

# New Medium-Term Management Plan: JGP2017(JSW Group Growth Plan FY2015-2017)

## 1 >> Corporate Vision and Numerical Targets

“Advancing toward Top Global & Niche Corporate Group”  
*Aiming to achieve top share at key points in customer value chains*

JSW Group (Consolidated)	FY2014 (Actual)	JGP2017	
		FY2017 (Plan)	FY2020 (Goal)
Net sales	¥194.6	More than ¥220.0	More than ¥250.0
Operating income (ratio)	¥8.2 (4.2%)	More than ¥13.0 (6%)	More than ¥20.0 (8%)
ROA	-1.2%	Above 3%	Above 4%
ROE	-2.7%	Above 5%	Above 8% (*)

(Billions of yen)

(\*) Increase earnings power and improve asset efficiency to swiftly achieve ROE of higher than 8% after JGP2017

## 2 >> Basic Policies for JGP2017

### Policy 1

Increase profitability of existing businesses

- ▶ Pursue product & service differentiation
- ▶ Strengthen total-cost competitiveness
- ▶ Develop service & solution businesses
- ▶ Reinforce initiatives in growth markets

### Policy 2

Foster new products & businesses and make them competitive as soon as possible

- ▶ Promote businesses based on core management resources
- ▶ Optimize timeframe and systems for promoting new products & businesses

### Policy 3

Reinforce Group management and promote alliances



Strict management control based on Action Plan (implement PDCA)

## 3 Business Strategies by Segment

### Steel and Energy Products Segment

#### Defensive management

Achieve steady growth and prepare for renewed growth after JGP2017

##### Muroran Plant Restructuring Project

- ▶ Improve asset efficiency and productivity
- ▶ Review and selectively strengthen product lineup

Reduce investment

Review business domains

Maintain profitability

(Billions of yen)	
<b>FY2014</b>	
Net sales	¥66.2
Operating loss	¥(3.2)
↓	
<b>FY2017</b>	
Net sales	¥66.0
Operating income	¥1.0

### Industrial Machinery Products Segment

#### Offensive management

Identify growth opportunities and accelerate business expansion

- ▶ Restructure production lines in Hiroshima and Yokohama plants to improve productivity
- ▶ Actively promote and utilize alliances

Pursue strategic investment

Expand business domains

Achieve and expand stable profits

(Billions of yen)	
<b>FY2014</b>	
Net sales	¥126.3
Operating income	¥11.3
↓	
<b>FY2017</b>	
Net sales	¥152.0
Operating income	¥13.0

## 4 Financial Strategies

Increase shareholder value by strengthening cash generation and effective cash use

