

Special Report

Changing ourselves to become more valuable Business model innovations in progress

Improving the profitability further by focusing our efforts on the upstream and downstream processes in the product life cycle

It is known that the upstream and downstream processes in the product life cycle tend to be more profitable than the intermediate process. The same is true for our business at MES. Given the current ups and downs of the shipping market and the fact that companies from emerging countries are entering the manufacturing business at lower costs, sustainable growth is difficult to achieve without cultivating businesses in the highly profitable upstream and downstream

processes. Possessing this sense of crisis, MES developed the Mid-Term Business Plan 2014, which covers the period from July 2013 until March 2017, to bring about business model innovations. The following section outlines the two innovations we have made in the upstream and downstream processes through tie-ups with other companies and synergy with our Group companies.

01

Innovation in the upstream process

Enhancement of the gas engineering business

We have acquired shares in TGE Marine AG, a German gas carrier engineering company. Further enhancement of our gas business is now underway.

02

Innovation in the downstream process

Enhancement of after-sales service business

We are moving ahead with the enhancement of our after-sales services in the field of machinery by establishing services bases in locations that are closer to our customers, and by working in close cooperation with repair plants.

