

Feature Meeting Problem-Solving Needs around the World

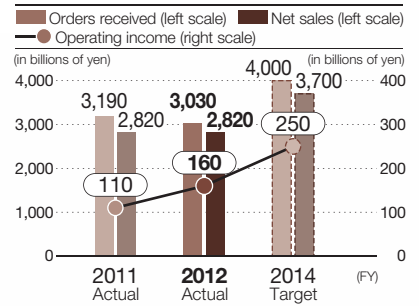
Accelerate Growth in Four Business Domains

Shift to a four-domain business structure capable of challenging in the global market, with the aim of becoming a highly profitable ¥5-trillion enterprise

As one of the strategies in its 2012 Medium-Term Business Plan, the MHI Group is making progress in consolidating and restructuring its business segments and shifting to a four-domain business structure capable of challenging in the global market.

By doing so, the Group plans to achieve a business scale of ¥4 trillion in fiscal 2014, with a future target of ¥5 trillion.

Financial targets and progress

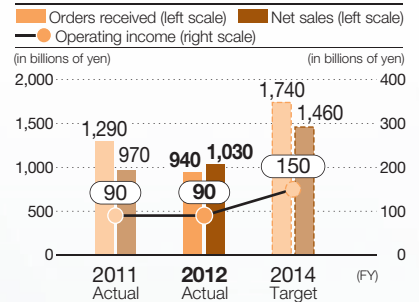


Power generation facilities and large-scale infrastructures

Energy & Environment

Power Systems

Machinery & Steel Infrastructure Systems



Businesses targeting core industries such as steel and automotive

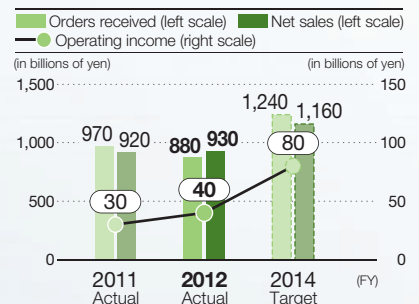
Machinery, Equipment & Systems

Power Systems

Machinery & Steel Infrastructure Systems

General Machinery & Special Vehicles

Others



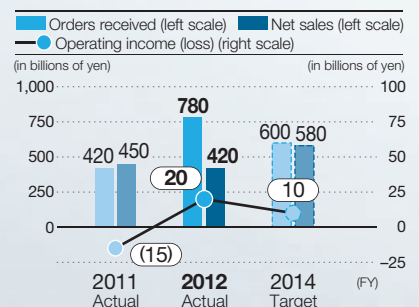
Land, sea and air transportation-related businesses

Commercial Aviation & Transportation Systems

Shipbuilding & Ocean Development

Machinery & Steel Infrastructure Systems

Aerospace Systems



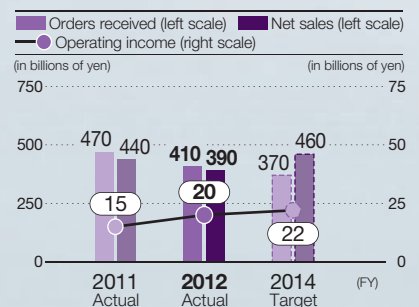
Land, sea and air defense systems and space systems

Integrated Defense & Space Systems

Shipbuilding & Ocean Development

Aerospace Systems





General Machinery & Special Vehicles



Consolidate and restructure into four business domains

The MHI Group reorganized into four business domains to leverage its strengths and synergies.

By clarifying business-specific strategies, the Group will promote more proactive business development.

	Shipbuilding & Ocean Development	Power Systems	Machinery & Steel Infrastructure Systems	Aerospace Systems	General Machinery & Special Vehicles	Others
 Energy & Environment		<ul style="list-style-type: none"> • GTCC • Large-sized thermal power plants • Nuclear energy 	<ul style="list-style-type: none"> • Environmental plants • Chemical plants 			
 Machinery, Equipment & Systems		<ul style="list-style-type: none"> • Stationary engines 	<ul style="list-style-type: none"> • Compressors • Iron and steel machinery • Crane and material handling systems 		<ul style="list-style-type: none"> • Turbochargers • Forklift trucks • Engines 	<ul style="list-style-type: none"> • Air-conditioning equipment • Machine tools
 Commercial Aviation & Transportation Systems	<ul style="list-style-type: none"> • Commercial ships 		<ul style="list-style-type: none"> • Transportation systems 	<ul style="list-style-type: none"> • Commercial aircraft 		
 Integrated Defense & Space Systems	<ul style="list-style-type: none"> • Destroyers and submarines for the Ministry of Defense 			<ul style="list-style-type: none"> • Defense aircraft • Missiles • Space systems 	<ul style="list-style-type: none"> • Special vehicles 	

Strategies

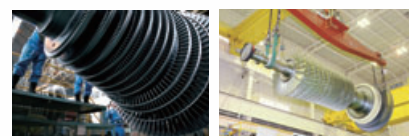
- Rapidly expand Energy & Environment Business by concentrating management resources into gas turbine combined cycle (GTCC) and integrated coal gasification combined cycle (IGCC) and large-scale coal-fired thermal power plants, for which there is buoyant global demand
- Contribute to early restart of existing Japanese nuclear plants in compliance with new regulatory standards and accelerate overseas expansion of Japanese nuclear safety technology
- Promote the development of large-scale infrastructure projects, smart communities and other new businesses, centered around the Engineering Headquarters

Progress of strategies

- Concluded basic agreement with Hitachi on business integration in the thermal power generation systems field
- Acquired PWPS, the small- and medium-sized gas turbine business unit of the aeroengine manufacturer, Pratt & Whitney (P&W)
- Cooperation agreement concluded between Japanese and Turkish governments: Japan acquires preferential negotiating rights based on adoption ATMEA1
- MHI and Sojitz Receive Order for New Acrylic Acid Plant

Achievements

- **Supporting the World's Energy with Environmentally Friendly, High-Efficiency Thermal Power**  For details, see p. 27.



Strategies

- Reinforce production and sales in emerging markets in which such core industries are rapidly expanding, and aim to increase market shares and expand profitability
- Establish dedicated operating companies, form alliances and carry out mergers and acquisitions, and build world-class businesses by engaging in agile and flexible organizational management

Progress of strategies

- Company for marketing and servicing compressors in the United States began operations in October 2012
- Mitsubishi-Hitachi Metals Machinery, Inc. acquired Concast (India) Limited
- Joint venture company for manufacturing and marketing industrial-use diesel engines in China began operations in March 2013
- Operations to Launch at Mitsubishi Nichiyu Forklift Co., Ltd., entity Integrating the Forklift Truck Businesses of MHI and Nippon Yusoki

Achievements

- **MEGANINJA gas engine generator**  For details, see p. 29.




Strategies

- Achieve high safety level, complying with stringent regulations
- Optimize common business models
- Accelerate construction of optimal mass production system

Progress of strategies

- Established a joint venture company with Imabari Shipbuilding Co., Ltd. for designing and marketing LNG carriers to respond to large-scale projects
- MHI Ships Composite-material Wing Box for 100th Boeing 787 — Measures Being Taken to Increase In-house Production Rate
- MHI Receives Order for Klang Valley Mass Rapid Transit (KVMRT)

Achievements

- **New transportation systems that help eliminate urban congestion**  For details, see p. 31.



Strategies

- Propose integrated defense systems by coordinating businesses for land, sea and air defenses
- Promote the mutual application of defense and space technologies and civilian technologies
- Bolster launch capabilities and cost competitiveness through the development of a next-generation primary launch vehicle

Progress of strategies

- Established the Integrated Defense & Space Systems Planning Department in January 2013, unifying defense and space business operations
- Successful launch of the "KOUNOTORI3" (HTV3) transfer vehicle to the International Space Station, using H-IIB Launch Vehicle No. 3
- Concluded agreement with JAXA to provide launch services business, starting with H-IIB Launch Vehicle No. 4

Achievements

- **H-IIB rockets used for launching large-size satellites**  For details, see p. 33.

