

Specific Efforts

Aims to improve operational efficiency and implement drastic cost reduction

■ Achieving Operational Efficiency

- ▶ Concentrate management resources on six blocs and obtain the maximum benefit from limited resources
- ▶ Promote work consolidation to realize more efficient operations and aim to gradually shift to a one-workbase-per-6 bloc system
- ▶ Continuous promotion of BPR
- ▶ Complete transition to self-manufacturing and optimize sales expenses

■ Establishing a simple, cost-effective network at an early stage

- ▶ Comprehensive use of existing facilities
- ▶ Optimize costs of opening new lines by promoting remote installation
- ▶ Cost reduction in network construction by deploying new technology (Hikari long looping/simplification)

■ Absorb the impact of the increase in electricity rate through thorough power consumption reduction measures.

- ▶ Accelerate replacement of current air-conditioners to energy-saving air-conditioners, as well as other initiatives