As President and CEO of MHI, I am pleased today to present an overview of the current status of our 2015 Medium-Term Business Plan.
To begin with, I will explain our current outlook for fiscal year 2016, having completed the first three quarters. Next, I will describe the progress made so far in carrying out our key initiatives. Finally, I will present a summary of where we now stand in terms of achieving the goals set out in our 2015 Business Plan.
I will begin by explaining our current earnings forecasts for fiscal 2016.
In fiscal 2016 we are still projecting that orders received will reach 4,800 billion yen and net sales will reach 4,000 billion yen. However, actual results may fall short of these figures by approximately 100 billion yen, due to the possibility of delayed booking until fiscal 2017 or later. For operating income, too, the year’s results may ultimately undershoot our current projection of 240 billion yen, owing to the delay in booking net sales.

Concerning net income and free cash flow, we are holding to our interim forecasts of 100 billion yen for both profits attributable to owners of parent and FCF, on the strength largely of asset management initiatives. However, both figures do not take into account potential fluctuations to reflect the result of the arbitration relating to steam generators delivered to the San Onofre Nuclear Generating Station.
Here we see fiscal 2016 net sales and operating income forecasts for each of our four business segments.

In the Commercial Aviation & Transportation Systems domain, the overall projected levels are unchanged from those announced at the interim, although fluctuations for forex factors may affect some businesses.

In the Integrated Defense & Space Systems domain, our forecasts remain unchanged from those issued at midyear.

Results may finish below forecast in two domains: Energy & Environment and Machinery, Equipment & Infrastructure. In the former, operating income may change due to the booking of service-related construction. In the latter, there is a possibility that booking of net sales and operating income may be delayed until fiscal 2017.
II. Progress of Main Measures

1. Overall Evaluation
2. Reorganization of Domains
3. Commercial Aircraft Business
4. Radical Reform of Commercial Ship Business
5. Three Major Joint-Venture Businesses

Next, I will explain the progress we have achieved with the measures we have been taking.
As an overall evaluation of the progress achieved so far in carrying out our 2015 Medium-Term Business Plan, I will describe our results to date and the challenges remaining before us.

First, although we have been able to expand our business scale beyond 4 trillion yen as a result of proactive M&A initiatives, some uncertainty still lingers toward our ability to achieve a scale of 5 trillion yen. Specifically, growth in our core businesses is delayed because of sluggish market conditions. Also, reduced orders of components for Boeing’s large aircrafts are taking a toll – and Boeing is our main customer in the commercial aircraft business.

Second, in terms of earning capacity, our operating margin is marking only slow growth. On the one hand, operating income and EBITDA have been lifted through structural reforms and advances in portfolio management; on the other hand, earnings in our Commercial Aviation & Transportation Systems domain have deteriorated sharply and beyond our expectations. Growth in earnings from our core products – power generation systems, for example – has also been delayed.
Third, concerning our financial foundation, on the positive side, through cash flow management and asset management in the form of liquidation of our non-core assets, we succeeded in reducing our interest-bearing debt and D/E ratio. However, losses from our cruise ship construction business have worsened and other costs including the MRJ development have increased. As a result, our plans for building up shareholders’ equity are behind schedule, and we now believe approximately 2 years will be needed to achieve recovery.

Fourth, with respect to organizational efficiency, we made progress in promoting BPO of our service operations. Specifically, we have outsourced our printing and copying processes to Fuji XEROX Service Link and our overseas salary and attendance management work to IBM; moreover, we completed 17 business transfers, including the establishment of minority-investment JVs. These positive points aside, we still need to further improve efficiency in our indirect management sectors; and we face challenges in terms of clarifying local functions – including those in Japan – and strengthening our global response capability.

All of the challenges enumerated here must be resolved as quickly as possible.
Next, I would like to present an overall evaluation of the external and internal issues we are currently facing.

As to external factors, today we are seeing increased political and economic uncertainty worldwide – for example, moves against globalization – and ever-greater opacity of future prospects. Together these factors demand risk management and agile response to business opportunities unlike those we have experienced before.

Regarding internal factors, we are hindered by inadequate ability to adapt to changes in market structure and rapid economic fluctuations. In order to respond to these changes, we must pursue greater organizational efficiency, production elasticity, and liquidity of human resources. Achieving these improvements is a task of great urgency.

When we announced our interim results of fiscal 2016, I pointed out
that in order to achieve our 2015 Business Plan, in addition to the measures already underway, we had forged a number of additional measures: namely, reorganization of our domains, including rearrangement of our SBUs; promotion of radical reforms in our commercial aircraft and commercial ship businesses; and further acceleration of PMI at our major JV businesses.

To carry out these measures effectively, I believe we need a new organization and systems for driving them forward.
Now, I would like to turn to the additional measures now in focus. The first is reorganization of our domains. Currently, we have four domains: Energy & Environment; Commercial Aviation & Transportation Systems; Integrated Defense & Space Systems; and Machinery, Equipment & Infrastructure. In addition, we have the Engineering Headquarters, part of our corporate shared technology framework. In April 2017 we will undertake reorganization into three domains: Power Systems; Industry & Infrastructure; and Aircraft, Defense & Space.
Some people may wonder why we are undertaking reorganization this way so soon after transitioning to our current 4-domain system. We are doing so because we believe organizational reforms should be carried out with speed. The reason behind the new reorganization is to clarify the roles and management concepts of each domain in the MHI Group’s overall growth. Although we will be reducing the number of domains from 4 to 3, the goals of the domain system itself will remain unchanged: namely, to be customer and market oriented, and to minimize vertical silos within our businesses.

The roles and management concepts of the new Power Systems and Industry & Infrastructure domains will be to make sustained contributions to earnings and to achieve stable growth through autonomous management in line with the domain’s unique characteristics. Each of these domains has a business scale of 2 trillion yen, and we anticipate that through further concentration into their core competencies they will achieve even greater improvement in profitability. On the back of those improvements, we intend to leverage the benefits of our reforms to foster what will become our long-term core businesses.
Insofar as the new Power Systems domain is concerned, we will build a business model enabling us to compete against GE and Siemens utilizing our unique advantages. To achieve that, we will pursue synergies in the turbo machinery business as a whole and strengthen our servicing operations.

As to the Industry & Infrastructure domain, we will seek earnings expansion through portfolio management of all machinery businesses, and also aim to reap benefits as an industry survivor through the creation of global niche products. In addition, we will strive to strengthen business by consolidating and integrating our engineering segment, which until now has served in a supporting role to our various businesses.

Regarding the other new domain – Aircraft, Defense & Space – its role and core management concept will be to swiftly establish a foundation for achieving growth and stable earnings. Although business in the current Integrated Defense & Space Systems segment has been stable, bold measures are needed to ensure future growth: this includes pursuing synergies with consumer products. In the Commercial Aviation Systems segment, urgent measures are needed to enable earnings recovery in our Tier1 business with Boeing. Concerning the MRJ, development is making steady strides forward, but as a still viable business, rehabilitation is needed. Initially, the Aircraft, Defense & Space domain will not have an appointed CEO. Instead, to enable swift decision-making and business advancement, I will oversee this domain directly.
Next, I will discuss the urgent measures being taken relating to our Tier1 business in commercial aircraft.

In our Tier1 business operations for Boeing, we expect that production volumes of the B777 will continue to decline in the near term. As radical urgent measures to cope, we will make significant improvements to our production lines, consider measures for utilizing redundant human resources, and review our supply chain as a way of reinforcing our business structure.

First, in terms of significantly improving our production lines, to enable renovations of our aging Oye parts factory, we will transfer production for some Boeing models to our Kobe and Hiroshima plants partially. We will also undertake equipment modernization, build integrated production lines, and introduce robotics and AI technology.
Second, in reference to considering how to make optimal use of redundant human resources, because conventional work tasks are decreasing along with the introduction of robotics and AI technology, it’s necessary to shift employees to other types of work or other professional skills, and also to secure production elasticity. For these purposes, we are currently considering putting programs together for promoting the liquidity of the MHI Group’s human resources as a whole.

Concerning the third item – reviewing our supply chain and reinforcing our business structure – this provides a good opportunity for reforming our procurement processes. Specifically, procurement that until now has been performed by the Commercial Airplanes Division’s Procurement Department in Nagoya, will be transferred to the Value Chain Headquarters, and a “Commercial Aircraft Procurement Center” will be established.

Through the various measures I have described here, we will strengthen our cost competitiveness, improve quality and delivery through modernization of equipment, and achieve elastic production and more effective procurement response capabilities.
Concerning our MRJ business, as announced on January 23rd, we have pushed back the delivery schedule of our first aircraft to mid-2020. Despite this change, by strengthening our business promotion structure we are moving toward completion of development of the world’s most sophisticated regional jet. In the long-term, we believe there is great significance in the MHI Group taking the business initiative to develop and produce commercial aircraft.
Next, I will explain the radical reform of our commercial ship business.

We are currently planning to carry out specialized management of our commercial ship business by spinning off units as a whole. In addition to clarifying the roles of the various plants, we will pursue cost reductions by enhancing production efficiency and engaging in joint purchasing and communization of purchased items through alliances with other companies: for example, Imabari Shipbuilding, Oshima Shipbuilding and Namura Shipbuilding. Through such measures, we will gradually transition to a configuration suited to specialized management.
Here we see our overall schedule for radically reforming our commercial ship business. For the first stage, this July we will put in place the business structure for ships and marine-related products described on page 13, and undertake clarification of business responsibilities. For the second stage, in fiscal 2018 we will focus on organizing the business structure.

Our operations forecast and net sales forecast are shown in the two graphs. As you can see, operations and net sales will both decline sharply starting in fiscal 2018, but recovery is projected from around fiscal 2021. While operations and net sales will hold relatively steady at the Shimonoseki Shipyard, Nagasaki is expected to slip into a declining trend. As such, we will take proactive measures to deal with declining operations at Nagasaki and simultaneously seek to strengthen the earning capacity of Shimonoseki’s operations. By driving these reforms forward, we aim to realize a business structure that will generate earnings even amid a severe business environment.
Next, I will introduce the initiatives being taken at our three major joint-venture businesses.

First, I will explain about Mitsubishi Hitachi Power Systems, or MHPS, a JV in our Power Systems domain. A comparison with the net sales and earning capacity of the power divisions of competing companies – namely, GE and Siemens – shows that whereas both GE and Siemens are posting net sales near the equivalent of 2 trillion yen, MHPS is projected to register 1.1 trillion yen in sales in fiscal 2016. When other Power Systems business is added to MHPS’s net sales, and MHI’s power division is compared as a whole, we still find a lag behind GE and Siemens with respect to both business scale and earning capacity. For this reason, MHI needs to learn from its competitors and take steps to improve and strengthen its operations.

Specifically, while focusing on short-term profits, we will pursue management enabling sustained growth. In particular we will study the initiatives taken by GE, which boasts outstanding profitability even though the operating ratios of its factories seem not to be particularly high.
Next, another area that we believe needs reinforcing is diverse and
dynamic local sales strength. Although we already possess strengths
at home in Japan and in Southeast Asia, our local sales capabilities in
other regions need to be improved and strengthened quickly.

One further need is for us to put together highly efficient global
production and procurement systems. Although MHI doesn’t appear to
differ greatly from GE and Siemens with respect to orders received or
factory operating ratios, GE is able to maintain outstanding earnings.
This suggests that GE outstrips MHI in terms of the efficiency of its
global production and procurement systems, and we must therefore
draw up measures to respond. Our response measures are described
on the next page.
Here, we describe the steps to accelerate the reorganization of MHPS’s domestic production bases. Compared to its competitors, MHPS has more production plants and produces more types of products. What is needed therefore is to improve productivity and promote greater use of assets through consolidation of production lines and plants by product.

Specifically, we will consolidate gas turbine operations to the Takasago Plant and large-scale steam turbines to the Hitachi Plant. As to boilers, a product involving an extremely heavy workload, we will respond to peak demand through unified operation of all related plants, including those at Kure and Nagasaki as well as in India, the Philippines and so on.

We will also strive to reduce costs through streamlining of our supply chain.
Currently, we are comprehensively evaluating the costs and advantages of this reorganization scheme and the potential impact it will have in various ways, and we are now preparing an implementation plan. Our target is set at a cost improvement of 30 billion yen per year. In terms of operating margin, we expect an increase of about 2.5 points, to over 12%. Even at that level, however, it will still not reach the levels of GE or Siemens; so we aim to further approach these competitors’ levels by putting in place strategic global production and procurement systems.
Now I will turn the situation at our second major JV business: Mitsubishi Forklift, Engine & Turbocharger Holdings, or M-FET.

Today, applying the lessons we have learned from the cases of MHPS and Primetals Technologies, or PT, we are moving forward with a post-merger integration, i.e. PMI, plan ahead of our original schedule. As defensive measures, we will pursue the integration and elimination of redundant functions and bases. As proactive measures, we will strengthen our development systems and push into new areas. Additionally, we will actively move to form tie-ups with other companies.
Now, I will explain regarding our third major JV business, Primetals Technologies.

Since PT was established in January 2015, the environment surrounding the global market for metals machinery has deteriorated sharply, mainly due to production overcapacity in China. However, there are signs of a bottoming-out, in places like Southeast Asia, India and Poland. Also the market for remodeling and maintenance services is gradually expanding, and going forward we expect business to increase from the U.S. and elsewhere.

Concerning PMI at PT, consolidation has already been completed of the global corporate divisions and organization and the business segments. The resulting improvement in efficiency will enable a transformation to an organization that can generate profits even at the current business scale of 1.5 billion euros – or 180 billion yen, converted at a rate of 120 yen to the euro.

Also, through the establishment of a JV between MHI and PT, which has a solid presence in electric control in Europe and the U.S., we look to increase the added value of this business.
As a summary of where we currently stand toward achieving our 2015 Business Plan, here we present what gaps exist between the 2016 outlook and our 2017 targets.

Mid way through fiscal 2016, we revised our earnings outlook for 2016 downward from our initial targets. The current outlook for 2016 now estimates orders received of 4,800 billion yen, net sales of 4,000 billion yen, operating income of 240 billion yen, and net income of 100 billion yen.

Although we face difficulties achieving the 2017 targets that were set when the 2015 Business Plan was formulated in May 2015, we believe achieving over 5 trillion yen in orders received should still be possible. With regard to net sales, in light of the backlog of orders received until now, we think the way toward achieving a target of 5 trillion yen will come into view depending on two factors: how quickly those back orders will be booked to sales, and the extent to which expansion is possible in the Power Systems’ services business and the Industry & Infrastructure’s engineering business.
Regarding operating income, in our quest to achieve the 2017 target we will pursue increased earnings compared to 2016 from various sources. These will include: recovery from 2016’s decreased income, which stemmed largely from the commercial ship business; increased sales; reforms in supply chain management in the commercial aircraft business; and enhanced efficiency to come from PMI progress and other factors.

Concerning net income, we believe it should be possible to post results close to our 200 billion yen target, primarily for two reasons. Extraordinary losses will be downsized as cruise ship constructions draw to a close, and the temporary non-operating losses largely attributable to Mitsubishi Motors will be eliminated in 2017.
Next, I will explain how we envisage towards achieving our 2015 Business Plan by taking various measures. The graphs indicate how, through various measures, we expect net sales and operating income to increase starting in fiscal 2017, compared to the current earnings outlook for 2016.

With respect to measures being taken to expand our business scale, i.e. net sales, we anticipate solid business growth in the Power Systems and Industry & Infrastructure domains.

As to the strengthening of our solutions and servicing businesses and regional expansion of our engineering business, we believe we are already approaching the halfway mark toward reaching our targets. The Doha Metro project will be at peak level, and negotiations are underway on high-speed railway systems for India, Malaysia and Singapore. To drive growth even further, we will strengthen our turbo machinery business – other than MHPS – and pursue further mergers and acquisitions.
Concerning measures being taken to expand our operating income, prospects are relatively bright for achieving positive contributions from increased sales, acceleration of PMI at our major JV businesses – MHPS, PT and M-FET – and reforming our commercial ship business. Insofar as radically reforming our commercial aircraft Tier1 business is concerned, however, we are only halfway toward our target owing to impact from a sharp slowdown in production volume. The same level of achievement holds true for our SCM reforms. But through organizational reforms, efficiency enhancement, stronger risk management, plus acceleration of concentration into core competencies, including M&A activity, we aim toward achievement of the targets set out in our 2015 Business Plan.
In order to drive forward these various measures and transition from a phase focused on reforms to a phase of proactive action in these times of great changes in our external environment and intensifying competition, we believe we must introduce new organizations and new systems as the culmination of our reforms.

As being a global business in times of economic and social rifts between pro- and anti-globalization forces, it's necessary not only to pursue merits of scale, communization and so on; we must also strengthen risk management to prevent risks from proliferating and expanding. Furthermore, as being strategic local businesses, it’s necessary to pursue good matching of products and services to each specific region.

In order to move forward in these ways, we will be transitioning to systems that promote human resources fluidity and stronger adaptability to external changes, as well as systems suited to management that harmoniously integrates global and local aspects. We intend to announce our basic scheme in early May, simultaneous with the release of our 2016 earnings results.
As the last part of our summary, I would like to explain the implementation schedule and major events in the run-up toward achieving our 2015 Business Plan.

Among the various measures being taken toward achieving our 2015 Business Plan, including additional reinforcement measures, some are large in scale and require considerable time, thus giving rise to the possibility of a partial delay in their implementation into fiscal 2018. We will continue to make every effort to enable achievement of our goals. We will also strive to strengthen our global functions and build a strategic local management framework. At the same time, preparations will go forward toward moving our global headquarters functions to Marunouchi.

Concerning arbitration relating to SONGS, this issue is expected to draw to a close within the fiscal 2016 term. With reference to the second cruise ship under construction for AIDA Cruises, delivery is now scheduled for the first quarter of fiscal 2017.
Commercial ship business reforms and commercial aircraft measures will be completed in fiscal 2017 and 2018, so we expect to reap benefits from these improvements thereafter.

As to PMI at MHPS, PT and M-FET, we anticipate related measures will take until the end of fiscal 2018 to be completed.

As for the MRJ, development will peak between fiscal 2017 and 2019. Plans now call for delivery of the first aircraft, to All Nippon Airways, in fiscal 2020.

By fully implementing our various reform initiatives in 2017 and 2018, we believe it will become possible to move forward under completely different growth strategies starting from fiscal 2019.
Reference Materials

1. Accelerate Concentration into Core Competencies - P.25
2. Target Scope of Engineering Business, etc. - P.27
This completes the main part of my presentation. As reference materials, however, we have added two pages introducing how concentration into core competencies is being accelerated. Here, I will explain briefly what changes are taking place in our business portfolio.

Here we see the net sales and investment capital figures for fiscal 2011 and 2015, broken down by strategic business evaluation. We are striving to expand net sales in businesses in the grow/maintain position that are set to grow through focused investments of capital.

The increased investment into downscale/withdraw businesses is due to accelerated concentration into core competencies, with a number of businesses newly earmarked for downscale/withdraw: for example, injection molding machines and sluices.
Here we present a list of changes we have made in our business portfolio since 2011, largely through mergers and acquisitions.

<table>
<thead>
<tr>
<th>M&amp;A Type</th>
<th>Company</th>
<th>Product/Business</th>
<th>Agreement date</th>
<th>Net sales contribution</th>
<th>Other results, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acquisition</strong></td>
<td>Federal Bouch (USA)</td>
<td>Machine tools</td>
<td>Apr 2012</td>
<td>Approx. JPY 6.8bn</td>
<td>Business expansion and transformation from heavy machinery to machinery and parts</td>
</tr>
<tr>
<td></td>
<td>PWPS (USA), Turbokon (Jap)</td>
<td>Gas turbines</td>
<td>Dec 2012</td>
<td>Approx. JPY 6.8bn</td>
<td>Business expansion from heavy machinery to machinery and parts</td>
</tr>
<tr>
<td></td>
<td>Daily Equipment (USA)</td>
<td>Forklift trucks</td>
<td>Jan 2012</td>
<td>Approx. JPY 1.5bn</td>
<td>Expansion of off-highway non-monetary business</td>
</tr>
<tr>
<td></td>
<td>Concast (India)</td>
<td>Metal machinery</td>
<td>Jun 2012</td>
<td>Approx. JPY 2.8bn</td>
<td>Strengthening or acquisition product line</td>
</tr>
<tr>
<td></td>
<td>Toyo Engineering Works</td>
<td>Refrigeration systems</td>
<td>Jan 2014</td>
<td>Approx. JPY 1.5bn</td>
<td>Strengthening of engineering business</td>
</tr>
<tr>
<td></td>
<td>UniCarriers Holdings</td>
<td>Forklift trucks</td>
<td>Jul 2015</td>
<td>Approx. JPY 1.8bn</td>
<td>Further business scale growth and expanded global market share</td>
</tr>
<tr>
<td></td>
<td>Nippon Yusiki</td>
<td>Forklift trucks</td>
<td>Nov 2012</td>
<td>Approx. JPY 1.5bn</td>
<td>Business expansion from achievement of full line</td>
</tr>
<tr>
<td></td>
<td>Hitachi</td>
<td>Thermal power generation systems</td>
<td>Nov 2012</td>
<td>Approx. JPY 1.5bn</td>
<td>Business expansion from full line (small to large)</td>
</tr>
<tr>
<td></td>
<td>Siemens (Germany)</td>
<td>Metal machinery</td>
<td>May 2014</td>
<td>Approx. JPY 1.5bn</td>
<td>Business expansion from achievement of full line</td>
</tr>
<tr>
<td></td>
<td>IHI Metaltech</td>
<td>Metal machinery</td>
<td>Jul 2013</td>
<td>Approx. JPY 1.5bn</td>
<td>Strengthened lines of aluminum casting lines, etc.</td>
</tr>
<tr>
<td></td>
<td>Mitsubishi Materials (India)</td>
<td>Agricultural machinery</td>
<td>May 2015</td>
<td>(equity-based)</td>
<td>Stronger competitiveness in domestic and global markets</td>
</tr>
<tr>
<td><strong>JV/Eqpt</strong></td>
<td>Vestas (Denmark)</td>
<td>Wind turbines</td>
<td>Sep 2013</td>
<td>(equity-based)</td>
<td>Early achievement of strategic model (JV) development and broadened business lines</td>
</tr>
<tr>
<td></td>
<td>Rycos</td>
<td>Equipments for metal fabrication machinery</td>
<td>Jun 2013</td>
<td>(equity-based)</td>
<td>Business expansion from achievement of full line</td>
</tr>
<tr>
<td></td>
<td>Fuji Xerox</td>
<td>Document-related</td>
<td>Oct 2013</td>
<td>(equity-based)</td>
<td>Restructuring in deteriorated cost and effective document-related businesses</td>
</tr>
<tr>
<td></td>
<td>Miyaz Engineering</td>
<td>Bridges</td>
<td>Nov 2014</td>
<td>(equity-based)</td>
<td>Scale-up of existing business</td>
</tr>
<tr>
<td></td>
<td>Japan Tunnel Systems</td>
<td>Tunneling and construction machinery</td>
<td>May 2015</td>
<td>(equity-based)</td>
<td>Expansion of product line and sales network, reductions in production costs</td>
</tr>
<tr>
<td></td>
<td>Fuji Cozz</td>
<td>Industrial engines - engine sales</td>
<td>Jan 2016</td>
<td>(equity-based)</td>
<td>Business expansion from new business and new market area</td>
</tr>
<tr>
<td></td>
<td>UBE Machinery</td>
<td>Machining machinery</td>
<td>Jul 2016</td>
<td>(equity-based)</td>
<td>Business expansion from existing business and new market area</td>
</tr>
<tr>
<td></td>
<td>JRI West</td>
<td>Real estate</td>
<td>Oct 2016</td>
<td>(equity-based)</td>
<td>Boost corporate value through partnership with JRI West</td>
</tr>
<tr>
<td><strong>Transfer</strong></td>
<td>HIDROMEK (Turkey)</td>
<td>Motor graders</td>
<td>Nov 2013</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Delta Electronics (Taiwan)</td>
<td>Industrial machinery</td>
<td>Apr 2014</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Samuns Heavy Industries</td>
<td>Material handling sales</td>
<td>Apr 2014</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Michellon Holdings</td>
<td>Industrial cranes</td>
<td>May 2015</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Tohoku England</td>
<td>Ship stabilizers</td>
<td>Mar 2016</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Sato Takko</td>
<td>Valve gate</td>
<td>May 2016</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Hitachi</td>
<td>X-ray medical equipment</td>
<td>Aug 2016</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Kobe Diesel</td>
<td>Marine diesel engines</td>
<td>Dec 2016</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td></td>
<td>Furus Electric</td>
<td>ETC onroad devices</td>
<td>Jan 2017</td>
<td>-</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
<tr>
<td><strong>Withdrawal</strong></td>
<td>Ecok (Brazil)</td>
<td>Steel building</td>
<td>Jan 2016</td>
<td>(equity-based)</td>
<td>Promotion of business concentration into core competencies</td>
</tr>
</tbody>
</table>
On this page we show the MHI Group’s engineering business in its various categories. Items shown with a red star indicate those we expect to mark solid growth going forward.

We aim to reorganize into the industry’s most advanced EPC business, to be achieved by consolidating the outstanding human resources that have been concentrated into chemical plants and other aspects of engineering business until now, and combining the hardware and software aspects together with IoT.

From April 2017 the engineering business will become part of the new Industry & Infrastructure domain. Through the addition of life-cycle management, we hope to post further growth in the years ahead.
2. Target scope of engineering business, etc. (2)

- GTCC: Gas Turbine Combined Cycle
- IGCC: Integrated coal Gasification Combined Cycle
- AGT: Automated Guideway Transit
- APM: Automated People Mover
That completes my presentation today. Thank you for your kind attention.