

# 2nd Quarter Financial Results Year Ending March 2012

**Mitsui & Co., Ltd.**  
**November 4, 2011**

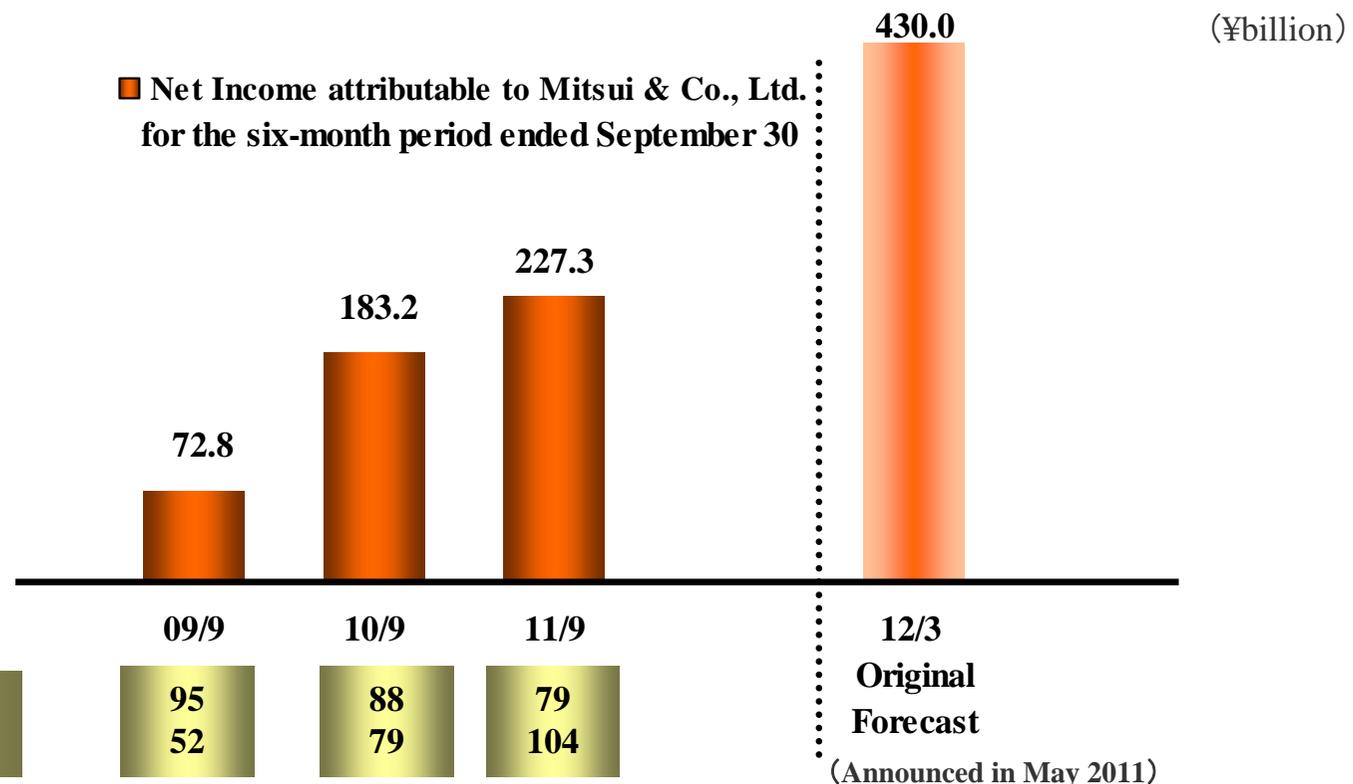
**A Cautionary Note on Forward-Looking Statements:**

This material contains statements (including figures) regarding Mitsui & Co., Ltd. (“Mitsui”)’s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui’s management but should not be relied on solely in making investment and other decisions. You should be aware that a number of important risk factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These include, but are not limited to, (i) change in economic conditions that may lead to unforeseen developments in markets for products handled by Mitsui, (ii) fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions, (iii) adverse political developments that may create unavoidable delays or postponement of transactions and projects, (iv) changes in laws, regulations, or policies in any of the countries where Mitsui conducts its operations that may affect Mitsui’s ability to fulfill its commitments, and (v) significant changes in the competitive environment. In the course of its operations, Mitsui adopts measures to control these and other types of risks, but this does not constitute a guarantee that such measures will be effective.

# Net Income Attributable to Mitsui for 6-month Period Ended September 2011

The expectation of general recovery in the global economy is increasingly susceptible to downside risk triggered by sovereign risk situation in European economy.

- ✓ Net Income attributable to Mitsui ¥227.3 billion, an increase of +24% from the corresponding period of the previous year, mainly due to increases in mineral resources and energy prices.
- ✓ All segments except for Consumer Services & IT that posted impairment loss in listed securities, Iron & Steel Products, Logistics & Financial Business and EMEA reported an increase from the corresponding period of the previous year.

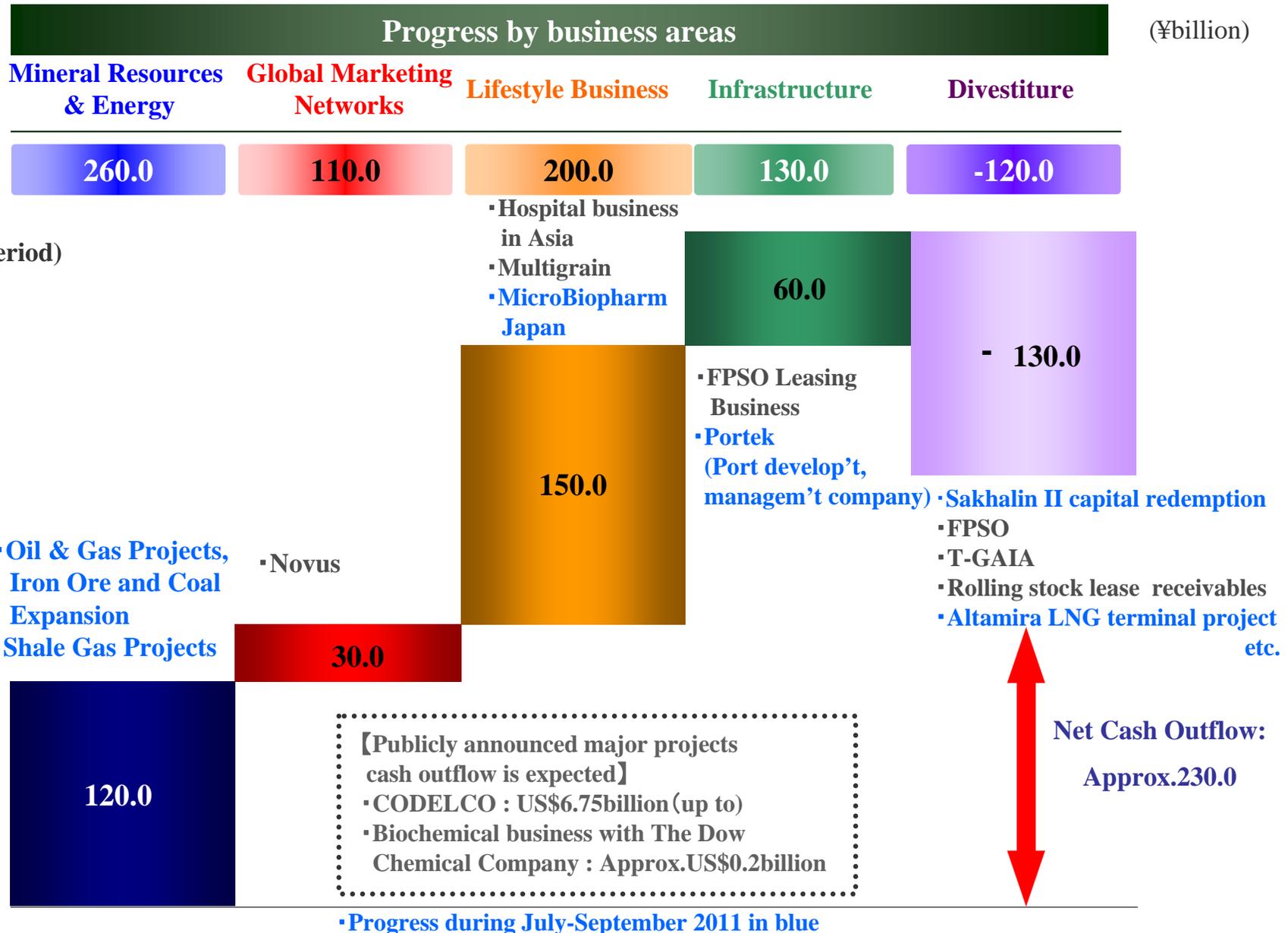


- In this presentation material, “net income” means “net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30”

# Investments and Loans

12/3 Plan (Annual) : ¥700 billion (Net ¥580 billion)

12/3 2Q Result (6-month period) : ¥360 billion (Net ¥230 billion)

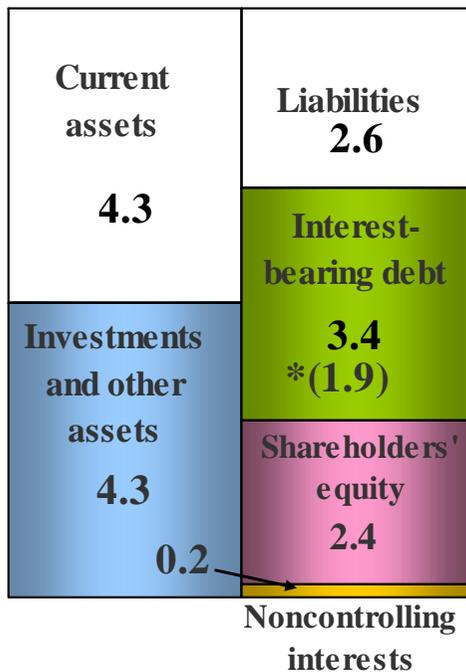


# Balance Sheets & Cash Flows

## Balance Sheets

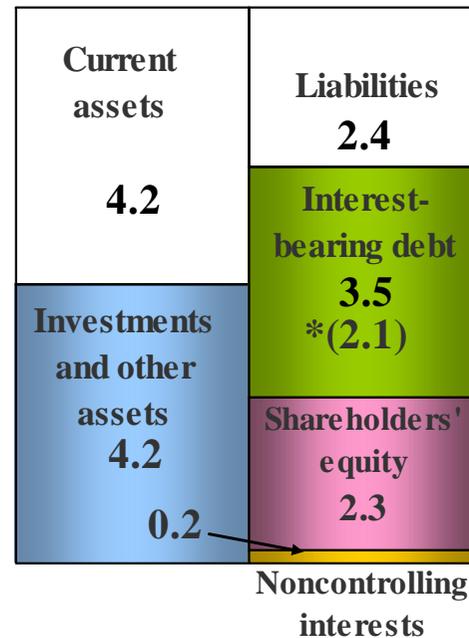
(¥trillion)

11/3



Total assets	¥8.6
Shareholders' equity	¥2.4
Net DER	0.82X

11/9

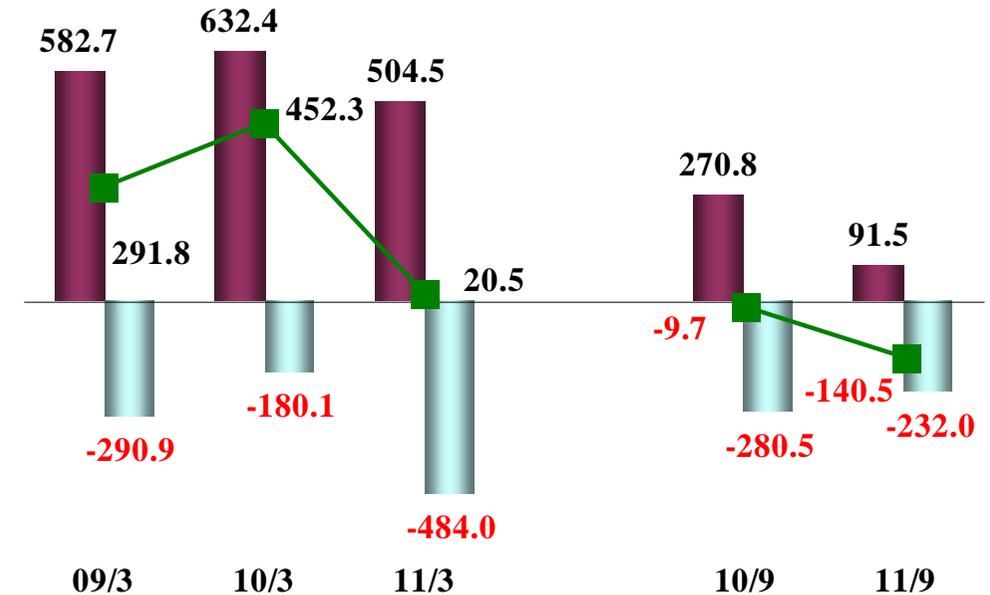


Total assets	¥8.4
Shareholders' equity	¥2.3
Net DER	0.94X

## Cash Flows

(¥billion)

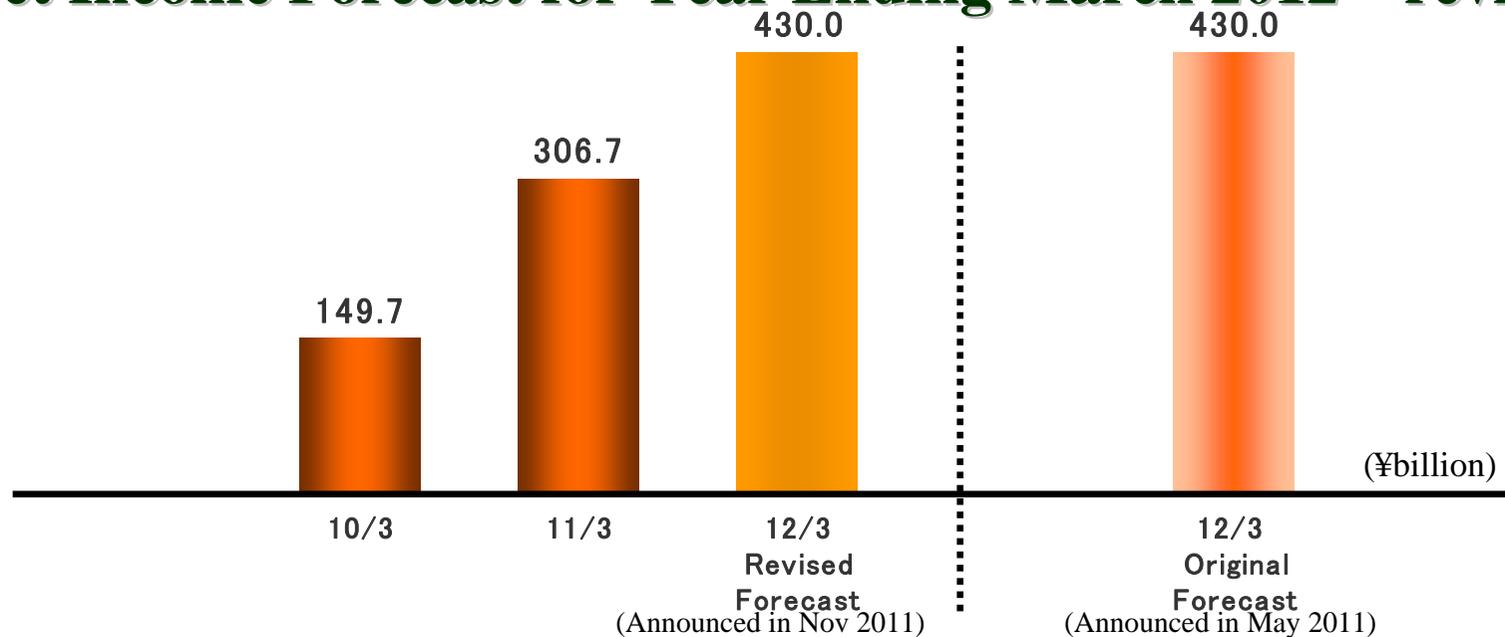
■ Operating C/F  
■ Investment C/F  
■ Free C/F



(\*) Figures in brackets in interest-bearing debt are “net interest-bearing debt”, which is interest-bearing debt minus cash and cash equivalents and time deposits.

# **Net Income Forecast Year Ending March 2012**

# Net Income Forecast for Year Ending March 2012 – revision



12/3 (Original Forecast) (Announced in May 2011)	Impact on Net Income attributable to Mitsui & Co., Ltd. for the Year ending March 31, 2012 (Announced in May 2011)			12/3 (Revised Forecast) (Announced in Nov 2011)	12/3 1H (Result)	12/3 2H (Assumption)
94	Commodity	Crude Oil/JCC <sup>(*1)</sup>	¥1.5 bn (US\$1/bbl)	104	104	104
(*2)		Iron Ore	¥1.9 bn (US\$1/ton)	(*2)	175 <sup>(*3)</sup>	(*2)
10.0		Nickel	¥1.8 bn (US\$1/lb)	9.8	11.6 <sup>(*4)</sup>	8.0
80	Forex <sup>(*5)</sup>	USD	¥1.8 bn (¥1/USD)	80	79	80
85		AUD	¥2.8 bn (¥1/AUD)	82	84	80
50		BRL	¥1.4 bn (¥1/BRL)	47	49	45

(\*1) Oil price trend is reflected in net income with a 0-6 month time lag. Currently:

- 6 month time lag: about 15%
- 3 month time lag: about 59%
- no time lag : about 26%

(\*2) We refrain from disclosing the iron ore prices used for 2012/3 forecast.

(\*3) 12/3 Apr-Sep:Dec '10 - May '11 average of representative reference prices (fine, Fe 62% CFR North China).

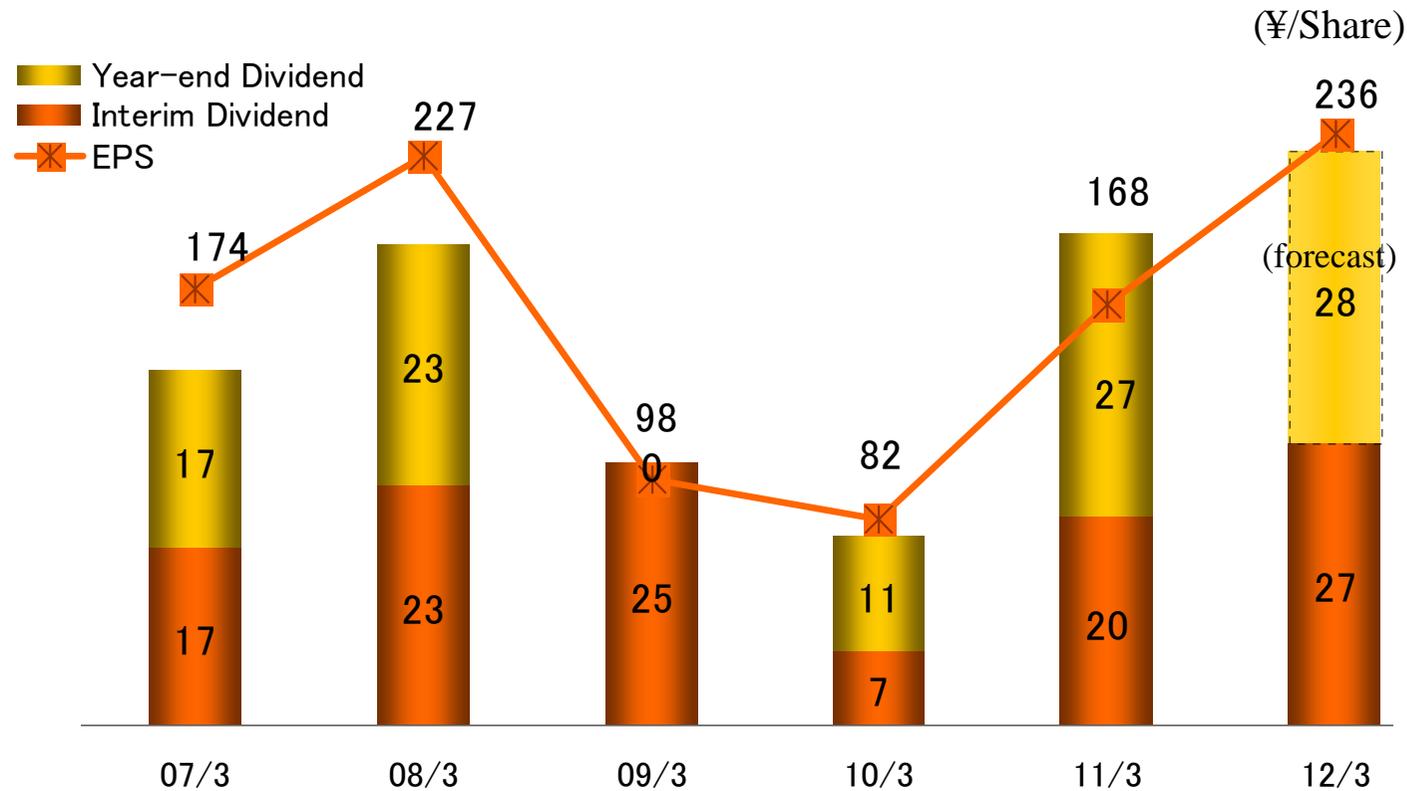
(\*4) 12/3 Apr-Sep:Jan-Jun LME cash average price.

(\*5) Impact of currency fluctuation on net income of overseas subsidiaries and associated companies

(denominated in functional currency) against JPY. Impact of currency fluctuation between their functional currencies against revenue currencies are not included.

# Annual Dividend for FY 2012/3

- Consolidated payout ratio of 23%
- Interim dividend is ¥27/share
- Assuming annual consolidated net income will be ¥430.0billion for FY2012/3, envisaged annual dividend is ¥55/share (including the interim dividend)

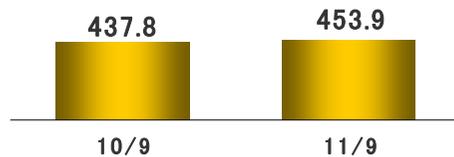


# Supplementary Information

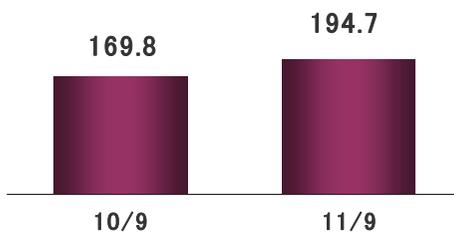
# Summary of Operating Results (6-month period)

## Major Factors in Y-on-Y Changes

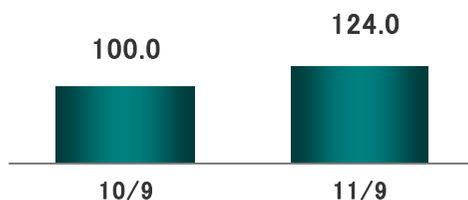
Gross Profit (¥billion)



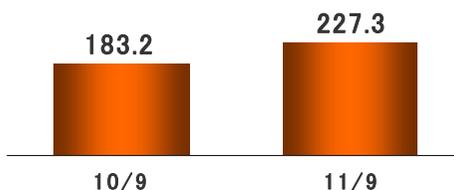
Operating Income



Equity in Earnings of Associated Companies-Net (Before Income Tax Effect)



Net Income attributable to Mitsui & Co., Ltd.



**Gross Profit ¥453.9 bn +¥16.1 bn (+4%)**

- ↑ MII +12.4, MIOD +6.9: Increase in iron ore prices, partially offset by negative forex.
- ↑ Reversal of evaluation losses on forward contracts of coffee +7.6, Reclassification of Multigrain to subsidiary +5.9
- ↑ Oil trading +7.1, MOECO +5.2
- ↓ Reclassification of ENEOS GLOBE to associated company -12.3
- ↓ Commodity trading (offset by other expenses)

**Operating Income ¥194.7 bn +¥24.9 bn (+15%)**

- ↑ Increase in gross profit
- ↑ Decrease in selling, general and administrative expenses +10.2

**Equity in Earnings of Associated Companies ¥124.0 bn +¥24.0 bn (+24%)**

- ↑ Valepar (Brazil) +28.6: Increase in iron ore prices, gain on Aluminium asset, partially offset by negative forex.
- ↑ Robe River Mining Company +3.9: Increase in iron ore price, the reversal effect of sales price adjustment gain, and negative effect on forex.
- ↑ IPP overseas +6.0: Improvement in mark-to-market evaluation gains/losses
- ↓ Impairment loss -28.4:TPV Technology -14.8;Moshi Moshi Hotline -6.7;Nihon Unisys-6.0

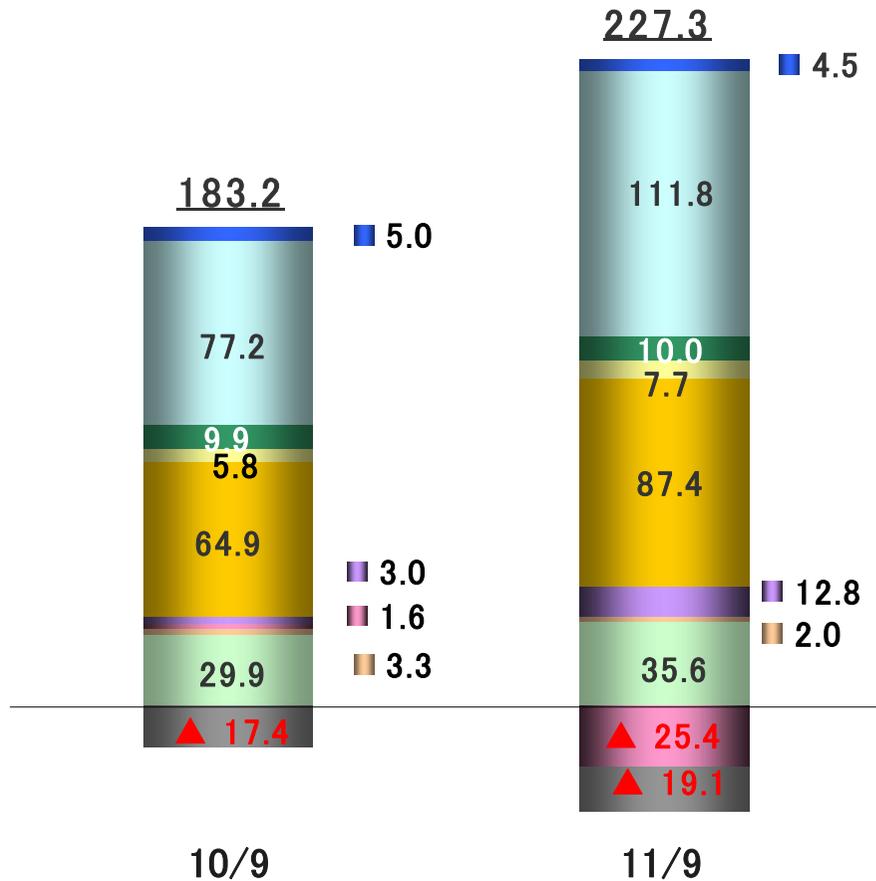
**Net Income ¥227.3 bn +¥44.1 bn (+24%)**

- ↑ Dividend Income (pre-tax) +14.1 (LNG projects +15.0)
- ↑ Gain on Sales of Securities (pre-tax) +10.7 :Remeasurement gain Multigrain+3.6, T-GAIA +2.7
- ↑ Consideration for partial releasing of the mining lease for Sharkbay Salt (pre-tax)+5.8
- ↓ Impairment loss on securities (pre tax) -8.6:Formosa (pre-tax) -4.0

# Net Income by Operating Segment (6-month period)

(¥billion)

## Major Factors in Y-on-Y Changes (after tax basis)

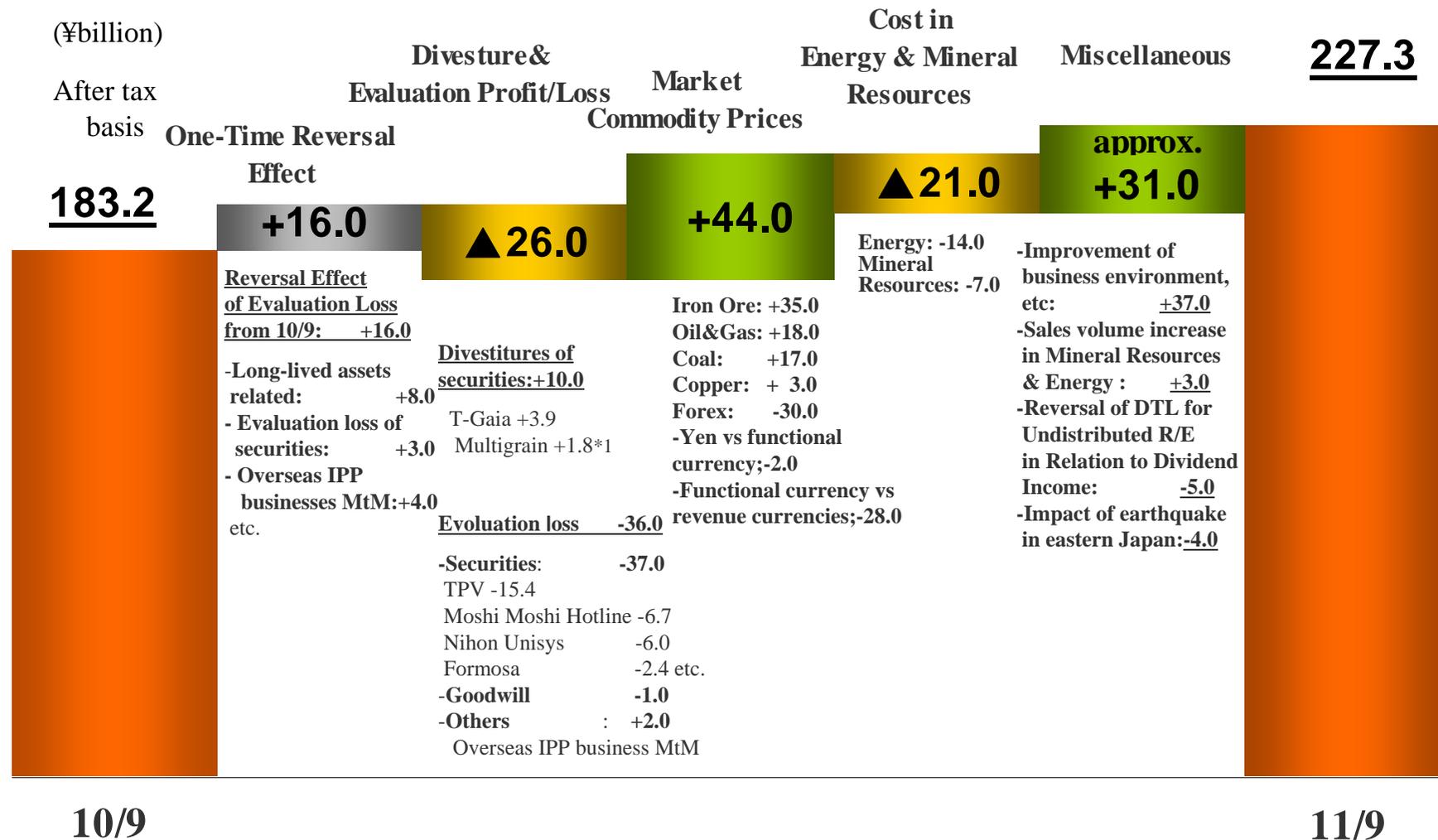


- Mineral & Metal Resources ¥111.8 bn +¥34.6 bn (+45%)**
  - ↑ Valepar (Brazil) +16.9\*: Increase in iron ore prices, gain on Aluminium assets, partially offset by negative forex
  - ↑ MIOD+8.0\*\* : Increases in iron ore prices partially offset by negative forex
  - MII+5.5\*\* : Increases in sales volume in addition to above factors
- Energy ¥87.4 bn +¥22.5 bn (+35%)**
  - ↑ Increase in dividend income from LNG projects +13.9
  - ↑ Increases in oil trading due to increase in sales volume and favorable market
  - ↑ MOECO: Increases in oil price
  - ↓ Decrease due to negative effect forex.
- Foods & Retail ¥12.8 bn +¥9.8 bn (+327%)**
  - ↑ Improvement of MtM valuation gains and losses on coffee forward contracts+4.5
  - ↑ Reclassification of Multigrain to subsidiary
  - ↑ Remeasurement gain on Multigrain interests: +1.8
- Consumer Service & IT -¥25.4 bn (-¥27.0 bn)**
  - ↓ Impairment loss on listed securities -30.4
  - :TPV Technology-15.4;Moshi Moshi Hotline -6.7;Nihon Unisys -6.0; Formosa-2.4
  - ↑ Gain on sales of T-GAIA+3.9
  - ↑ Reversal effect of impairment loss on investment in the Nibancho Center Building Project(10/9)

\* After tax effect on undistributed retained earnings recognized at parent company.

\*\*This segment's holding portion

# Breakdown on Y-on-Y Change in Net Income (FY 2010/9 vs 2011/9)



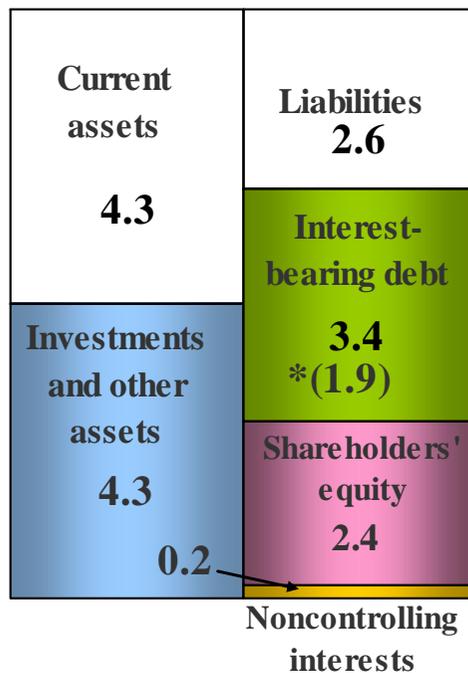
\*1: Re-measurement gain

# Balance Sheets & Cash Flows

## Balance Sheets

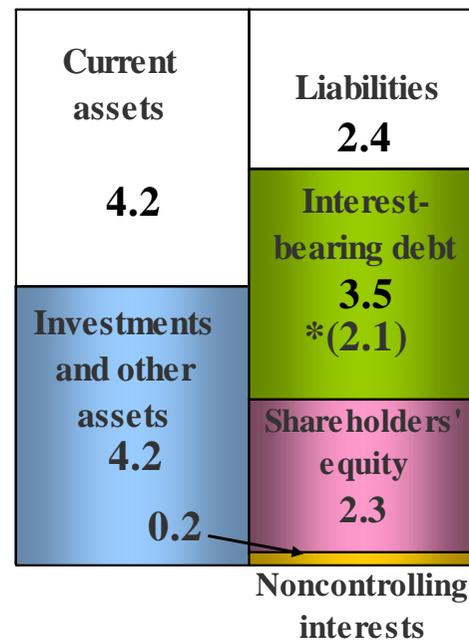
(¥trillion)

11/3



Total assets	¥8.6
Shareholders' equity	¥2.4
Net DER	0.82X

11/9

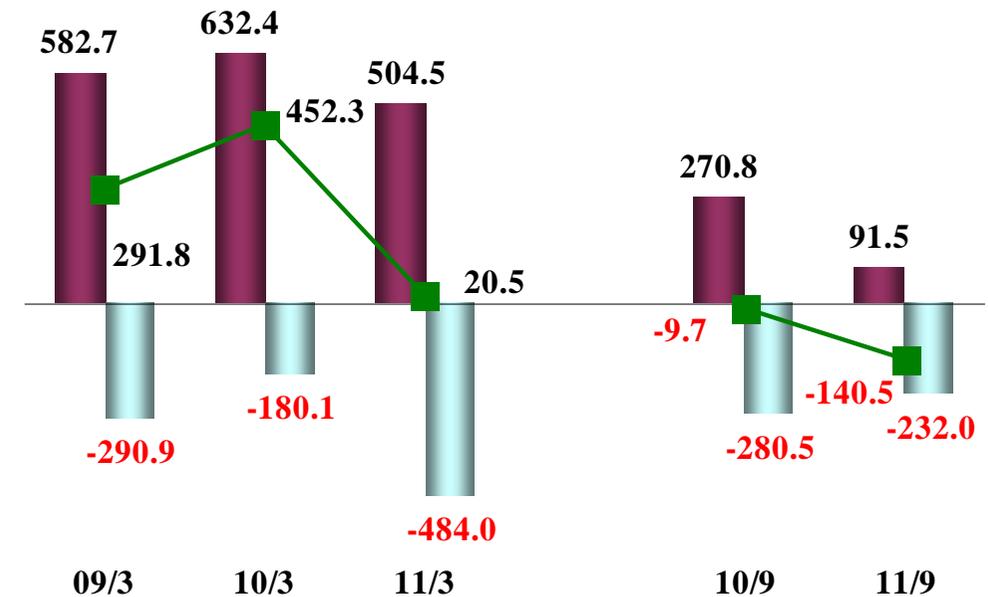


Total assets	¥8.4
Shareholders' equity	¥2.3
Net DER	0.94X

## Cash Flows

(¥billion)

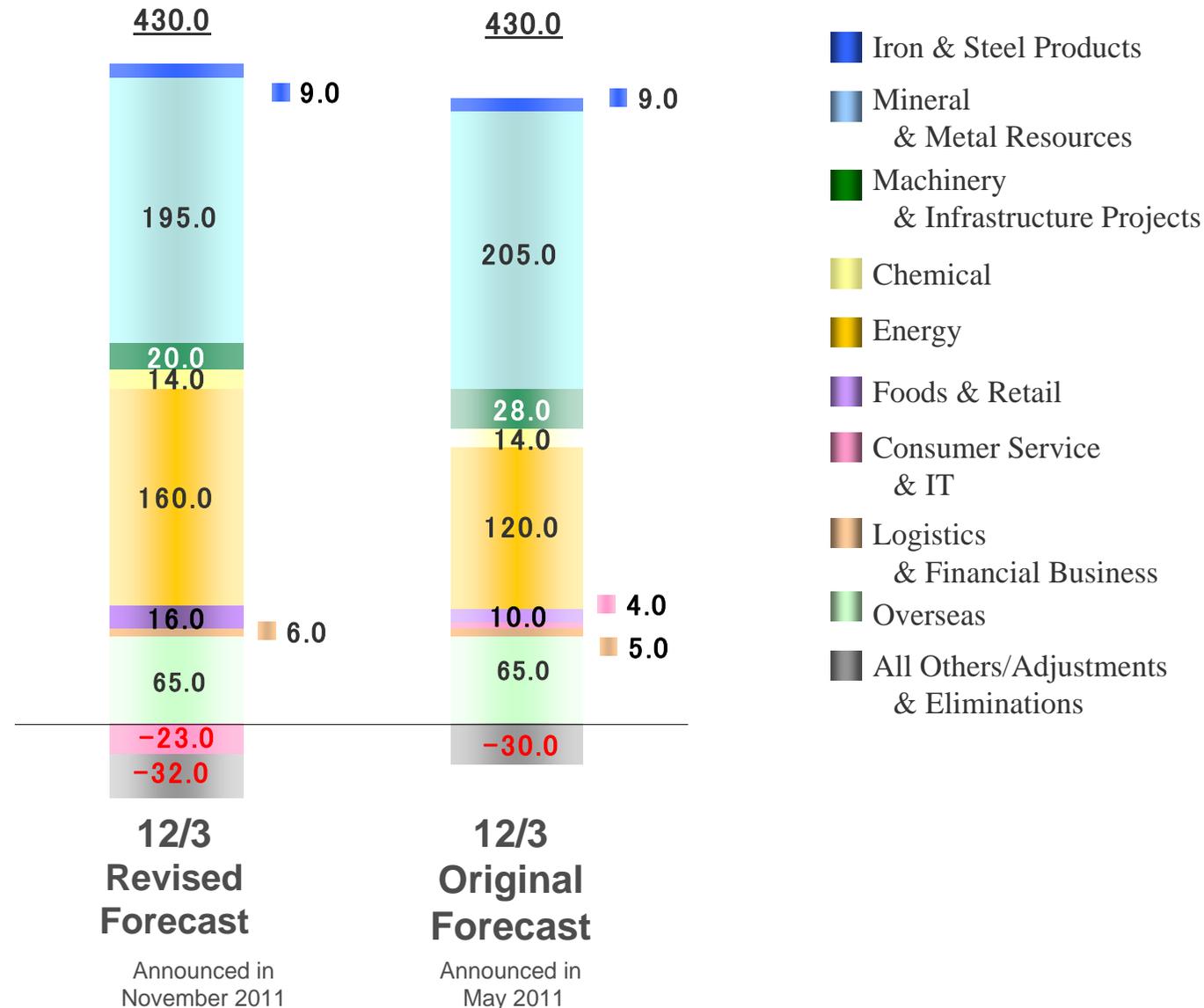
■ Operating C/F  
■ Investment C/F  
■ Free C/F



(\*) Figures in brackets in interest-bearing debt are “net interest-bearing debt”, which is interest-bearing debt minus cash and cash equivalents and time deposits.

# Forecast for FY 2012/3 Net Income by Operating Segment

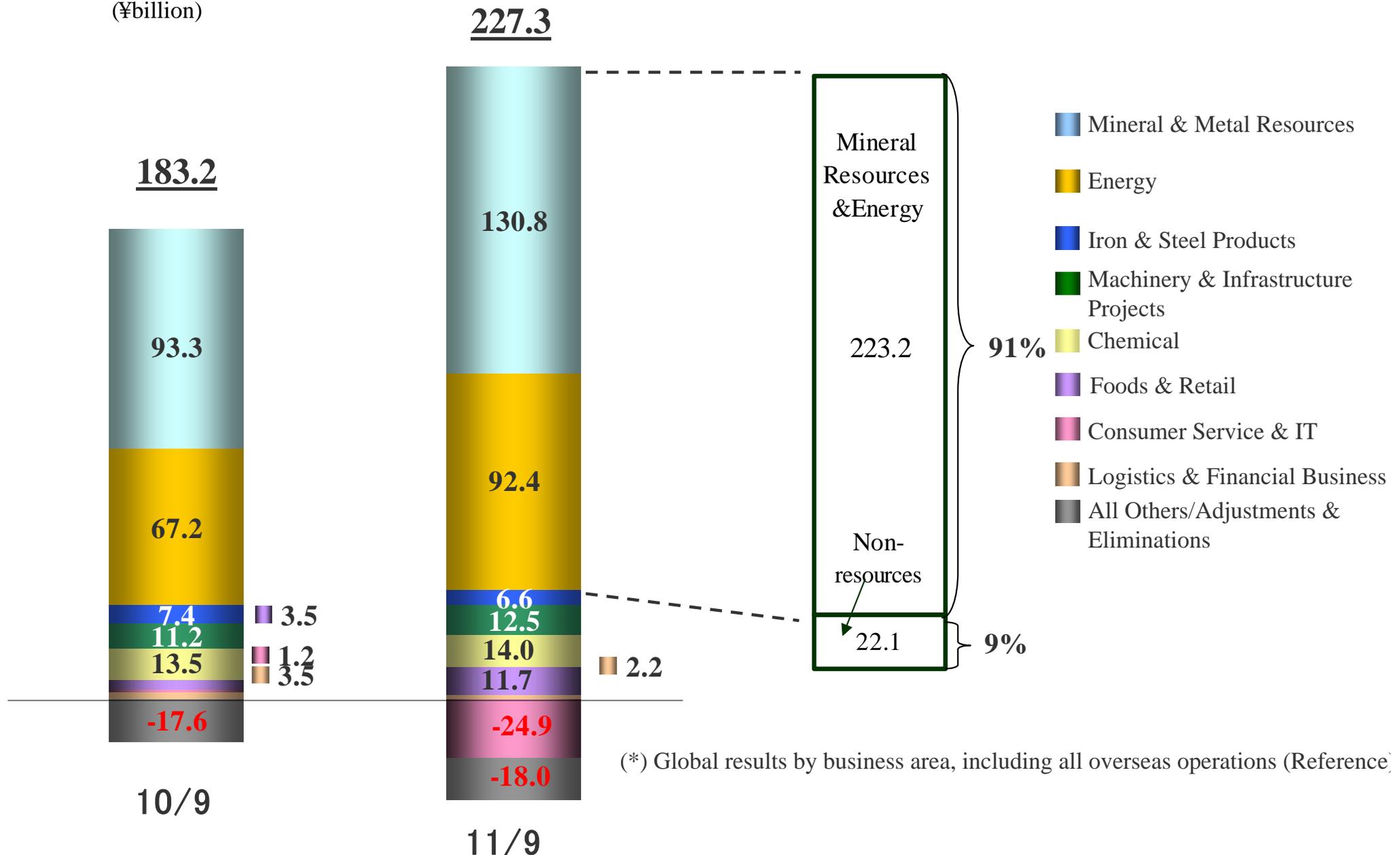
(¥billion)



# Appendix

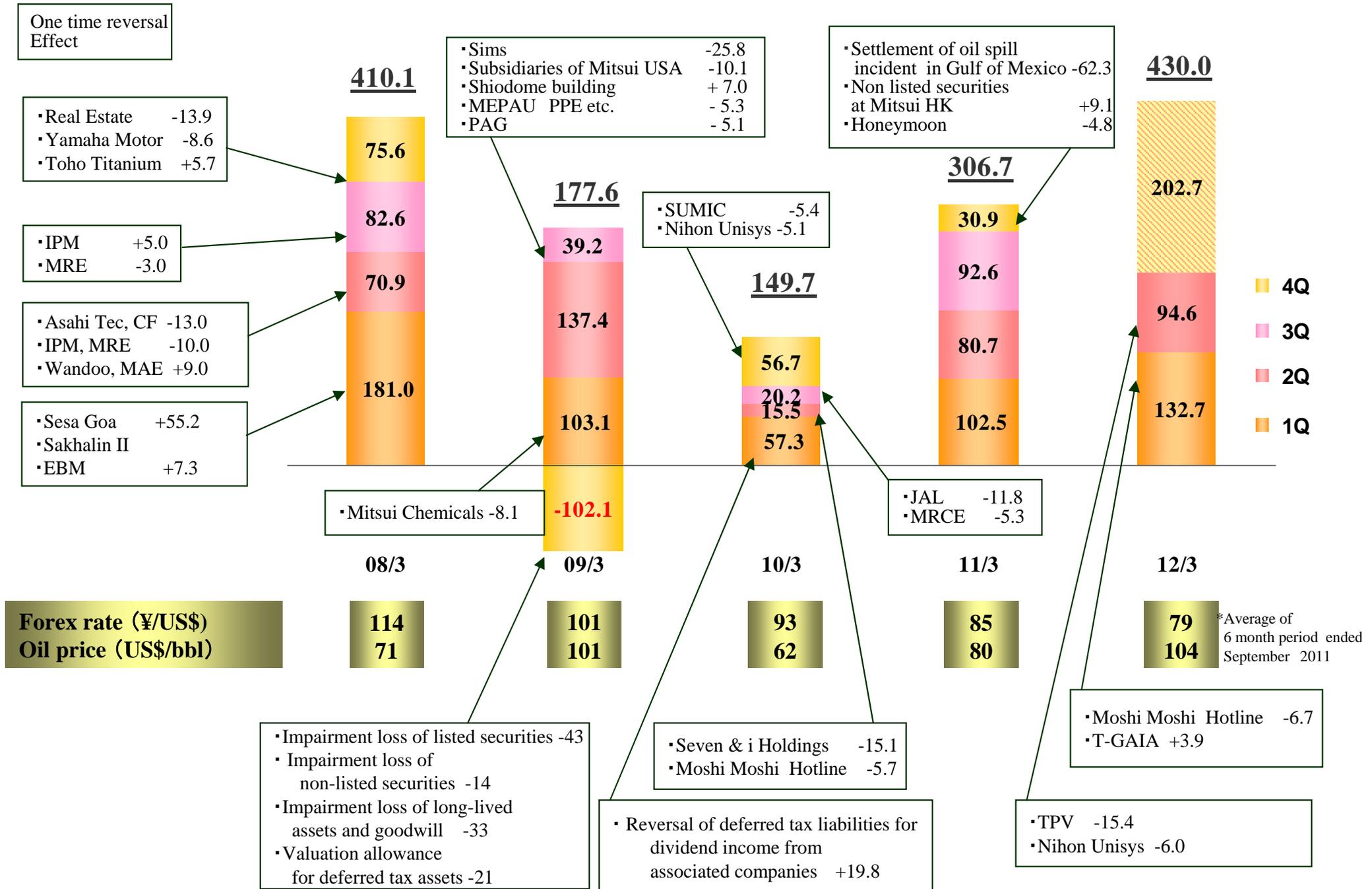
# Net Income by Product -Global Base- (Reference\*)

(¥billion)



# Net Income by Quarterly Result

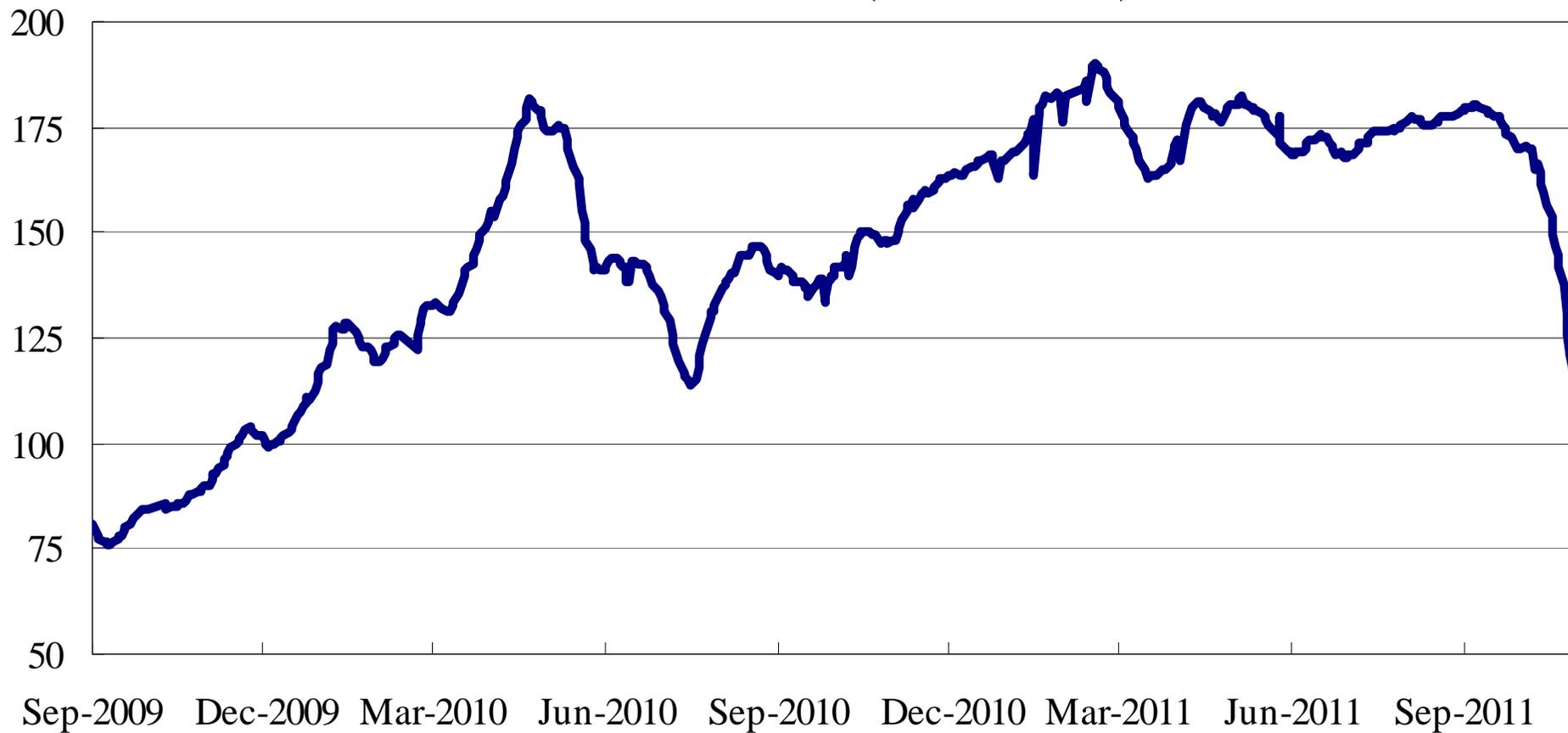
(¥billion)



# Iron Ore Spot Price\* (Reference)

(US\$/DMT)

CFR North China (Fine, Fe 62%)



\*Average or representative reference prices

## Equity Share of Delivery (Result)

	11/3 1Q	11/3 2Q	11/3 3Q	11/3 4Q	11/3	12/3 1Q	12/3 2Q*	12/3 Total as of 2Q
Iron Ore(Mtpy)	10.5	10.7	11.9	10.9	44.0	10.7	11.7	22.4
MIOD	6.5	6.4	7.0	5.9	25.8	6.2	7.0	13.2
MII	0.7	0.8	1.0	1.0	3.5	1.1	1.1	2.2
Vale**	3.3	3.5	3.9	4.0	14.7	3.4	3.6	7.0
Coal(Mtpy)	2.0	2.5	2.3	1.7	8.5	1.7	2.4	4.1
MCH	1.8	2.1	2.0	1.4	7.3	1.5	2.1	3.6
BMC**	0.2	0.4	0.3	0.3	1.2	0.2	0.3	0.5
Coking Coal	1.4	1.9	1.7	1.3	6.3	1.1	1.8	2.9
Thermal Coal	0.6	0.6	0.6	0.4	2.2	0.6	0.6	1.2
Copper(Ktpy)***	14.3	13.5	15.1	14.8	57.7	12.5	14.6	27.1

\* Preliminary figures for coal

\*\* 1Q: Result of Jan-Mar, 2Q: Result of Apr-Jun, 3Q: Result of Jul-Sep, 4Q: Result of Oct-Dec

\*\*\* Including 5% equity share of Vale

# Equity Share of Output

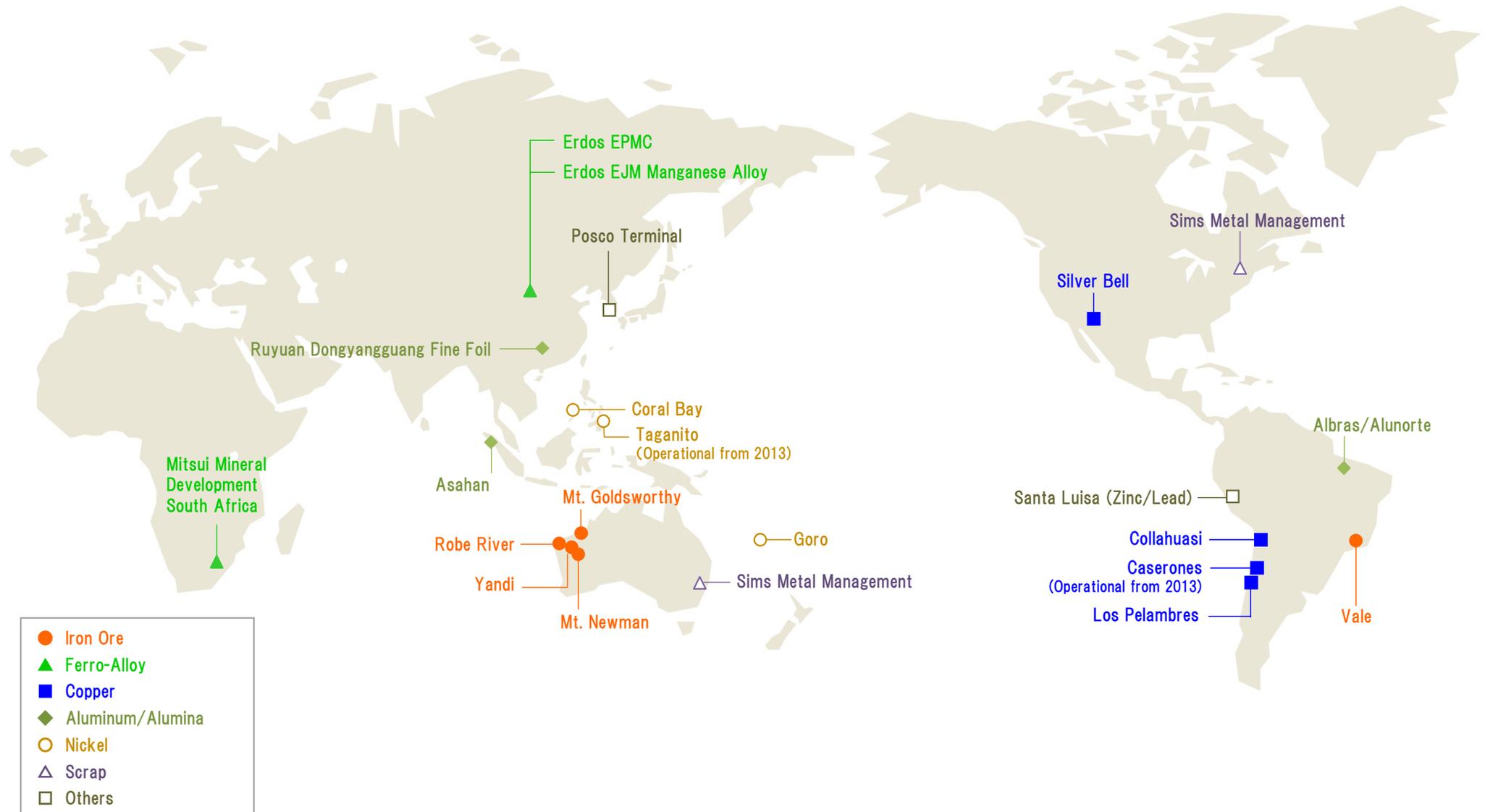
<b>Our Equity Share of Output</b>	<b>10/3 Result</b>	<b>11/3 Result</b>	<b>12/3 (Est.)</b>	<b>13/3 (Est.)</b>	<b>14/3 (Est.)</b>
<b>Oil /Gas (K bbl/d) Total</b>	<b>188</b>	<b>212</b>	<b>216</b>	<b>252</b>	<b>265</b>
<b>Oil (K bbl/d)</b>	<b>85</b>	<b>81</b>	<b>72</b>	<b>79</b>	<b>77</b>
<b>Gas (K bbl/d equiv.)</b>	<b>103</b>	<b>131</b>	<b>144</b>	<b>173</b>	<b>188</b>
<b>Iron Ore (Mtpy)</b>	<b>41.0</b>	<b>43.7</b>	<b>47</b>	<b>49</b>	<b>54</b>
<b>Coal (Mtpy)</b>	<b>8.9</b>	<b>8.5</b>	<b>9</b>	<b>11</b>	<b>12</b>
<b>Copper (Ktpy)*</b>	<b>59.3</b>	<b>58.0</b>	<b>63</b>	<b>67</b>	<b>92</b>

Announced in May 2011

\*Including 5% equity share of Vale

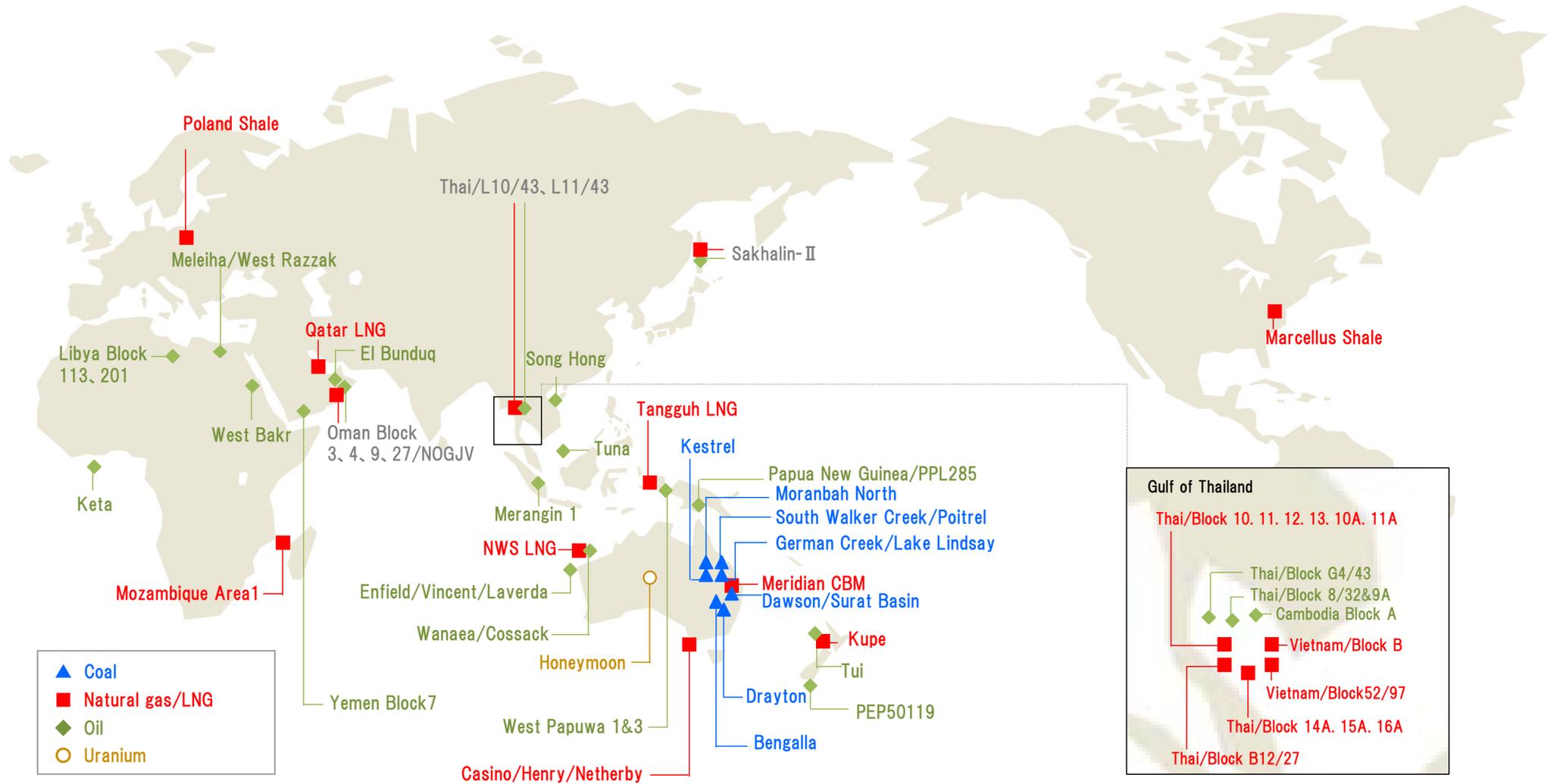
As of September 30, 2011

# Major Projects in Mineral & Metal Resources Business



As of September 30, 2011

# Upstream Assets in Energy Business



As of September 30, 2011

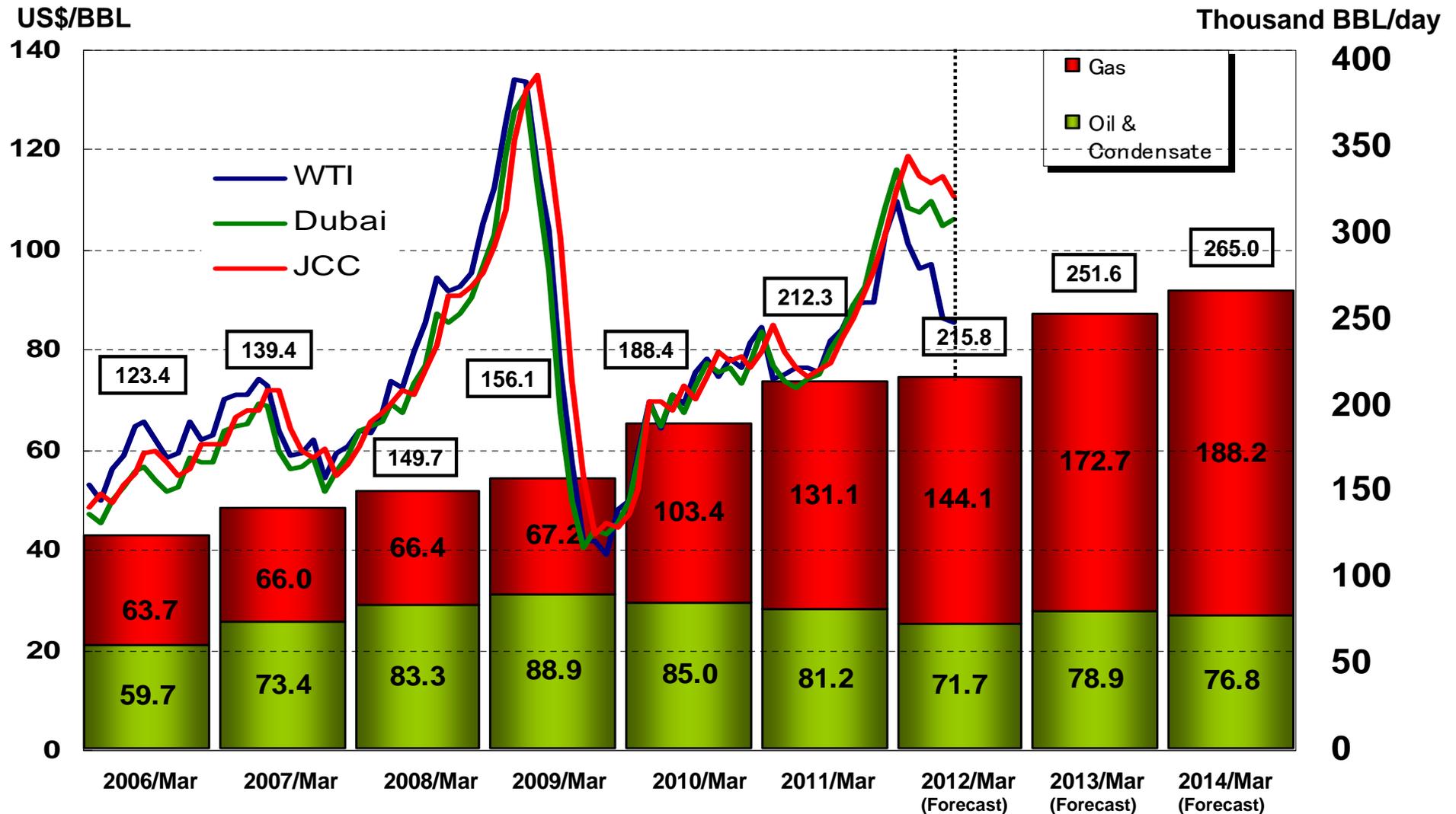
## Upstream Assets (Natural Gas/LNG/Oil)



	Exploration	Development	Production
Natural gas/LNG Project	<p><b>Australia:</b> Laverda*1 and 19 other permits (MEPAU)</p> <p><b>New Zealand:</b> PEP50119 and 3 other permits (MEPAU)</p> <p><b>Papua New Guinea:</b> PPL285 (MEPAU)</p> <p><b>Thailand:</b> Blocks L10/43*2, L11/43*2 and 4 other permits (MOECO)</p> <p><b>Vietnam:</b> Song Hong (MOECO)</p> <p><b>Cambodia:</b> Block A (MOECO)</p> <p><b>Indonesia:</b> Merangin I, Tuna, West Papuwa I・III (MOECO)</p>	<p><b>USA:</b> Marcellus Shale (MEPUSA)*3</p> <p><b>Australia:</b> Meridian CBM (MEPAU)*3</p> <p><b>Vietnam:</b> Blocks B, 52/97 (MOECO)</p>	<p><b>Russia:</b> Sakhalin II LNG (Sakhalin Energy)</p> <p><b>Australia:</b> NWS LNG (JAL-MIMI), Casino/Henry/Netherby, Meridian CBM (MEPAU)</p> <p><b>New Zealand:</b> Kupe (MEPAU)</p> <p><b>Thailand:</b> Blocks 10.11.12.13.10A.11A, Block B12/27, Blocks 14A.15A.16A (MOECO Gas&amp;Oil)</p> <p><b>Indonesia:</b> Tangguh LNG (KG Berau/KG Wiriagar)</p> <p><b>USA:</b> Marcellus Shale (MEPUSA)</p> <p><b>Qatar:</b> Qatargas 1 LNG (MILNED), Qatargas 3 LNG (Mitsui Qatargas 3)</p> <p><b>Oman:</b> NOGJV (MEPME)</p>
	Oil Project	<p><b>Poland:</b> Poland Shale (MEPPOL)</p> <p><b>Oman:</b> Block 3, 4*1 (MEPME)</p> <p><b>Egypt:</b> Meleiha Deep (MEPME)</p> <p><b>Yemen:</b> Block 7 (MEPME)</p> <p><b>Libya:</b> Block 113, Block 201 (MOECO)</p> <p><b>Mozambique:</b> Area1 (MEPMOZ)</p> <p><b>Ghana:</b> Keta (MEPGK)</p>	

\*1 Proved undeveloped \*2 Partly in development \*3 Partly in production

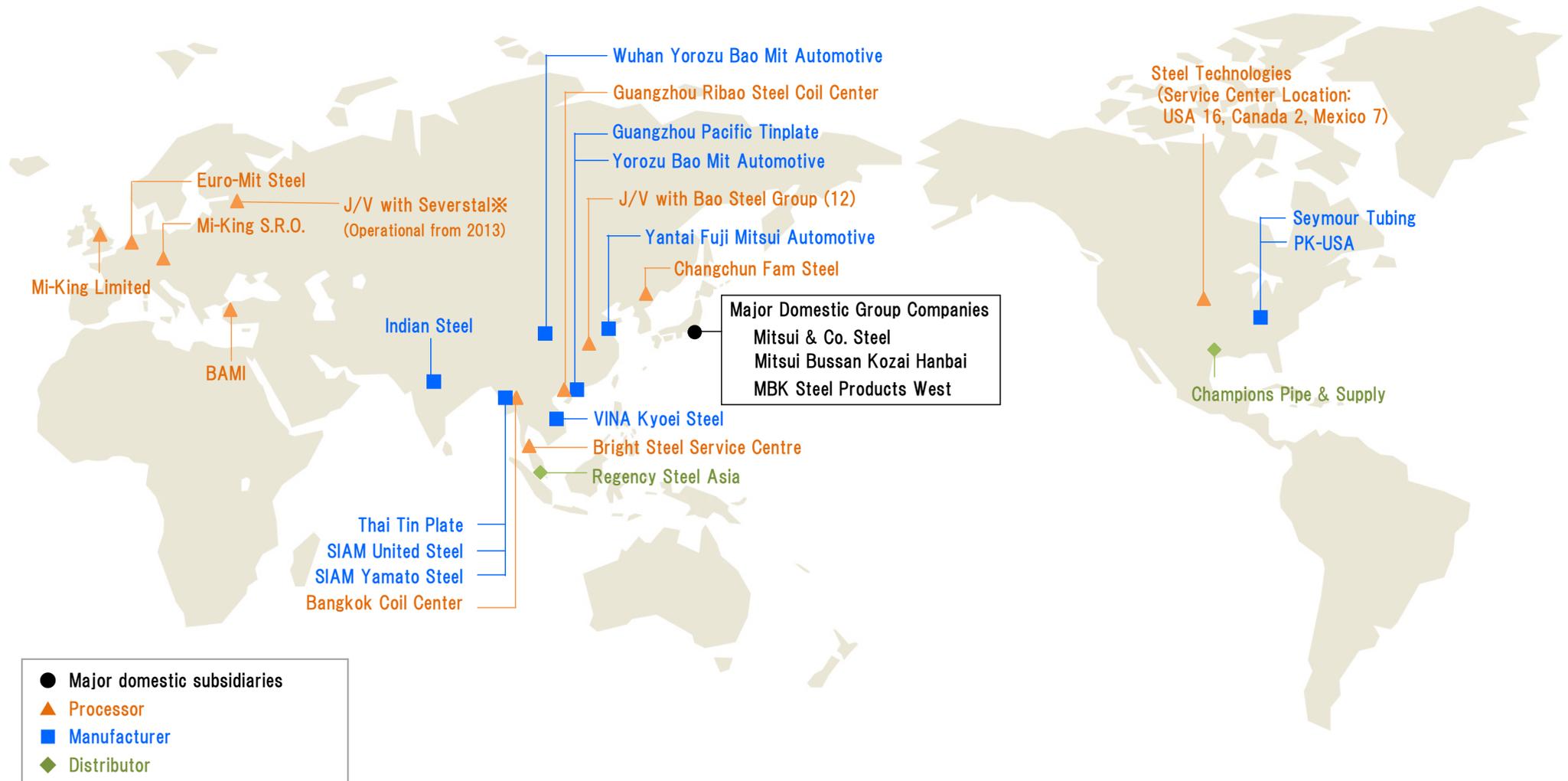
# Mitsui's Gas/Oil & Condensate Production



(Production forecast was updated in May 2011)

As of September 30, 2011

## Major Investments in Iron & Steel Products Business

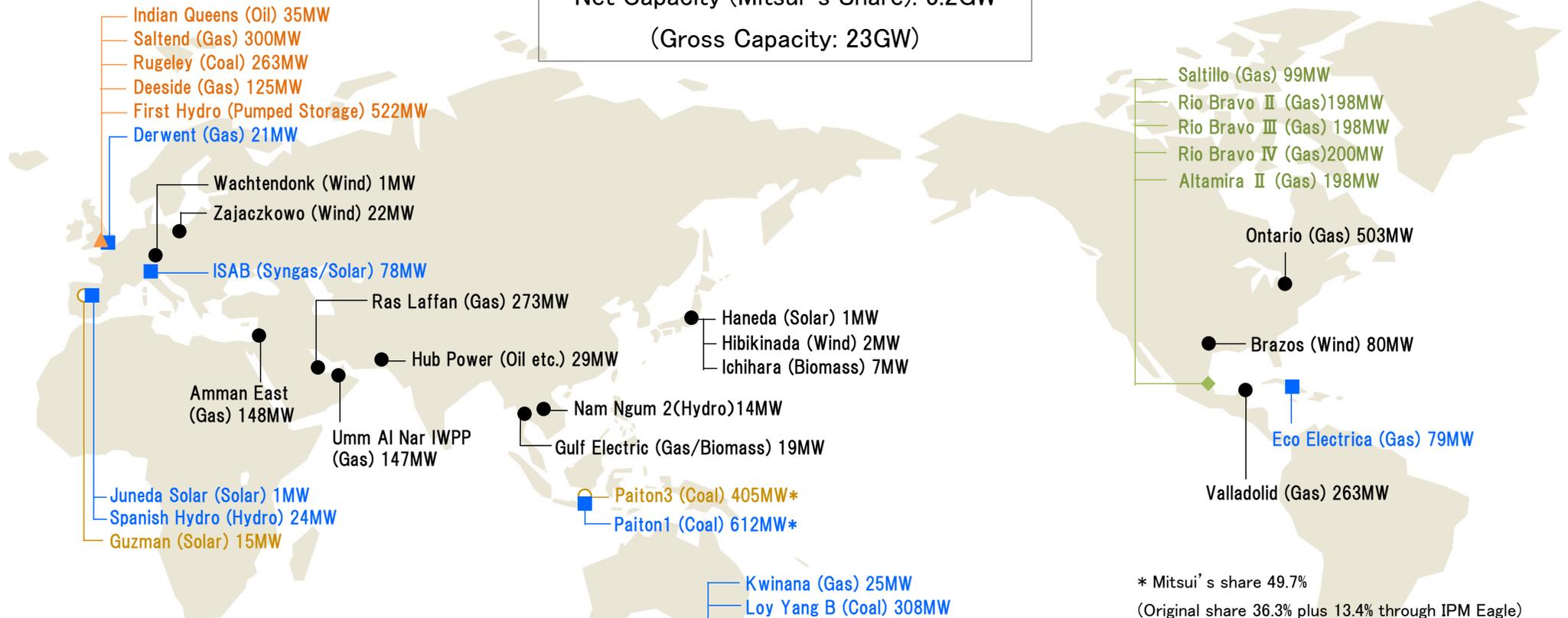


\*The name of J/V has not been determined yet.

As of September 30, 2011

# Portfolio of IPP (Independent Power Producer) Business

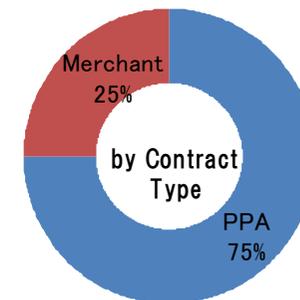
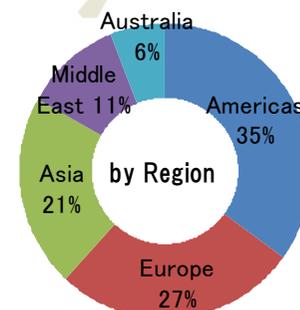
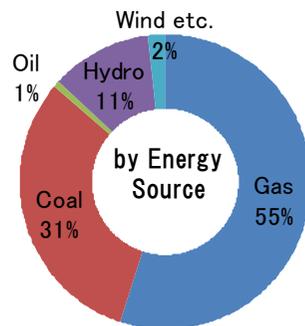
Net Capacity (Mitsui's Share): 5.2GW  
(Gross Capacity: 23GW)



\* Mitsui's share 49.7%  
(Original share 36.3% plus 13.4% through IPM Eagle)

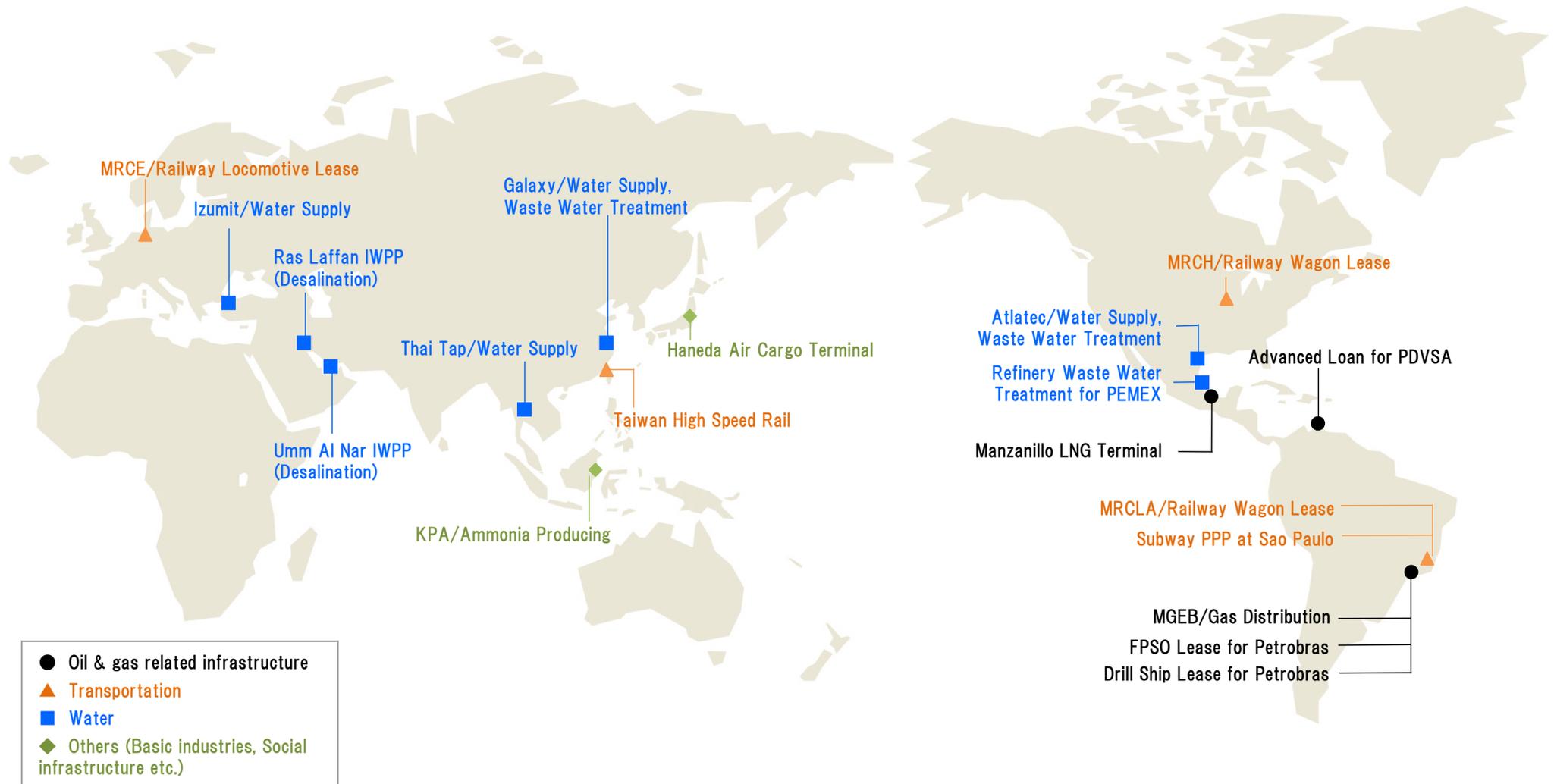
- ▲ IPM (UK) Power's portfolio
- IPM Eagle's portfolio
- ◆ MT Falcon's portfolio
- Others
- Under construction

Mitsui's Portfolio



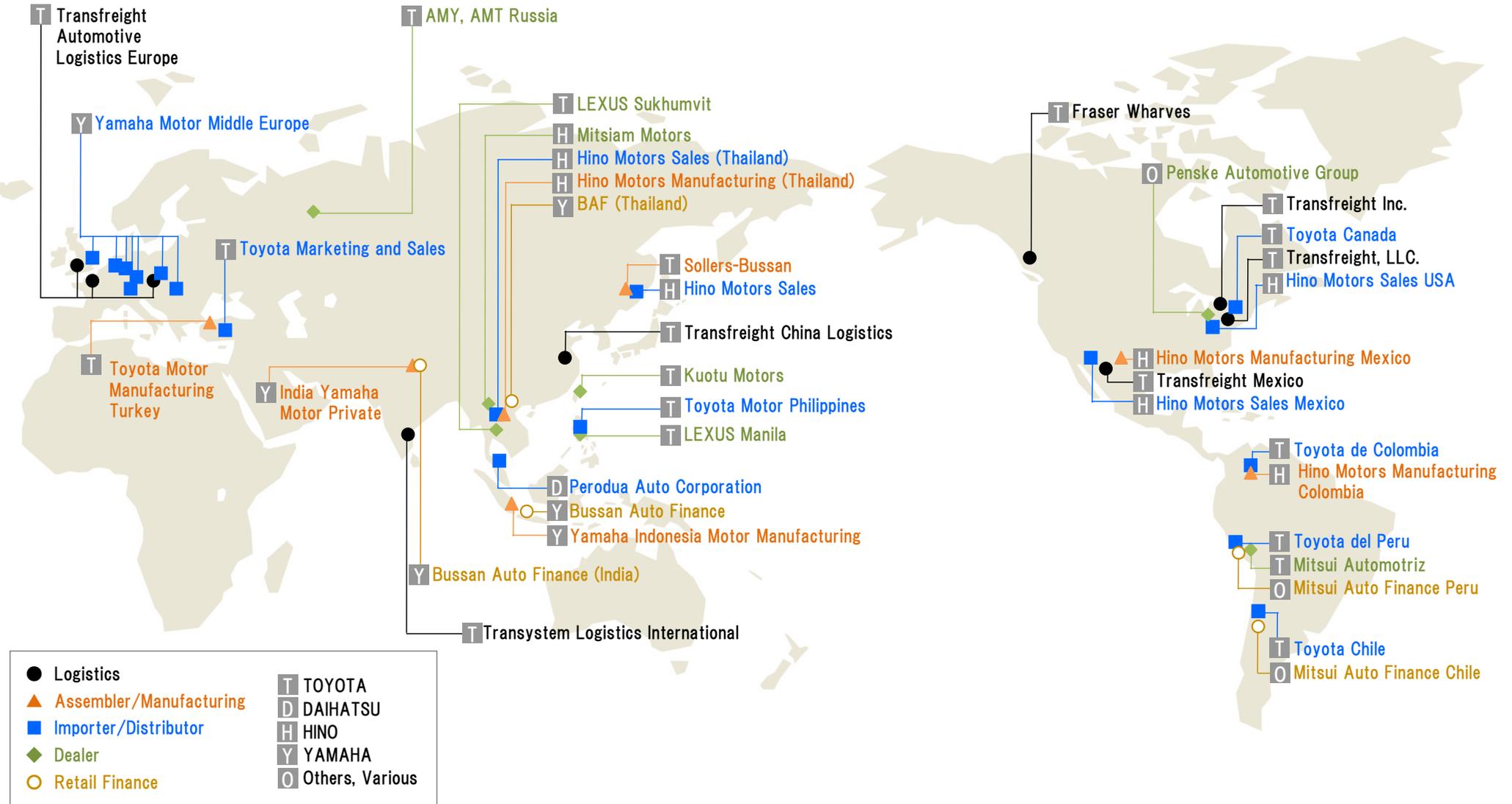
As of September 30, 2011

## Major Infrastructure Projects (except IPP)



As of September 30, 2011

# Portfolio of Automotive-Related Business



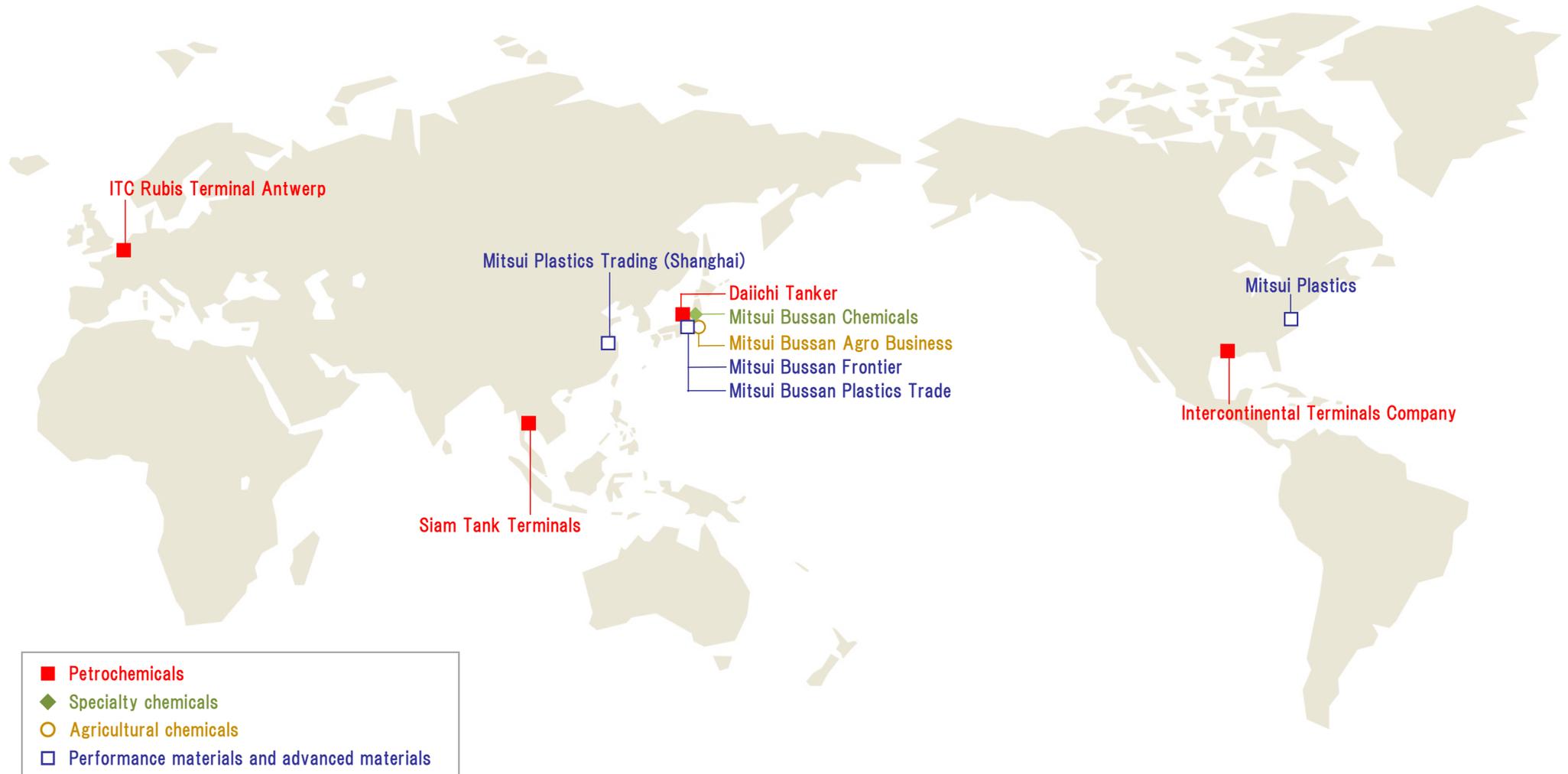
As of September 30, 2011

## Major Overseas Investments in Foods & Retail Business



As of September 30, 2011

## Major Investments in Trading Business in Chemical Business



As of September 30, 2011

# Major Investments in Manufacturing Business in Chemical Business

