

# Enhancing Financial Strength

**Corporate Officer  
Takakazu Momozuka**

- ① **Improve profitability by expanding priority businesses**
  
- ② **Improve efficiency in general and administrative expenses and R&D expenses**
  
- ③ **Financial strategy**

# Improve profitability by expanding priority businesses



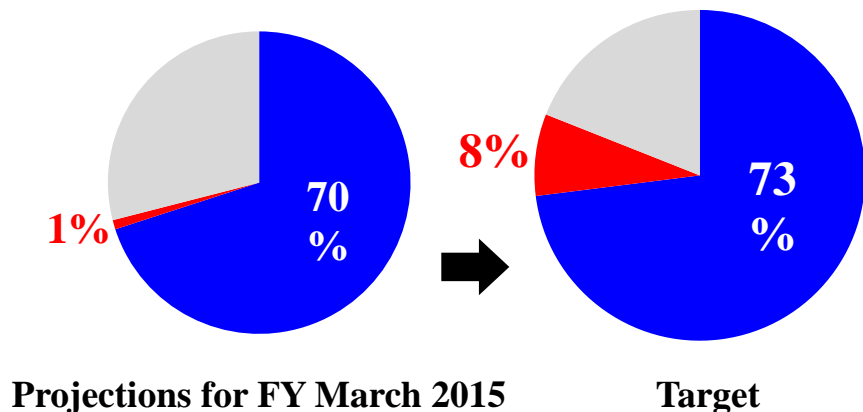
## Priority businesses

■ Priority Five Businesses

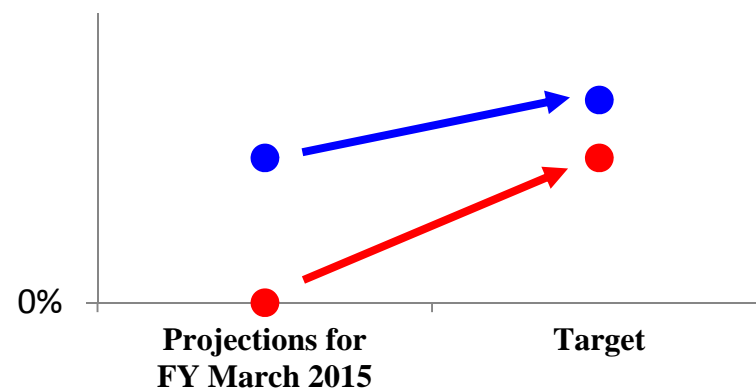
■ New Businesses

■ Others

### Business size expansion (sales breakdown)



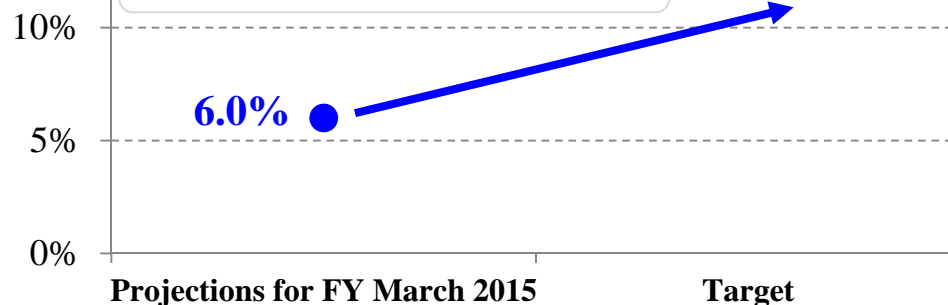
### Improved profitability (operating profit margin)



## Company-wide

	Projections for FY March 2015	Target
<b>OP margin</b>	6.0%	Over 10%

### Operating Profit Margin



Projections for FY March 2015	Sales percentage
SGA expenses (excluding R&D expenses)	12.5%
R&D expenses	6.5%
SGA expenses Total	19.0%

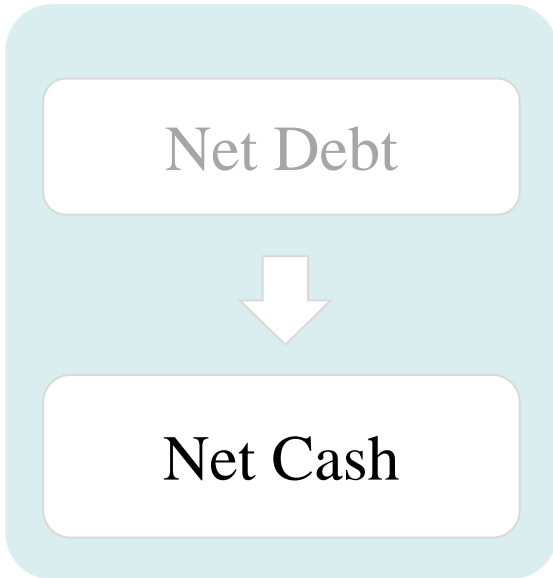


## Measures

- ✓ **Promote reforms for Head Office functions**
  - Speedy business operations enabled by delegation.
  - Efficiency improvements by consolidating service divisions
- ✓ **Review the R&D system at Head Office**
  - Shifting toward a global R&D system
  - Enhancing business strength by making development efforts within local divisions
  - Medium- to long-term development themes promoted by Head office



**Improve profitability by reducing the percentage of general management expenses and improving development efficiency**



Return to shareholders

Growth investment

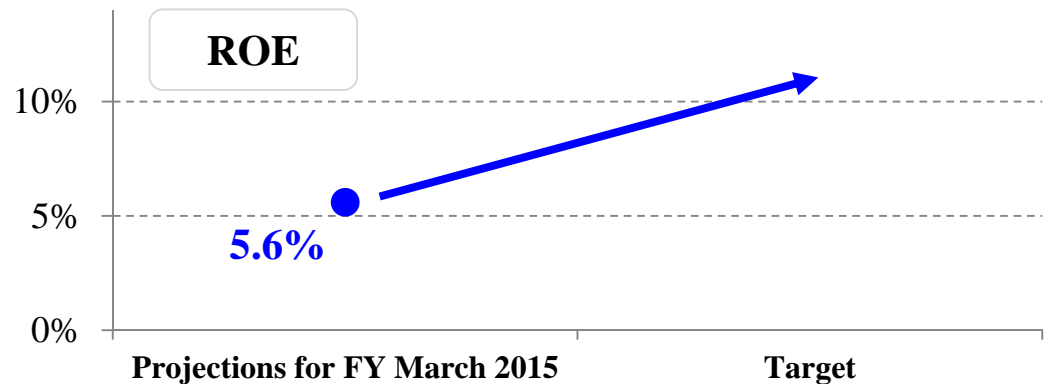
**Dividend policy**

**Strive to achieve stable dividend increases through growth in the earnings per share figure**

**Invest funds into the development of new products and new businesses**

**Consider the acquisition of own share, in addition to dividends, as an option to provide returns to stockholders**

	Projections for FY March 2015	Target
ROE	5.6%	Over 10%



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