

## Mitsubishi Heavy Industries and Mahindra enter into Strategic Partnership in Agricultural Machinery

Mahindra to take 33% stake in Mitsubishi Agricultural Machinery

Partnership to create a win-win for both companies in the Global Agricultural Machinery space

**Tokyo/Mumbai, May 21, 2015:** Mitsubishi Heavy Industries Ltd. (MHI) headquartered in Tokyo, and Mahindra & Mahindra Ltd. (M&M), part of the Mahindra Group headquartered in Mumbai, today entered into a strategic partnership in the agricultural machinery field.

Under the definitive agreement signed today, Mahindra will invest JPY 3 bn (USD 25 mn) for acquiring 33% voting stake in MHI subsidiary, Mitsubishi Agricultural Machinery Co. Ltd. (MAM) through fresh issue of common shares and Class A (non-voting) shares of MAM. The deal is expected to close by October 1, 2015, with the new funding to be used to increase MAM's capital base.

Mitsubishi Agricultural Machinery is a full range agri-machinery company producing and selling tractors, combine harvesters, rice transplanters and other agri-machinery. It had revenues of approximately JPY 50 bn (USD 408 mn) in 2014-15.

The agreement was signed by Kazuaki Kimura, President and CEO, MHI Machinery, Equipment & Infrastructure, Katsumi Tottori, President, MAM and Rajesh Jejurikar, President & Chief Executive (Farm Equipment & Two Wheeler), Mahindra & Mahindra Ltd.

Commenting on the partnership, **Kazuaki Kimura, President and CEO, MHI Machinery, Equipment & Infrastructure said**, "It is an honor for us at Mitsubishi to welcome Mahindra, who are the largest tractor manufacturer globally by volumes as a partner to Mitsubishi Agricultural Machinery. Today's signing will only build upon the wonderful relationship which both companies have shared for over a decade. I am sure that the commitment and expertise of both of the companies will open a new horizon to the business globally."

Speaking on the alliance, **Rajesh Jejurikar, President & Chief Executive (Farm Equipment & Two Wheeler Division), M&M said**, “It is a matter of pride for us to have signed this alliance today which is a ‘Win-Win’ for the agricultural machinery businesses of both companies. This will enable strategic growth avenues for Mitsubishi Agricultural Machinery (MAM) through Mahindra USA, China and other international markets, thereby speeding up international expansion. It will also provide a platform for both the companies to leverage Technology and Product Development synergies.”

Mahindra is the world’s largest tractor manufacturer by volume with a very strong leadership position in India. MAM has been supplying OEM tractors to Mahindra USA (subsidiary of M&M in the US) as well as providing technical license to Mahindra for walk-behind rice planters and new tractor in India.

The new partnership will help both companies to jointly develop products to address global opportunities in the tractor and agri-machinery space. In addition, the partnership will enable MAM and Mahindra to improve cost competitiveness through joint procurement and optimize the supply chain.

#### **About Mitsubishi Heavy Industries**

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world’s leading heavy machinery manufacturers, with consolidated sales of 3,992.1 billion yen in fiscal 2014, the year ended March 31, 2015. MHI’s diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, industrial and general machinery, aircraft, space systems and air-conditioning systems.

For more information, please visit the MHI website (<http://www.mhi-global.com/index.html>).

#### **About Mitsubishi Agricultural Machinery**

Mitsubishi Agricultural Machinery Co., Ltd. (MAM), headquartered in Matsue, Shimane, is a fully owned subsidiary of Mitsubishi Heavy Industries, Ltd. with consolidated sales of 35.3 billion yen in fiscal 2012, the year ended March 31, 2013. MAM has a manufacturing and sales diverse lineup of agricultural machinery such as “tractors”, “power tillers”, “planters”, “combine harvesters”, and “plant and facility” for agriculture markets in Japan and worldwide.

For more information, please visit the MAM website: (<http://www.mam.co.jp/english/index.html>)

### **About Mahindra**

The Mahindra Group focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 16.5 billion multinational group based in Mumbai, India, Mahindra employs more than 200,000 people in over 100 countries. Mahindra operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology and vacation ownership.

In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, financial services, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two wheeler industries.

In 2012, Mahindra featured on the Forbes Global 2000 list, a listing of the biggest and most powerful listed companies in the world. In 2013, the Mahindra Group received the Financial Times 'Boldness in Business' Award in the 'Emerging Markets' category.

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