

FYE 2021 Management Plan

Concept of FYE 2021 Management Plan

- ▶ The business environment is undergoing tumultuous changes. We are poised to move into a new management phase in which we must be prepared for economic downturn and global recession.
- ▶ Accomplished and completed the measures set out in our medium-term management plan, “Brand-new Deal 2020,” ahead of schedule during FYE 2019 and FYE 2020.
- ▶ Setting FYE 2021 as a year for consolidating our foothold, we formulated a single-year management plan.



Basic Policies

Qualitative targets

Thoroughly instilling the
“earn, cut, prevent”
principles as the core of our business

Quantitative targets

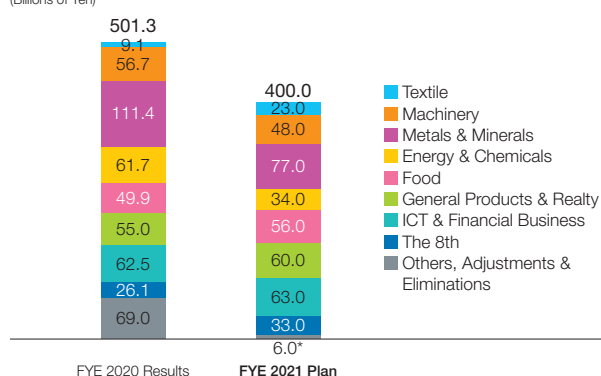
- ▶ Consolidated net profit **¥400.0 billion**
- ▶ Dividend per share **¥88**
(Maintain the progressive dividend policy)
- ▶ Maintain the “**Medium- to Long-Term Shareholder Returns Policy***”

* Disclosed on October 1, 2018

Quantitative Targets

Consolidated Net Profit by Segment

(Billions of Yen)



(Billions of Yen)	FYE 2020 Results	FYE 2021 Plan
Non-Resource	378.3	384.0
Resource	126.8	73.0
Others	(3.7)	(57.0)*

* Including a loss buffer of ¥(50.0) billion

Brand-new Deal 2020

Cash Flows, Financial Position and Ratio Plan

	FYE 2019 Results	FYE 2020 Results
Core Operating Cash Flows (Billions of Yen)	515.0	602.0
Net Investment Cash Flows (Billions of Yen)	(20.0)	(290.0)
Core Free Cash Flows after deducting shareholder returns (Billions of Yen)	300.0	123.0
	423.0	
NET DER (times)	0.82	0.75
Shareholders' equity (Trillions of Yen)	2.9	3.0
ROE (%)	17.9	17.0

FYE 2021 Management Plan

FYE 2021 Priority Measures

Actively promote strategic investments in areas of strength and asset replacement in a timely manner

B/S control for maintaining A ratings

Maintain high efficiency

