

Medium Term Management Plan “INNOVATION 2009 ~Opening Up A New Era~”

MC’s aim is to contribute to the continuous advancement of society while sustaining the company’s growth and raising consolidated corporate value as a global business enterprise. In April 2008, MC announced its new medium term management plan, designed to help achieve this aim: “INNOVATION 2009”. This plan covers the two-year period from April 2008 through March 2010.

However, in September 2008, the US financial crisis touched off a global economic recession, which has radically altered the external business environment. For the time being, MC’s priority will be to maintain the company’s financial soundness, and INNOVATION 2009 has been revised accordingly.

Vision and Basic Concepts

In MC’s aim to be “a New Industry Innovator,” various initiatives have been devised and executed that continue to adhere to the following three basic concepts: “Grasping Change and Opening Up a New Era for MC (Promoting Growth Strategy),” “Developing Human Assets (Developing and Utilizing Human Resources),” and “Solidifying Our Ground (Continuously Strengthening Management Foundations).”



Promoting Growth Strategy Grasping Change and Opening Up a New Era

MC is taking steps to develop its business, from one corner of the world to another. Global trends are constantly changing, and the company is doing more on a unified, companywide basis to stay on top of these trends and propose strategies in response. In order to maximize efficiency, raise the overall quality of its business, and ensure sustainable growth, MC is shifting some of its management resources to key areas where such growth can be expected over the medium to long term. In April 2009, MC newly established its Corporate Development Section, which will specialize in these areas.

Developing & Utilizing Human Resources Developing Human Assets

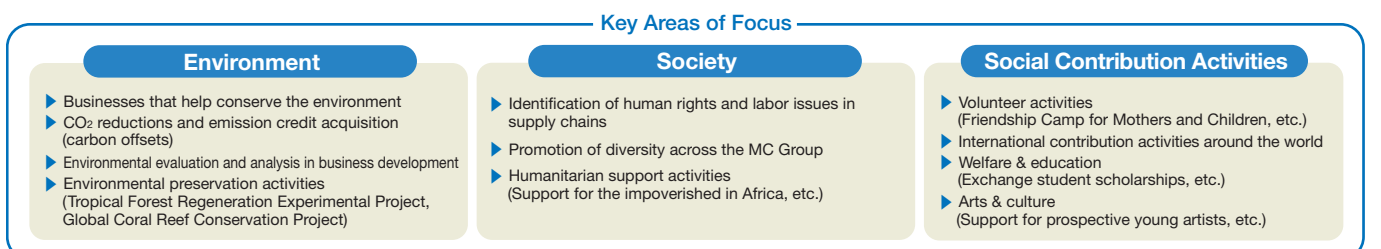
MC is committed to building systems and environments in which its unique, multi-skilled workforce can excel, across both consolidated and global operations. These systems and environments will aid MC in retaining and nurturing employees who can support its growth, and in motivating its people. Moreover, to effectively utilize a finite workforce, MC will deploy and reassign people with the necessary skills to areas and regions that are expected to grow. The hope is that this will stimulate both the organization and the career aspirations of its people.

Continuously Strengthening Management Foundations Solidifying Our Ground

While fostering a greater sense of unity throughout the MC companies, MC is committed to creating a corporate group that is linked by a “chain of trust and responsibility,” and to strengthening the management base of each company. To this end, MC will enhance the functions of its offices worldwide and further refine compliance, internal controls, process reforms and systems infrastructure on a Group-wide basis. The goal is to increase the overall corporate value of MC on a consolidated basis and sustain growth, and in this way contribute to the advancement of society.

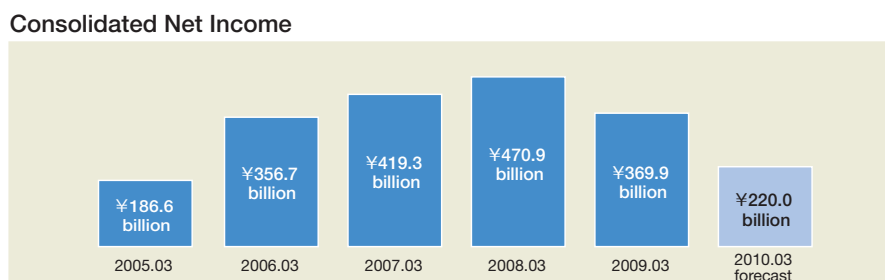
CSR & Environment

To respond to ever-increasing societal demands, MC will be stepping up efforts to fulfill its corporate social responsibilities (CSR). Focusing on environmental fields, encompassing businesses with environmental benefits, the company will nurture projects that help society to achieve sustainable development and growth.



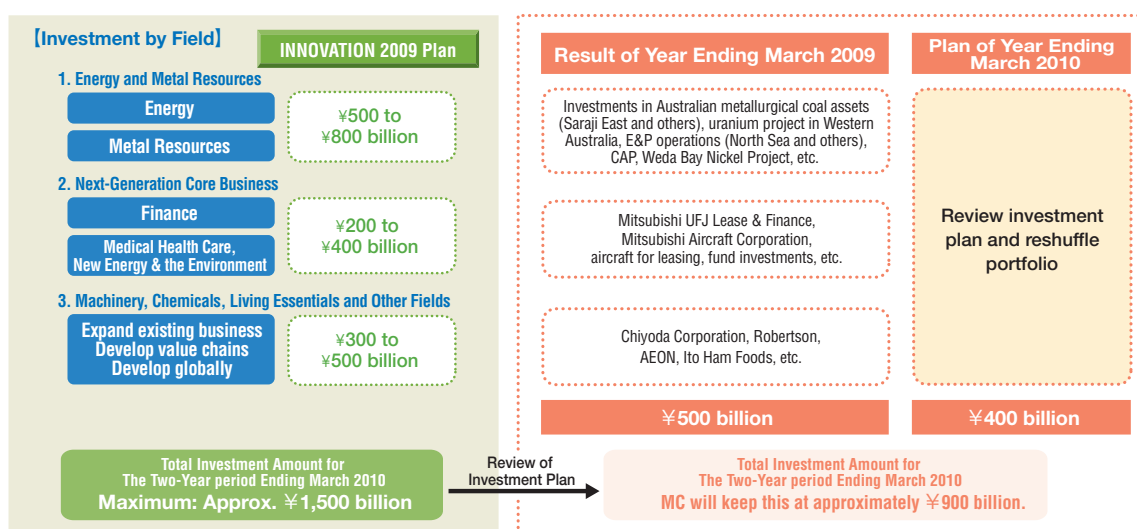
Numerical Targets

With recoveries in resource prices and the real economy not expected in the short term, MC has set its target for consolidated net income in the Year Ending March 2010 at 220 billion yen, which is 41% less than its earnings in the previous year.



Investment Plan

Through a review of its investment plan and reshuffling of its portfolio, MC will be capping its investment amount for the Year Ending March 2010 at 400 billion yen. This is to bring the year-end ratio of investment assets to consolidated shareholders' equity to close to MC's target of 1.5 times.



Capital Structure Policy and Dividend Policy

MC's basic policy is to sustain growth and maximize corporate value by balancing earnings growth, capital efficiency and financial soundness. The Company will continue to utilize retained earnings for investments to drive growth, with the aim of achieving average ROE of at least 15% over the medium and long terms. However, due to the severe economic conditions that have persisted since 2008, MC will be placing the highest priority on maintaining its financial soundness for the time being.

MC's basic dividend policy is to increase the annual dividend per share through earnings growth. Several factors have influenced the decision to raise the targeted consolidated payout ratio from 20% to 20~25% in the Year Ending March 2010. These include consideration of recent changes in the global investment environment, and shareholders' expectations for a stable dividend.

Annual Dividend per Share

