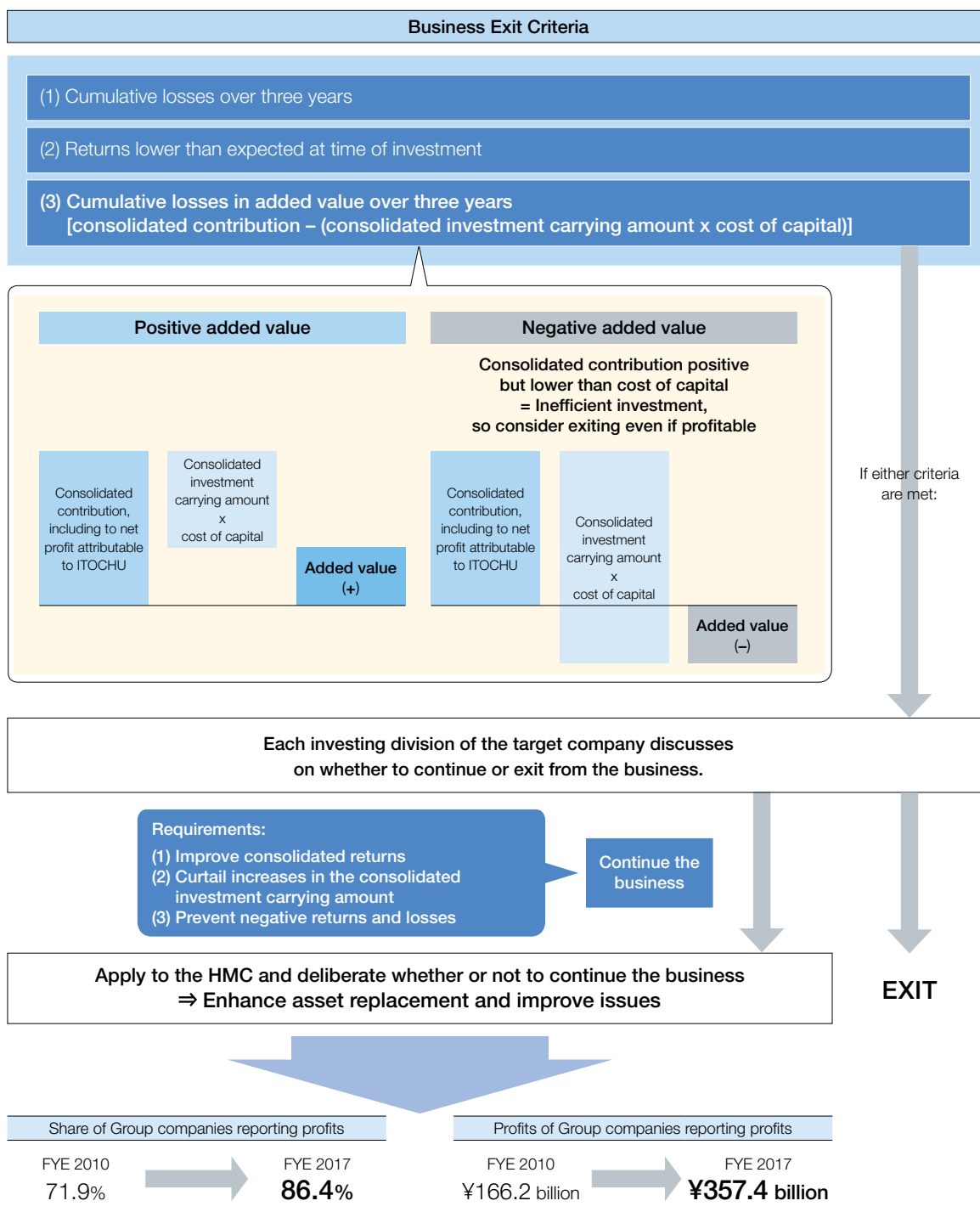


For More Details

Enhance Investment Management Exit from Loss-Making Businesses

We are enhancing asset replacement and improving issues of operating companies by monitoring returns against expectations at the time of investment. Moreover, even profitable investments should potentially be exited if returns are lower than our cost of capital.



Each investing division of the target company discusses on whether to continue or exit from the business.

Requirements:

- (1) Improve consolidated returns
- (2) Curtail increases in the consolidated investment carrying amount
- (3) Prevent negative returns and losses

Continue the business

Apply to the HMC and deliberate whether or not to continue the business
⇒ Enhance asset replacement and improve issues

EXIT

Share of Group companies reporting profits

FYE 2010 → FYE 2017
71.9% → **86.4%**

Profits of Group companies reporting profits

FYE 2010 → FYE 2017
¥166.2 billion → **¥357.4 billion**