

Message to Stakeholders

Our Business and Mission

Applying comprehensive groupwide capabilities toward achieving the 2012 Medium-Term Business Plan



Shunichi Miyanaga
President and CEO

Hideaki Omiya
Chairman of the Board

Despite sustained growth in the Southeast Asian countries and signs of economic recovery in China driven by economic stimulus initiatives, the global economy decelerated in fiscal 2012 on a broader number of fronts under the widening impact of the increasingly clear weakening of the European economies against the backdrop of government debt crises. The Japanese economy also showed evidence of weakening, as illustrated by decreases in both exports and production attributable to the slowdown of the global economy, but as a whole it staged a moderate recovery supported largely by reconstruction demand after the Great East Japan Earthquake and implementation of fiscal, financial and foreign exchange policies starting in January 2013.

Under this environment, MHI took vigorous and specific steps to accomplish the strategies called for in its 2012 Medium-Term Business Plan launched in April 2012: namely, “accelerating global expansion,” “managing the business portfolio based on strategic evaluation,” and “managing innovations in corporate governance and operations.” As a result, although orders received and net sales fell short of targets, operating income, ordinary income and net income all exceeded their target figures, return on equity improved to 7.4%, and dividends finished at ¥8 per share for the year – ¥2 more than the ¥6 projection issued at the start of the term.

Looking ahead, although the economic situation is now in a recovery mode, the opening of the global markets will continue to proceed at an accelerating pace and global competition will become increasingly intense. As a result, we expect the MHI Group’s business environment to

become even more severe in the days ahead.

With this outlook firmly in view, we believe that in order to enhance our Group’s resilience to global market risks and to survive and grow as a corporate group with a true international presence, we must further strengthen our financial base through expansion of our business scale and increased profits. In particular, we see business scale expansion as our most urgent and important priority.

The 2012 Medium-Term Business Plan represents the first step towards building a firm and unshakable global position for the MHI Group. By steadily implementing this plan, all the while maintaining a lean and agile corporate structure backed by a stance of unwavering reforms, we will set the MHI Group on a new growth trajectory.

The MHI Group will also continue to view CSR as its foremost management priority, and in addition to contributing to sustainable development of society through manufacturing activities, we will strive to maintain a corporate culture that responds to the expectations and trust of both its customers and society as a whole.

In April 2013 Hideaki Omiya, after serving for five years as MHI president, was appointed chairman and former senior executive vice president Shunichi Miyanaga took over as president. Under this new organizational structure the MHI Group will continue to steadily promote reform activities and apply its full capabilities toward achieving the goals defined in the 2012 Medium-Term Business Plan.

We ask for the continued support and understanding of our shareholders, our investors, and all other stakeholders.



Hideaki Omiya, Chairman of the Board



Shunichi Miyanaga, President and CEO