

Overview of and Progress Made in the Medium-Term Management Plan (JGP2014)

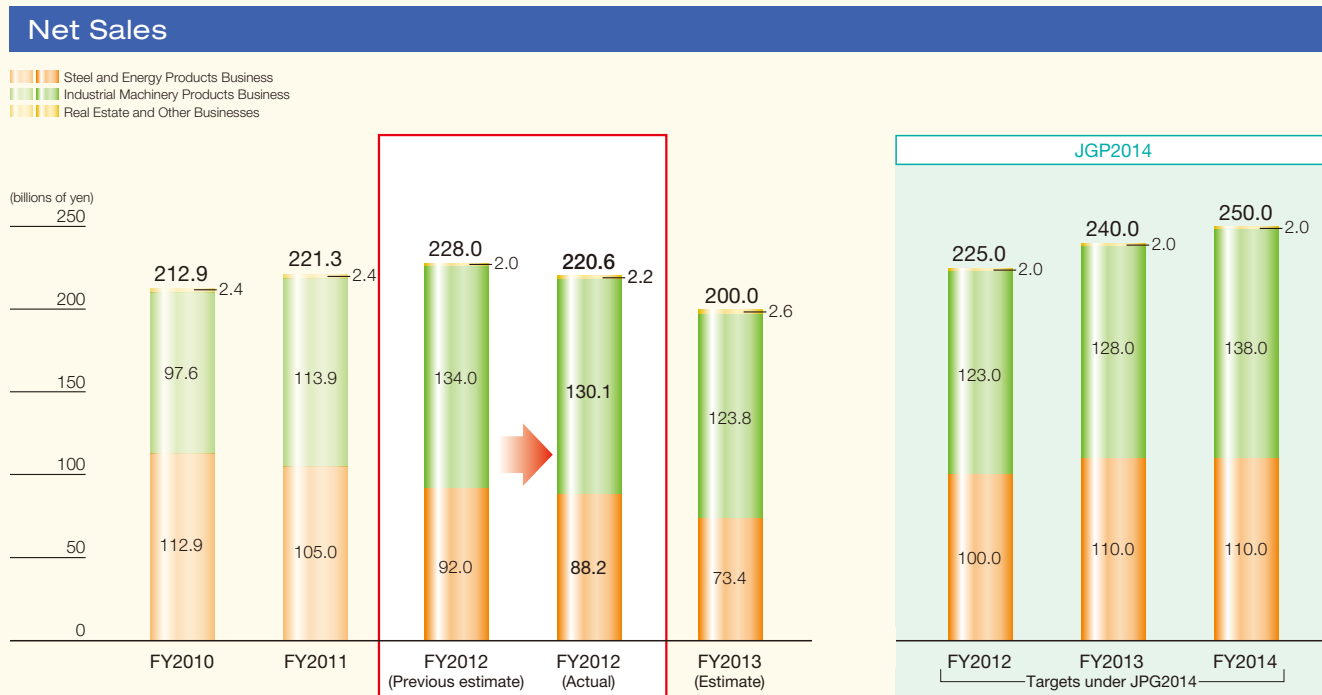
Overview of the JGP2014 medium-term management plan

We aim to regain the growth path by building the Group's products into the leading presence in the global market, and to marshal the total strength of all JSW Group companies – including new business alliances – to expand our business operations into new growth markets and business fields.

1. Our vision for JSW

The vision we describe in JGP2014 for the JSW Group of the future is of becoming the No.1 global *monozukuri* (manufacturing) corporate group. Specifically, we will provide our customers with the world's best products and become a group fully capable of competing in the global marketplace. In addition, our goal is to be a corporate group with a stable earnings structure and strong financial position.

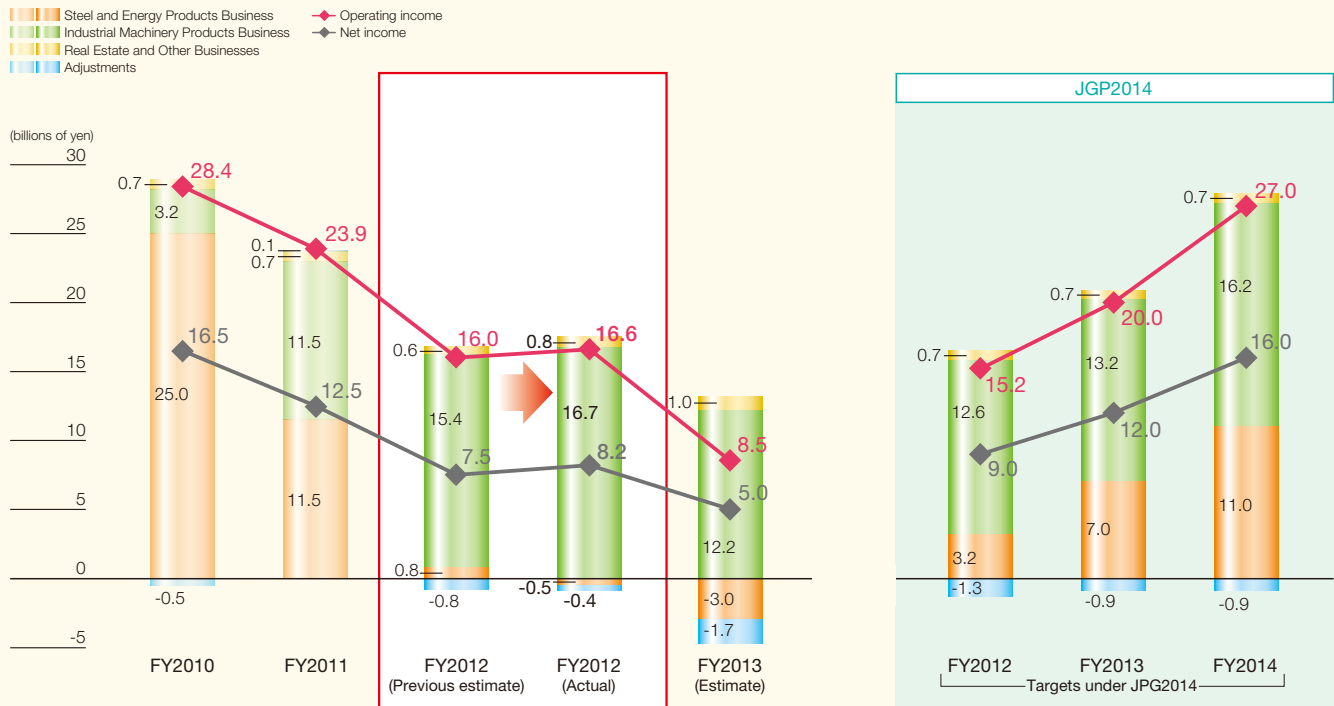
2. Progress made up to FY2012



We anticipate a decline in sales in fiscal 2013 due to the impact of the sluggish orders in fiscal 2012, but we are aiming to recover from this and achieve an increase in sales in fiscal 2014.

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Operating Income and Net Income



We are currently working to secure orders in fiscal 2013 toward increasing income from fiscal 2014.

3. Measures to achieve an increase in both sales and income in FY2014

Basic management policy for JGP2014

- Grow our products into the global market leaders
- Expand business operations into growth markets and growth fields
- Create global network of *monozukuri* alliances
- Strengthen business base

Steel and Energy Products Business

1. Expand orders

- ▷ Ascertain the point that the slumping demand in the electric power and nuclear power fields will change direction
- ▷ Strengthen product competitiveness (QCD)
- ▷ Promote product development (in new fields and new materials)

2. Strengthen our corporate structure

- ▷ Improve fixed costs
 - Optimize fixed assets (retire equipment)
 - Mobilize personnel (transfer personnel to the Industrial Machinery Products Business)

Industrial Machinery Products Business

1. Expand orders

- ▷ Aim to develop globally by leveraging our strength as a comprehensive plastics machinery manufacturer
- ▷ Strengthen product competitiveness (QCD)
- ▷ Expand our business scope through receiving entire systems and full line-up orders

2. Increase productivity and production capacity

- Improve productivity at plants, enhance collaboration within the JSW Group
- Mobilize personnel (reinforce personnel by transfers from the Steel and Energy Products Business)

By steadily implementing the above-described measures, we expect to increase order volume.

Steel and Energy Products Business	+¥9,700 million
Industrial Machinery Products Business	+¥15,400 million
FY2013 order (Estimate)	¥210,000 million

Also, as we are able to lower the break-even point, we expect to record an increase in both sales and income in fiscal 2014.