

The New Medium-Term Management Plan The “Challenge Up Plan”

Fiscal 2009 to Fiscal 2011



Key Policies of the “Challenge Up Plan”

(1) Further increase Group corporate value

(2) Fortify the Group’s efforts toward overseas expansion

(3) Generate new businesses

(4) Develop new products

(5) Bolster CSR activities

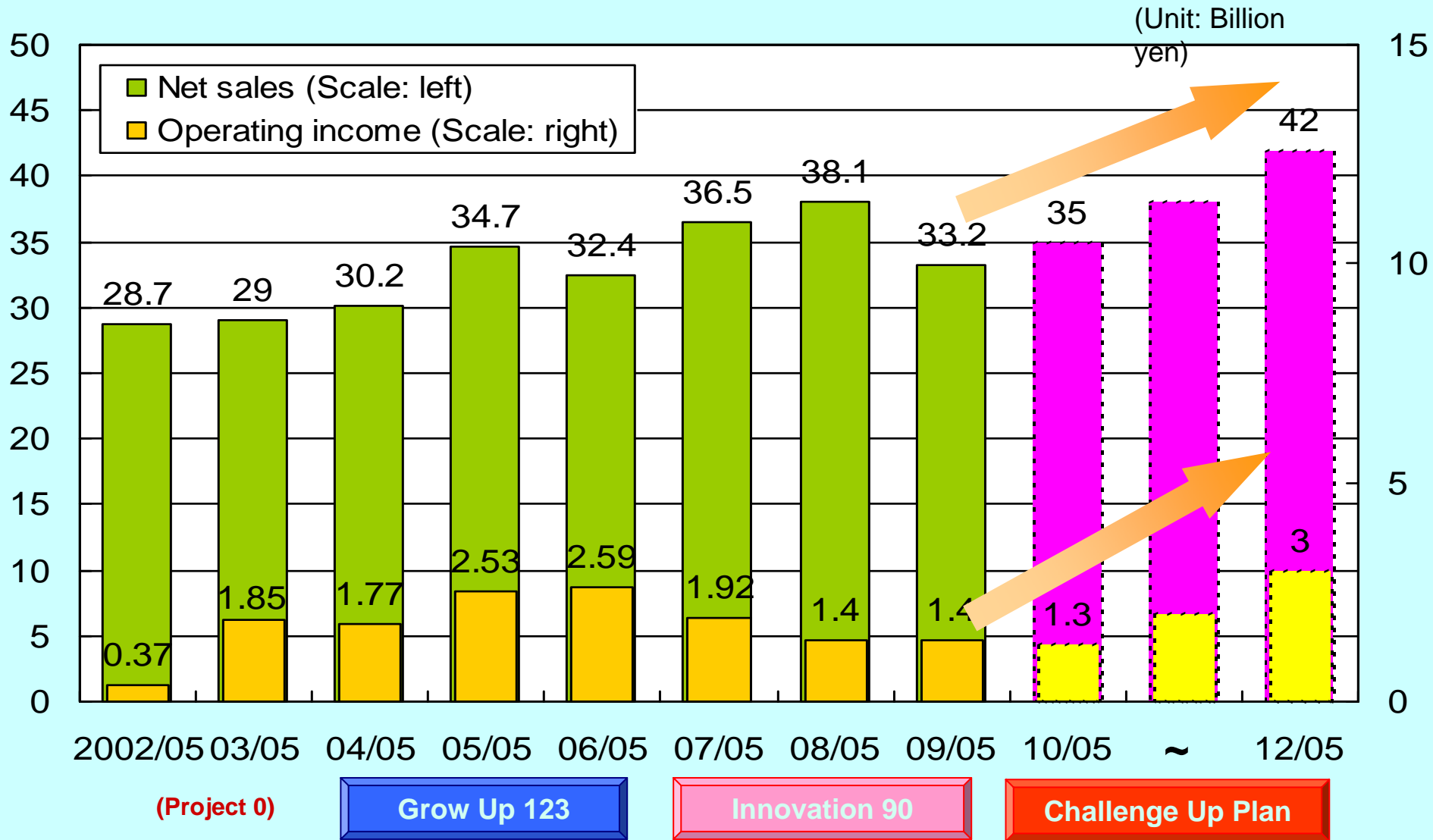
(6) Establish and promote a dynamic corporate culture

「Numerical Targets under the “Challenge Up Plan”

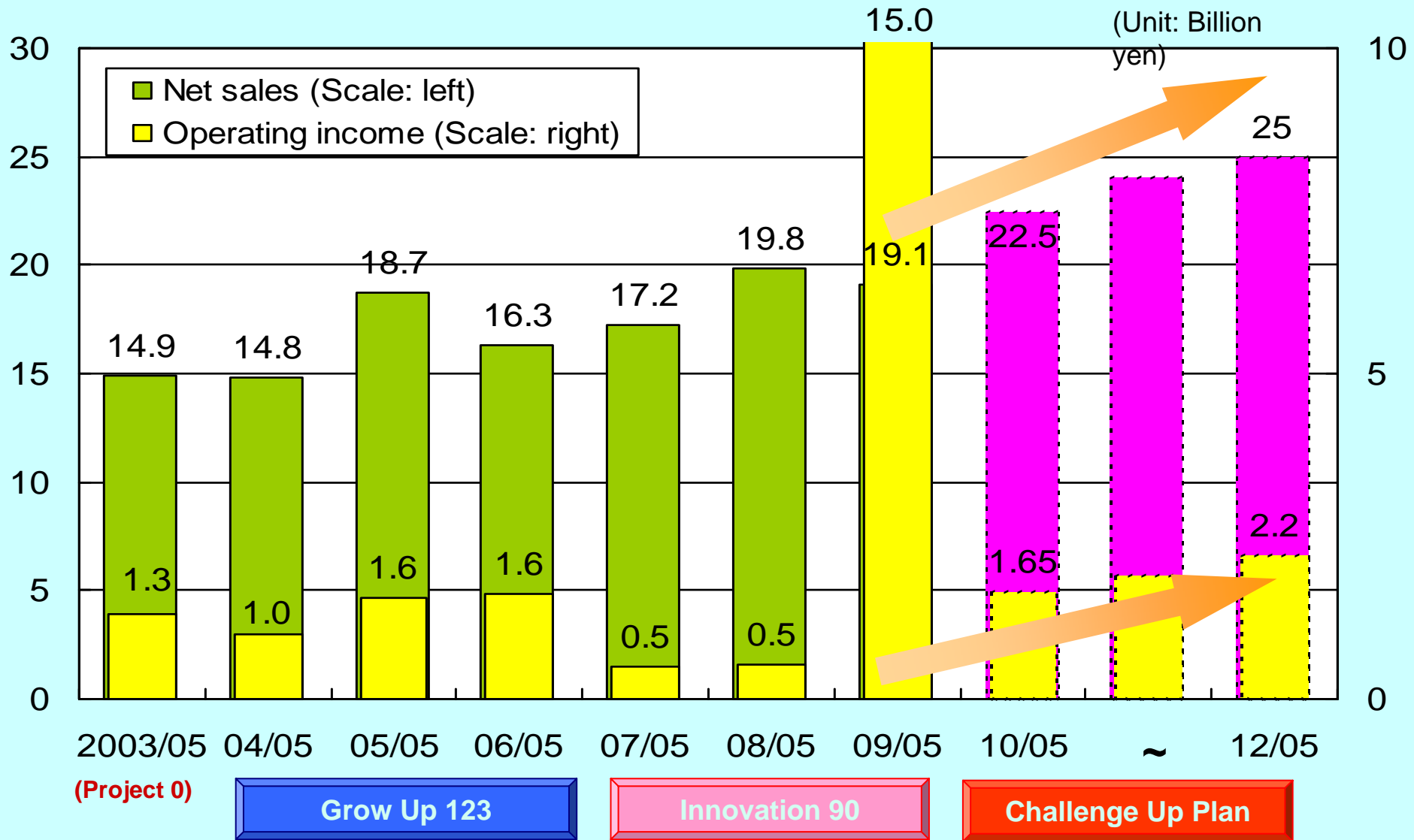
(Unit: Million yen)

	Fiscal 2008 Actual	Fiscal 2011 Targets
Net sales	33,226	42,000
Operating income	1,396	3,000
(%)	4.2%	7.2%
Ordinary income	1,267	2,800
Net income	103	1,500

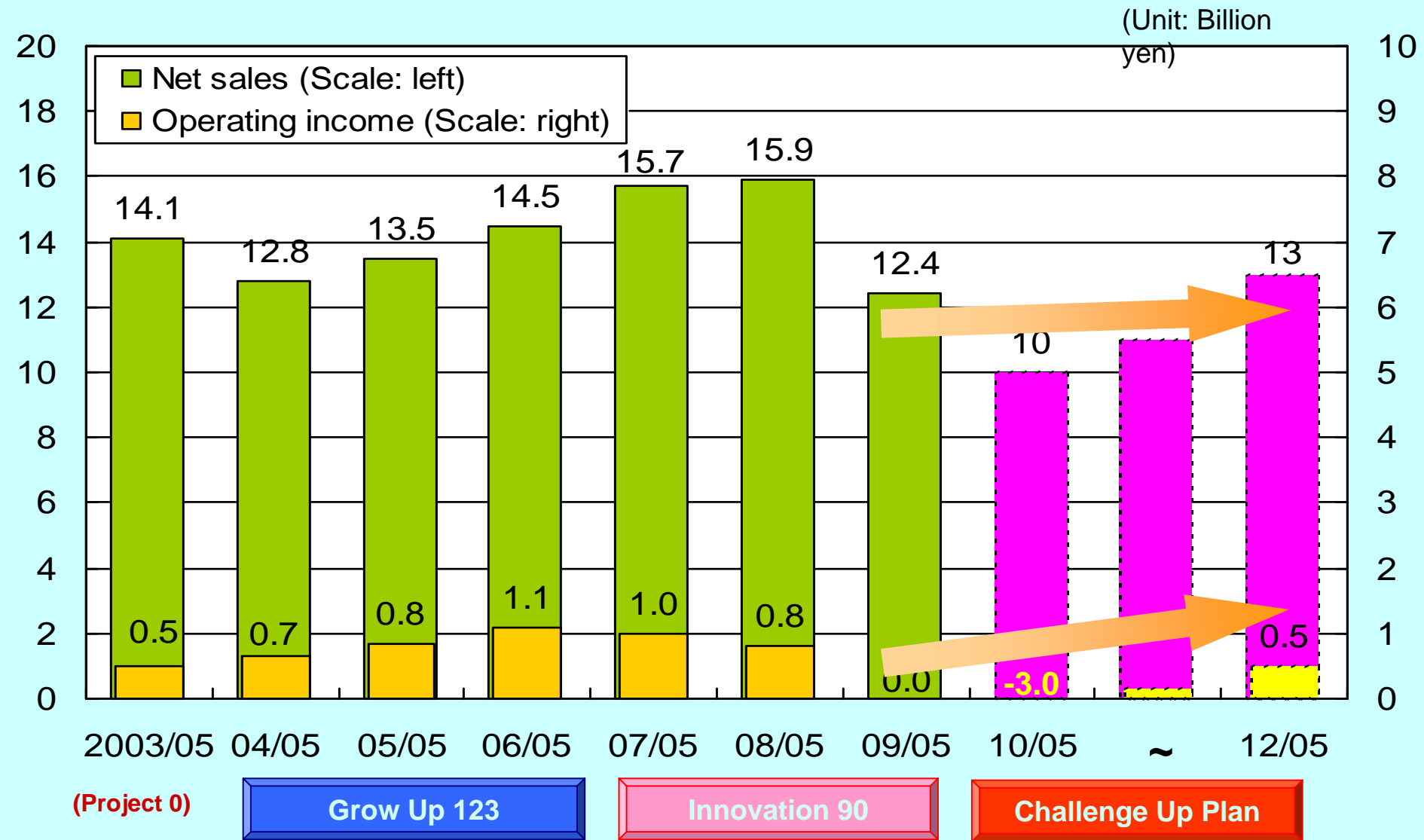
Reference: Change in Consolidated Net sales and Operating income, and Forecast



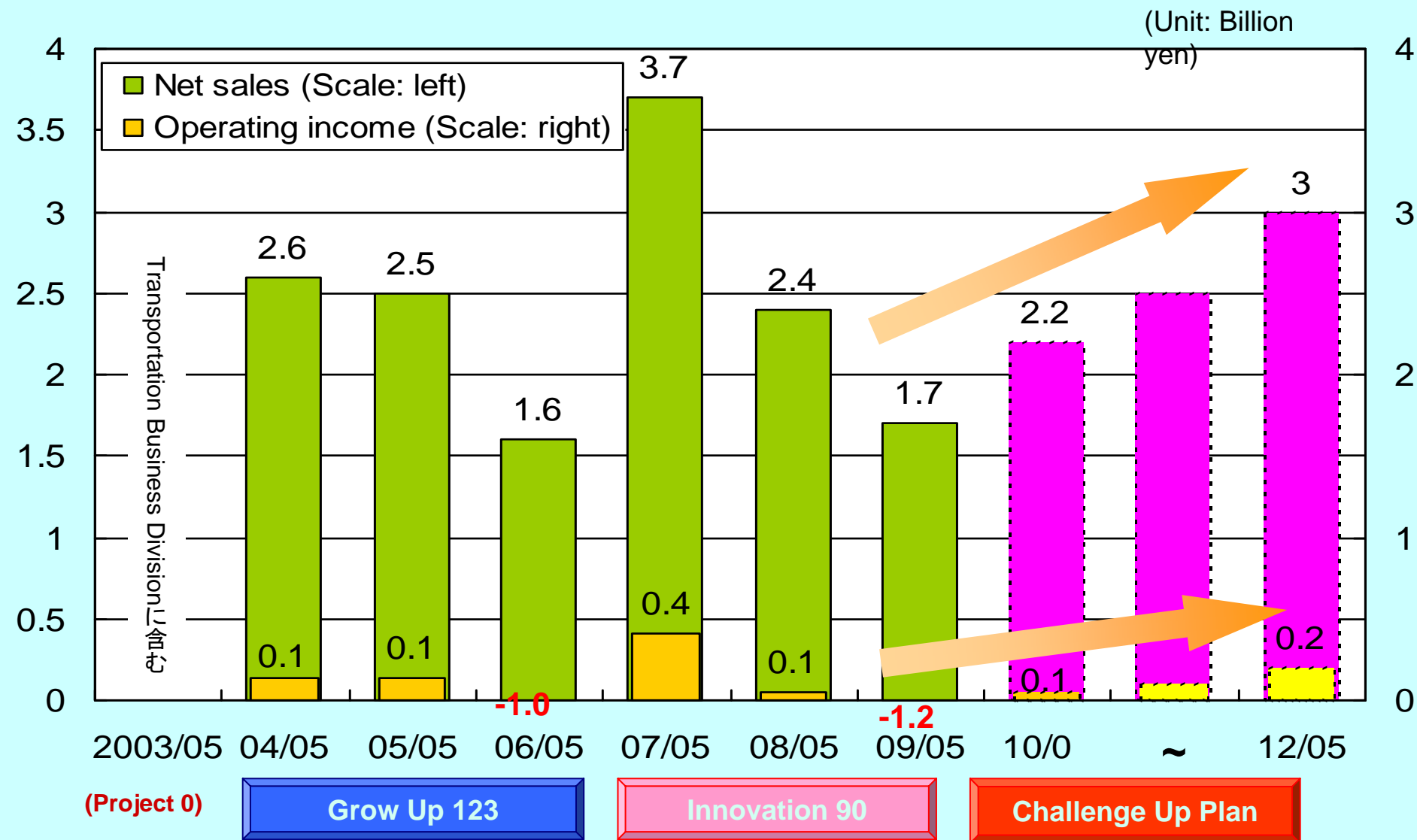
Reference: Performance Trends in the Transportation Business Division



Reference: Performance Trends in the Industry Business Division

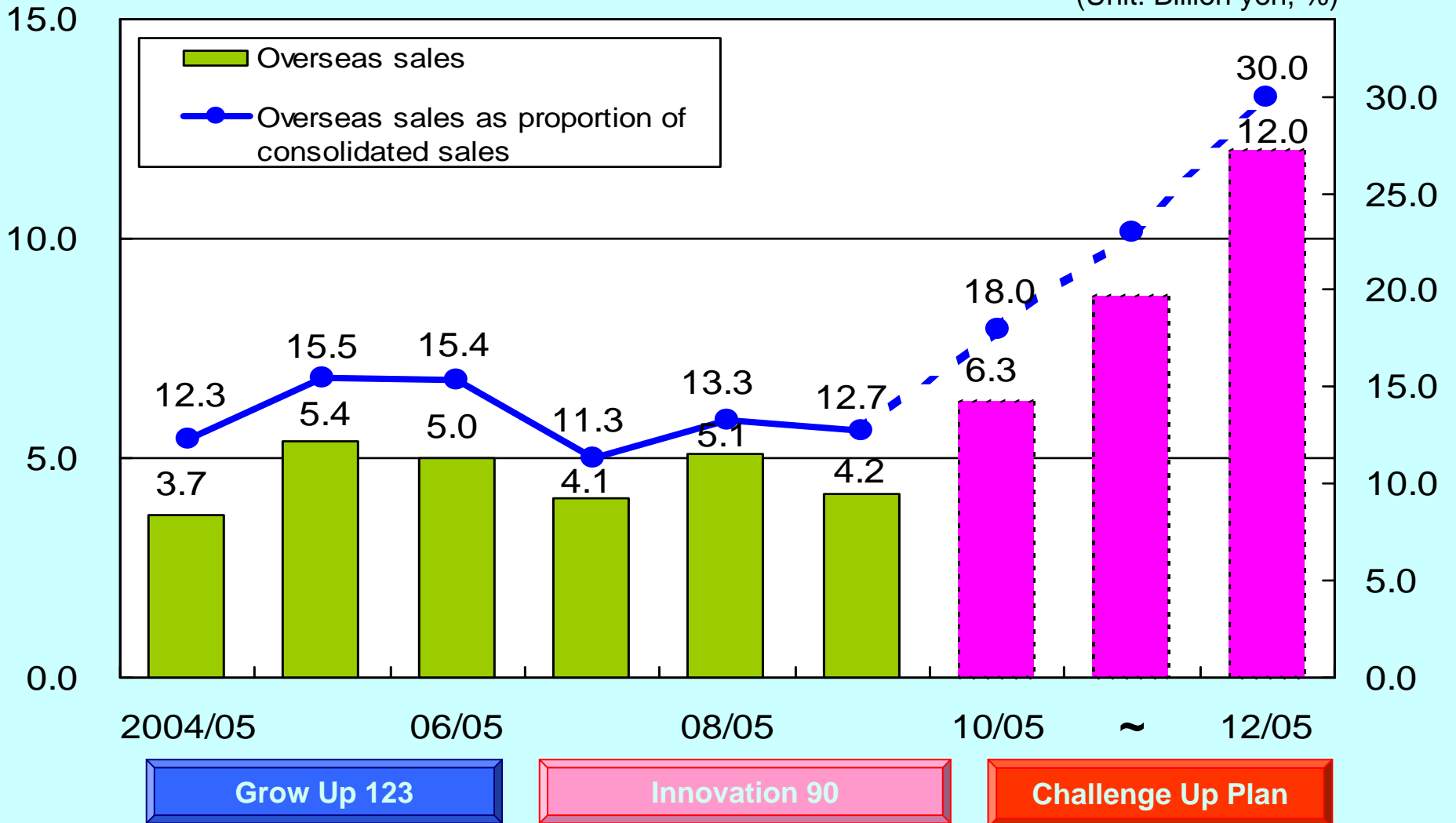


Reference: Performance Trends in the IT Business Division



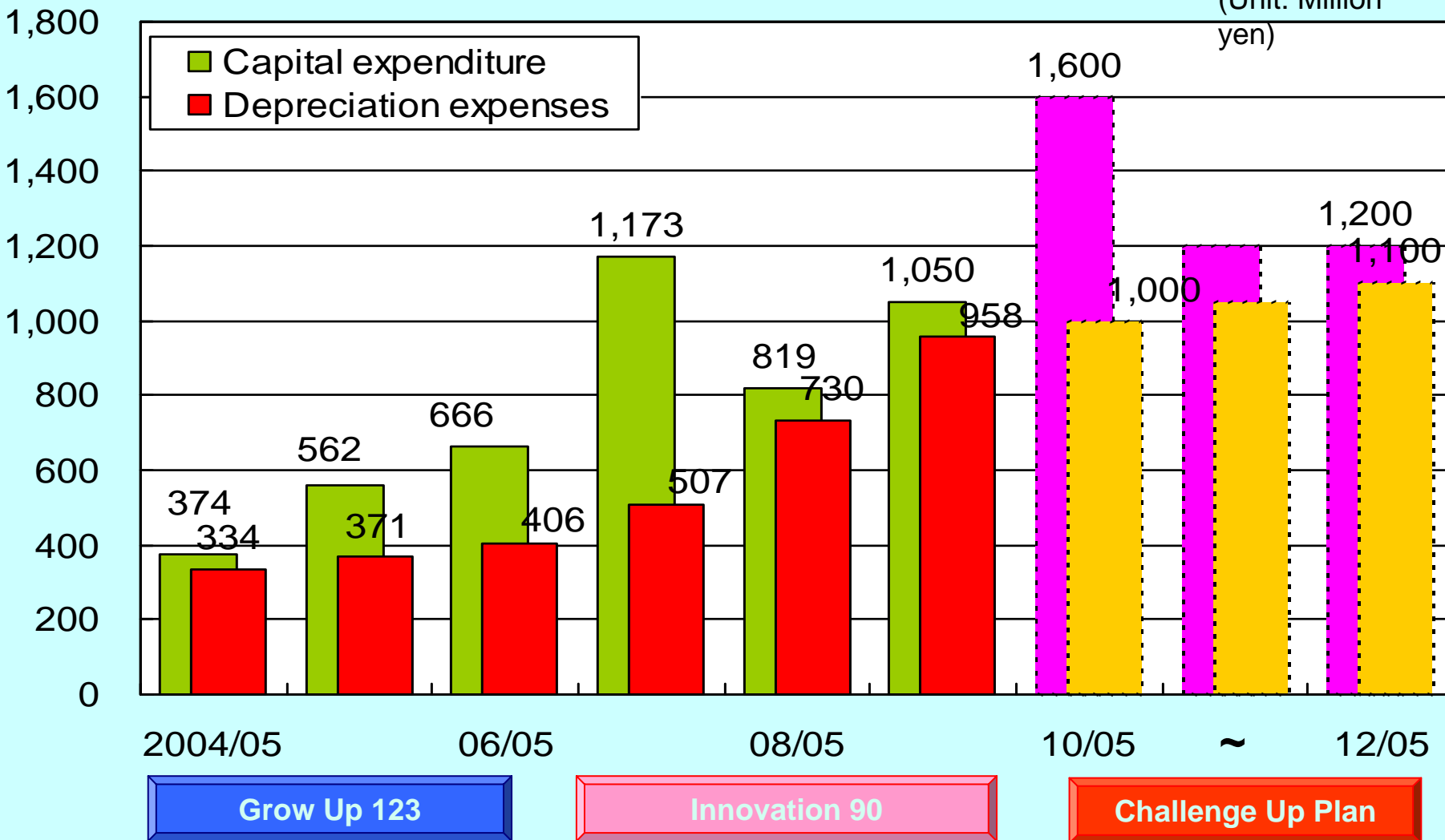
Reference: Trends in Overseas Sales

(Unit: Billion yen, %)



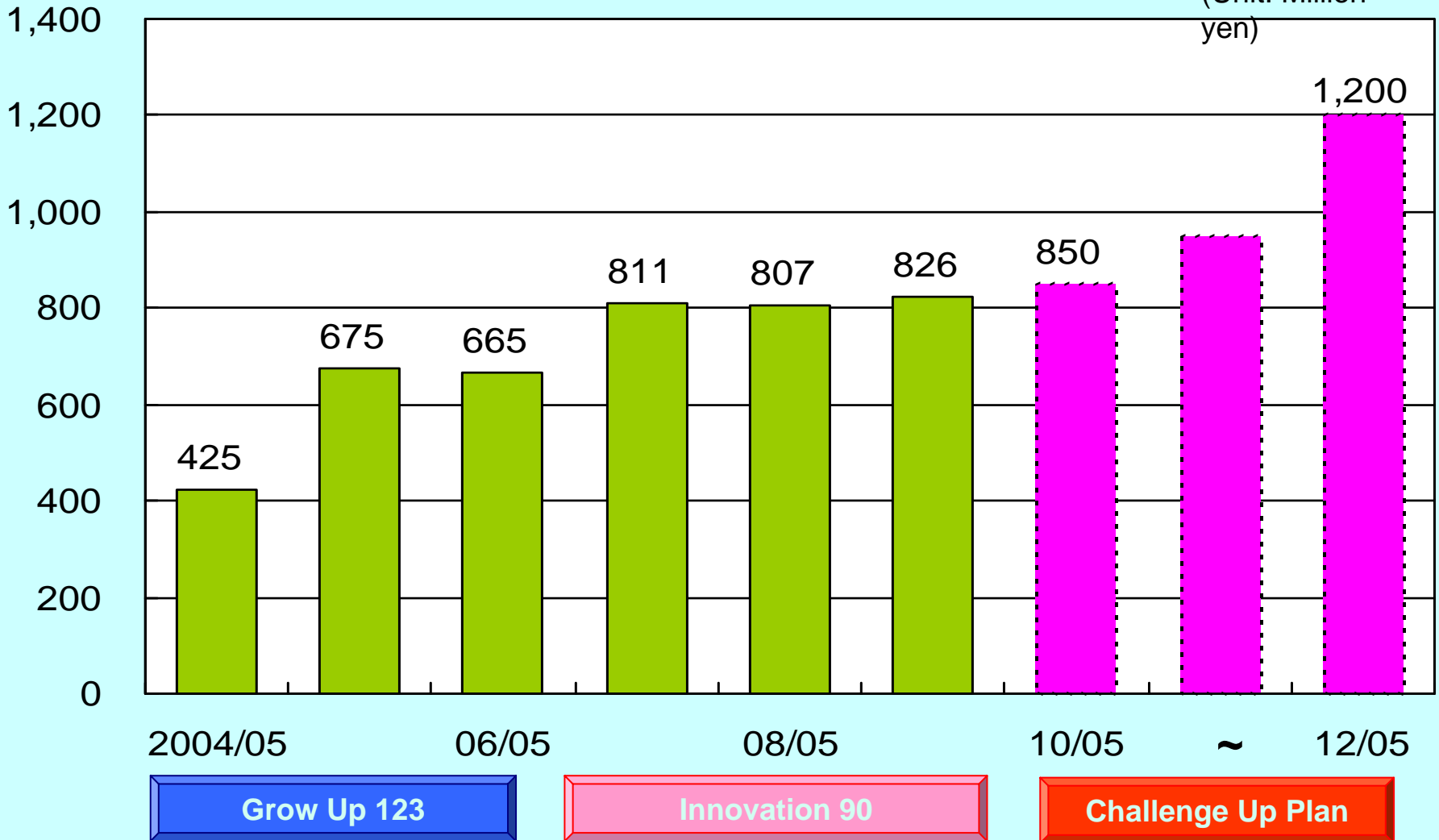
Reference: Changes in Consolidated Capital Expenditure and Depreciation Expenses

(Unit: Million yen)



Reference: Changes in Consolidated Research and Development Expenses

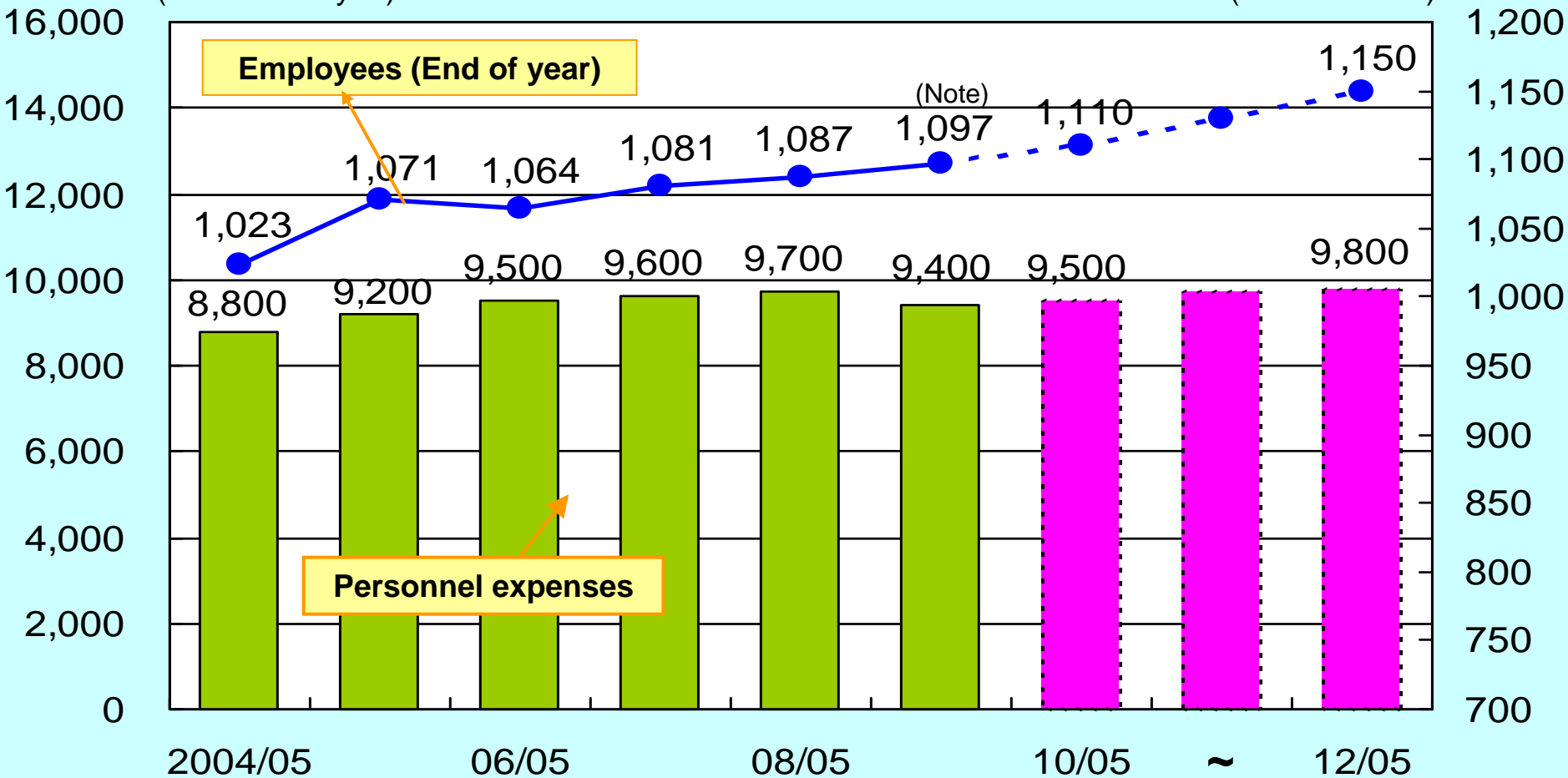
(Unit: Million yen)



Reference: Changes in Consolidated Personnel Expenses and Number of Employees

(Unit: Million yen)

(Unit: Persons)



Grow Up 123

Innovation 90

Challenge Up Plan

Note: Including approximately 50 contract employees

Business alliance with Fuji Electric Systems Co., Ltd. encompassing electrical equipment and components for rail cars

- Potential to supply a comprehensive lineup of electrical equipment and components for rail cars including **alternating devices**
- Potential to supply a full range of electrical equipment and component systems for rail cars to such overseas markets as the United States, China, India and Russia

Areas of collaboration

1. Procurement
2. Joint research and development
3. Complementary products
4. Engineering services
5. Service collaboration