

STEER FOR 2020

Main Theme: **Solid growth through innovative changes**

Long-term vision:

To make the MOL Group an excellent and resilient organization that leads the world shipping industry

MOL Group Corporate Principles

1. As a multi-modal transport group, we will actively seize opportunities that contribute to global economic growth and development by meeting and responding to our customers' needs and to this new era
2. We will strive to maximize corporate value by always being creative, continually pursuing higher operating efficiency, and promoting an open and visible management style that is guided by the highest ethical and social standards
3. We will promote and protect our environment by maintaining strict, safe operation and navigation standards

Overall Strategies

① Innovation of business portfolio

- Allocate earlier significant management resources to businesses where we expect high growth and stable long-term profits in ocean shipping and associated businesses.

② Innovation of business model

- Taking advantage of our expertise, focus on businesses that offer added values, and meet customer needs.
- Transform our fleet for more flexible structure that has increased market tolerability, while increasing competitiveness and controlling the risk of lower-than-projected profitability.

③ Innovation of business domain

- Create value chains by expanding business domain to both upstream and downstream of ocean shipping transport.

Strengthen the management foundation to support achievement of our goals

Anchor Reinforce compliance

Anchor Reconstruct our safe operation structure

Anchor Strengthen total risk control

Anchor Concentrating business intelligence

Profit plan and consolidated financial figures

	FY2013 (Forecast)	FY2016 (Plan)	FY2019 (Target)
Revenue [¥ bn]	1,700	1,900	2,100
Ordinary income [¥ bn]	55	100	140
(Highly Stable Profits) [¥ bn]	50	55	75
Net income [¥ bn]	57	80	110

ROA*	2.4%	4 ~ 5%
ROE*	9.5%	above 10%

Equity ratio *	29%	(around FY2019)	35 ~ 40%
Net gearing ratio *	141%	(around FY2019)	100%

*ROA = Ordinary income/Total assets
 *ROE = Net income/Shareholders' equity
 *Equity ratio = Shareholders' equity/Total assets
 *Net gearing ratio = (Interest bearing debt-cash and cash equivalents)/Shareholders' equity

Investments

(unit: ¥ billion)

Investments (based on vessel delivery) (FY2014-FY2019)	Inc. LNG carriers/ offshore business
Contributed to Stable Profits	1,000 (700)
Enhanced Cost Competitiveness	130 —
Total	1,130 (700)

Fleet scale

(unit: No. of vessels)

FY2013 (forecast)	FY2016 (plan)	FY2019 (target)
900	880	930

Market exposure (dry bulkers and tankers)

FY2013 (forecast)	FY2016 (plan)	FY2019 (target)
55%	45%	35%