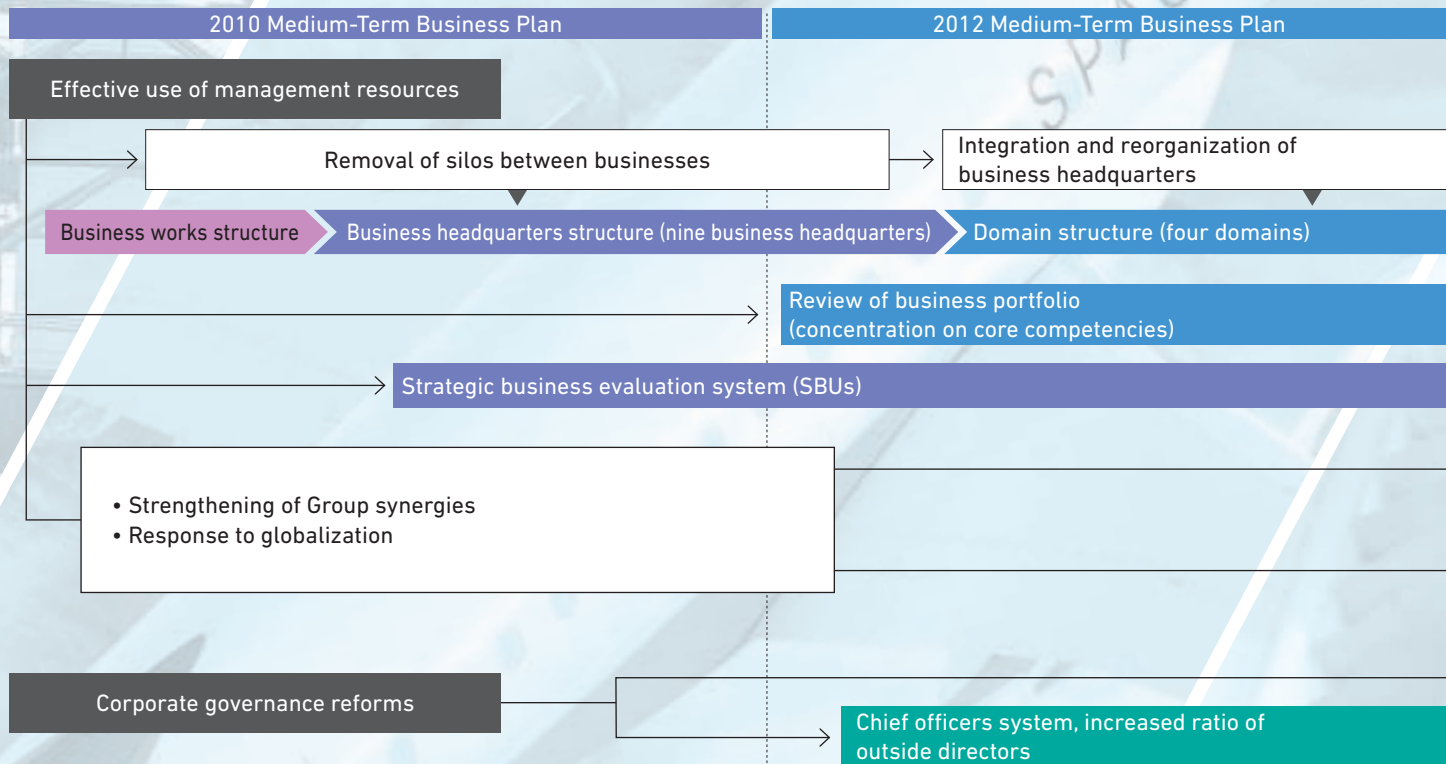


Recent Business Structure Reforms

Since the 2010 Medium-Term Business Plan, MHI Group has been promoting business structure reforms, transitioning from a business works structure to a business portfolio management structure that centers on strategic business units (SBUs). Throughout this transition, the Group has concentrated on the core competencies of its businesses. In addition, we have made proactive efforts to foster a corporate culture and structure for addressing



globalization, gaining organizational strengths that enable us to pursue growth by shifting to cash flow management approach and bolstering our financial foundation.

We have positioned the three-year period of the 2018 Medium-Term Business Plan as a phase in which we achieve the necessary organizational strengths to become a corporation with resilience and growth potential of global standards, with the aim to realize

our future vision for MHI Group. In fiscal 2018, the first year of the plan, the business structure reforms we have thus far promoted began to take root and lead to results. Going forward, we will work to further achieve solid results with these reforms. At the same time, we will proceed on a path toward sustainable growth with a strong awareness of the future after the current business plan is completed.

