Medium-Term Management Plan

Brand-new Deal 2017: Targets



Build a solid earnings base to generate ¥400.0 billion in net profit by progressing growth strategy especially focused on the non-resource sector.

Pursue to consistently exceed ROE of 13%, whilst further accumulating shareholders' equity.



Brand-new Deal 2017: Basic Policies

Strengthen Our Financial Position	Accelerate Asset Replacement Stringent Cash Flow Management	 Accelerate asset replacement to further improve quality and income efficiency of assets. Realize sustainable positive Free Cash Flow by strengthen cash generation capacity and comply investment policy. Thorough corporate management with focus on cost of capital.
Build Solid Earnings Base to Generate ¥400 Billion Level Net Profit	Enhance Progress Cooperation with Strategic Partners Further Reinforcement of the Non-Resource Sector	 Expand operating capabilities and business areas in China and the Asian region by maximizing synergetic benefits from the strategic alliance with CITIC and CP Group. Further strengthen the earning base utilizing the superiority and business strength in the non-resource sector. Increase profitability by expanding existing business and proceeds from new projects.

Investment Policy

Aggressively pursue synergetic profit derived from the strategic alliance with CITIC and CP Group, especially in China and the ASEAN regions. New Investments: Cap new investments to be made only within the aggregate amount generated by core operating cash flows*1 and withdrawal from existing projects.

Core Free Cash Flows*2

Core Operating Cash Flows Cash Generated by Withdrawal from Projects

New Investments

- Investment into joint projects with CITIC and CP Group
- Other investments

^{*1 &}quot;Operating cash flows" minus "increase/decrease of working capital"

^{*2} Excludes increase/decrease of working capital