



New Medium-term Management Plan

CORE AREAS

Mineral & Metal Resources

Energy

Machinery & Infrastructure

Chemicals



Mineral & Metal Resources

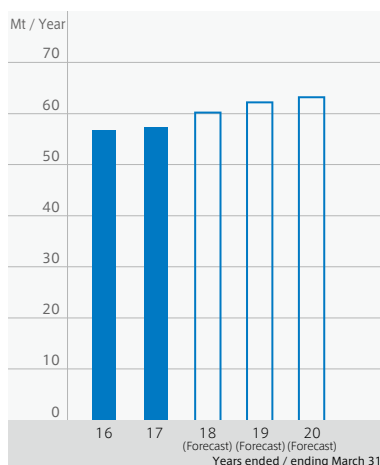
Basic Strategies

- 1 Secure competitive and long-term assets in mineral & metal resources and contribute to their stable supply**
 - Generate sizable profit even under slow growth scenario, while capturing the opportunities for upside potentials.
- 2 Create trading and investment businesses to fulfill needs of our customers and partners**
 - Expand business in the mineral and metal resources value chain from raw material supply to recycling
- 3 Contribute to sustainable economic growth, while preserving the global environment**
 - Contribute to nation building in resource-supplying countries
 - Contribute to the development of the global economy
 - Reduce environmental burden through increased efficiency

Mineral and metal resources are raw materials, which means they represent the foundation of various industries. As such, Mitsui believes that the mineral and metal resources industry will remain highly important over the medium to long term. As growth in demand for resources has started to slow, we are placing priority on establishing a robust business portfolio that can generate a certain level of profit based on our existing assets. We have decided to focus our efforts on resources such as iron ore, which represents the pillar of our earnings base, coal, copper, steel scrap, ferroalloys, new metals such as nickel and cobalt, and aluminum. As part of these efforts, we will acquire additional assets, establish high-quality portfolios, and pursue initiatives in regions in which demand for these resources continues to grow. In doing so, we will maintain a solid earnings base over the long term. Also, in addition to continuing to carry out bolt-on investments, we will endeavor to select new growth projects through a stringent process that captures only the most competitive, high-quality projects while also keeping our focus on investment timing.

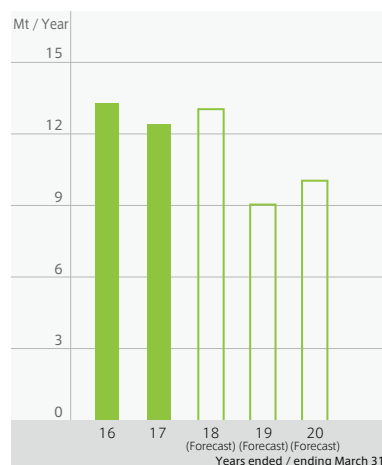
Equity Share of Production*

Iron ore

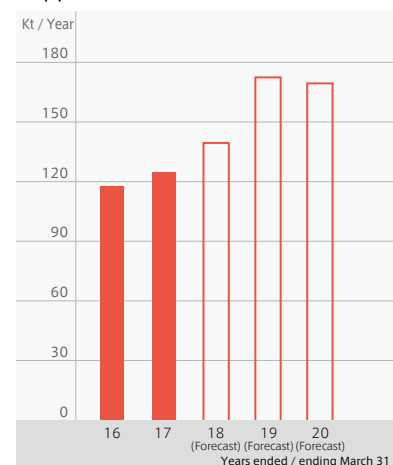


*Including 5% equity share of Vale production

Coal



Copper



Individual Strategies

Iron ore

Through business collaboration with Rio Tinto and BHP in Australia, as well as through the joint promotion with Vale in Brazil of highly competitive projects in which we are shareholders, we have been steadily pursuing investments in mining and port facilities over the past several years to further improve our assets. In addition to sufficiently analyzing long-term demand, we are working to strengthen our businesses through a three-pronged approach that focuses on increasing production volume, expanding reserves, and improving operational efficiency to reduce costs.

Coal

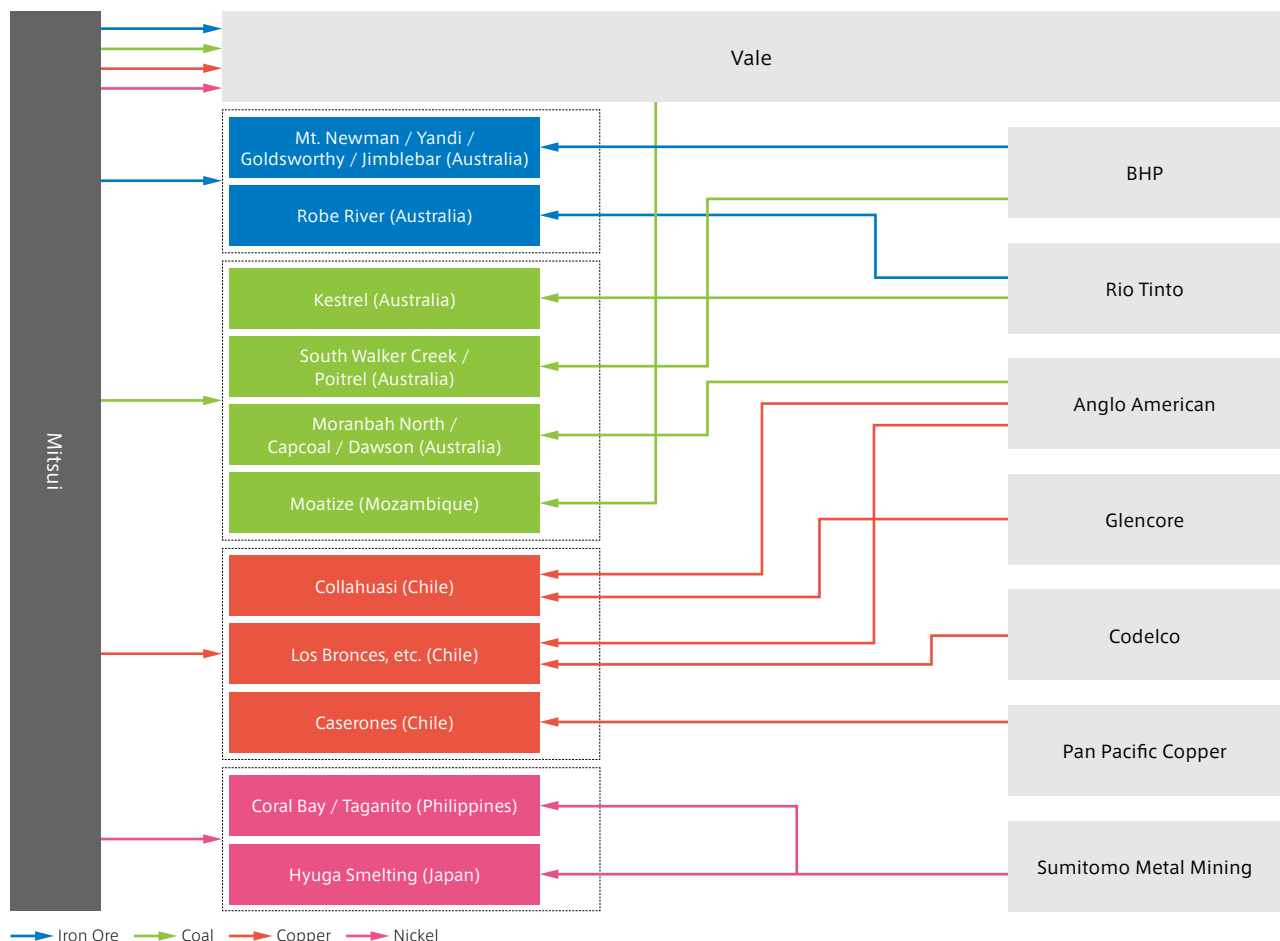
In March 2017, we invested in the Moatize coal mine and the Nacala infrastructure project in Mozambique. These projects pursue integrated development that goes beyond the production and development of cost-competitive coal to include railway and port infrastructure enhancement. As such, these projects will contribute to nation building in Mozambique.

For these projects, we are steadily promoting enhanced operational stability. At the same time, we are leveraging the synergies of the Mitsui Group to establish peripheral businesses, support project sales, and bolster profitability. Also, for projects in Australia in which we have been engaged for many years, we are making efforts to enhance our portfolio by concentrating resources into higher quality assets.

Copper

We are promoting three copper projects in Chile. Collahuasi is a highly competitive operation, and we are giving consideration to expanding this project. At the same time, we are enhancing the competitiveness of Anglo American Sur through acquiring additional reserves. Also, we are currently in the ramp-up stage of Caserones, and we are starting to see results of efforts to improve operations and reduce costs. Through the continued promotion of these efforts, we will work to further enhance the quality of these projects going forward.

Chart of Individual Strategies



Energy

Basic Strategies

1 Establish a competitive asset portfolio

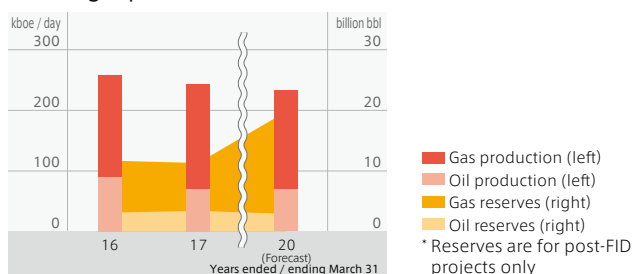
- Reinforce competitiveness of existing assets
- Acquire high quality assets (reserves and production volume)
- Expand LNG production capacity

2 Expand midstream and downstream energy value chain by leveraging Mitsui's function

- Advantageous sale of Mitsui's equity cargos
- Initiatives to create new demand and development of infrastructure businesses in midstream and downstream businesses

3 Expand new energy and renewable energy businesses

Oil and gas production volume; reserves



Through the fiscal year ending March 31, 2020, the Company's equity share of production for oil and gas is expected to remain stable. Reserves are expected to rise significantly mainly due to the expected final investment decision of the Mozambique LNG Project during the period of the new medium-term management plan, which will result in the further recognition of reserves. By strictly selecting potential investments, Mitsui intends to acquire and maintain assets while securing competitiveness of its reserves and production. The Company currently possesses roughly five million tons of net LNG production capacity. This amount is expected to increase to about nine million tons in the fiscal year ending March 31, 2020, due to the start-up of the Cameron LNG Project in the United States. Going forward, Mitsui will further accumulate good quality projects and increase LNG production capacity through the Mozambique LNG and Sakhalin II expansion projects.

Main Upstream / Midstream Asset (Natural Gas / LNG / Oil)

As of March 31, 2017

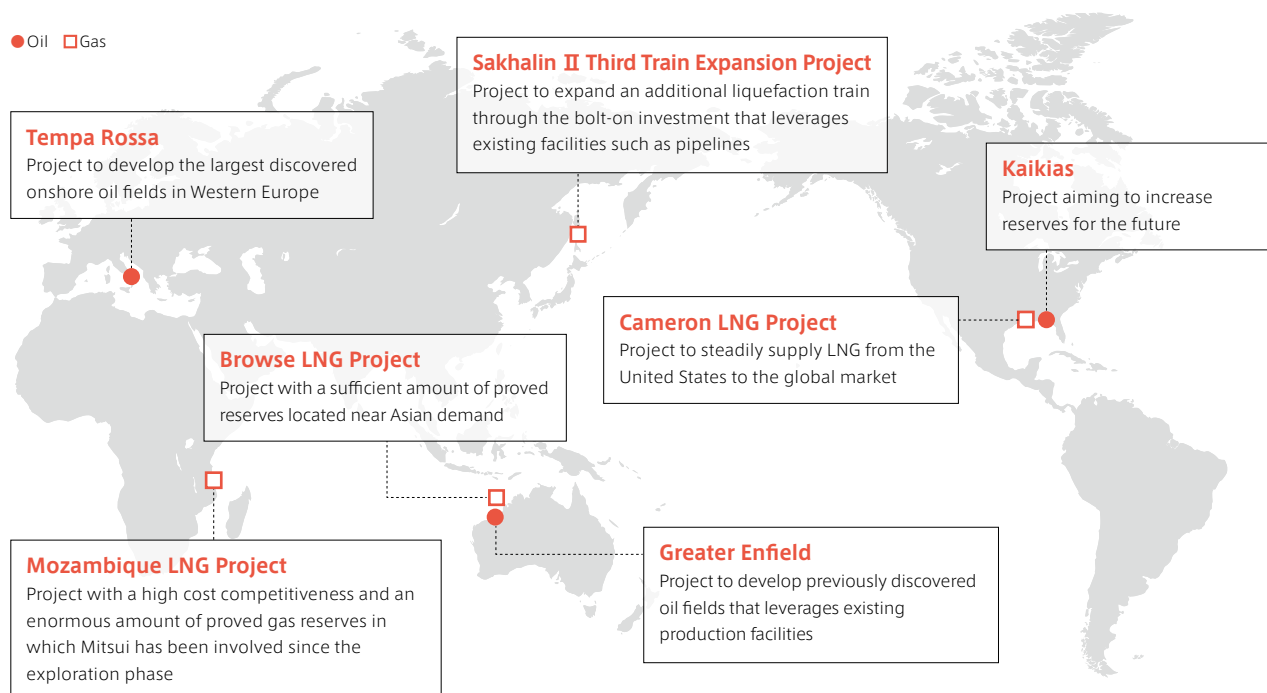
	Exploration					Development			Production	
	Tender	Seismic	Processing	Drilling	Valuation	FEED	FID	Development	Production	
Natural gas / LNG projects	Australia : 15 exploration permits (MEPAU) New Zealand : 7 exploration blocks (MEPAU) Thailand : Blocks G7/50, G8/50 (MOECO) Vietnam : Blocks B&48/95, 52/97 ^{*1} (MOECO) Indonesia : Tuna (MOECO) Myanmar : M3, AD-9, AD-11, MD-5, EP-2, PSC-G, MOGE-3 (MOECO)					U.S. : Marcellus Shale (MEPUSA) ^{*2} Eagle Ford Shale (MEPTX) ^{*2} Cameron LNG (Subsidiary participating in liquefaction project) (MITUSA) Australia : Meridian CSG (MEPAU) ^{*2} , Browse LNG (JAL-MIMI) Mozambique : Area 1 ^{*1} (MEPMOZ)			Russia : Sakhalin II LNG (Sakhalin Energy) Australia : NWS LNG (JAL-MIMI), Casino/Henry/Netherby, Meridian CSG, Kipper (MEPAU) Thailand : Blocks 10.11.12.13.10A.11A.G4/48, Block B12/27, Blocks 14A.15A.16A, Blocks B8/32&9A, Block G4/43 (MOECO) Indonesia : Tangguh LNG (KG Berau/KG Wiriagar) U.S. : Marcellus Shale (MEPUSA), Eagle Ford Shale (MEPTX) Qatar : Qatargas 1 LNG (MILNED), Qatargas 3 LNG Oman : NOGJV (MEPME), Oman LNG Abu Dhabi : Abu Dhabi LNG Equatorial Guinea : Equatorial Guinea LNG U.K. : Britannia (MEPUK)	
Oil projects	Brazil : BAR-M215/217/252/254 U.K. : 22/19e, 22/19c					U.S. : Eagle Ford Shale (MEPTX) ^{*2} , Kaikias (MOECO) Italy : Tempa Rossa (MEPIT) Australia : Greater Enfield ^{*1} (MEPAU)			Russia : Sakhalin II (Sakhalin Energy) Australia : Wanaea Cossack (JAL-MIMI), Enfield, Vincent (MEPAU) Thailand : Blocks 10.11.12.13.10A.11A.G4/48, Blocks 8/32 & 9A, Block G4/43, L10/43, L11/43 (MOECO) Oman : Blocks 3, 4, 9, 27 (MEPME) U.S. : Eagle Ford Shale (MEPTX) U.K. : Alba, Britannia (MEPUK)	

*1. Proved undeveloped *2. Partly in production

Individual Strategies

Establish a competitive asset portfolio

Based on the medium-term management plan, in the E&P business, Mitsui will steadily proceed with the start-up of the projects under development, such as, the Tempa Rossa Project in Italy, the Greater Enfield Project in Australia, and the Kaikias Project in the United States. In the LNG business, the Company will not only aim for the start-up of the Cameron LNG Project and the Mozambique LNG Project, but will also steadily promote bolt-on investments to expand existing projects.



Expand the energy value chain

Mitsui will strive to provide added value to customers by building new trading flows, cultivating new customers and demand, and further enhancing its trading function.

Gas Value Chain

Until now, Mitsui has been supplying LNG mainly to electric power and gas companies. However, in order to further extend its gas value chain, Mitsui will create new LNG demands by pursuing efforts in such areas as gas-fired power generation plants and LNG receiving terminal businesses. In doing so, the Company will focus its efforts on supplying its own LNG to such demands that it has developed.

Oil Value Chain

In addition to its existing equity crude oil in Oman and Australia, Mitsui will be marketing its equity crude oil from the Tempa Rossa, the Greater Enfield, and the Kaikias oil fields, which will commence production in the near future. Mitsui is also making proactive efforts in trading, focusing primarily on products that leverage the Company strengths, such as

condensate, and also low-sulfur fuel oil that demonstrate Mitsui's quality adjustment functions.

Expanding new energy and renewable energy businesses

Mitsui has invested in LanzaTech, a U.S. venture company that uses microorganisms to develop gas fermentation technology. The Company is also making efforts in verifying carbon capture and storage technologies in Australia, which capture CO₂ and store it underground, as well as in biomass power generation project in Tomakomai City in Hokkaido. Furthermore, Mitsui is undertaking initiatives to develop geothermal and biomass power generation businesses in Japan and overseas and is participating in the next generation energy businesses such as hydrogen on a global scale.

Machinery & Infrastructure

Basic Strategies

1 Thoroughly reinforce a sustainable earnings base

- Reduce costs and improve management efficiency through the introduction of AI and IoT
- Steadily complete assets under construction
- Expand business through bolt-on investments

2 Implement strategic lifecycle management

- Recycle assets at the appropriate time
- Constantly improve portfolio quality by capitalizing on opportunities

3 Enter new business domains

- Take on challenges in the new growth frontier of mobility
- Take on challenges in new infrastructure businesses

Machinery & Infrastructure Segment has already established numerous core businesses, including electric power, offshore energy, automobiles, and ships. Going forward, we will thoroughly reinforce and expand the earnings base of these existing businesses. In addition, centered on bolt-on investments, which involve accumulating strong assets, we will carry out investment in new businesses, including those in completely new fields. At the same time, we will actively promote asset recycling at the appropriate time.

Individual Strategies

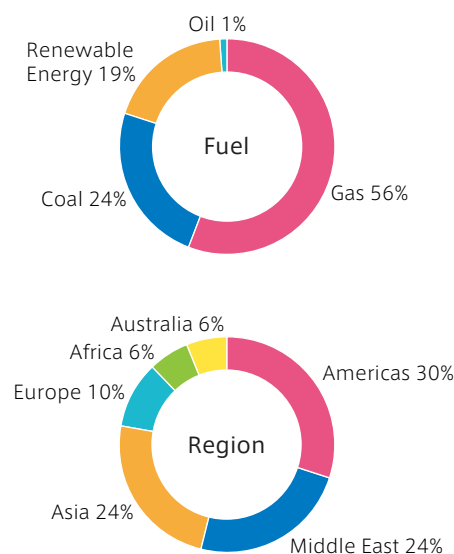
Electric power business

To enhance the value of individual assets, we have commenced the introduction and utilization of digital technologies for certain assets. Also, we are promoting new business development while pursuing capital gain through the sale of assets at the appropriate time after entering a new business. Going forward, we will accelerate the cycle from asset development to sale as we work to improve capital efficiency. Giving consideration to environmental changes, we are boosting our percentage of renewable energy projects and establishing a portfolio that places an emphasis on ESG.

Offshore energy business

As one of our main initiatives in the offshore energy business, we are leveraging our relationship with Petróleo Brasileiro S.A. – Petrobras to expand the FPSO (floating production, storage and offloading system for offshore oil and gas) business together with our business partner MODEC Inc. Additionally, we are exploring opportunities in the subsea business, which we have newly entered, in an effort to expand the overall scale of our offshore energy business.

Power Generation Portfolio (by Fuel and Region)



Company owned power generating capacity
Net: 10.4GW Gross: 38GW

(As of March 31, 2017)

Gas distribution business

We are making efforts in our Brazilian gas distribution business, which supplies gas to 19 of Brazil's 26 states and accounts for nearly half of the country's gas distribution volume. We are working to continuously grow this business as it represents our strategic partnership with Petróleo Brasileiro S.A. – Petrobras. Through the generation of synergies with our offshore energy business, we aim to further expand this business going forward. Also, not only will we pursue enhanced operational efficiency, we will also expand our overall business in Brazil through such efforts as developing and extending our business into peripheral areas amid the trend toward market deregulation in Brazil.

Automobiles, construction equipment, transportation, ships, and aerospace

Drawing on our extensive client base and relationships with first-class business partners, we will create new businesses and increase profits by bridging the gap between supply and demand in the frontline operations of our clients as well as the gap between component industries, functions, regions, and cultures.

Automobiles: We will continue efforts to increase value in the overseas manufacturing and sales of Japanese automobile manufacturers, as our traditional strength of business. At the same time, we will provide comprehensive transportation services on a global basis, including retail, leasing and fleet management of passenger and commercial vehicles, through the U.S.-based Penske Automotive Group, Inc. and Penske Truck Leasing Co., L.P., two companies in which we have invested. We will also make proactive efforts to bring about innovation that responds to the structural transformation of the automobile industry, which includes electric cars and the car sharing economy.

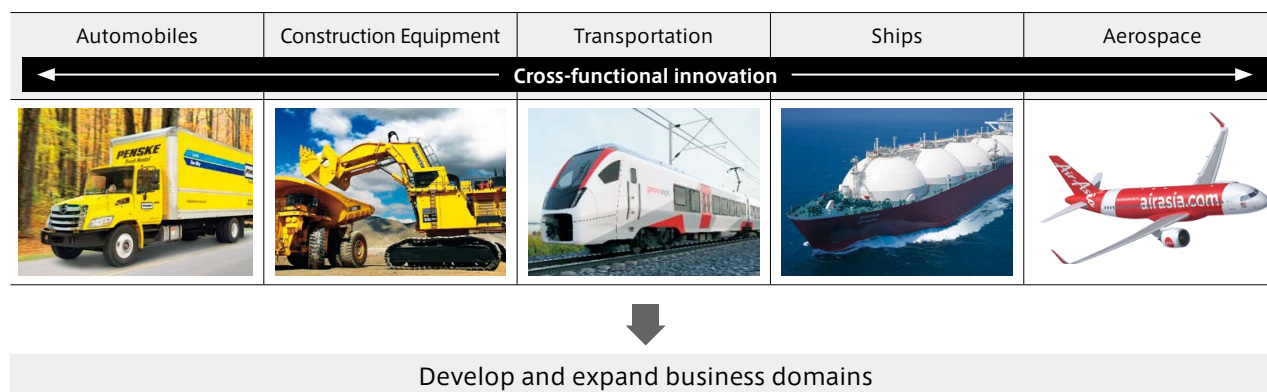
Construction Equipment: In addition to expanding the foundation of mining and construction machinery retail businesses, construction equipment rental businesses, and machine tool businesses, we are working to develop businesses in the robotics and mobility fields that leverage lightweight materials and AI in response to structural changes in the industry and trends in demand. We are also taking on challenges in making cross-organizational efforts in the fields of food and agriculture through our agricultural machinery sales business.

Transportation: We are undertaking initiatives to enhance the value of our transportation business, which includes railway infrastructure construction, rolling stock leasing, freight transportation, and passenger rail operation. At the same time, with development and value enhancement of mobility in mind as our core business value, we are entering into such new growth areas as train station and property development and multi-modal transportation businesses.

Ships: Centered on ship purchase and sale, we aim to enhance and expand all aspects of our ship business, including ship ownership, LNG vessels, operational management and chartering of vessels, brokering of second-hand ships, and marine equipment. In addition, we are actively pursuing new initiatives such as technological innovation within the marine transport industry.

Aerospace: While enhancing and innovating our aircraft leasing and trading business, we aim to develop new businesses, including those related to aircraft engines, through collaboration with third-party capital. In addition, we are actively reinforcing each aspect of our aerospace business, including freighter conversion, sales of helicopters and business jets, and defense business.

Broad Business Domain – First-Rate Partners –



Chemicals

Basic Strategies

Connect the chemical industry with related industries and create new business through the power of chemistry

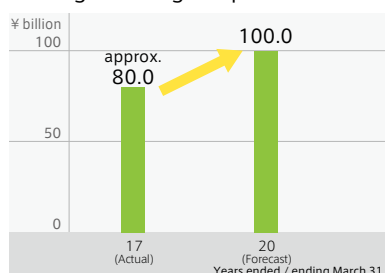
1 Engage in new growth opportunities

- Expand the performance materials business in the domains of mobility and consumer products
- Enhance portfolio in the domain of agriculture
- Improve businesses in the domain of food science

2 Reinforce trading capabilities

- Expand and strengthen network with business partners and clients
- Create opportunities for new trading and business investments

Trading-related gross profit



3 Carry out bolt-on investments

- Increase methionine production lines
- Expand the tank terminal business
- Improve the stability and expand the scale of the methanol business

One special characteristic of the Chemicals Segment is that it acts as a contact point with various other industries.

With a bird's-eye view of these industries, the Basic Materials Business Unit will work to further deepen the multi-layered relationship it has with its business partners and establish distribution and other businesses with a strong presence that will lead to enhanced deal flow.

From the perspective of improving materials for use in such growth industries as mobility and consumer products as well as in ICT and other new industries, the Performance Materials Business Unit will adopt a "market in" and "product out" approach in an effort to create new businesses.

To respond to the need for greater food productivity and higher added value, the Nutrition & Agriculture Business Unit aims to enhance and expand existing businesses and develop new business while taking into account the changes in the needs of peripheral industries and consumers.

Individual Strategies

Engage in new growth opportunities

To meet the need for lighter vehicles and the use of a wider range of materials that has been brought about by heightened environmental awareness, Mitsui aims to enhance businesses related to such materials as carbon fiber for automobile components and resin compounds. To this end, for carbon fiber-related businesses, we will pursue business expansion while also making efforts to proactively establish a supply chain. Furthermore, for the market for food packaging and household detergents, in which consumer needs are expected to become more diverse and sophisticated, we will undertake initiatives to establish businesses related to



Forward Engineering / Lightweight automotive structures made from carbon fiber and other composite materials

high-performance materials that will help us realize differentiation. We have invested in and commenced operations of the newly established LABIX Company Limited, which manufactures detergent materials in Thailand; Prime Evolve Singapore Pte. Ltd., which manufactures high-performance polyethylene in Singapore; and PT Champion Pacific Indonesia Tbk, which engages in the manufacture of pharmaceutical packaging materials in Indonesia.

In the domain of agriculture, we will secure agricultural products that will allow us to maximize our business while leveraging our existing network for sales, registrations, and services, in Europe and other areas. In these ways, we are expanding our portfolio of agricultural products.

For the domain of food science, we will make efforts to reinforce the existing businesses of San-ei Suicrochemical Co., Ltd., B Food Science Co., Ltd., and Soda Aromatic Co., Ltd. (please refer to "Growth Areas: Nutrition & Agriculture" on page 38 for details).

Reinforce trading capabilities

In the Chemicals Segment, Mitsui has a consolidated global workforce of roughly 5,000 personnel deployed in 59 countries and regions around the world. We also have a strong customer foundation that spans a wide variety of business fields. Trading is an essential part of our chemical business, and we place emphasis on the cycle of new trading and business investment that is created through the deepening of the multi-layered relationships with business partners that we have established through trading.

Giving consideration to the global balance between supply and demand and various regulations, the Basic Materials Business Unit fully leverages its logistics functions to play the role of a virtual pipeline that connects customer factories with the outside world. In doing so, the unit is developing businesses that contribute to the resolution of issues facing both suppliers and users. In addition, the Performance Materials Business Unit and the Nutrition & Agriculture Business Unit have numerous points of contact with endpoint industries. While maintaining a broad view of the advances being made in chemical applications, these units focus on the provision of various services that are customized for specific purposes.

Carry out bolt-on investments

Mitsui will move forward with bolt-on investments geared primarily toward improving stability and expanding the scale of the animal nutrition, tank terminal, and methanol businesses. In doing so, Mitsui will aim to further enhance its earnings base.

Mitsui has an 80% stake in Novus International Inc. (hereinafter, Novus), a company that engages in the manufacture and sale of a wide range of animal feed additives. Over the past 10 years, Novus has posted an average annual profit of around ¥10 billion. In addition to increasing its methionine production line, we are working to enhance the company's specialty business.

As for our tank terminal business, Intercontinental Terminals Company LLC (hereinafter, ITC), which was established in 1972, has gradually increased its scale and generated steady profits. Against the backdrop of robust demand for tank terminals, ITC is carrying out the expansions program stably ahead of the original schedule. We plan to expand the tank capacity of the joint venture we established with ITC in Antwerp by nearly three times over the next 10 years through a series of stratified capacity increases.

In our methanol business, building on the methanol production we commenced in the Kingdom of Saudi Arabia, we started production in the United States as well in October 2015. In addition to the stable supply of source gas that has come from the shale revolution at highly competitive prices, we have established a superior position in the methanol business through the utilization of the existing infrastructure of our business partners. Going forward, we will ensure the stable operation of existing businesses and work to expand the scale of these businesses with the aim of enhancing our earnings base. At the same time, we will continue to examine expansion based on highly competitive source gas, which will help strengthen our global trading foundation, and investments in new projects.



Novus International



Intercontinental Terminals Company (ITC) tank terminal



The methanol manufacturing business Fairway Methanol in the U.S.