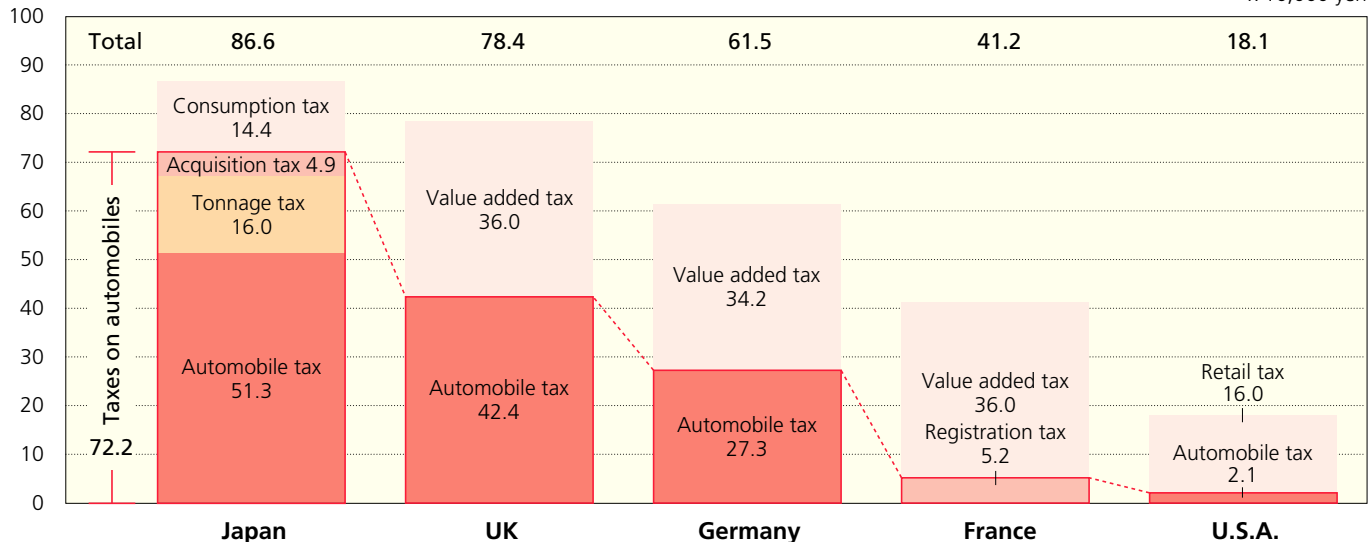
Note: The acquisition tax is assessed on the amount remaining after deduction.

Automobile-Related Taxes Are Onerous

Consider the case of a passenger car costing 1.8 million yen when purchased new and providing 13 years of service to the original owner for private use. During that period, six different categories of taxes (including consumption tax at the time of vehicle purchase and on fuel) will be assessed on the owner/user, amounting to a grand total of roughly 1.70 million yen. In addition to these various taxes, the user will also be required to pay onerous highway tolls, automobile insurance premiums (mandatory and optional), a recycling fee, periodic inspection fees, and maintenance costs.

INTERNATIONAL COMPARISON OF AUTOMOBILE-RELATED TAXES

x 10,000 yen



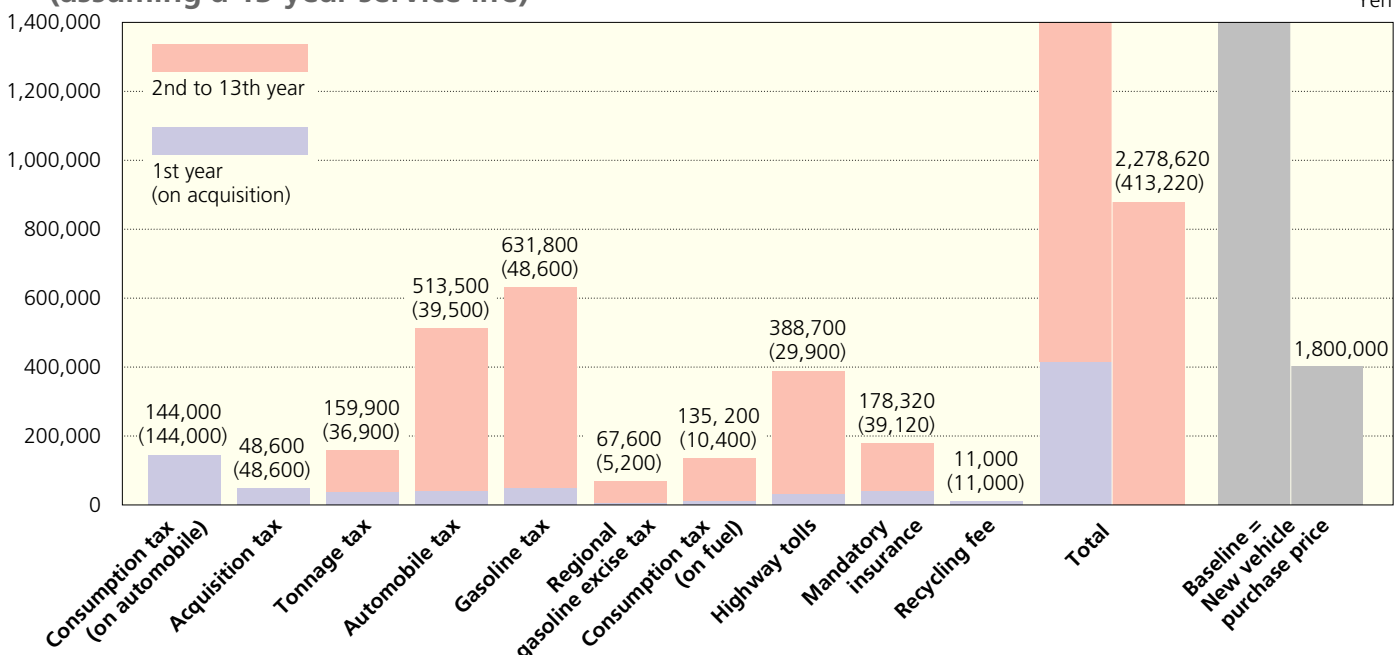
Assumptions: 1) Engine capacity: 1800cc. 2) 1t<GVW≤1.5t. 3) Purchase price: ¥1.8 million. 4) Fuel consumption (JC08 test cycle-based): 15.3km/ℓ (CO₂ emissions: 152g/km). 5) France = Paris; U.S.A. = New York City. 6) France: Vehicle in no. 8 horsepower "class." 7) Service life: 13 years. 8) Currency exchange rates: EUR 1 = JPY 140, GBP 1 = JPY 181, USD 1 = JPY 111 (averaged April 2014-March 2015).

Notes: 1. As shown here, tax amounts other than Japan's may not be the most current. 2. Does not include applicable incentives/surcharges, if any. 3. Does not include registration fees. 4. Automobile tax on private vehicles (i.e., for personal use only) was abolished in France as of 2000.

Source: Japan Automobile Manufacturers Association

TAXES ASSESSED ON PASSENGER CAR OWNERSHIP/USE (PRIVATE) (assuming a 13-year service life)

Yen



Assumptions: 1) A passenger car with 1800cc engine capacity and purchase price of ¥1.8 million (retail price, excluding consumption tax). 2) 1t<GVW≤1.5t. 3) Annual fuel consumption: 1,000 liters. 4) Tonnage tax imposed yearly, but collected only at time of mandatory vehicle inspection. 5) Tax amounts reflect rates in effect from April 1, 2015. 6) Consumption tax = 8% of retail price. 7) The recycling fee indicated is the average rate for an 1800cc passenger car.

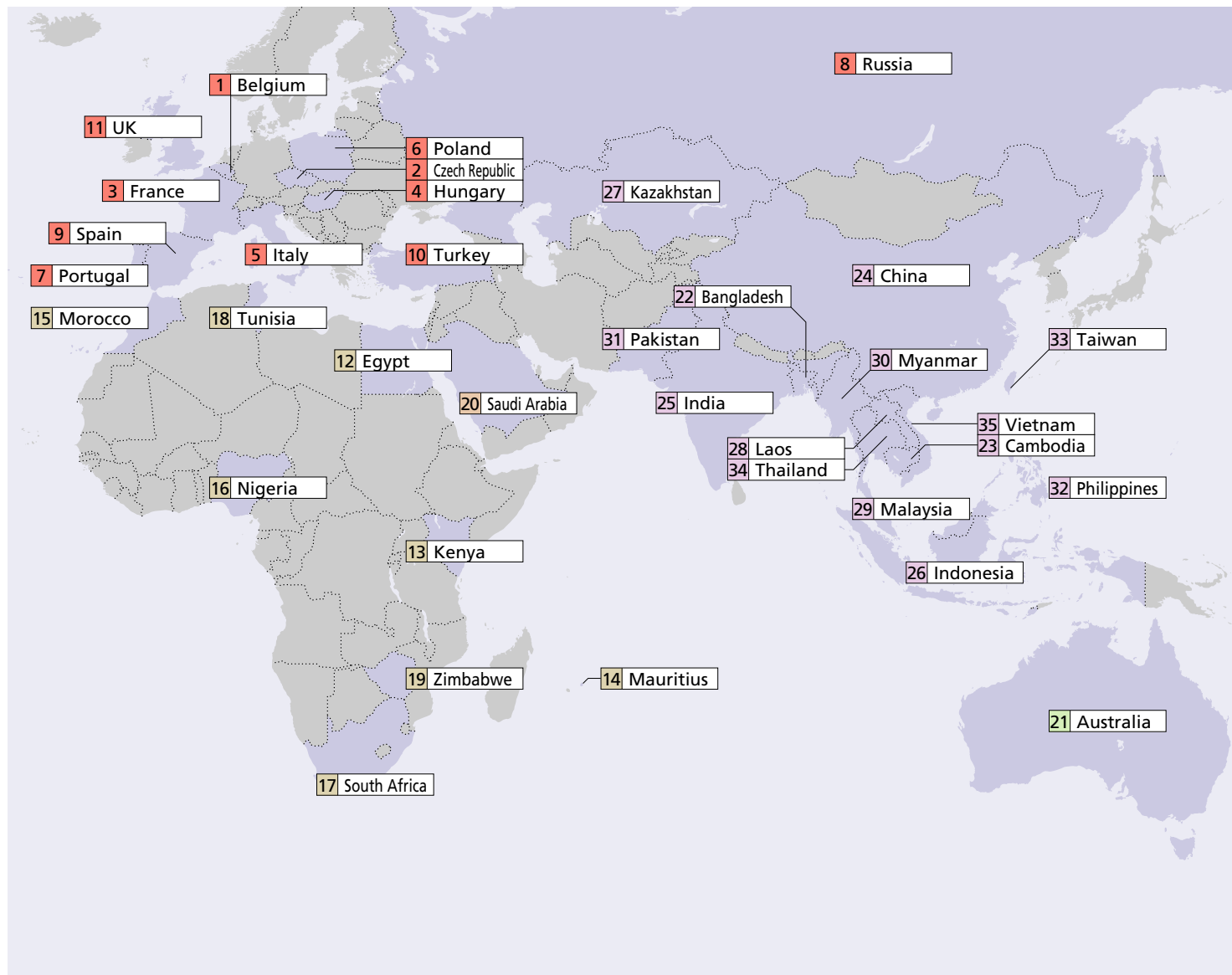
Notes: 1. Estimated highway tolls, mandatory insurance premium payments and recycling fee are included here because they can be considered similar to taxes. (Mandatory insurance premium values indicated effective as of April 1, 2015.) 2. Value of highway tolls was estimated by JAMA based on highway toll revenue in 2013.

Source: Japan Automobile Manufacturers Association

Global Manufacturing Operations Expand Their Range

Japanese automobile manufacturers have continued to develop local production operations, whether as wholly-owned subsidiaries or as joint ventures, in the United States, Europe, Southeast Asia, China and, recently, Russia and other countries with emerging markets. These operations contribute to the strengthening of local economies

● GEOGRAPHICAL DISTRIBUTION OF JAPANESE AUTOMAKERS' OVERSEAS PRODUCTION BASES

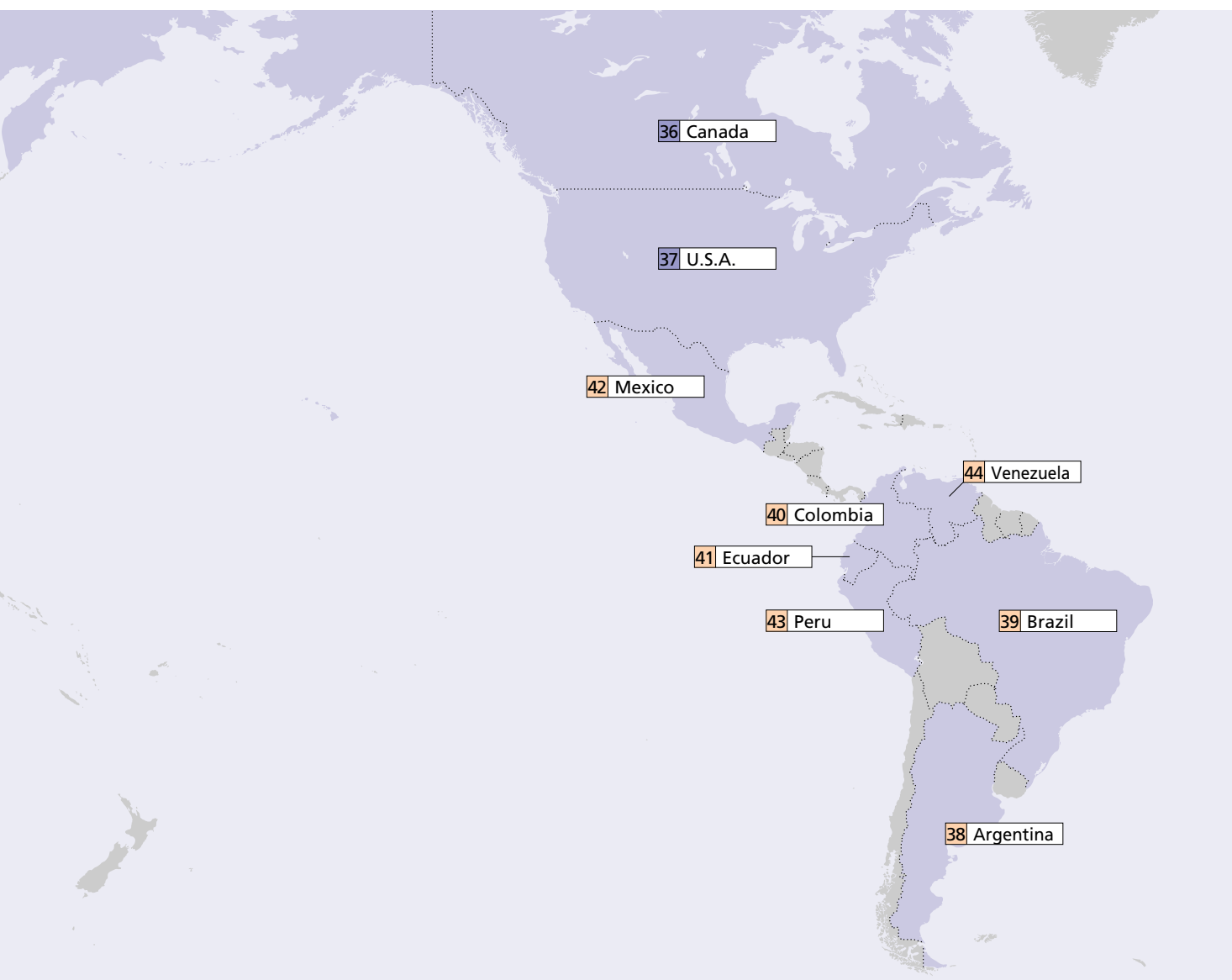


● JAPANESE AUTOMAKERS' OVERSEAS PRODUCTION BASES: Number of Plants by Country &

Country/ Territory	Country No. (see map)	Motor Vehicles (incl. parts)	Motor- cycles (incl. parts)	Motor Vehicles & Motorcycles (incl. parts)	Parts Only
Europe					
Belgium	1	-	-	-	1
Czech Republic	2	1	-	-	-
France	3	1	1	-	-
Hungary	4	1	-	-	-
Italy	5	-	1	-	1
Poland	6	-	-	-	2
Portugal	7	2	-	-	-
Russia	8	6	-	-	-
Spain	9	1	-	-	1
Turkey	10	4	-	-	-
UK	11	3	-	-	1
Europe Total		19	2	-	6

Country/ Territory	Country No. (see map)	Motor Vehicles (incl. parts)	Motor- cycles (incl. parts)	Motor Vehicles & Motorcycles (incl. parts)	Parts Only
Africa					
Egypt	12	5	-	-	-
Kenya	13	4	-	-	-
Mauritius	14	1	-	-	-
Morocco	15	1	-	-	-
Nigeria	16	-	2	-	-
South Africa	17	6	-	-	-
Tunisia	18	1	-	-	-
Zimbabwe	19	1	-	-	-
Africa Total		19	2	-	-
Middle East					
Saudi Arabia	20	1	-	-	-
Middle East Total		1	-	-	-
Oceania					
Australia	21	1	-	-	1
Oceania Total		1	-	-	1

through employment creation, local parts purchasing and, in many cases, export revenue for the host countries. Locally-produced automobile parts such as engines and transmissions, as well as finished vehicles of some models, are exported to Japan and other destinations.



Items Produced

Country/ Territory	Country No. (see map)	Motor Vehicles (incl. parts)	Motor- cycles (incl. parts)	Motor Vehicles & Motorcycles (incl. parts)	Parts Only
Asia					
Bangladesh	22	2	1	-	-
Cambodia	23	-	2	-	-
China	24	23	8	-	16
India	25	11	4	-	1
Indonesia	26	12	4	1	8
Kazakhstan	27	1	-	-	-
Laos	28	-	1	-	-
Malaysia	29	13	3	-	3
Myanmar	30	1	-	-	-
Pakistan	31	5	2	1	-
Philippines	32	7	4	-	4
Taiwan	33	10	2	-	-
Thailand	34	14	4	-	8
Vietnam	35	8	1	2	1
Asia Total		107	36	4	41

Country/ Territory	Country No. (see map)	Motor Vehicles (incl. parts)	Motor- cycles (incl. parts)	Motor Vehicles & Motorcycles (incl. parts)	Parts Only
North America					
Canada	36	4	-	-	1
U.S.A.	37	13	1	-	13
North America Total		17	1	-	14
Latin America					
Argentina	38	1	2	1	-
Brazil	39	6	4	-	2
Colombia	40	1	2	-	-
Ecuador	41	3	-	-	-
Mexico	42	6	1	1	-
Peru	43	-	1	-	-
Venezuela	44	3	1	-	-
Latin America Total		20	11	2	2
World Total		184	52	6	64

Source: Japan Automobile Manufacturers Association

Overseas Production Benefits Local Economies

The global operations of Japanese automobile manufacturers continue to grow, focusing increasingly on on-site manufacturing to meet local needs. Whether as independent operations, joint ventures or technical tie-ups, local manufacturing activities are conducted in numerous countries around the world (see pages 54-55). Overseas production brings significant benefits to local economies and host countries, including employment, industrial development, and technology transfer.

OVERSEAS PRODUCTION BY JAPANESE AUTOMOBILE MANUFACTURERS

In vehicle units

Year	Asia	Middle East	Europe	EU	North America	U.S.A.	Latin America	Africa	Oceania	Total
1985	208,589	—	44,658	43,175	296,569	296,569	90,252	99,500	151,574	891,142
1986	282,912	—	75,163	73,903	426,087	425,644	87,115	119,000	133,109	1,123,386
1987	355,758	—	102,943	100,794	608,446	592,761	104,925	134,000	127,003	1,433,075
1988	456,489	—	132,129	130,326	723,396	672,766	125,531	145,000	152,334	1,734,879
1989	597,402	—	205,005	203,215	1,040,868	932,242	144,811	184,500	166,541	2,339,127
1990	952,390	—	226,613	223,164	1,570,114	1,298,878	160,654	186,000	169,169	3,264,940
1991	1,035,715	—	285,994	282,278	1,684,964	1,378,907	169,001	172,000	134,051	3,481,725
1992	1,120,430	—	358,601	351,296	1,853,097	1,547,361	195,161	167,500	109,276	3,804,065
1993	1,315,346	—	496,574	472,744	2,030,478	1,691,239	211,802	179,000	106,754	4,339,954
1994	1,553,585	—	502,332	477,728	2,346,619	1,982,209	197,325	168,000	128,213	4,896,074
1995	1,882,850	—	641,573	575,852	2,595,436	2,215,657	110,660	226,000	102,961	5,559,480
1996	1,950,621	—	738,378	650,990	2,641,451	2,275,525	140,031	195,674	118,097	5,784,252
1997	2,003,286	—	814,689	714,699	2,664,588	2,290,685	190,596	182,218	136,107	5,991,484
1998	1,215,202	5,688	920,985	814,847	2,674,299	2,270,516	260,131	144,181	150,685	5,371,171
1999	1,547,671	3,493	929,303	835,582	2,797,175	2,311,163	246,710	130,216	125,575	5,780,143
2000	1,673,740	4,258	953,170	837,679	2,991,924	2,480,691	387,732	146,435	130,933	6,288,192
2001	1,872,521	5,660	1,032,004	939,034	3,061,612	2,451,496	407,887	162,825	137,084	6,679,593
2002	2,380,621	6,000	1,153,059	1,015,748	3,375,453	2,720,449	445,862	155,973	135,498	7,652,466
2003	3,007,348	5,820	1,338,476	1,245,469	3,487,012	2,821,723	457,467	162,969	148,471	8,607,563
2004	3,638,978	10,800	1,454,903	1,296,516	3,840,744	3,143,603	534,863	191,537	125,726	9,797,551
2005	3,964,209	10,500	1,545,355	1,369,556	4,080,713	3,383,277	645,074	225,725	134,581	10,606,157
2006	4,129,856	11,400	1,702,836	1,509,402	4,001,639	3,281,073	745,827	259,050	121,635	10,972,243
2007	4,523,751	3,342	1,976,407	1,789,875	4,049,068	3,324,326	895,099	252,332	159,710	11,859,709
2008	4,877,074	0	1,876,109	1,693,151	3,576,246	2,893,466	920,738	257,646	143,741	11,651,554
2009	5,145,418	0	1,228,294	1,136,145	2,687,527	2,108,161	790,794	168,651	96,836	10,117,520
2010	7,127,042	0	1,356,126	1,250,226	3,390,095	2,653,231	982,342	206,476	119,473	13,181,554
2011	7,547,259	0	1,410,628	1,302,277	3,068,979	2,422,152	1,029,511	233,709	93,675	13,383,761
2012	8,500,993	0	1,484,110	1,383,583	4,253,869	3,324,703	1,234,584	248,711	101,381	15,823,648
2013	9,056,388	0	1,537,025	1,379,733	4,540,685	3,627,226	1,284,187	232,191	106,278	16,756,754
2014	9,112,629	596	1,654,217	1,382,061	4,785,769	3,813,351	1,591,042	241,841	90,125	17,476,219

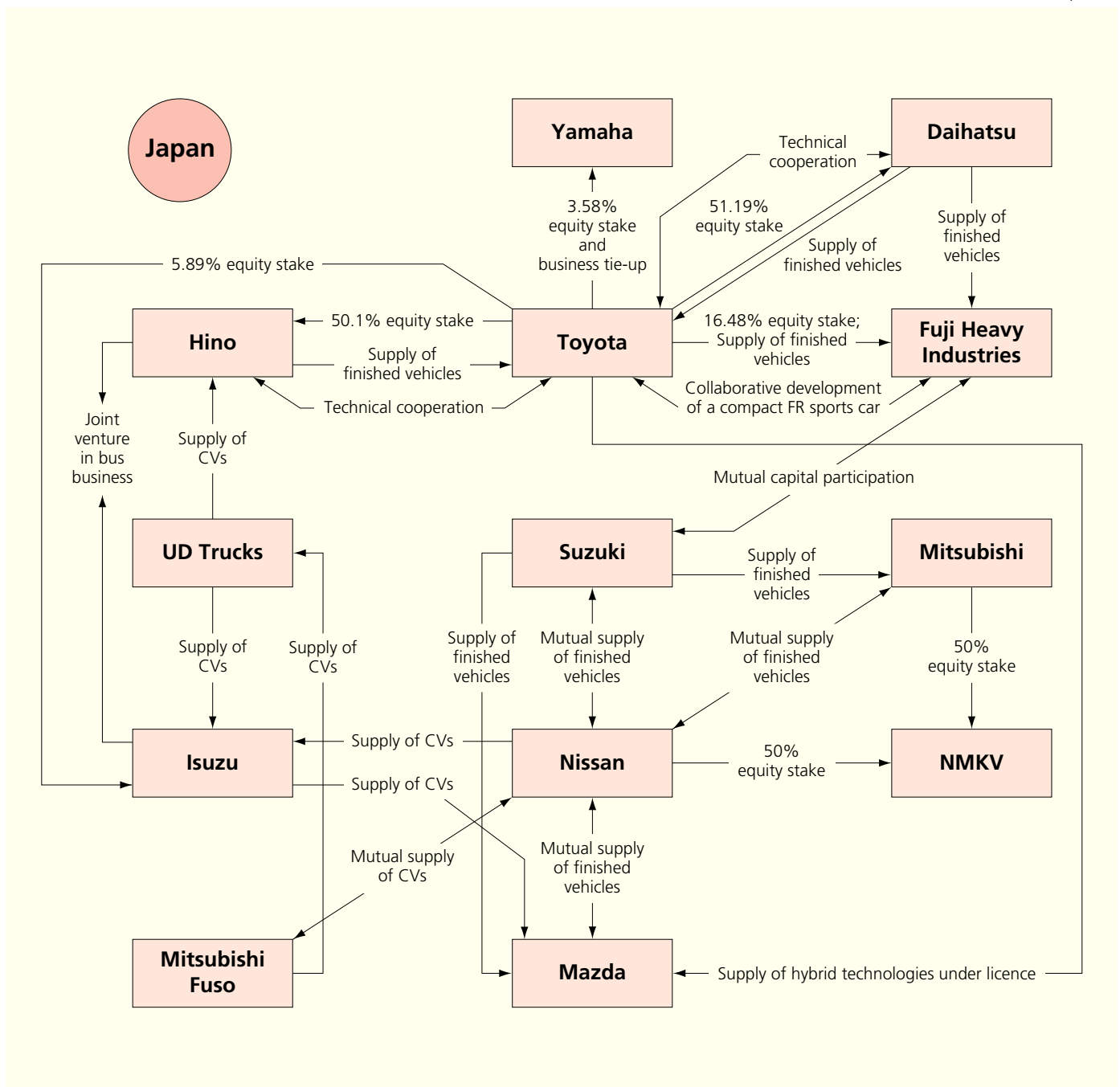
Notes: 1. Data in principle is for Japanese-brand vehicles only. 2. Until 1997, data was based on statistics supplied by the national automobile trade associations of respective countries. 3. Mexico is included in Latin America and Turkey in Europe. 4. Data excludes vehicles produced with technical assistance only provided by Japanese automakers. 5. The figures reflect the use of a new method, adopted as of January 2007, for computing overseas unit production.

Source: Japan Automobile Manufacturers Association

Japanese Automakers Forge Extensive International Alliances

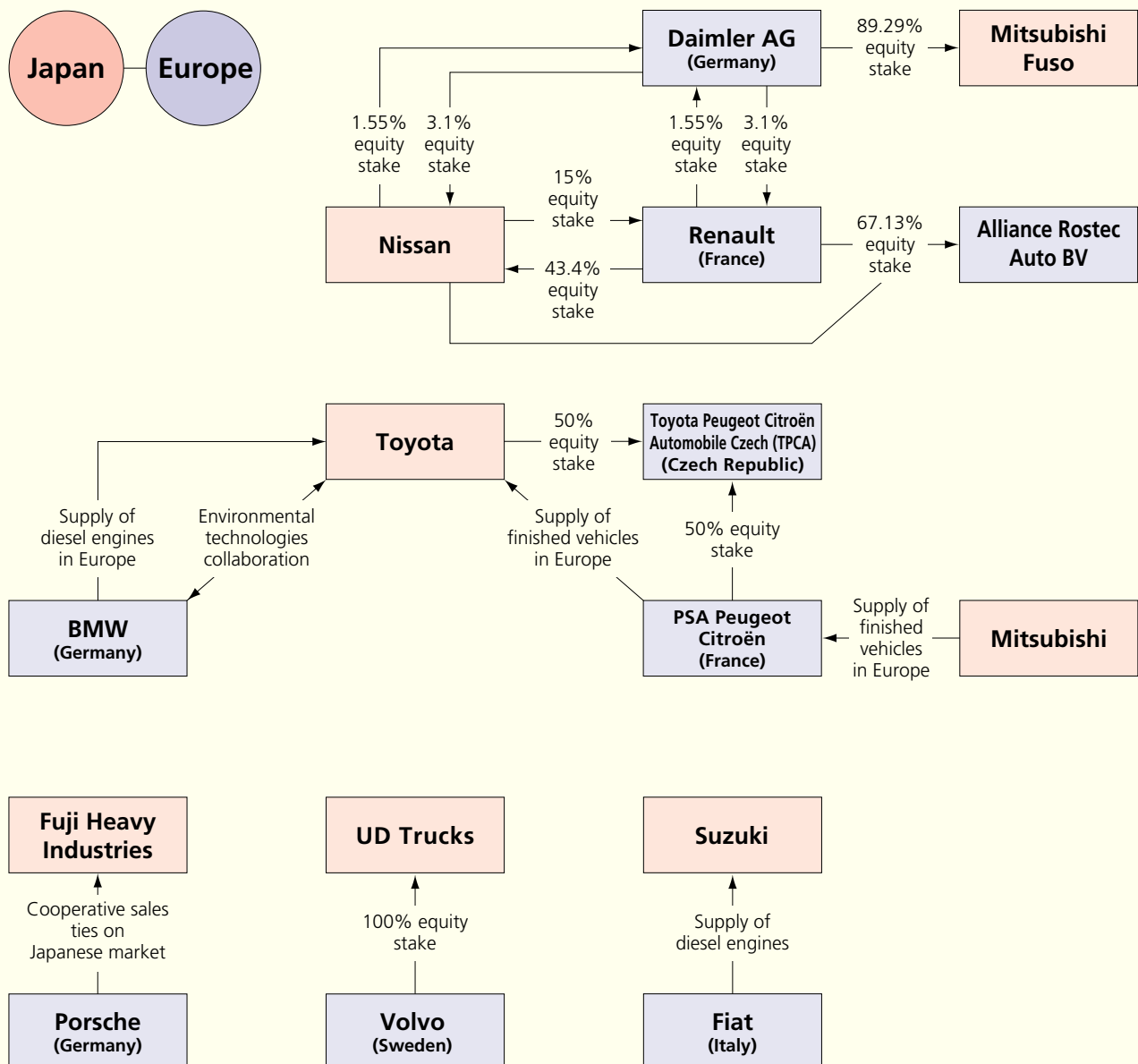
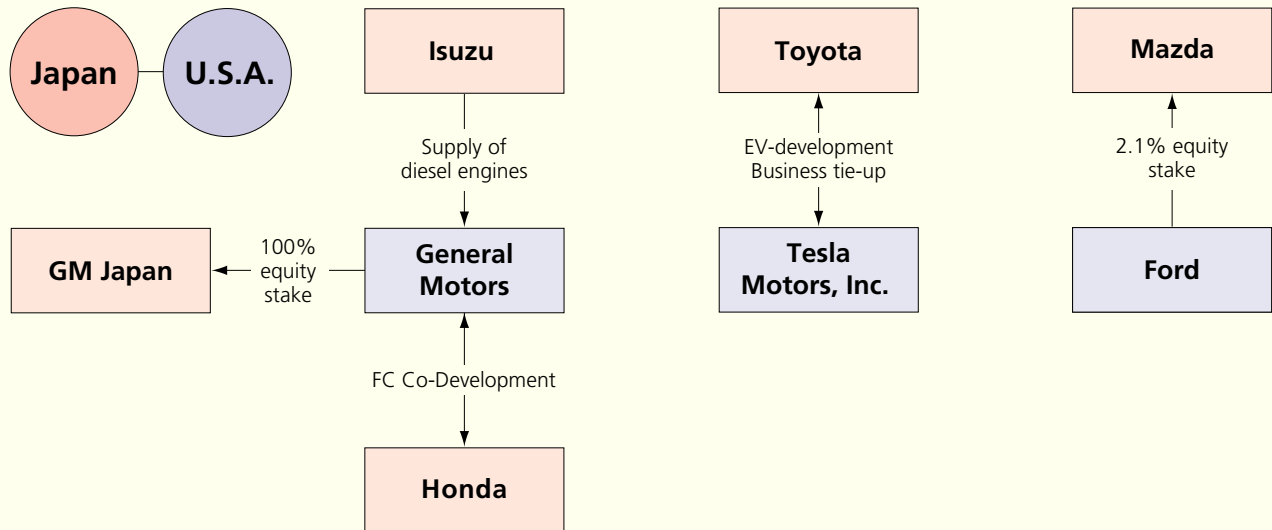
With economic globalization, Japanese automobile manufacturers have rapidly adapted to the needs of individual markets, not only by shifting production to those markets but also by forging extensive alliances with overseas manufacturers. Various forms of partnership currently exist between Japanese, U.S. and European automakers—including capital and technical tie-ups, joint R&D and production operations, and cooperative sales ties—and such arrangements are expanding yearly. With the rapid spread of motorization in China and Southeast Asia, Japanese automakers are actively building relationships with local manufacturers there on the basis of capital tie-ups and the supply of production as well as environment- and safety-related technologies.

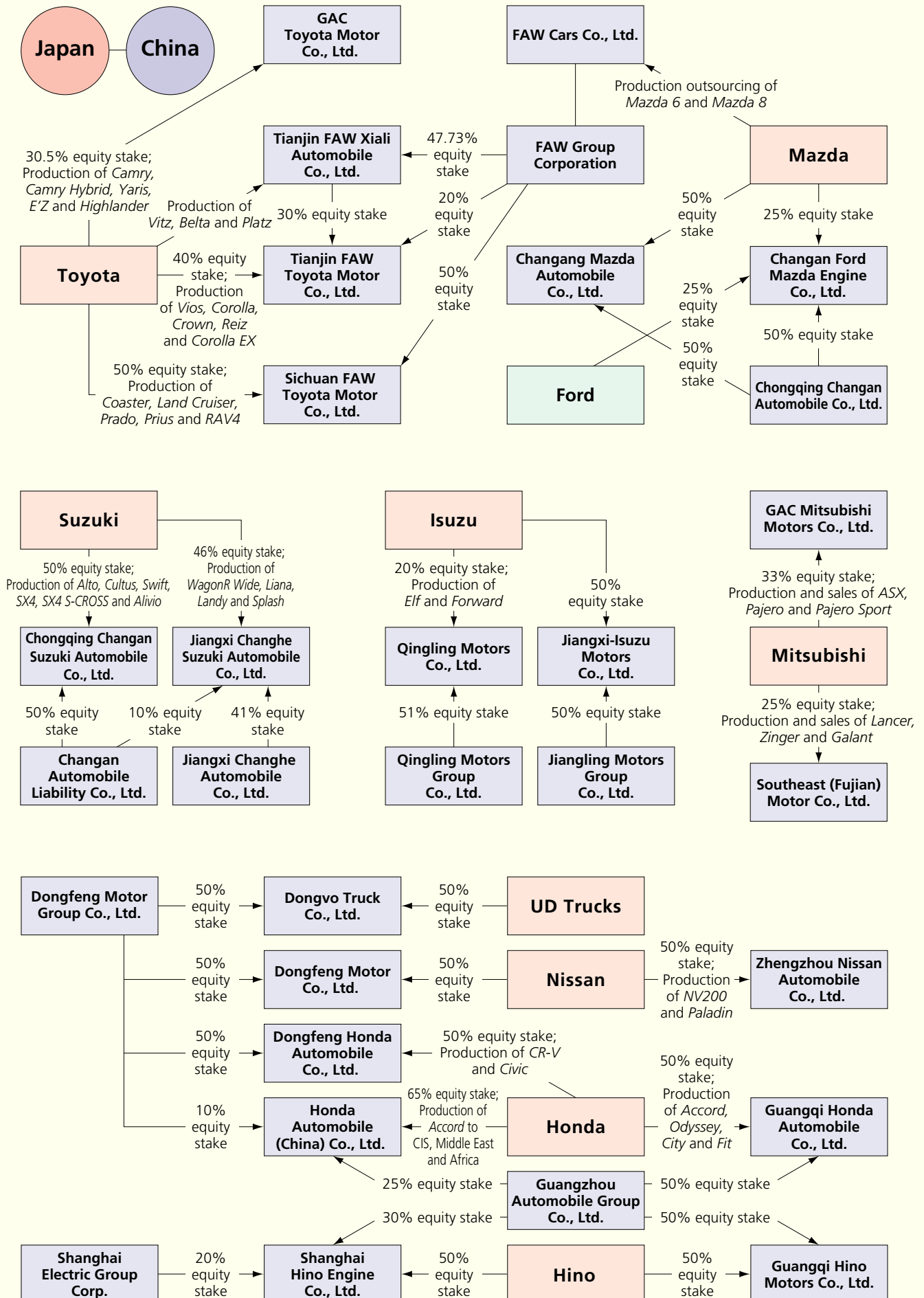
At March 31, 2015



Note: In principle, the tie-ups shown above cover only technical cooperation related to motor vehicle production and exclude sales tie-ups.

Source: Japan Automobile Manufacturers Association



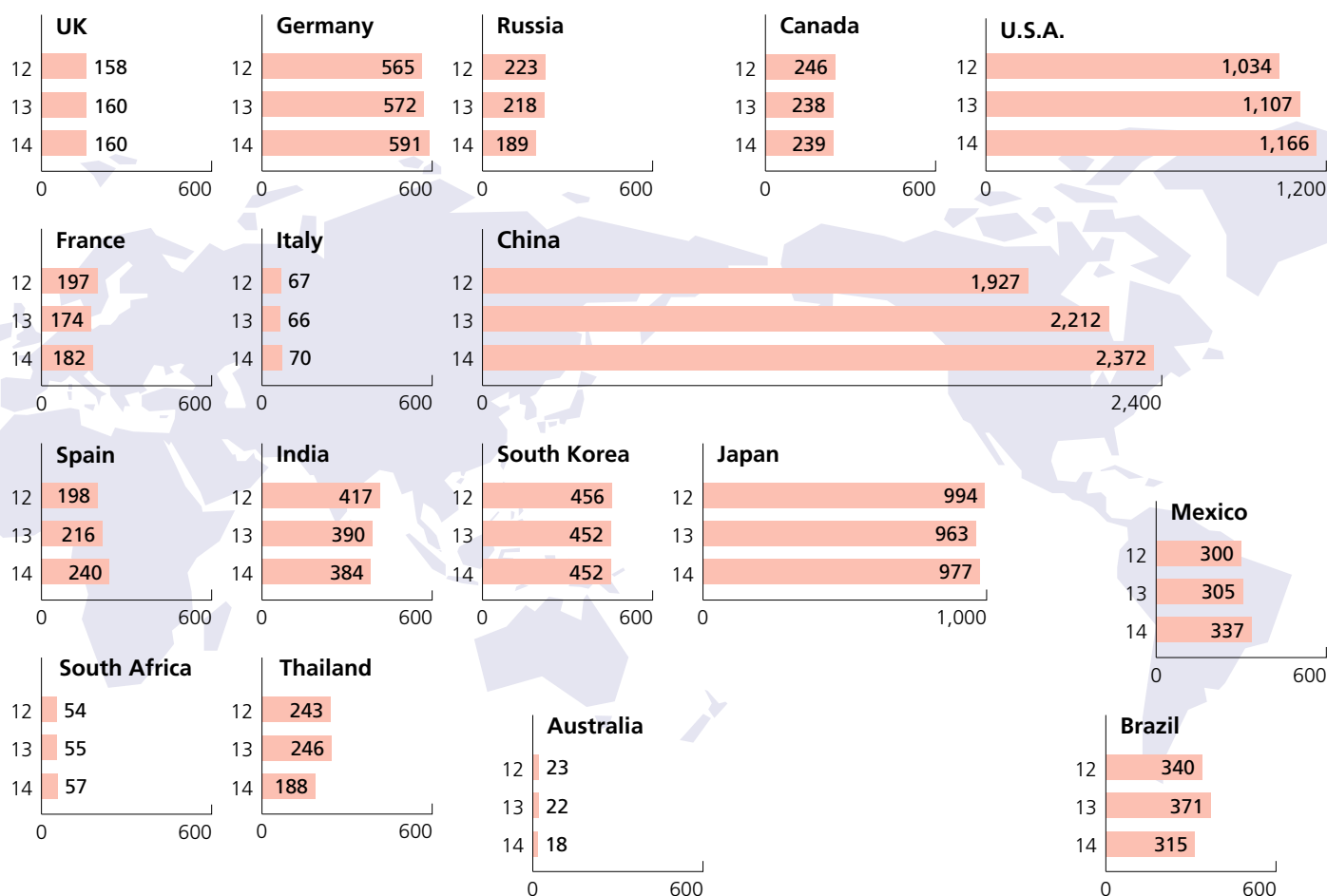


Motor Vehicle Production Increases Worldwide Except in Latin America

In 2014 worldwide motor vehicle production (excluding motorcycles) grew 3.6% from the previous year to a total of 89.75 million units. By region, production increased in Africa (up 11.3% to 708,000 units), North America (up 4.5% to 14.05 million units), Asia-Oceania (up 3.4% to 47.37 million units), and Europe (up 2.3% to 20.38 million units), but decreased in Latin America (down 5.9% to 7.23 million units).

MOTOR VEHICLE PRODUCTION EXCLUDING MOTORCYCLES (MAJOR PRODUCING COUNTRIES)

x 10,000 units



GLOBAL MOTORCYCLE PRODUCTION (BY COUNTRY/TERRITORY)

In vehicle units

Country/ Territory	2011			2012			2013		
	Mopeds	Motorcycles	Total	Mopeds	Motorcycles	Total	Mopeds	Motorcycles	Total
Austria	—	—	48,710	—	—	76,575	—	—	—
Czech Republic	39	1,116	1,155	22	2,297	2,319	26	1,328	1,354
France	—	—	74,359	—	—	56,963	—	—	—
Germany	—	—	110,084	—	—	101,690	—	—	—
Italy	—	—	414,000	—	—	330,000	—	—	—
Spain	—	—	95,399	—	—	44,019	—	—	—
UK	—	—	23,886	—	—	20,590	—	—	—
Brazil	—	—	2,136,891	0	1,690,187	1,690,187	0	1,673,477	1,673,477
China	—	24,654,624	27,005,224	—	21,316,197	23,629,791	—	20,467,563	22,891,723
India	—	—	15,427,532	—	—	15,744,156	—	—	16,879,891
Indonesia	—	—	8,006,293	—	—	7,079,721	—	—	7,780,295
Japan	0	639,187	639,187	0	595,473	595,473	0	563,309	563,309
Malaysia	—	—	498,076	—	—	543,088	—	—	—
Pakistan	—	—	865,812	—	—	824,245	—	—	794,763
Philippines	—	—	762,947	—	—	587,981	—	—	729,480
Taiwan	—	—	1,207,428	—	—	1,076,317	—	—	—
Thailand	—	—	2,043,039	—	—	2,606,161	—	—	2,218,625

Note: "—" means data is not available at the end of March 2015.

Sources: Motorcycle manufacturers' associations of individual countries, etc.

● GLOBAL MOTOR VEHICLE PRODUCTION (BY COUNTRY/REGION/TERRITORY)

In vehicle units

Country/Region/ Territory	2012			2013			2014		
	Passenger Cars	Trucks & Buses	Total	Passenger Cars	Trucks & Buses	Total	Passenger Cars	Trucks & Buses	Total
Austria	123,602	19,487	143,089	146,566	19,862	166,428	136,000	18,340	154,340
Belgium	504,616	34,232	538,848	465,504	38,000	503,504	481,637	35,195	516,832
Finland	8,600	88	8,688	7,600	103	7,703	45,000	35	45,035
France	1,682,814	284,951	1,967,765	1,458,000	282,000	1,740,000	1,495,000	322,000	1,817,000
Germany	5,388,459	260,801	5,649,260	5,439,904	278,318	5,718,222	5,604,026	303,522	5,907,548
Italy	396,817	274,951	671,768	388,465	269,741	658,206	401,317	296,547	697,864
Netherlands	24,895	30,744	55,639	0	29,183	29,183	0	29,807	29,807
Portugal	115,735	47,826	163,561	109,698	44,318	154,016	117,744	43,765	161,509
Spain	1,539,680	439,499	1,979,179	1,754,668	408,670	2,163,338	1,898,342	504,636	2,402,978
Sweden	162,814	0	162,814	161,080	0	161,080	154,173	0	154,173
UK	1,464,906	112,039	1,576,945	1,509,762	88,110	1,597,872	1,528,148	70,731	1,598,879
Czech Republic	1,171,774	7,221	1,178,995	1,128,473	4,458	1,132,931	1,246,506	4,714	1,251,220
Hungary	215,440	2,400	217,840	220,000	2,400	222,400	224,630	2,400	227,030
Poland	539,671	115,085	654,756	475,000	115,159	590,159	473,000	120,904	593,904
Romania	326,556	11,209	337,765	410,959	38	410,997	391,422	0	391,422
Slovakia	926,555	0	926,555	975,000	0	975,000	993,000	0	993,000
Slovenia	126,836	4,113	130,949	89,395	4,339	93,734	118,533	58	118,591
Double Countings Germany/Belgium	-76,420	0	-76,420	-72,400	0	-72,400	-73,020	0	-73,020
Double Countings Germany/Italy	-5,400	0	-5,400	-5,300	0	-5,300	-5,480	0	-5,480
Double Countings Portugal/Japan	0	-7,071	-7,071	0	-6,084	-6,084	0	-5,749	-5,749
European Union (EU27)	14,637,950	1,637,575	16,275,525	14,662,374	1,578,615	16,240,989	15,229,978	1,746,905	16,976,883
Turkey	577,296	495,682	1,072,978	633,604	491,930	1,125,534	733,439	437,006	1,170,445
Serbia	10,227	805	11,032	10,100	805	10,905	9,980	695	10,675
Russia	1,970,087	263,016	2,233,103	1,919,599	264,667	2,184,266	1,683,677	202,969	1,886,646
Belarus	0	30,610	30,610	2,553	20,373	22,926	9,350	13,640	22,990
Ukraine	69,687	6,594	76,281	45,758	4,691	50,449	25,941	2,810	28,751
Uzbekistan	144,980	19,200	164,180	246,641	0	246,641	245,660	0	245,660
Double Countings Ukraine/World	0	0	0	0	0	0	0	0	0
Other	0	0	0	37,469	3,442	40,911	37,157	3,252	40,409
CIS	2,184,754	319,420	2,504,174	2,252,020	293,173	2,545,193	2,001,785	222,671	2,224,456
Europe	17,410,227	2,453,482	19,863,709	17,558,098	2,364,523	19,922,621	17,975,182	2,407,277	20,382,459
Canada	1,040,298	1,423,066	2,463,364	965,191	1,414,643	2,379,834	913,533	1,480,357	2,393,890
U.S.A.	4,109,013	6,226,752	10,335,765	4,368,835	6,697,597	11,066,432	4,253,098	7,407,601	11,660,699
North America	5,149,311	7,649,818	12,799,129	5,334,026	8,112,240	13,446,266	5,166,631	8,887,958	14,054,589
Mexico	1,810,007	1,191,807	3,001,814	1,771,987	1,282,862	3,054,849	1,915,709	1,449,597	3,365,306
Argentina	497,376	267,119	764,495	506,539	284,468	791,007	363,711	253,618	617,329
Brazil	2,589,236	813,272	3,402,508	2,722,979	989,401	3,712,380	2,314,789	831,329	3,146,118
Venezuela	67,226	36,857	104,083	45,986	25,767	71,753	11,039	8,720	19,759
Double Countings Venezuela/World	-55,800	-21,640	-77,440	-29,590	-14,600	-44,190	-7,080	-4,820	-11,900
Other	70,686	24,322	95,008	74,900	24,322	99,222	69,000	24,322	93,322
Latin America	4,978,731	2,311,737	7,290,468	5,092,801	2,592,220	7,685,021	4,667,168	2,562,766	7,229,934
North and Latin America	10,128,042	9,961,555	20,089,597	10,426,827	10,704,460	21,131,287	9,833,799	11,450,724	21,284,523
Australia	189,949	36,553	226,502	170,808	45,118	215,926	145,607	34,704	180,311
China	15,523,658	3,748,150	19,271,808	18,084,169	4,032,656	22,116,825	19,919,795	3,803,095	23,722,890
India	3,296,240	878,473	4,174,713	3,155,694	742,731	3,898,425	3,158,215	681,945	3,840,160
Indonesia	745,144	307,751	1,052,895	924,753	281,615	1,206,368	1,011,260	287,263	1,298,523
Iran	856,927	143,162	1,000,089	630,597	113,050	743,647	925,975	164,871	1,090,846
Japan	8,554,503	1,388,574	9,943,077	8,189,323	1,440,858	9,630,181	8,277,070	1,497,488	9,774,558
Malaysia	509,621	59,999	569,620	543,892	57,515	601,407	547,150	49,450	596,600
Pakistan	137,424	22,175	159,599	121,234	20,911	142,145	123,900	22,230	146,130
Philippines	46,390	8,970	55,360	48,560	3,700	52,260	55,500	4,720	60,220
South Korea	4,167,089	394,677	4,561,766	4,122,604	398,825	4,521,429	4,124,116	400,816	4,524,932
Taiwan	278,043	60,995	339,038	291,037	47,683	338,720	332,629	46,594	379,223
Thailand	945,100	1,484,042	2,429,142	1,071,076	1,385,981	2,457,057	742,678	1,137,329	1,880,007
Vietnam	38,900	1,570	40,470	38,900	2,020	40,920	38,900	2,600	41,500
Double Countings China/World	-127,610	0	-127,610	-148,710	0	-148,710	-163,800	0	-163,800
Asia-Oceania	35,161,378	8,535,091	43,696,469	37,243,937	8,572,663	45,816,600	39,238,995	8,133,105	47,372,100
Egypt	36,880	19,600	56,480	25,650	13,400	39,050	17,830	9,190	27,020
Morocco	103,364	5,379	108,743	146,842	20,610	167,452	209,999	21,987	231,986
South Africa	274,873	264,551	539,424	265,257	280,656	545,913	277,491	288,592	566,083
Double Countings Egypt/World	-11,660	-6,140	-17,800	-8,110	-4,100	-12,210	-5,640	-2,730	-8,370
Double Countings South Africa/World	-22,080	-84,140	-106,220	-20,050	-89,405	-109,455	-22,310	-91,830	-114,140
Other	0	5,769	5,769	0	5,769	5,769	0	5,769	5,769
Africa	381,377	205,019	586,396	409,589	226,930	636,519	477,370	230,978	708,348
Grand Totals	63,081,024	21,155,147	84,236,171	65,638,451	21,868,576	87,507,027	67,525,346	22,222,084	89,747,430

Notes: 1. Includes preliminary figures. 2. Some EU countries do not release truck and bus production data.

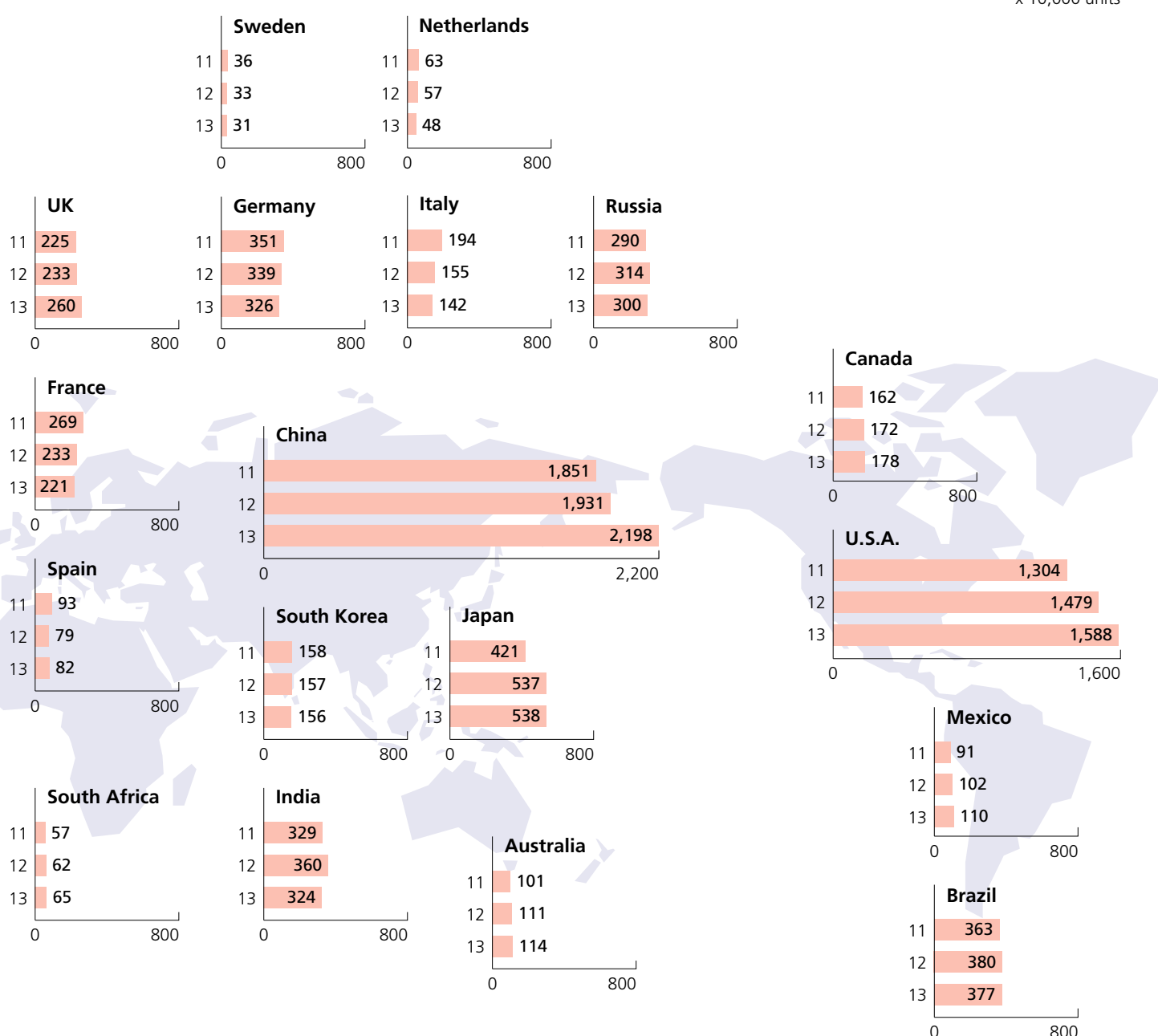
Sources: International Organization of Motor Vehicle Manufacturers (OICA); for Japan, Japan Automobile Manufacturers Association

Motor Vehicle Sales Rise in Argentina, China, Portugal, the UK, Indonesia, Turkey, the U.S.A., and Elsewhere

In 2013 overall new motor vehicle registrations (excluding motorcycles) increased 4.0% over the previous year to a global total of 85.48 million units. Vehicle sales rose in Argentina (up 16.1% to 964,000 units), China (up 13.9% to 21.98 million units), Portugal (up 11.7% to 127,000 units), the United Kingdom (up 11.2% to 2.60 million units), Indonesia (up 10.2% to 1.23 million units), Turkey (up 9.2% to 893,000 units), the United States (up 7.4% to 15.88 million units), and Mexico (up 7.4% to 1.1 million units). On the other hand, new registrations dropped from the previous year in the Netherlands (down 15.9% to 481,000 units), India (down 9.9% to 3.24 million units), and Italy (down 8.1% to 1.42 million units).

NEW REGISTRATIONS OF MOTOR VEHICLES EXCLUDING MOTORCYCLES (SELECTED COUNTRIES)

x 10,000 units



● NEW REGISTRATIONS OF PASSENGER CARS AND COMMERCIAL VEHICLES (BY COUNTRY)

In vehicle units

Country	2011			2012			2013		
	Passenger Cars	Commercial Vehicles	Total	Passenger Cars	Commercial Vehicles	Total	Passenger Cars	Commercial Vehicles	Total
Austria	356,145	40,510	396,655	336,010	38,819	374,829	319,035	38,857	357,892
Belgium	572,211	71,300	643,511	486,737	63,782	550,519	486,065	61,074	547,139
Czech Republic	173,595	21,350	194,945	174,009	19,786	193,795	164,736	21,203	185,939
Denmark	170,036	28,482	198,518	170,763	28,384	199,147	182,086	28,753	210,839
Finland	126,123	18,302	144,425	111,251	15,254	126,505	103,455	13,913	117,368
France	2,204,229	482,823	2,687,052	1,898,760	432,971	2,331,731	1,790,456	416,917	2,207,373
Germany	3,173,634	334,820	3,508,454	3,082,504	311,498	3,394,002	2,952,431	305,287	3,257,718
Greece	97,680	7,002	104,682	58,482	4,036	62,518	58,694	3,876	62,570
Hungary	45,094	15,899	60,993	53,059	15,109	68,168	56,139	16,836	72,975
Italy	1,749,740	193,209	1,942,949	1,403,010	142,754	1,545,764	1,304,648	116,166	1,420,814
Netherlands	555,812	71,945	627,757	502,544	69,349	571,893	416,717	64,399	481,116
Poland	277,427	59,799	337,226	272,719	57,080	329,799	289,913	63,284	353,197
Portugal	153,404	37,958	191,362	95,309	18,126	113,435	105,921	20,768	126,689
Romania	81,709	13,799	95,508	66,436	14,287	80,723	57,710	13,306	71,016
Slovakia	68,203	9,701	77,904	69,268	8,921	78,189	66,000	9,206	75,206
Spain	808,051	123,353	931,404	699,589	91,402	790,991	722,689	100,261	822,950
Sweden	304,984	54,082	359,066	279,899	46,542	326,441	269,599	43,468	313,067
UK	1,941,253	308,230	2,249,483	2,044,609	289,154	2,333,763	2,264,737	330,976	2,595,713
Russia	2,653,688	247,924	2,901,612	2,755,384	386,167	3,141,551	2,649,181	349,469	2,998,650
Switzerland	318,958	36,298	355,256	328,139	38,134	366,273	307,885	35,833	343,718
Turkey	593,519	270,920	864,439	556,280	261,340	817,620	664,655	228,469	893,124
Canada	681,956	938,265	1,620,221	748,530	967,648	1,716,178	755,615	1,024,908	1,780,523
U.S.A.	6,089,403	6,951,210	13,040,613	7,241,900	7,544,036	14,785,936	7,585,341	8,298,102	15,883,443
Mexico	592,101	313,785	905,886	649,333	375,241	1,024,574	698,217	402,325	1,100,542
Brazil	2,647,245	986,003	3,633,248	2,851,540	950,531	3,802,071	2,763,718	1,003,652	3,767,370
Argentina	626,037	220,814	846,851	596,397	233,661	830,058	684,379	279,538	963,917
Venezuela	65,339	55,350	120,689	60,776	69,777	130,553	43,887	54,991	98,878
China	14,472,416	4,032,698	18,505,114	15,495,240	3,811,195	19,306,435	17,927,730	4,056,349	21,984,079
India	2,510,313	777,424	3,287,737	2,781,919	813,589	3,595,508	2,553,979	687,323	3,241,302
Japan	3,524,788	685,431	4,210,219	4,572,332	797,388	5,369,720	4,562,282	813,231	5,375,513
South Korea	1,316,320	263,000	1,579,320	1,325,229	240,035	1,565,264	1,305,570	250,516	1,556,086
Malaysia	535,113	65,010	600,123	552,189	75,564	627,753	576,657	79,136	655,793
Indonesia	602,291	291,873	894,164	780,785	335,445	1,116,230	880,032	349,779	1,229,811
Thailand	390,000	400,000	790,000	660,214	763,366	1,423,580	663,746	666,926	1,330,672
Australia	559,314	449,123	1,008,437	576,855	535,177	1,112,032	566,454	569,773	1,136,227
Egypt	210,300	61,600	271,900	222,700	63,600	286,300	220,000	63,000	283,000
South Africa	396,292	175,949	572,241	440,002	183,919	623,921	450,561	200,184	650,745
Other	5,613,702	1,553,275	7,166,977	5,474,889	1,610,902	7,085,791	5,285,592	1,636,251	6,921,843
Grand Totals	57,258,425	20,668,516	77,926,941	60,475,591	21,723,969	82,199,560	62,756,512	22,718,305	85,474,817


Sources: Automobile manufacturers' associations of individual countries; for Japan, Japan Automobile Dealers Association; Japan Mini Vehicles Association; Japan Automobile Manufacturers Association














More than 1.15 Billion Motor Vehicles in Use Worldwide

There were over 1.15 billion motor vehicles (excluding motorcycles) in use worldwide in 2013, equivalent to 161 motor vehicles per 1,000 inhabitants or one vehicle for every 6.2 persons. Meanwhile, the number of motorcycles currently in use around the world is estimated at some 300 million. Motorcycle density in recent years has been particularly high in Malaysia, Indonesia, and Thailand, with one motorcycle in use for every three persons; and in Italy, with one in use for every seven persons. In Japan, one motorcycle is in use for every 11 persons.

MOTOR VEHICLE DENSITY: INTERNATIONAL COMPARISONS (at end of 2013)

In vehicle units

 x 1 person

Country	No. of Motor Vehicles per 1,000 Inhabitants Total Motor Vehicles Passenger Cars	No. of Persons per Motor Vehicle (No. of Persons per Passenger Car)
U.S.A.	380 799	1.3 (2.6) 
Australia	562 708	1.4 (1.8) 
Italy	609 689	1.5 (1.6) 
Canada	605 635	1.6 (1.7) 
Japan	472 602	1.7 (2.1) 
Austria	548 599	1.7 (1.8) 
France	492 594	1.7 (2.0) 
Switzerland	533 587	1.7 (1.9) 
Spain	473 583	1.7 (2.1) 
UK	510 580	1.7 (2.0) 
Germany	534 573	1.7 (1.9) 
Belgium	487 563	1.8 (2.1) 
World Average	111 161	6.2 (9.0) 

Sources: Ministry of Land, Infrastructure, Transport and Tourism; Ward's, etc.; for population data, OECD, UN


MOTOR VEHICLES IN USE WORLDWIDE (at end of 2013)











In vehicle units

Country	Passenger Cars	Commercial Vehicles	Total
Germany	43,851,230	3,163,469	47,014,699
Italy	36,963,000	4,867,000	41,830,000
France	31,650,000	6,550,000	38,200,000
UK	31,917,885	4,364,718	36,282,603
Spain	22,024,538	5,130,000	27,154,538
Netherlands	8,153,897	1,052,698	9,206,595
Belgium	5,439,295	858,762	6,298,057
Austria	4,641,308	434,331	5,075,639
Sweden	4,502,320	580,134	5,082,454
Poland	19,389,000	3,345,000	22,734,000
Switzerland	4,320,885	431,512	4,752,397
Turkey	9,283,923	4,330,733	13,614,656
Russia	39,320,000	7,900,000	47,220,000
U.S.A.	120,213,973	132,500,723	252,714,696
Canada	21,261,660	1,072,134	22,333,794
Mexico	24,286,354	10,093,201	34,379,555
Argentina	9,452,000	3,041,000	12,493,000
Brazil	31,339,000	8,356,000	39,695,000
Japan	60,035,297	16,583,769	76,619,066
China	55,930,000	63,580,000	119,510,000
South Korea	15,078,344	4,322,520	19,400,864
India	21,551,000	10,948,000	32,499,000
Thailand	7,109,000	6,813,000	13,922,000
Indonesia	11,484,514	7,901,803	19,386,317
Australia	13,000,021	3,381,742	16,381,763
South Africa	6,376,733	2,922,634	9,299,367
Other	137,684,460	42,534,217	180,218,677
Grand Totals	796,259,637	357,059,100	1,153,318,737

Sources: Ministry of Land, Infrastructure, Transport and Tourism; Ward's, etc.

MOTORCYCLE DENSITY: INTERNATIONAL COMPARISONS (No. of Persons per Motorcycle)

 x 1 person

2012	Malaysia	3 
2012	Indonesia	3 
2013	Thailand	3 
2012	Italy	7 
2012	Switzerland	9 
2012	Spain	9 
2013	Japan	11 
2012	Austria	12 
2012	Netherlands	14 
2013	China	15 

Note: Data for Japan as at March 31.

Sources: Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Internal Affairs and Communications; Federation of Asian Motorcycle Industries (FAMI); European Association of Motorcycle Manufacturers (ACEM), etc.; for population data, OECD, UN

MOTORCYCLES IN USE WORLDWIDE

In vehicle units

Year	Country/Territory	Total
2012	Italy	8,582,796
2012	Spain	5,021,965
2012	France	3,089,125
2012	UK	1,224,849
2012	Netherlands	1,210,729
2012	Switzerland	850,561
2012	Austria	731,051
2012	Poland	2,207,556
2012	Czech Republic	976,911
2012	Germany	3,843,155
2012	Greece	1,776,435
2012	Turkey	2,657,722
2012	U.S.A.	8,454,939
2012	Mexico	1,589,708
2013	China	95,326,138
2012	Indonesia	75,980,927
2013	Japan	11,823,429
2013	Thailand	19,964,990
2012	Taiwan	15,139,628
2012	Malaysia	10,591,668
2012	Philippines	4,120,315
2012	Myanmar	3,153,201

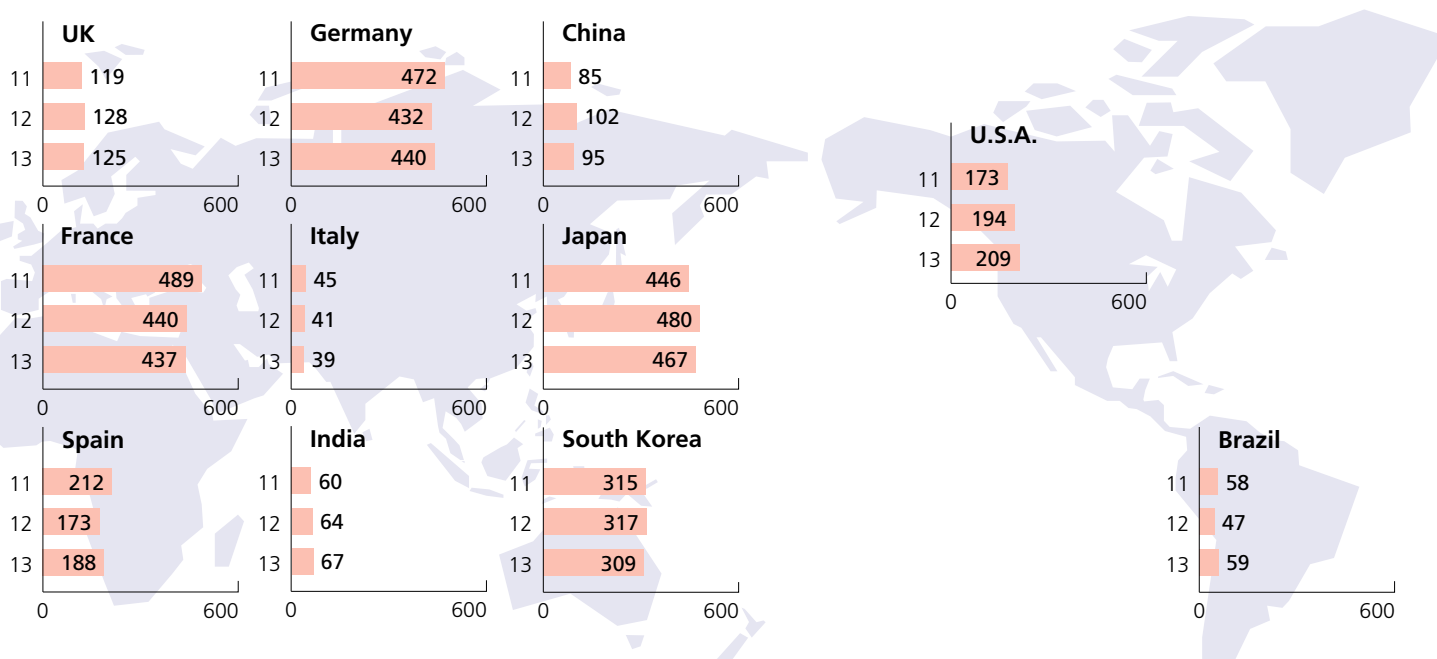
Sources: Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Internal Affairs and Communications; Federation of Asian Motorcycle Industries (FAMI); European Association of Motorcycle Manufacturers (ACEM), etc.

Motor Vehicle Exports Increase in Brazil, Spain, the U.S.A., and India

Motor vehicle exports (excluding motorcycles) in 2013 increased over the previous year in Brazil (to 591,000 units, up 25.3%), Spain (to 1.88 million units, up 8.7%), the United States (to 2.09 million units, up 7.8%), and India (to 671,000 units, up 4.9%), but decreased in China (to 949,000 units, down 6.6%) and Italy (to 393,000 units, down 3.5%). Motorcycle exports in 2013 showed a year-on-year rise in Taiwan (to 339,000 units, up 14.1%) and India (to 2.08 million units, up 6.3%), but declined in Indonesia (to 27,000 units, down 64.8%) and Japan (to 431,000 units, down 10.1%).

● MOTOR VEHICLE EXPORTS (MAJOR EXPORTING COUNTRIES)

x 10,000 units



● MOTOR VEHICLE EXPORTS (MAJOR EXPORTING COUNTRIES)

In vehicle units

Country	2011			2012			2013		
	Passenger Cars	Commercial Vehicles	Total	Passenger Cars	Commercial Vehicles	Total	Passenger Cars	Commercial Vehicles	Total
Japan	3,929,904	534,509	4,464,413	4,198,494	605,097	4,803,591	4,065,519	609,114	4,674,633
U.S.A.	1,300,075	427,562	1,727,637	1,515,337	425,622	1,940,959	1,624,236	467,236	2,091,472
Germany	4,518,973	197,077	4,716,050	4,131,279	189,548	4,320,827	4,197,516	207,244	4,404,760
UK	1,124,676	69,376	1,194,052	1,211,766	63,733	1,275,499	1,201,395	47,910	1,249,305
France	4,336,759	556,356	4,893,115	3,898,019	506,303	4,404,322	3,842,199	530,355	4,372,554
Italy	203,769	249,039	452,808	174,514	232,867	407,381	169,576	223,657	393,233
Spain	1,642,578	478,490	2,121,068	1,326,777	402,395	1,729,172	1,493,731	386,243	1,879,974
Brazil	405,575	173,153	578,728	308,693	163,354	472,047	397,554	193,794	591,348
South Korea	2,980,659	171,049	3,151,708	3,012,584	158,050	3,170,634	2,948,352	140,931	3,089,283
China	470,090	379,718	849,808	587,700	428,029	1,015,729	553,339	395,210	948,549
India	508,783	92,258	601,041	559,414	80,027	639,441	593,507	77,056	670,563

Sources: Ward's, etc.; for Japan, Japan Automobile Manufacturers Association

● MOTORCYCLE EXPORTS (MAJOR EXPORTING COUNTRIES/TERRITORY)

In vehicle units

Country/Territory	2011			2012			2013		
	Mopeds	Motorcycles & Scooters	Total	Mopeds	Motorcycles & Scooters	Total	Mopeds	Motorcycles & Scooters	Total
Japan	0	504,985	504,985	0	479,163	479,163	0	430,897	430,897
China	—	10,555,996	10,555,996	—	8,707,120	8,707,120	—	8,982,918	8,982,918
Taiwan	—	299,866	299,866	—	297,275	297,275	—	—	339,238
Indonesia	—	—	30,995	—	—	77,129	—	—	27,135
India	—	—	1,975,111	—	—	1,956,378	—	—	2,083,938

Note: "—" means data is not available at the end of March 2015.

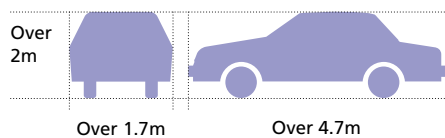
Sources: Automobile/motorcycle manufacturers' associations of individual countries; for Japan, Japan Automobile Manufacturers Association

Classifications According to the Road Vehicles Act and the Road Traffic Act

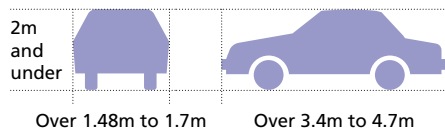
Japan classifies motor vehicles according to the provisions of two basic laws: the Road Vehicles Act and the Road Traffic Act. Road Vehicles Act classifications are used for registration statistics, vehicle inspection, and related maintenance and repair. Road Traffic Act classifications determine the different categories of driver's licenses. Vehicle registration number/character combinations are determined by vehicle type and usage in accordance with Road Vehicles Act designations, and a "vanity plate" system has been introduced nationwide.

CLASSIFICATION UNDER THE ROAD VEHICLES ACT (for registration, inspection, etc.)

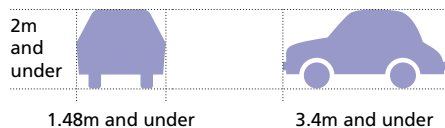
Standard Over 2,000cc in engine capacity, excluding diesel engines



Small Over 660cc to 2,000cc in engine capacity, excluding diesel engines



Mini 660cc and under in engine capacity



Note: A vehicle that exceeds any one of the requisites above is classified in the higher category.

CLASSIFICATION UNDER THE ROAD TRAFFIC ACT (for driver's license issuance)

Large Motor Vehicles
Gross vehicle weight: ≥ 11 tons Payload: ≥ 6.5 tons or Occupancy: ≥ 30 persons

Ordinary Motor Vehicles
Gross vehicle weight: < 5 tons Payload: < 3 tons or Occupancy: < 11 persons

Middle-Category Motor Vehicles (1)
Gross vehicle weight: $5 \leq \text{tons} < 11$ Payload: $3 \leq \text{tons} < 6.5$ or Occupancy: $11 \leq \text{persons} < 30$

Special-Purpose Motor Vehicles
Motor vehicles with caterpillar treads such as bulldozers, steamrollers, graders, snowplows, tractors, etc. are classified into two categories: large and small. Small special-purpose motor vehicles are those of up to 15km per hour in maximum speed, up to 4.7m in length, up to 2m in height (2), and up to 1.7m in width.

(1) As per a revision to the Road Traffic Act, the middle-category motor vehicle classification went into application in June 2007.
(2) Projections on small special-purpose vehicles should not exceed 2.8m.
Note: The Road Traffic Act stipulates that the driver of any one-rider, three- or four-wheeled vehicle of up to 50cc in engine capacity, with a legal maximum speed of 50km/h and a maximum load of 30kg, is required to hold an "ordinary motor vehicle" driver's license.

CLASSIFICATION OF MOTORCYCLES

Road Vehicles Act					
Category	Engine Capacity	Rated Output	Width	Height	Length
Small-sized	Over 250cc	Over 1.0kW	Over 1.3m	Over 2.0m	Over 2.5m
Mini-sized	126cc to 250cc	Over 1.0kW	1.3m and under	2.0m and under	2.5m and under
Motor-driven cycles Class 2	51cc to 125cc	Over 0.6kW to 1.0kW	1.3m and under	2.0m and under	2.5m and under
Motor-driven cycles Class 1	50cc and under	0.6kW and under	1.3m and under	2.0m and under	2.5m and under

Road Traffic Act	
Category	Engine Capacity
Large	Over 400cc
Ordinary	51cc to 400cc
Motorized bicycles	50cc and under

Note: A motorcycle that exceeds any one of the requisites above is classified in the higher category.

SIGNIFICANCE OF VEHICLE REGISTRATION DATA & NUMBER PLATE TYPES

Large-Sized Number Plates	
Larger-than-standard-size plates are issued to vehicles weighing 8 tons or more, with payload of 5 tons or more, or 30-person or more occupancy.	22cm × 44cm
Mid-Sized Number Plates	
Standard-size plates are issued to standard and small vehicles and mini-vehicles with engine capacity of more than 360cc, whether for private or commercial business use.	16.5cm × 33cm
Small-Sized Number Plates	
Small-size plates are issued to small- and mini-sized motorcycles and mini-vehicles with engine capacity of 360cc or less, excluding those designated with any one of the 40-to-49, 50-to-59 or 80-to-89 number categories.	12.5cm × 23cm

Motor Vehicle Registry Designation:
Kanji indicate geographical area of vehicle registration.

品川 500
さ 23-45

Designated Number Categories Indicating Vehicle Type	
Ordinary trucks	1, 10-19, 100-199
Ordinary buses	2, 20-29, 200-299
Ordinary passenger cars	3, 30-39, 300-399
Three- or four-wheeled small trucks	4, 40-49, 400-499
Three- or four-wheeled small passenger cars and buses	5, 50-59, 500-599
Special-purpose vehicles	6, 60-69, 600-699
Large special-purpose vehicles	7, 70-79, 700-799
Large special-purpose vehicles used as construction machinery	8, 80-89, 800-899
	9, 90-99, 900-999
	0, 00-09, 000-099

Number Assignment
From "1" to "99-99"

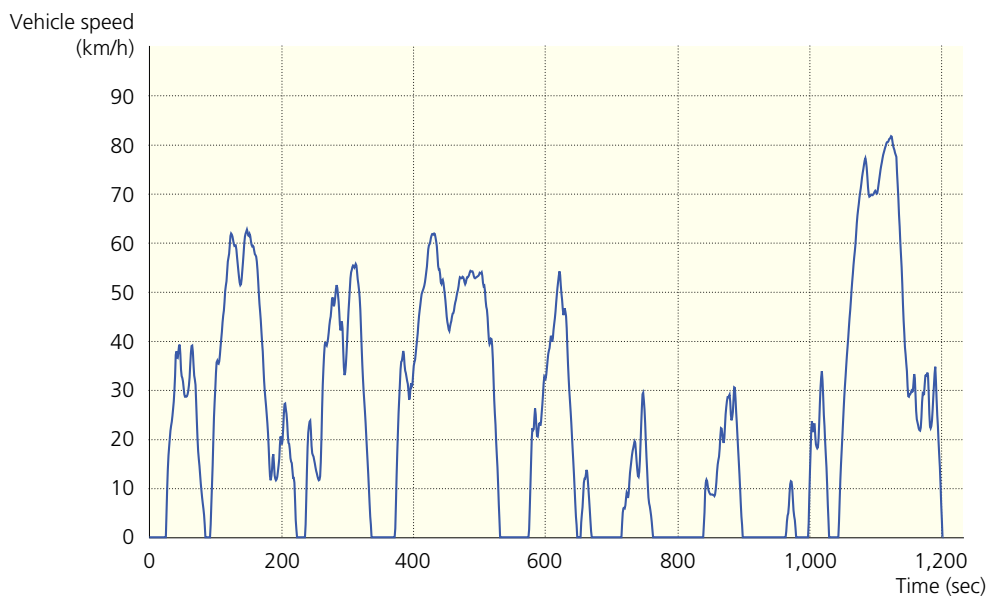
Usage Designations	
Ordinary and large motor vehicles	
Private use	さすせそたちつてとなにぬねのはひふほまみむめもやゆらりるろ
Commercial business use	あいうえかきくけこ
Rental vehicle	わ
Foreign military vehicle	EHKMTYよ
Mini-vehicles	
Private use	あいうえかきくけこさすせそたちつてとなにぬねのはひふほまみむめもやゆらりるろ
Commercial business use	りれ
Rental vehicle	わ
Foreign military vehicle	AB
Hiragana character indicates vehicle usage category: private, commercial business, rental or foreign military vehicle (private or official).	

Number Plate Colors	
Ordinary and large motor vehicles	
Private use or rental vehicle	Green characters on white background
Commercial business use	White characters on green background
Mini-vehicles	
Private use or rental vehicle	Black characters on yellow background
Commercial business use	Yellow characters on black background

Japan's Test Cycles for Measuring Fuel Consumption and Exhaust Emissions

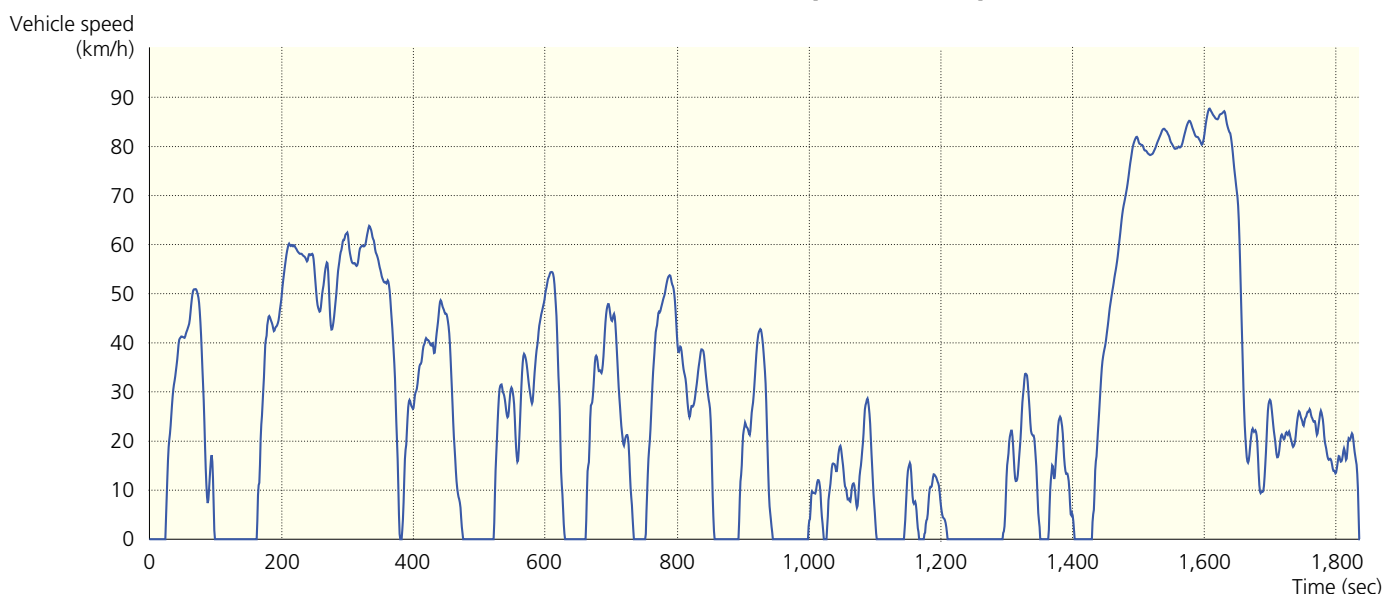
The JC08 test cycle is now the only test cycle applied in Japan to measure fuel consumption rates as well as exhaust emissions in non-heavy-duty vehicles, having replaced the 10•15-mode and (less commonly used) 11-mode test cycles. The objective in using the JC08 test cycle is to obtain test results that are as close as possible to actual on-road fuel consumption rates. Certified fuel efficiency values are therefore indicated on the basis of JC08 test cycle results and, for heavy-duty vehicles, on the basis primarily of JE05 test cycle results.

● THE JC08 TEST CYCLE



The JC08 cycle reflects typical real-world driving patterns in congested urban and urban expressway traffic (including idling and frequently-alternating acceleration and deceleration), but, compared to its predecessors, it increases the duration of the test cycle and the variation in driving modes. Measurement is made with both a cold start and a warm start, at a maximum speed of 82km/h.

● THE JE05 TEST CYCLE FOR HEAVY-DUTY VEHICLES (GVW>3.5t)



The JE05 cycle for heavy-duty vehicles includes idling and frequently-alternating acceleration and deceleration, also reflecting typical driving patterns in today's congested urban areas, as well as an expressway running mode. Engine revolution and torque are predetermined to reach target speed based on test vehicle specifications. Measurement is made on the engine alone, while following the transient driving pattern.

Alternative Systems Expedite Certification

Motor vehicle certification in Japan is based primarily on the Type Approval System, which is applied both to domestic and imported automobiles and covers most mass-produced models. The Preferential Handling Procedure for imported motor vehicles is an alternative procedure which was instituted to expedite the certification of foreign-made vehicles that are imported in limited quantities. The third procedure, the Type Notification System, is mainly applied to large commercial vehicles.

THE TYPE APPROVAL SYSTEM

This certification procedure is applied to domestic and imported mass-produced models. The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) inspects a sample vehicle and the quality-control system of the automobile manufacturer concerned, then completes the type approval process within two months in principle. All finished vehicles that have been granted type approval are then inspected by the manufacturer, eliminating the need to present them for new vehicle inspection. For imported vehicles, the MLIT not only dispatches officials overseas to conduct certification inspections but also accepts the test results of designated foreign testing institutes.

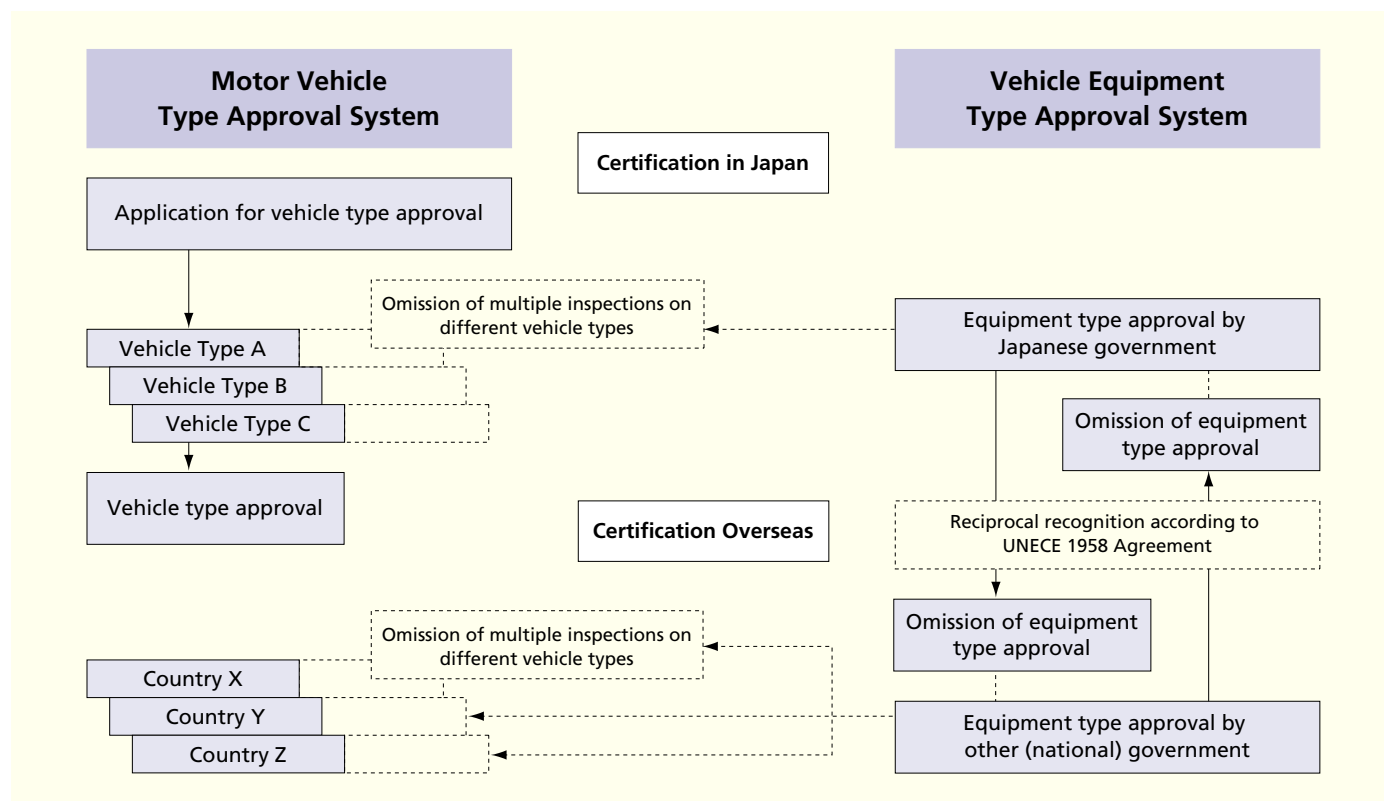
THE PREFERENTIAL HANDLING PROCEDURE FOR IMPORTED VEHICLES

This procedure is applied to models that are imported into Japan in quantities of 5,000 units or less per year. Designed to make the importation of vehicles simpler and faster, it exempts the applicant from undergoing the sample vehicle inspection that is mandatory under the Type Approval System. The MLIT inspects only the application documentation and issues a form indicating completion of the procedure within one month.

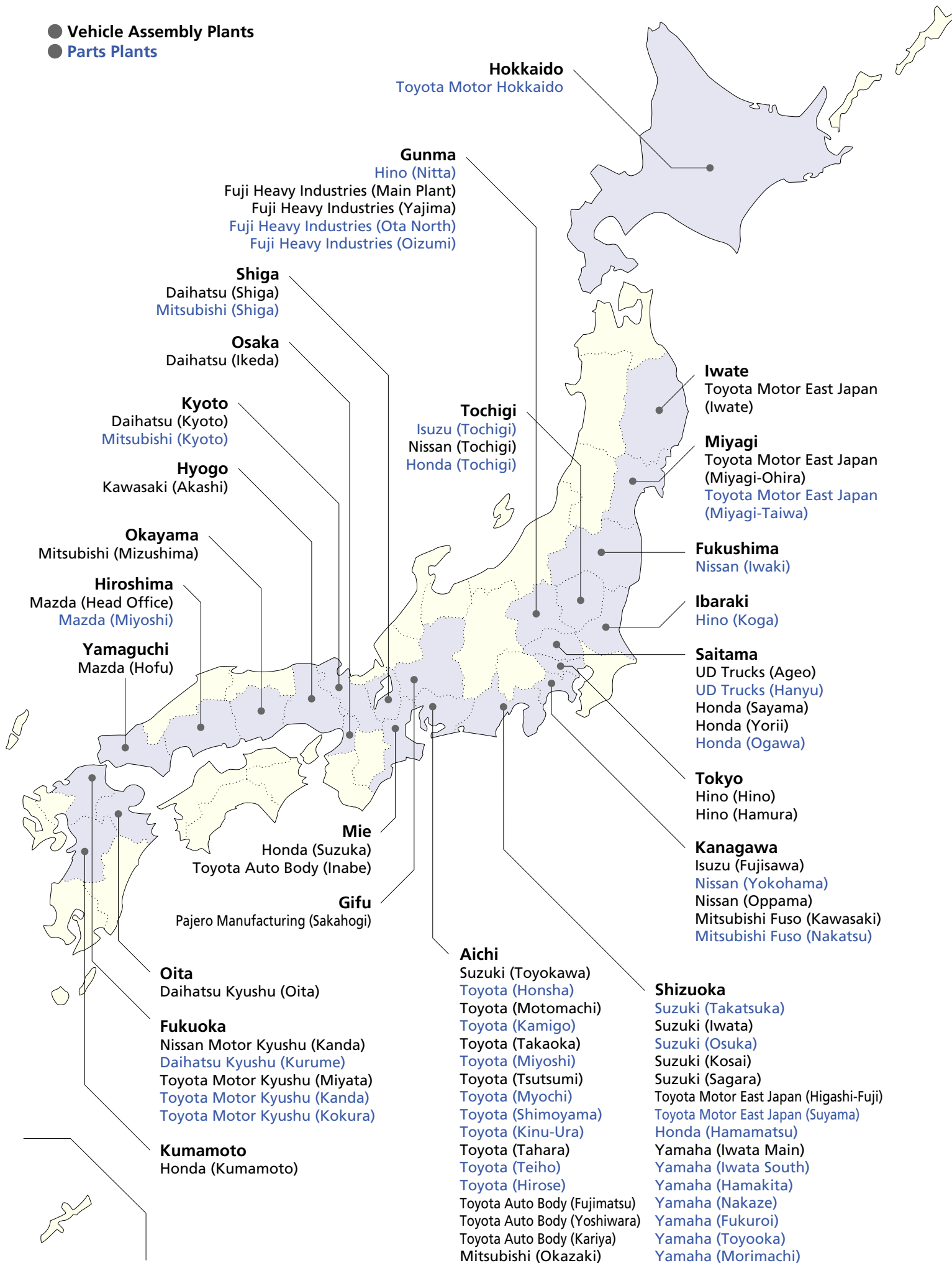
RATIONALIZATION OF MOTOR VEHICLE/RECIPROCAL EQUIPMENT TYPE APPROVAL SYSTEMS

Increased globalization in the automobile industry worldwide is underscoring the need for the more widespread adoption of reciprocal recognition systems, under which certification is mutually recognized between importing and exporting countries or regions. Meanwhile, the UNECE World Forum for Harmonization of Vehicle Regulations (also known as WP.29) is making steady progress towards the establishment of global technical regulations (GTRs) focusing on vehicle safety and environmental standards. In 1998 the Japanese government officially acceded to the UNECE 1958 Agreement, under which each signatory government reciprocally recognizes certifications of vehicle structure and equipment issued by all the other signatory countries. It also introduced the Vehicle Equipment Type Approval System, which specifically addresses the expanding common use of equipment in vehicle manufacturing. This system not only allows equipment and parts that have been certified by 1958 Agreement co-signatory countries to be exempted from undergoing certification procedures in Japan, but furthermore does not require them to be inspected again if they are used in other models.

● JAPAN'S RATIONALIZATION OF MOTOR VEHICLE/RECIPROCAL EQUIPMENT TYPE APPROVAL SYSTEMS



- Vehicle Assembly Plants
- Parts Plants





Daihatsu Motor Co., Ltd.

Head Office :

1-1 Daihatsu-cho, Ikeda, Osaka 563-8651 Tel: (072) 751-8811

Tokyo Branch Office :

2-10 Nihonbashi Honcho 2-chome, Chuo-ku, Tokyo 103-0023

<http://www.daihatsu.co.jp/>



Fuji Heavy Industries Ltd.

Head Office :

Ebisu Subaru Bldg. 20-8 Ebisu 1-chome, Shibuya-ku, Tokyo 150-8554

Tel: (03) 6447-8000

<http://www.fhi.co.jp/>



HINO Motors, Ltd.

Head Office :

1-1 Hinodai 3-chome, Hino, Tokyo 191-8660 Tel: (042) 586-5111

<http://www.hino-global.com>



HONDA MOTOR CO., LTD.

Head Office :

1-1 Minami-Aoyama 2-chome, Minato-ku, Tokyo 107-8556

Tel: (03) 3423-1111

<http://www.honda.co.jp/>



Isuzu Motors Limited

Head Office :

26-1 Minami-Oi 6-chome, Shinagawa-ku, Tokyo 140-8722

Tel: (03) 5471-1141

<http://www.isuzu.co.jp/world/>



Kawasaki Heavy Industries, Ltd.

Kobe Head Office :

Kobe Crystal Tower, 1-3 Higashi Kawasaki-cho 1-chome, Chuo-ku, Kobe, Hyogo 650-8680 Tel: (078) 371-9530

Tokyo Head Office :

14-5 Kaigan 1-chome, Minato-ku, Tokyo 105-8315 Tel: (03) 3435-2111

<http://www.khi.co.jp/>



MAZDA MOTOR CORPORATION

Head Office :

3-1 Shinchu, Fuchu-cho, Aki-Gun, Hiroshima 730-8670 Tel: (082) 282-1111

Tokyo Head Office :

NBF Hibiya Bldg. 1-7 Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo 100-0011

Tel: (03) 3508-5031

<http://www.mazda.co.jp/>



MITSUBISHI MOTORS CORPORATION

Head Office :

33-8 Shiba 5-chome, Minato-ku, Tokyo 108-8410 Tel: (03) 3456-1111

<http://www.mitsubishi-motors.co.jp/>

<http://www.mitsubishi-motors.com/jp/>



Mitsubishi Fuso Truck and Bus Corporation

Head Office :

1-2 Kashimada 1-chome, Saiwai-ku, Kawasaki, Kanagawa 212-0058

Tel: (044) 330-7700

<http://www.mitsubishi-fuso.com/>

NISSAN MOTOR CORPORATION



Nissan Motor Co., Ltd.

Global Headquarters :

1-1 Takashima 1-chome, Nishi-ku, Yokohama-shi, Kanagawa 220-8686

Tel: (045) 523-5523

<http://www.nissan.co.jp/>

<http://www.nissan-global.com/EN/>



Suzuki Motor Corporation

Head Office :

300 Takatsuka-cho, Minami-ku, Hamamatsu, Shizuoka 432-8611

Tel: (053) 440-2061

Tokyo Branch Office :

Suzuki bldg. Higashi-Shimbashi 2F, 2-8 Higashi-Shimbashi 2-chome,

Minato-ku, Tokyo 105-0021 Tel: (03) 5425-2158

<http://www.suzuki.co.jp/>

<http://www.globalsuzuki.com/>



TOYOTA MOTOR CORPORATION

Head Office :

1 Toyota-cho, Toyota, Aichi 471-8571 Tel: (0565) 28-2121

Tokyo Head Office :

4-18 Koraku 1-chome, Bunkyo-ku, Tokyo 112-8701 Tel: (03) 3817-7111

Nagoya Office :

7-1 Meieki 4-chome, Nakamura-ku, Nagoya, Aichi 450-8711

Tel: (052) 552-2111

<http://www.toyota.co.jp/>



UD TRUCKS

UD Trucks Corporation

Head Office :

1-1 Ageo, Saitama 362-8523 Tel: (0120) 67-2301

<http://www.udtrucks.co.jp/>

<http://www.udtrucks.com/>



YAMAHA MOTOR CO., Ltd.

Head Office :

2500 Shingai, Iwata, Shizuoka 438-8501 Tel: (0538) 32-1115

Tokyo Office :

1-1 Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-0005 Tel: (03) 5220-7200

<http://global.yamaha-motor.com/>

Special Friend:



General Motors Japan Ltd.

Head Office :

12-8 Higashi-Shinagawa 4-chome, Shinagawa-ku, Tokyo 140-8687

Tel: (03) 6711-5600

<http://www.gmjapan.co.jp/>

- **Japan Auto Parts Industries Association (JAPIA)**
16-15, Takanawa 1-chome, Minato-ku, Tokyo 108-0074 (03) 3445-4211
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10-2, Goban-cho, Chiyoda-ku, Tokyo 102-0076 (03) 3262-8211
- **Japan Automobile Research Institute (JARI) [Tsukuba]**
2530, Karima, Tsukuba, Ibaraki 305-0822 (029) 856-1112
- **Japan Automobile Research Institute (JARI) [Tokyo]**
1-30, Shiba-Daimon 1-chome, Minato-ku, Tokyo 105-0012 (03) 5733-7921
- **Automotive Dispute Resolution Center (ADR)**
19-5, Toranomon 1-chome, Minato-ku, Tokyo 105-0001 (0120) 028-222
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1-30, Shiba-Daimon 1-chome, Minato-ku, Tokyo 105-0012 (03) 5733-8300
- **Japan Auto Recycling Partnership (JARP)**
1-30, Shiba-Daimon 1-chome, Minato-ku, Tokyo 105-0012 (03) 5405-6150
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11-6, Iwamoto-cho 3-chome, Chiyoda-ku, Tokyo 101-0032 (03) 5825-3671
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1-30, Shiba-Daimon 1-chome, Minato-ku, Tokyo 105-0012 (03) 3578-3880
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- **Japan Motorcycle Promotion & Safety Association**
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- **Institute for Traffic Accident Research and Data Analysis (ITARDA)**
7-8, Sarugaku-cho 2-chome, Chiyoda-ku, Tokyo 101-0064 (03) 5577-3977
- **Japan Automobile Transport Technology Association (JATA)**
2-5, Yotsuya 3-chome, Shinjuku-ku, Tokyo 160-0004 (03) 6836-1201
- **Japan Automobile Standards Internationalization Center (JASIC)**
2-5, Yotsuya 3-chome, Shinjuku-ku, Tokyo 160-0004 (03) 5362-7751
- **ITS Japan**
6-8, Shiba-Koen 2-chome, Minato-ku, Tokyo 105-0011 (03) 5777-1011
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5-26, Moto-Akasaka 1-chome, Minato-ku, Tokyo 107-0051 (03) 3403-5556
- **Japan Trucking Association**
2-5, Yotsuya 3-chome, Shinjuku-ku, Tokyo 160-0004 (03) 3354-1009
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4-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-0005 (03) 3216-4016
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3-9, Kudan-Minami 2-chome, Chiyoda-ku, Tokyo 102-0074 (03) 3556-0070
- **Japan Automobile Tyre Manufacturers Association, Inc. (JATMA)**
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- **Auto-Parts & Accessories Retail Association (APARA)**
1-7, Shiba 5-chome, Minato-ku, Tokyo 108-0014 (03) 3454-1427
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- **Japan Road Association (JARA)**
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- **Express Highway Research Foundation of Japan (EHRF)**
11-10, Minami-Azabu 2-chome, Minato-ku, Tokyo 106-0047 (03) 6436-2100
- **Vehicle Information and Communication System Center (VICS)**
5-7, Kyobashi 2-chome, Chuo-ku, Tokyo 104-0031 (03) 3562-1720

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Jidosha Kaikan, 1-30 Shiba Daimon 1-chome, Minato-ku, Tokyo 105-0012 Japan

For inquiries about this booklet, write or telephone:

Public Relations Office, JAMA Tel: +81 (3) 5405-6119

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