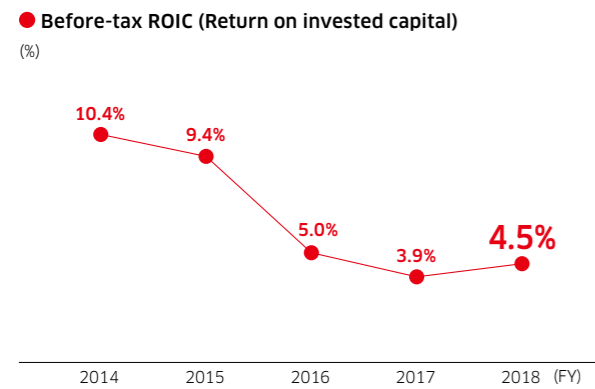
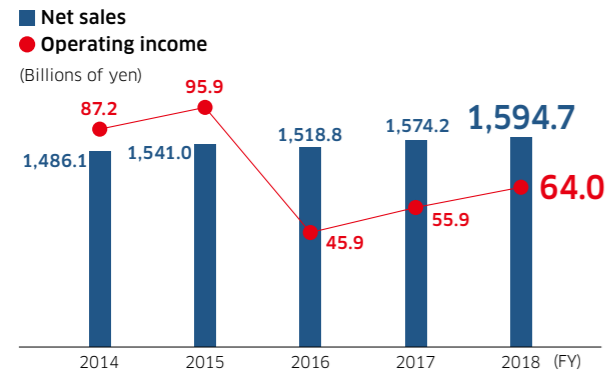
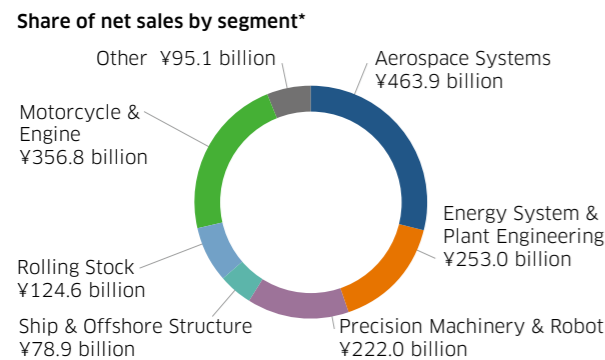
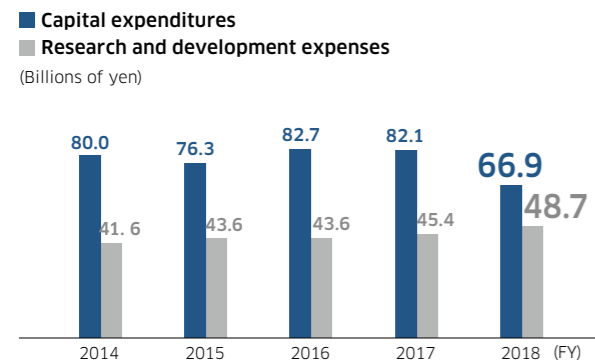


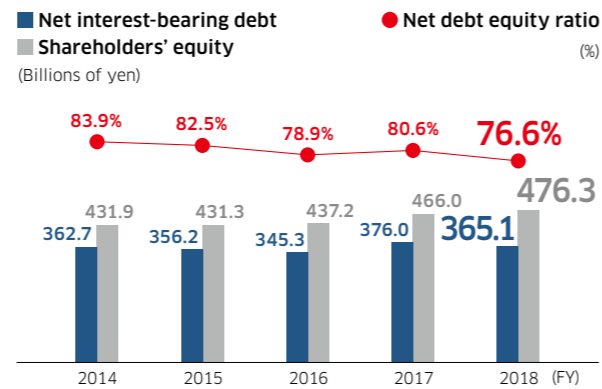
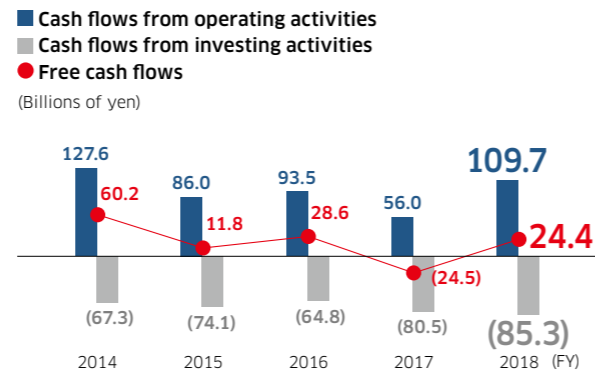
Performance Highlights



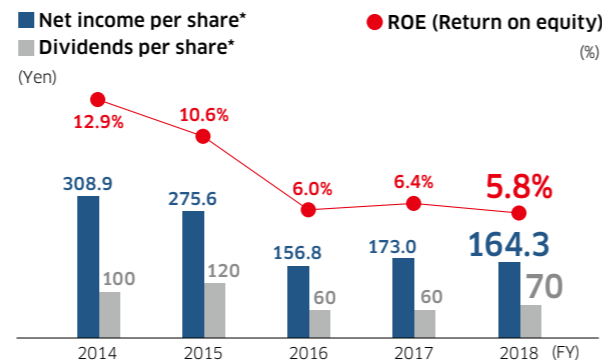
Before-tax ROIC = EBIT (Income before income taxes + interest expense) / Invested capital (Interest-bearing debt + Shareholders' equity)



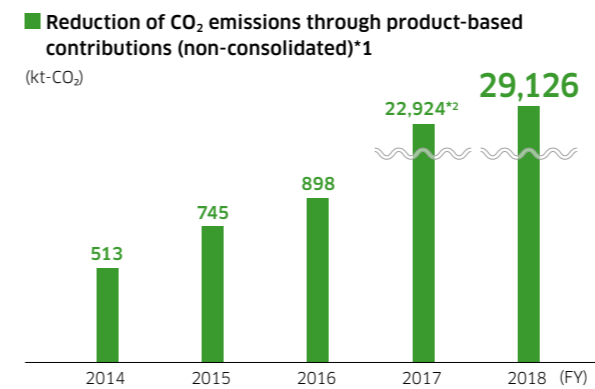
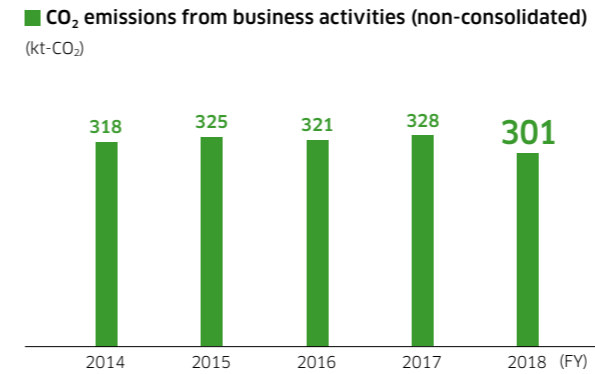
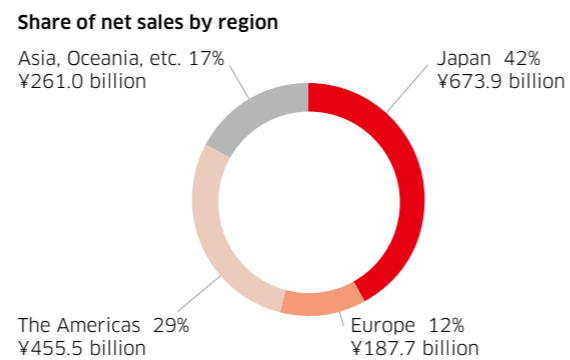
* In April 2018, the former Aerospace Company and the jet engine business of the former Gas Turbine & Machinery Company were integrated into the newly established Aerospace Systems Company and the former Plant & Infrastructure Company and the energy and marine-related businesses of the former Gas Turbine & Machinery Company were integrated into the newly established Energy System & Plant Engineering Company. In addition, the former Precision Machinery Company was renamed the Precision Machinery & Robot Company.



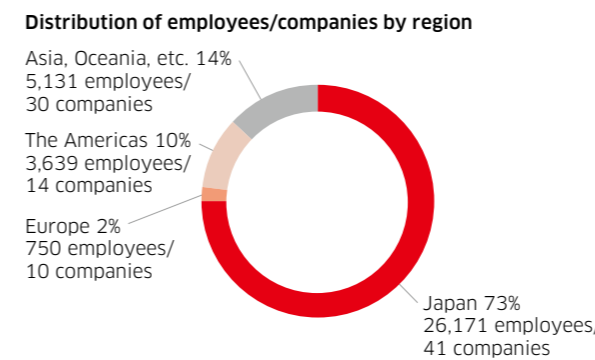
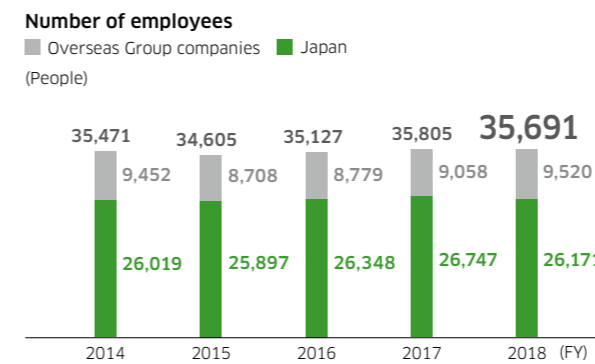
Net debt equity ratio = Net interest-bearing debt (Interest-bearing debt - Cash on hand and in banks) / Shareholders' equity



Return on equity = Profit attributable to owners of the parent / Shareholders' equity
* Effective October 1, 2017, a 1-for-10 share consolidation was implemented for ordinary shares. Figures above are calculated assuming the share consolidation was conducted on April 1, 2014



*1 Estimates based on actual delivery record
*2 The calculation rule has been revised for fiscal 2017. For details, please see page 54.



ESG-Related External Evaluations

The Dow Jones Sustainability Index is a leading Sustainability Investing (SI) index which assesses and selects leading sustainability-driven companies in terms of economic, environmental, and social criteria.



Created by the global index provider FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company), the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices. The FTSE-4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



The FTSE Blossom Japan Index is designed to measure the performance of Japanese companies that demonstrate strong environmental, social and governance (ESG) practices. The index is constructed so that industry weights align with the Japanese equity market and uses the globally established FTSE4Good Index Inclusion Rules, which are drawn from existing international standards, including the United Nations Sustainable Development Goals (SDGs).



MSCI ESG Leaders Indexes include companies with high ESG ratings relative to their sector peers.



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The S&P/JPX Carbon Efficient Index uses as its parent index the Tokyo Stock Price Index (TOPIX), a leading stock index used to represent the movement of the Japanese market, and weights companies based on their environmental information disclosure and carbon efficiency (carbon emissions per unit of net sales).

