

# 2021 Medium-Term Business Plan (MTBP) and Energy Transition

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Executive Vice President

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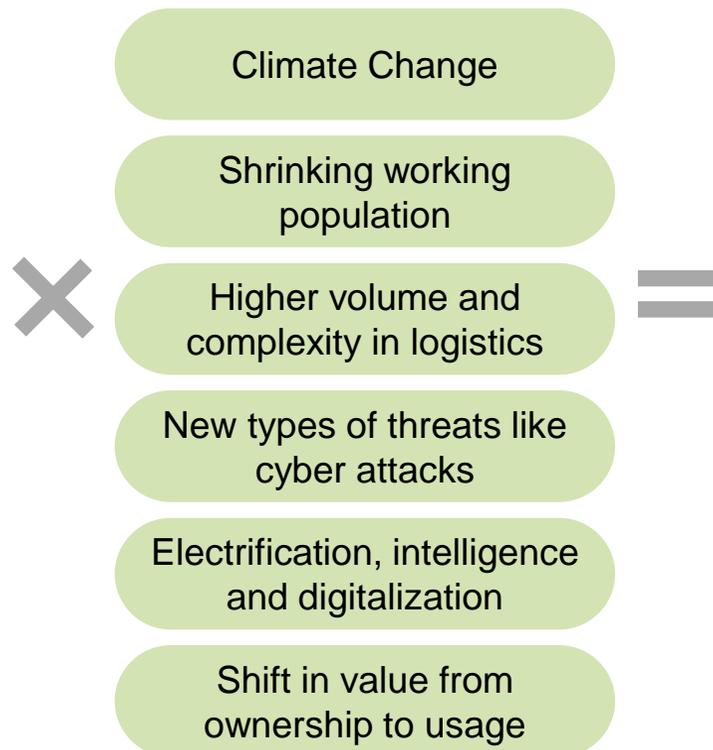
Head of Growth Strategy Office

Integrate cutting-edge technology into expertise built up over many years to provide solutions to some of the world's most pressing issues and provide better lives

## Core strengths

- Infrastructure systems that support our modern lives
- Defense products that protect us on land, at sea and in the air
- Space and deep sea systems that open up unknown parts of our world and universe
- High performance, high reliability products
  - High temperature, high speed, high pressure
  - Complex and large-scale structures and systems
  - Optimized control of large-scale systems

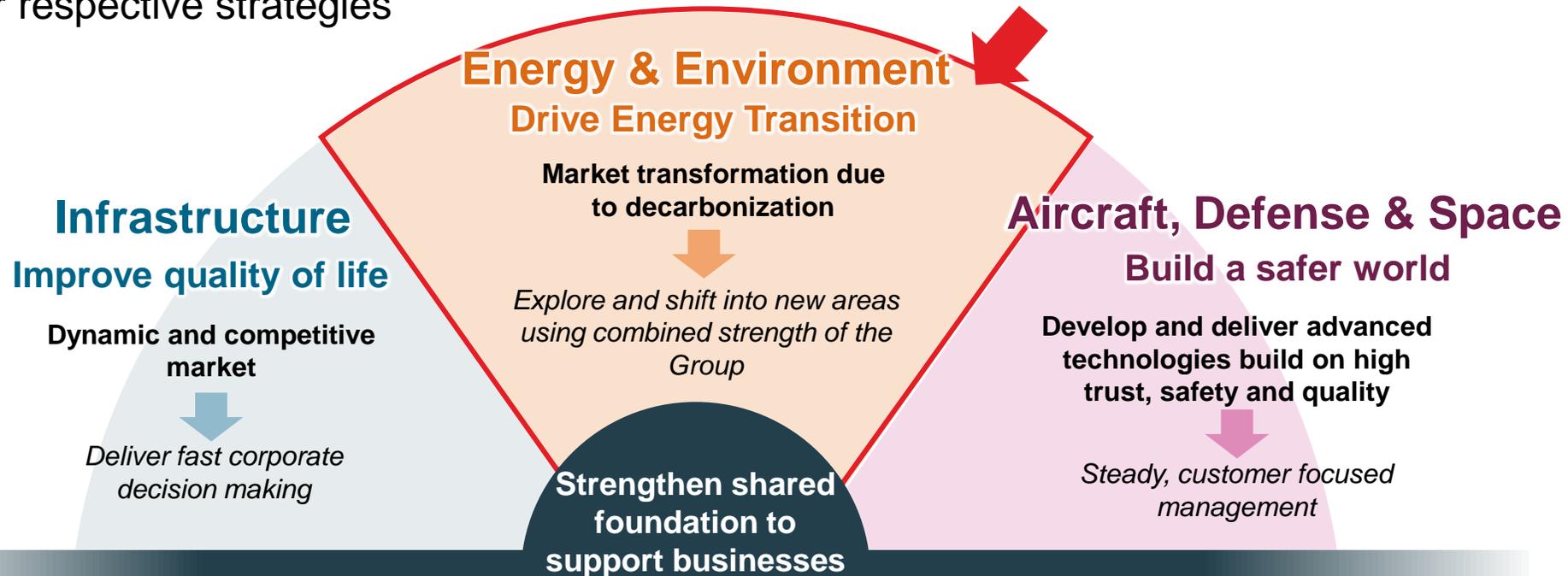
## Global Issues & Trends



## MHI Group's Key Focal Themes

- **Realize a carbon neutral world**
  - Upgrading of current infrastructure
  - Decarbonization and diversification of fuels
  - CO2 conversion and usage
  - Air conditioning and chilling with natural refrigerant
- **Improve quality of life**
  - Smart and networked machinery systems
  - Automation of logistics
  - Electrified and intelligent mobility and industry
- **Build a safer world**
  - Integrated defense
  - Cybersecurity

- Accumulate technologies, expertise and personnel cultivated across a broad range of businesses in shared foundation
- Businesses will leverage strengths of the shared foundation to drive growth based on their respective strategies



## 1. Group Management

- Mission, vision, values
- Strengthen responsibility, authority and organization

## 2. Technology

- Centralize and develop technologies and knowhow
- Drive forward digitalization

## 3. People

- Increase diversity
- Increase mobility

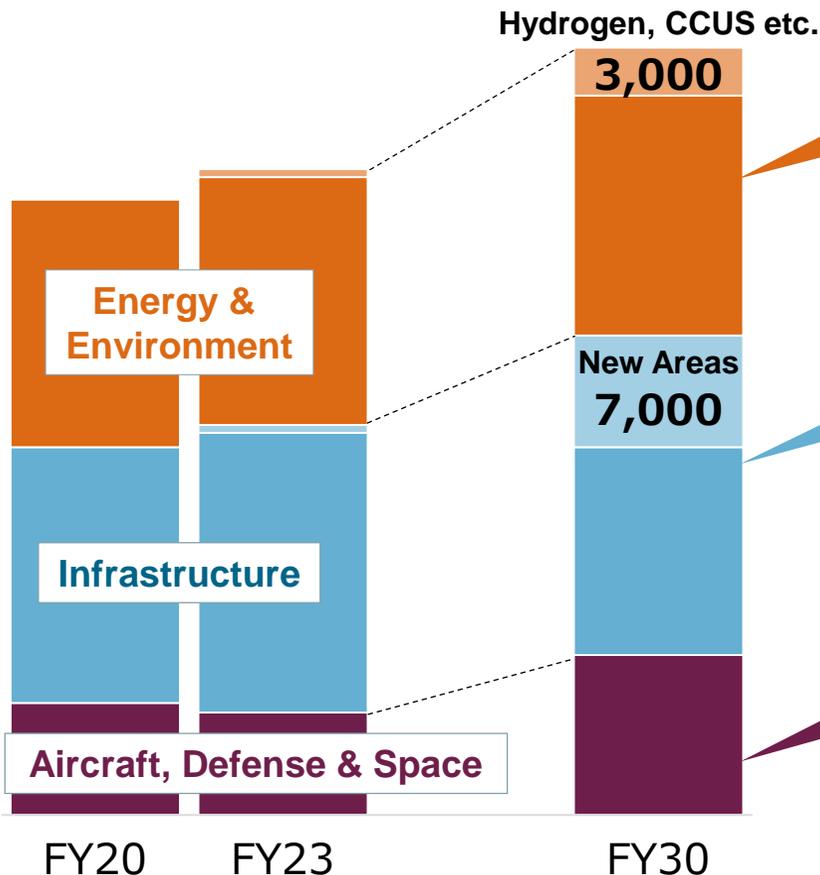
## 4. Financial Base

- Acceleration of re-allocation of resource
- Improve and maintain financial soundness

**Corporate Culture**

Drastically increase our corporate value through the primary growth engines of Energy Transition and New Mobility & Logistics while managing our portfolio

## Business Areas & Scale (in hundred million yen)



### Energy & Environment

Work toward a carbon neutral 2050, by driving forward the energy transition through collaboration across internal disciplines, and externally

### Infrastructure

Combine strengths in existing businesses and intelligent systems to expand our business into high growth areas like mobility and logistics, e.g. CASE, cold chain and electric components

### Aircraft, Defense & Space

Aircraft and Space: Expand business areas  
 Defense: Integrated defense systems across land, sea, air and space, unmanned and minimally manned technologies, and cybersecurity

CCUS: Carbon dioxide Capture, Utilization and Storage

CASE: Connected, Autonomous, Shared and Electric

## FY2023 Targets

### Profitability

Business Profit Margin 7%  
ROE 12%

### Growth

Strengthen investment in growth areas  
from 80 billion yen (during 2018 MTBP)  
to 180 billion yen (during 2021 MTBP)

Create new businesses generating 100 billion yen in revenue  
→ Expand to 1 trillion yen in revenue in FY30

(In billion yen)

	Energy Transition	New Mobility & Logistics	Total
Investment	90	90	180
FY23 Revenue	50	50	100
FY30 Revenue	300	700	1,000

ROE: Return On Equity

## ■ Energy Transition business strategy

- Energy Transition      Kentaro Hosomi, President & CEO, Energy Systems
- Nuclear Energy        Akihiko Kato, Head of Nuclear Energy Systems

## ■ Shared foundation to support business growth

- Technology            Eisaku Ito, CTO
- Finance                Hisato Kozawa, CFO

**MOVE THE WORLD FORWARD**

**MITSUBISHI  
HEAVY  
INDUSTRIES  
GROUP**