



2018 AWDA

WE SEE THE POTENTIAL IN PARTS



Steering and Caliper Fill Rates

- **Steering fill rate challenges**

- Labor market in Reynosa
- Availability of core with aging hydraulic steering applications
- Lack of new unit availability to seed new where cores not available (mainly in gears and racks)

- **Caliper fill rate challenges**

- Labor market in Reynosa
- Capacity ramp up to meet market demand
- Timing for Supply chain ramp up to meet market demand
- Transition to in house coating

Service Level Improvement

Caliper Improvements

- Added 1000+ employees YTD
- Added 60% addl. production capacity. (from 10 production cells to 16)
- Production throughput has increased over 65% (including new unit “seed stock”)
- Acquiring a new DC for finished goods, of 436k Sq Ft, to expand factory space
- New Core building of 114K Sq Ft. to hold addl cores
- New in-house E-coating lines

Steering Improvements

- Added 890+ employees YTD
- Increased production shifts.
- Production throughput increased significantly (including new unit “seed stock”)
- Significant increase in core supply
- Acquiring a new DC for finished goods, of 436k Sq Ft, to expand factory space
- Transitioned remanufactured to new to increased service level where acceptable cores are not available

Steering and Caliper Fill Rates

- **Steering fill rate challenges**

- Labor market in Reynosa
- Availability of core with aging hydraulic steering applications
- Lack of new unit availability to seed new where cores not available (mainly in gears and racks)

- **Caliper fill rate challenges**

- Labor market in Reynosa
- Capacity ramp up to meet market demand
- Supply chain ramp up to meet market demand
- Transition to in house coating

BBB Value Proposition

Right Part

- ✓ Best-in-class engineering
- ✓ Highest product quality
- ✓ Leading vehicle parc coverage
- ✓ Advanced cataloging capabilities
- ✓ Customer training

Right Place

- ✓ Multi-channel presence
- ✓ Data-driven category management
- ✓ Industry-leading fill-rates
- ✓ Unrivalled distribution capabilities
- ✓ Sophisticated reverse logistics

Right Price

- ✓ Lean manufacturing
- ✓ Remanufacturing advantage
- ✓ Lifecycle management
- ✓ Efficient core utilization

BBB remanufactures high quality products with over **7,500 people** in over **1.7M Sq. ft.** of space!

Plant Certifications



ISO 9001 Quality Management System



ISO 16949 Quality Certification



Ford Q1 Quality Certification



Local Environmental Leadership



Customs Trade Partnership Against Terrorism

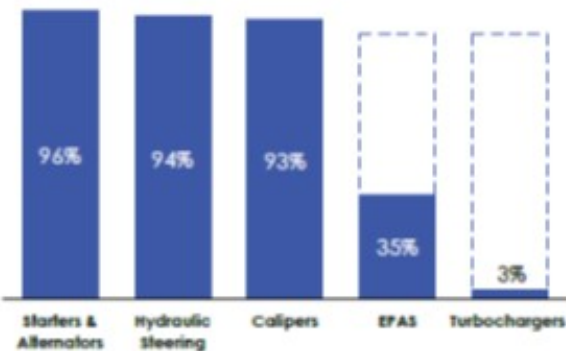


Global Custom Security Compliance



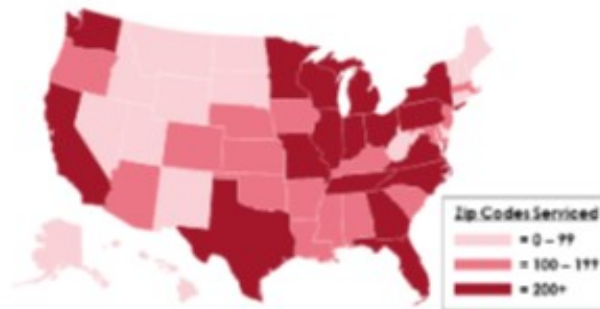
Import & Export Tax Certification

VIO Coverage



Note: VIO coverage for EPAS and Turbochargers is expected to reach ~85 - 90% for vehicles 2 years and older by 2019

Nationwide Coverage



Note: Through relationships with key channel partners, BBB Industries covers 88% of the counties in the U.S. and 99% of VIO in covered counties

Labor \$ per Unit: Brake Calipers Example

(Indexed to 100 based on 2014)

