Status of
2012 Medium-Term Business Plan

May 9, 2014

Mitsubishi Heavy Industries, Ltd.

Shunichi Miyanaga, President and CEO
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Status of Initiatives toward Achieving the Corporate Vision
– Target: To become a highly profitable 5-trillion-yen enterprise

FY2010 Business Plan

3 trillion yen

- Enhance financial robustness
  - FY2010 ROE: 2.4%
  - Introduce strategic business evaluations
  - Reorganization and other structural reforms

FY2012 Business Plan

4 trillion yen

- Improve profit and cash flow
  - FY2012 ROE: 7.4%
  - Promote M&A’s and alliances
  - Achieve strengths and synergies through consolidation to 4 domestic
    portfolio management based on strategic business evaluations

5 trillion yen Vision

- Reinforce risk resilience
- Possibility of increased risks from business expansion
- Further promote M&A’s and alliances
- Achieve strengths and synergies through consolidation to 4 domestic
  portfolio management based on strategic business evaluations
- Establish global platform and invest in business growth
- Post-merger Integration (PMI) of MHPS, etc.
- Promote PMI

Next business plan and beyond

- Expand business scale (achieve a strong business cycle)

FY2010 ROE: 2.4%

Next business plan

and beyond
# Financial Targets

## FY2010 Business Plan vs. FY2012 Business Plan

<table>
<thead>
<tr>
<th>(billion yen)</th>
<th>FY2010 Actual</th>
<th>FY2011 Actual</th>
<th>FY2012 Actual</th>
<th>FY2013 Actual</th>
<th>FY2014 Forecast</th>
<th>FY2014 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>2,995.4 (44%)</td>
<td>3,188.8 (43%)</td>
<td>3,032.2 (50%)</td>
<td>3,420.0 (51%)</td>
<td>4,150.0 (62%)</td>
<td>4,000.0 (64%)</td>
</tr>
<tr>
<td>Net sales</td>
<td>2,903.7</td>
<td>2,820.9</td>
<td>2,817.8</td>
<td>3,349.5</td>
<td>4,000.0</td>
<td>3,700.0</td>
</tr>
<tr>
<td>Operating income</td>
<td>101.2 (68.1)</td>
<td>111.9 (86.1)</td>
<td>163.5 (149.0)</td>
<td>206.1 (183.1)</td>
<td>250.0 (230.0)</td>
<td>250.0 (210.0)</td>
</tr>
<tr>
<td>Net income</td>
<td>30.1</td>
<td>24.5</td>
<td>97.3</td>
<td>160.4</td>
<td>130.0</td>
<td>130.0</td>
</tr>
<tr>
<td>ROE</td>
<td>2.4%</td>
<td>1.9%</td>
<td>7.4%</td>
<td>11.0%</td>
<td>8.2%</td>
<td>8.9%</td>
</tr>
<tr>
<td>FCF</td>
<td>200.5</td>
<td>153.3</td>
<td>211.6</td>
<td>144.6</td>
<td>100.0</td>
<td>200.0</td>
</tr>
<tr>
<td>Debt/Equity Ratio</td>
<td>1.01</td>
<td>0.89</td>
<td>0.72</td>
<td>0.54</td>
<td>0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>31.6%</td>
<td>31.7%</td>
<td>35.0%</td>
<td>31.6%</td>
<td>34%</td>
<td>36.6%</td>
</tr>
<tr>
<td>Interest-bearing debt</td>
<td>1,325.6</td>
<td>1,157.1</td>
<td>1,031.2</td>
<td>957.4</td>
<td>900.0</td>
<td>1,000.0</td>
</tr>
<tr>
<td>Dividend per share</td>
<td>4 yen</td>
<td>6 yen</td>
<td>8 yen</td>
<td>8 yen</td>
<td>10 yen</td>
<td>10 yen</td>
</tr>
<tr>
<td>Foreign exchange rate</td>
<td>88.5 yen/$</td>
<td>81.0 yen/$</td>
<td>83.6 yen/$</td>
<td>100.1 yen/$</td>
<td>100 yen/$</td>
<td>80 yen/$</td>
</tr>
<tr>
<td></td>
<td>113.5 yen/€</td>
<td>109.3 yen/€</td>
<td>106.8 yen/€</td>
<td>132.6 yen/€</td>
<td>130 yen/€</td>
<td>110 yen/€</td>
</tr>
</tbody>
</table>

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FY2012 Business Plan Strategies

Target 1
- Expand business scale

Strategy 1
- Consolidate and restructure the 9 business headquarters into 4 business domains, to achieve greater strengths and synergies

Strategy 2
- Accelerate global expansion

Strategy 5
- Continue innovations in corporate governance and business execution

Target 2
- Improve capital efficiency and net income level

Strategy 3
- Manage business portfolio based on strategic evaluations

Strategy 4
- Institute corporate reforms and efficiency improvements (optimized resource sharing)
Strategy Implementation Status       Steady Progress

Strategy 1
Consolidate and restructure the 9 business headquarters into 4 business domains, to achieve greater strengths and synergies

Completion of shift to business domain structure

Earlier business structure: 9 business headquarters
(1) Shipbuilding & Ocean Development
(2) Power Systems
(3) Nuclear Energy
(4) Machinery & Steel Infrastructure Systems
(5) Aerospace Systems
(6) General Machinery & Special Vehicles
(7) Air-conditioning & Refrigeration Systems
(8) Machine Tools
(9) Engineering

Targeted business structure: 4 business domains

Energy & Environment
Commercial Aviation & Transportation Systems
Integrated Defense & Space Systems
Machinery, Equipment & Infrastructure

Preliminary restructuring
October 2013

Restructuring completed
April 2014

Establishing a strong business structure with robust global competitiveness
Strategy Implementation Status

Consolidate and restructure the 9 business headquarters into 4 business domains, to achieve greater strengths and synergies

**Strategy 1**

**Energy & Environment**
Businesses related to energy and the environment
- GTCC plants
- CO2 recovery plants
- Nuclear power plants
- Pursue business scale enabling competition against the industry giants

**Commercial Aviation & Transportation Systems**
Land, ocean and air transportation businesses
- LRT (Dubai Metro)
- LNG carriers
- MRJ
- Establish new business models (lifecycle management, etc.)

**Integrated Defense & Space Systems**
Businesses involving land, ocean and air defense and space systems
- H-II rocket
- Patriot missiles
- F-2 fighter jets
- Escort ships
- Pursue maximum synergies within limited environments

**Machinery, Equipment & Infrastructure**
Businesses targeted at core industries (iron & steel, chemicals, automobiles, etc.)
- Steel plants
- Compressors
- Gear cutting machines
- Create top global niche businesses
Strategy Implementation Status  

**Strategy 1**  
Consolidate and restructure the 9 business headquarters into 4 business domains, to achieve greater strengths and synergies.

Impact from introduction of a 4 business domain structure (synergy with portfolio management)

With 9 business headquarters, limitations in products and business management (inadequate global competitiveness)

- 1) Difficulty achieving equal scale of strategic investments in human resources and capital investments as American and European competitors
- 2) Inadequate manifestation of total capabilities, resulting in insufficient brand penetration in global market
- 3) High management costs due to overlaps in functions and dispersion of human resources

Increased brand strength from customer-oriented marketing and management resources synergy

- Consolidation of business management into each domain, enabling global level of business quality and efficiency

Focused and timely investment of management resources into strategic target areas

Consolidation of business management into each domain, enabling global level of business quality and efficiency

Shared factories and common service networks
Strategy Implementation Status  

Steady progress

Strategy 2  
Accelerate global expansion  
(1) Promote M&A's and alliances

Aims of M&A’s

Increased speed and reduced risks of business scale expansion; smooth achievement of increased earning power

Expected benefits

A  Business scale expansion
B  Stronger product lineup
C  Entry into new markets; mutual market enhancement
D  Increased cost competitiveness
E  Technology complementation; strengthening of R&D, etc.
F  Enhanced diversity response capability (improvement of servicing capability, etc.)

Rapidly and steadily becoming a top-level global company
Accelerate global expansion (1) Promote M&A’s and alliances (cont’d)

**FY2012**
- Concluded basic agreement with Hitachi, Ltd. on business integration in thermal power generation systems (June 2013); established a new dedicated company (February 2014)
- Acquired Pratt & Whitney Power Systems (PWPS) (December 2012)

**FY2013**
- Concluded agreement with Vestas of Denmark to form joint venture in offshore wind turbine business (September 2013)
- Concluded agreement to acquire stake in ECOVIX-Engevix Construções Oceânicas, a Brazilian shipbuilder, as leader of consortium of Japanese companies (October 2013)

**Expected benefits**
- A Business scale expansion
- B Stronger product lineup
- C Entry into new markets; mutual market enhancement
- D Increased cost competitiveness
- E Improved technological capabilities
- F Enhanced diversity response capability
Strategy Implementation Status  

**Strategy 2**  
Accelerate global expansion  
(2) Global platform

**Stage 1**  
(The overall framework will be described later.)

**Unified global financial management system**
- Established a finance subsidiary in Singapore (January 2014), joining earlier units in the United States, Europe and China
- Enhancing business funding efficiency and risk management capabilities with the above 4 bases plus Japan

**Globalization of R&D**
- Sent R&D engineers to overseas bases (UK and Singapore) (planning for United States next)
- Acquiring technologies, information and human resources unavailable in Japan; promoting development and technological support aggressively in locations close to markets

**Commencement of business platform improvement**
- Global business processing system for personnel, accounting and procurement (details will be described later)

Starting with the above initiatives, which are highly cost-effective and can be rapidly implemented
Strategy Implementation Status: Steady progress

Manage business portfolio based on strategic evaluations

**Strategy 3**
Manage business portfolio based on strategic evaluations

- **Grow & maintain:**
  - High profitability generating cash flows; simultaneously continuing growth-targeted investments; companywide return of surplus funds

- **Reform:**
  - Generation of cash flows from improvements in profitability and capital efficiency; companywide return of surplus funds

- **New:**
  - Continuing investment of cash flows generated from grow & maintain and reform areas into future businesses

**Cash flow management for portfolio building**

- **Free cash flow:** 144.6 billion yen
- **Shareholder returns (dividends):** 30.2 billion yen
- **Strengthening of financial base (reduction of interest-bearing debt):** 114.4 billion yen

**Factors:**
- **Business viability**
  - Low: 38.8 billion yen
  - High: 131.6 billion yen
- **Profitability and financial soundness**
  - Low: 4.1 billion yen
  - High: 97.0 billion yen
  - Throughout entire company, etc.: 106.5 billion yen

**Downscale & withdraw:** 4.1 billion yen
Institute corporate reforms and efficiency improvements (optimized resource sharing)

Clarification of corporate division functions

- Abolished the Presidential Administration Office and established the Business Strategy Office under direct management of the president, to strengthen Groupwide strategy planning and execution capabilities
- Restructured the Accounting Division and Finance Department
- Shifted procurement functions for each business area to their respective domains

Consolidation and restructuring of in-Group business operations

- Established the ICT Solution Headquarters to oversee companywide information and communication technologies (ICT)
- Established Fuji Xerox Service Link (consolidated and transferred Groupwide printing and photocopying operations, etc.)
- Centralized manned security services at all bases

Acceleration of outsourcing
**Strategy Implementation Status**  
**Steady progress**

**Strategy 5**
Continue innovations in corporate governance and business execution

**Introduction of chief officer system**

- **Domains**
  - Energy & Environment: Domain CEO
  - Integrated Defense & Space Systems: Domain CEO
  - Commercial Aviation & Transportation Systems: Domain CEO
  - Machinery, Equipment & Infrastructure: Domain CEO

- **Chief officers**
  - Energy & Environment: Domain CEO
  - Commercial Aviation & Transportation Systems: Domain CEO
  - Machinery, Equipment & Infrastructure: Domain CEO

- **Authority to issue instructions and commands for executing domain business**

- **Reduction of internal directors**  
  (from 16 to 9*)

  * Number planned after the upcoming General Meeting of Shareholders

- **Chairman**

- **Executive Committee**

- **Board of Directors**

- **Statutory Auditors**

- **President (CEO)**

- **Business Strategy Office**

- **Management Control Support**

- **Corporate divisions**

**CEO**: Chief Executive Officer  
**CFO**: Chief Financial Officer  
**CTO**: Chief Technology Officer  
**CAO/CRO**: Chief Administrative Officer/Chief Risk Officer

**To be reformed in the next step**

---

*Reduction of internal directors (from 16 to 9*) To be reformed in the next step*
Introduction of chief officer system

Groupwide business operations (priority tasks)
1. Strengthening and stabilization of overall earning power
2. Acceleration of global growth
3. Optimization of management resource allocation
4. Corporate governance reforms
5. Response to serious, extraordinary challenges

Delegation of some authority and responsibilities* of the president (CEO) to the chief officers

Realizing rapid, efficient execution of operations through clarified role sharing

Strategic Implementation Status

Continue innovations in corporate governance and business execution

Domains

Domains
- Domain CEOs
  - (*) Formulation and implementation of strategies and plans for each domain in line with Groupwide strategies

Corporate division
- CAO/CRO
- CFO
- CTO
  - (*) Promotion of cross-divisional functions (management, control and support operations) for Groupwide optimization
As net sales of 4 trillion yen has come into sight thanks to strategy developments, the target should be achievable.
Operating income is in an upward trend, thanks largely to M&A merits and abated yen appreciation. Further improvements in existing businesses are being pursued in order to enhance capital efficiency and raise net income level.

### Operating income (billion yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY2011</th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>111.9</td>
<td>163.5</td>
<td>206.1</td>
<td>250.0</td>
</tr>
</tbody>
</table>

### FY2012 Business Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Net income (billion yen)</th>
<th>Net income ratio</th>
<th>ROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2011</td>
<td>24.5</td>
<td>0.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>FY2012</td>
<td>97.3</td>
<td>3.5%</td>
<td>7.4%</td>
</tr>
<tr>
<td>FY2013</td>
<td>160.4</td>
<td>4.8%</td>
<td>11%</td>
</tr>
<tr>
<td>FY2014</td>
<td>130.0</td>
<td>3.3%</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Operating income is in an upward trend, thanks largely to M&A merits and abated yen appreciation. Further improvements in existing businesses are being pursued in order to enhance capital efficiency and raise net income level.
Challenges and Initiatives

1) Improve and reinforce corporate infrastructure

Before

- Low profitability
- Limited expansion of global business

Costs were too high compared to business scale.

Functions for achieving globalization were inadequate and their quality needed improvement.

Vision

- Expand business scale
- Establish a global platform
- Strengthen the financial base

Actions

- Good balance between business scale and corporate infrastructure
- Enhancement of entire corporate infrastructure to make it appropriate for a global company

Business scale of 3 trillion yen

Corporate infrastructure

Business scale of 5 trillion yen

Corporate infrastructure
2) Reinforce management of increasingly larger and more diverse risks

**Before**

**Compliance risks**
- Established systems for complying with laws, regulations, rules, etc.

**Remaining challenges**
- Adherence by and throughout all group companies (esp. overseas)
- Response to tightening laws and regulations related to competition and bribery

**Business implementation risks**
- Established systems for assessing risks before acceptance of orders (input control) and monitoring construction works

**Remaining challenges**
- Insufficient knowledge of new markets and new customers (passenger ships, etc.)
- Management of long-term, large-scale investment projects (MRJ, nuclear power plant project in Turkey, etc.)

**Vision**

**Global compliance management**
- Establish a global management system
  → Achieve full adherence to common rules by all group companies worldwide
  → Clarify and manage rules specific or unique to each country or region
- Use compliance in a forward-looking manner
  → Improve the efficiency of activities by clarifying their standards

**Reinforce resilience to business execution risks**
- Establish an organization for resolving risks
  → Improve information gathering capabilities
  → Accumulate risk resolution know-how
  → Enhance human resource development
  → Have CEO directly involved in important issues
- Strengthen the financial base (risk response capability)
Toward becoming a highly profitable 5-trillion-yen enterprise

Preparations for next medium-term business plan: Overview

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY2012 Business Plan</strong></td>
<td><strong>Next medium-term business plan</strong></td>
<td>Structural reforms</td>
<td>Completion of full-scale consideration and preparations between summer and autumn 2014</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Highly profitable 5-trillion-yen enterprise

To be continued

**Preliminary initiatives**

1. Promote further M&A's
2. Enhance MHPS's synergy merits
3. Steadily advance the MRJ project
4. Strengthen the Transportation Systems business
5. Establish a global platform

**Additional initiatives (under examination)**

- Reform and strengthen commercial ships business
- Strengthen the Integrated Defense & Space Systems business
- Undertake governance reforms
- Accelerate measures for reforming SBUs
Toward becoming a highly profitable 5-trillion-yen enterprise

**Preliminary initiatives – (1) Promote further M&A’s**

**Expansion of steel and metal production machinery business**

- Establish a joint venture with Siemens in steel and metal production machinery business

<table>
<thead>
<tr>
<th></th>
<th>Mitsubishi-Hitachi Metals Machinery</th>
<th>SIEMENS</th>
<th>JV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment ratio</td>
<td>51%</td>
<td>49%</td>
<td>100%</td>
</tr>
<tr>
<td>Net sales*1</td>
<td>62.0 billion yen</td>
<td>280.0 billion yen</td>
<td>342.0 billion yen</td>
</tr>
<tr>
<td>Number of employees</td>
<td>Approx. 1,000</td>
<td>Approx. 8,700</td>
<td>Approx. 9,700</td>
</tr>
</tbody>
</table>

*1: Three-year average (€1.00 = 140 yen)  → 9,000

- Aims of the joint venture
  1. To establish a comprehensive steel and metal production machinery company (with full lineup) leveraging the two companies’ respective and complementary products and technological capabilities
  2. To improve global marketing capabilities leveraging the two companies’ respective and complementary markets (geographical areas) in which they excel
  3. To enhance profitability by pursuing synergies in various aspects*2

  "Improve the level and efficiency of R&D"

*2: Technologies, R&D, marketing, procurement, etc.

**Reinforce the commercial aircraft engine business structure**

Establish a new group company dedicated to commercial aircraft engines, backed by capital investment and financing from the Development Bank of Japan and IHI Corporation

- Enhance production capacity
- Improve manufacturing technologies
- Enhance capital strength
Toward becoming a highly profitable 5-trillion-yen enterprise

Preliminary initiatives – (2) Enhance MHPS’s synergy merits

Achieve maximum synergy merits for the new company quickly, to support the quest to be a world-leading company in thermal power generation systems.
Toward becoming a highly profitable 5-trillion-yen enterprise

Future schedule

Maiden flight: 2nd quarter of 2015
Delivery of first aircraft: 2nd quarter of 2017

Two aircraft – one for strength testing, the other for flight tests – are being manufactured.

The middle fuselage being transported to the final assembly plant

Mass production scheme

Kitakyushu Airport
- Flight testing

Kobe Shipyard & Machinery Works
- Integrated manufacture of main and center wing parts, etc.

Matsusaka Plant
- Painting of composite components
- Assembly of horizontal and vertical tails
- Production of small parts

Nagoya Airport
- Engine tests
- Flight testing
- Aircraft delivery

Komaki South Plant
- Final assembly, outfitting and painting

Tobishima Plant
- Assembly of main wings and fuselages

Oye Plant
- Sheet-metal processing and machining of midsize and large parts
- Assembly of fuselage panels

Iwatsuka Plant
- Surface treatment of small parts

Steady progress is being made toward the maiden flight.
Toward becoming a highly profitable 5-trillion-yen enterprise

Preliminary initiatives (4) Strengthen the Transportation Systems business

- Apply MHI’s EPC coordination capabilities (comprehensive capabilities)
  → Leveraging experience with the Taiwan Bullet Train and Dubai Metro
- Mihara Test Center
  → Increasing international visibility / Platform for railway exports
- Expansion of O&M (operation & maintenance) business in the U.S., etc., focusing on APMs
  → Changing the business model

Middle East Metro Plans
1. Qatar: Doha
2. Saudi Arabia: Mecca
3. Saudi Arabia: Jeddah
4. Saudi Arabia: Medina
5. Saudi Arabia: Dammam
6. Kuwait
7. Abu Dhabi
8. Egypt: Cairo

United States
- Miami APM (United States)

Brazil
- Sao Paulo Line 6

ASEAN
- Bangkok Red Line (Thailand)
- Jakarta MRT Line 6 (Indonesia)

Middle East
- Dubai Metro extension (United Arab Emirates)

Medium- and Long-term High-speed Railway Projects
1. Rio-São Paulo High-speed Rail
2. California High-speed Rail
3. North-South Express Railway in Vietnam
4. High-speed Railway in India
5. Thailand High Speed Rail Project
6. Malaysia-Singapore High-speed Rail Link

Brazil - Apply MHI’s EPC coordination capabilities (comprehensive capabilities)
→ Leveraging experience with the Taiwan Bullet Train and Dubai Metro

Mihara Test Center
→ Increasing international visibility / Platform for railway exports

Expansion of O&M (operation & maintenance) business in the U.S., etc., focusing on APMs
→ Changing the business model
Global Platform
– (1) Current status and vision

A multinational company focusing on exports, with all its business sites in Japan

The following are lacking or insufficient for full-scale global expansion:
- Worldwide market penetration (currently: predominantly the Asian market)
- Local service shops, etc.
- Human resources capable of responding to diversification
- Management/business processes and support systems enabling global network integration

- Make Japan the base for overall group management, technologies, and production of core parts
- Enhance the functions and business scope of overseas bases
- Establish a global network and organize management information
  → Enhance the visibility of and upgrade information relating to: marketing, production, servicing, capital resources, human resources, R&D
Establish a unified global financial management system and business platform (for accounting, personnel, procurement)

- Enhance visibility of global management information
- Link globally shared systems and processes with those specific to regions or companies
- Strengthen core businesses through human resource shifting and use of external human resources

- Enhance and optimize asset management efficiency
- Manage financial status of all group companies
- Reinforce resilience to financial market fluctuations
- Strengthen business support financial services, etc.

- Cut costs through expanded use of shared services and outsourcing
- Strengthen compliance and governance through standardization of systems and processes
Global Platform
– (3) Stage 2 and onward

Expand the concept of Stage 1 (internal business aspects) to Stage 2 (customer & technology aspects)

- Unify business-related information management based on overall group management information
- Progressively establish globally standardized systems, processes, tools
- Form links with independent local systems specifically tailored to particular companies, businesses or products

CRM : customer relationship management
ERP : enterprise resource planning
SCM : supply chain management
PLM : product lifecycle management

CRMs, ERPs, SCMs, and PLMs are shown in the diagram.
Vision – To make the leap to a highly profitable 5-trillion-yen enterprise

<table>
<thead>
<tr>
<th>FY2012 Business Plan</th>
<th>Next medium-term business plan and beyond</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target</strong></td>
<td></td>
</tr>
<tr>
<td>FCF</td>
<td>200 billion yen</td>
</tr>
<tr>
<td>D/E ratio</td>
<td>0.5 to 0.7</td>
</tr>
<tr>
<td>(fund raising potential)</td>
<td>(500 billion yen)</td>
</tr>
<tr>
<td>ROE</td>
<td>8.9%</td>
</tr>
<tr>
<td>Net worth</td>
<td>1.5 trillion yen</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2014</td>
<td></td>
</tr>
<tr>
<td></td>
<td>200 billion yen</td>
</tr>
<tr>
<td></td>
<td>0.5 to 0.7</td>
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<td>(500 billion yen)</td>
</tr>
<tr>
<td></td>
<td>8.9%</td>
</tr>
<tr>
<td></td>
<td>1.5 trillion yen</td>
</tr>
<tr>
<td>FY2017 and beyond</td>
<td></td>
</tr>
<tr>
<td></td>
<td>200 billion yen</td>
</tr>
<tr>
<td></td>
<td>0.4 to 0.6</td>
</tr>
<tr>
<td></td>
<td>(1 trillion yen)</td>
</tr>
<tr>
<td></td>
<td>12.0%</td>
</tr>
<tr>
<td></td>
<td>2 trillion yen</td>
</tr>
</tbody>
</table>

**Vision**

4 trillion yen

3-Trillion-Yen Business Infrastructure

Promote M&A’s and alliances

Achieve strengths and synergies through consolidation to 4 domains

Portfolio management based on strategic business evaluation

5 trillion yen Vision

Establish global platform and invest in business growth

Further promote M&A’s and alliances

Post-merger integration (PMI) of MHP, etc.

Achieve strengths and synergies through consolidation to 4 domains

Portfolio management based on strategic business evaluation

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