



New Medium-term Management Plan

# GROWTH AREAS

Mobility

Healthcare

Nutrition & Agriculture

Retail & Services



# Mobility

## Basic Strategies

### 1 Respond to innovation in transportation services

- Provide comprehensive services in passenger and cargo transportation

### 2 Respond to the “sharing economy” sector

- From “owning” to “use”. Expand the car sharing business

### 3 Create business opportunities that support technological innovations

- Engage in new businesses in the automobile industry

### 4 Contribute to the creation of next-generation cars

- Expand the automotive components and materials business

With the progression of global warming, population increases, urbanization, and aging societies, people’s tastes and preferences are becoming more diverse. Particularly, in recent years, there has been a heightened awareness of safety and the environment, and the consumer mind-set toward transportation has been changing. These factors have had a significant impact on a wide range of industries. Within specialized fields of its various business segments, including Iron & Steel Products, Machinery & Infrastructure, and Chemicals, Mitsui has been undertaking initiatives geared toward the mobility industry. At the same time, the Company’s segments have been collaborating in an effort to contribute to the environment and steadily respond to industrial and social needs. In doing so, the Company is drawing on its comprehensive strengths to pursue business expansion and advance business models in the field of mobility.

## Individual Strategies

### Innovating transportation services

U.S.-based Penske Truck Leasing Co., L.P. offers comprehensive transportation services such as commercial vehicle leasing and renting, fleet management, and logistics. In addition, Brazil-based VLI S.A., in which Mitsui invested in 2014, provides multi-modal integrated logistics services that utilize rail, port, and inland terminals.

In terms of the mobility of people, transportation systems are becoming more innovative, centered on autonomous driving technologies and the sharing economy, against the backdrop of population increases and progressing urbanization. At the same time, due to the arrival of the mobility service industry, which

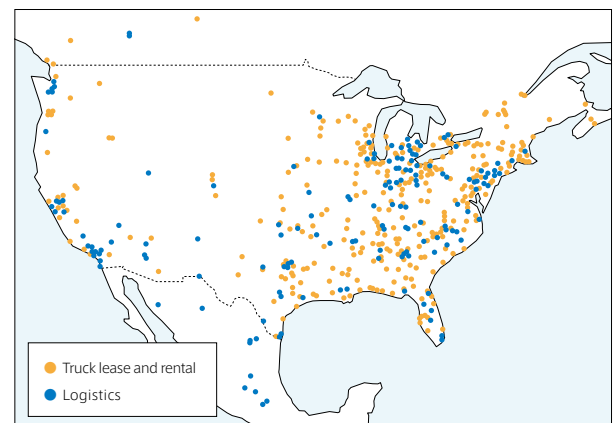


Penske Truck Leasing



VLI freight train

### PTL North America Network



### Global expansion

- Lease & rental business: U.S. / Canada / Australia
- Logistics business: U.S. / Canada / Mexico / Brazil / China / India / Western Europe (U.K. / Netherlands / Germany)

## Growth Areas

leverages ICT, recent trends such as improved travel convenience, more luxurious moving space, and enhanced mobility-related experiences have been seen. Under expectations that such trends will continue, we are pursuing new business opportunities starting with existing passenger transport businesses in countries around the world, including rail operation in the United Kingdom. We aim to explore opportunities within these businesses in such ways as promoting rail-related commercial and real estate development, and providing mobility and integrated services leveraged by ICT and big data.

### Sharing economy

Singapore places heavy restrictions on owning an automobile, which has given rise to an increased demand for car sharing in the country. In 2010, Mitsui invested in Car Club Pte. Ltd., a car sharing business in Singapore, and that business now boasts the top market share of 60%. By 2022, Mitsui intends to increase the number of cars this business owns by four times, to 1,000 vehicles, boost the number of members by four times, to 31,000 people, and expand net sales by over four times, to SGD 28 million (approx. ¥2.7 billion).



Cars offered by Car Club

### Engineering services

Mitsui has invested in AZAPA Co. LTD. (hereinafter, AZAPA), a research and development company for control systems used in automobiles. AZAPA is involved in the development of next-generation automobiles conducted by multiple Japanese manufacturers, including major automobile manufacturers, as well as in the development of control systems, particularly systems related to autonomous driving. In Japan, stagnant growth in the number of engineers due to the declining birthrate and

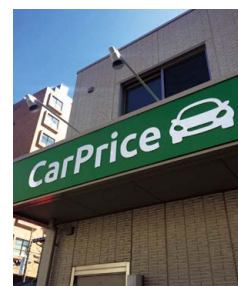


Super-small vehicle developed by AZAPA

aging population has become a prominent issue. Accordingly, we believe that AZAPA's level of importance as an independent developer will increase going forward. In addition to supporting AZAPA's business, we will explore initiatives to provide the Japanese manufacturing industry—starting with companies like AZAPA—with the necessary functions to pursue development in new technological fields, including electronic vehicles and autonomous driving.

### Online business

Mitsui has invested in Carprice Co., Ltd. (hereinafter, CarPrice), which manages online auctions for used cars in Japan. By leveraging IT systems developed in Russia, CarPrice is realizing highly transparent transactions for used cars. Amid a shrinking domestic market, CarPrice is contributing to the domestic automobile industry and local economies by accelerating collaborative efforts with repair shops and gas stations across Japan and by increasing profits for a large number of car owners and used car dealerships.



CarPrice shop

### Automobile components and materials

Mitsui has been active at the very core of the automobile industry, becoming directly involved in the creation of next-generation cars through Gestamp Automoción S.A. (GA), a global supplier of automotive components and assemblies with a focus on technology in which the Company invested in December 2016. Not only is Mitsui planning on supplying materials to GA, the Company is leveraging its various global partners and business assets to improve the value of GA's business in a variety of ways. These include proposing new materials, promoting a shift to smart factories that leverage IT, expanding sales to Japanese automobile manufacturers, and helping to continue to improve efficiency in the distribution of materials and components.

Column

### The Competitive Edge of Gestamp Automoción

With a focus on hot-stamping technology that makes vehicle frames lighter and enhances safety, GA has steadily increased transactions with various automobile manufacturers, thereby establishing a solid position as one of the world's largest manufacturer of automotive components in terms of revenues. GA also boasts an impressive track record of developing, mass producing, and supplying components for over 800 kinds of vehicles and currently supplies products to all top 12 OEMs by volume globally.

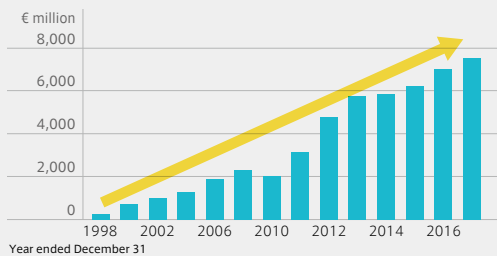
The company's most distinctive strengths are its ability to develop technologies that support highly sophisticated, lightweight vehicle frames and its ability to design proposals, which is underpinned by these technologies. In order to manufacture automotive components, it is necessary to develop a wide range of technologies to cover everything from die design to temperature control. GA's greatest strength lies in its ability to handle all aspects of the manufacturing process on its own, from stamping equipment to dies. Furthermore, through the joint development of steel materials, such as high-tensile strength steel for hot stamping, as well as the combination of new materials, such as carbon fibers, and cutting-edge construction methods, GA is able to offer optimal solutions to address the needs of automobile companies for safety and light-weight materials.

From the conceptual stages, GA is involved in the development and design of the next-generation car models of major automobile manufacturers. This involvement includes dispatching technicians to automobile manufacturers around the world to propose optimal vehicle frames that use cutting-edge materials. With automobile companies investing more management resources into the development of electric cars, cars with automatic driving capabilities, and other innovative technologies, more trust has been placed in automobile component manufacturers—which have superior technological and proposal-making capabilities—regarding the development of certain components for these technologies. As such, GA's presence will become more prominent going forward.

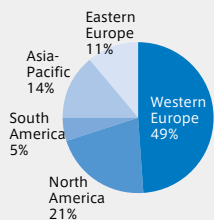
#### About Gestamp

Headquarters: Spain  
 Business: Automotive stamping components manufacturer  
 Production bases: 101 locations + 8 currently under construction (in 21 countries)  
 Research and development bases: 12 locations + 1 currently under construction (in 8 countries);  
 R&D experts: 1,300  
 Net revenue: €7,549 million (As of December 31, 2016)  
 EBITDA: €841 million (As of December 31, 2016)

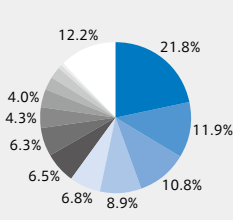
#### Trends in net sales



#### Revenue by region (As of December 31, 2016)



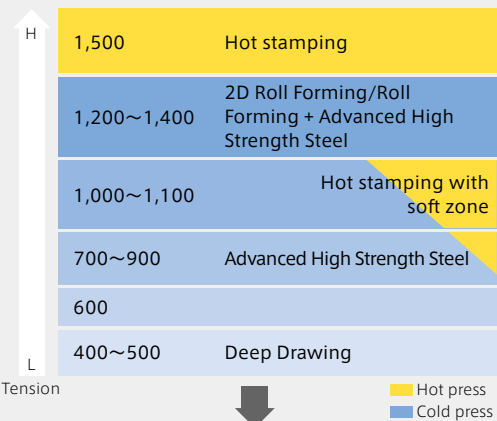
#### Revenue by customer (As of December 31, 2016)



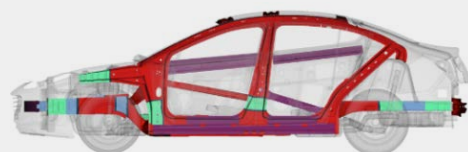
#### Gestamp's advantage

Capability of developing technologies for lighter and safer vehicles

#### • Various steel processing technologies



Solution for safety and weight reduction through utilizing a variety of materials and forefront technologies



# Healthcare

---

## Basic Strategies

---

### 1 Strengthen existing businesses

- Promote initiatives aimed at improving profitability

### 2 Enhance value by strengthening collaboration between assets

- Support sales promotions for products
- Strengthen functions for attracting patients
- Improve business efficiency, etc.

### 3 Gain operatorship

- Hospitals and hospital ancillary businesses
- Manufacture and sale of pharmaceuticals
- Healthcare staffing businesses

In 2000, global medical expenditures totaled US\$3.0 trillion. By 2014, these expenditures had reached US\$7.7 trillion. With the population growth and aging of society, the growth in middle-income-level groups, and changes in disease patterns, the need for high-quality medical services is expected to rise going forward. Meanwhile, medical expenditures are required to curtail. Through the expansion of healthcare ecosystems that combine the five essential elements of “places, people, products, services, and information,” Mitsui is contributing to the resolution of issues in the field of healthcare from a medium- to long-term perspective. While making efforts to thoroughly upgrade existing assets and steadily grow periodic earnings, the Company aims to enhance value by strengthening collaboration between assets. In addition, to secure the sustainable growth of healthcare ecosystems, it is necessary to increase the amount of assets Mitsui possesses to a certain extent. As such, the Company will continue to strictly select investment projects. Mitsui will sell assets that it believes have served their purpose and acquire an appropriate level of capital gains. By promoting an approach that balances increases in periodic earnings, the accumulation of assets, and the acquisition of capital gains, the Company is establishing a unique growth model.

---

## Individual Strategies

---

### Strengthen existing businesses

Mitsui is working to enhance the earning power of its key affiliates, including IHH Healthcare Bhd. (IHH), Sogo Medical Co., Ltd., MicroBiopharm Japan Co., Ltd., and AIM SERVICES CO., LTD., a company with which Mitsui has over a 40-year transaction history in the outsourcing business. We are also promoting efforts to establish a profit base for companies in which we have invested in these two years, including Columbia Asia Group, DaVita Care Pte. Ltd. (DaVita), and Panasonic Healthcare Holdings Co., Ltd. For Columbia Asia Group, we are moving forward with measures to revise the pricing strategies and purchasing and outsourcing costs for the company’s India business. For DaVita, we are beginning to see results from the reduction of procurement items, the optimization of

procurement routes, and cost reductions. Our investment in Panasonic Healthcare Holdings has just recently concluded, and we will work to contribute to strengthening the company’s business in the same way as we have with other companies.

### Enhance value by strengthening collaboration between assets

Mitsui is making efforts to strengthen collaboration between assets, raise the value of Healthcare Ecosystems as a whole, and offer unique value that only a company like itself can provide. For example, for Panasonic Healthcare Holdings, we are promoting the company’s medical devices to doctors and nurses at healthcare organizations in which we have invested and are supporting the sales through the utilization of our

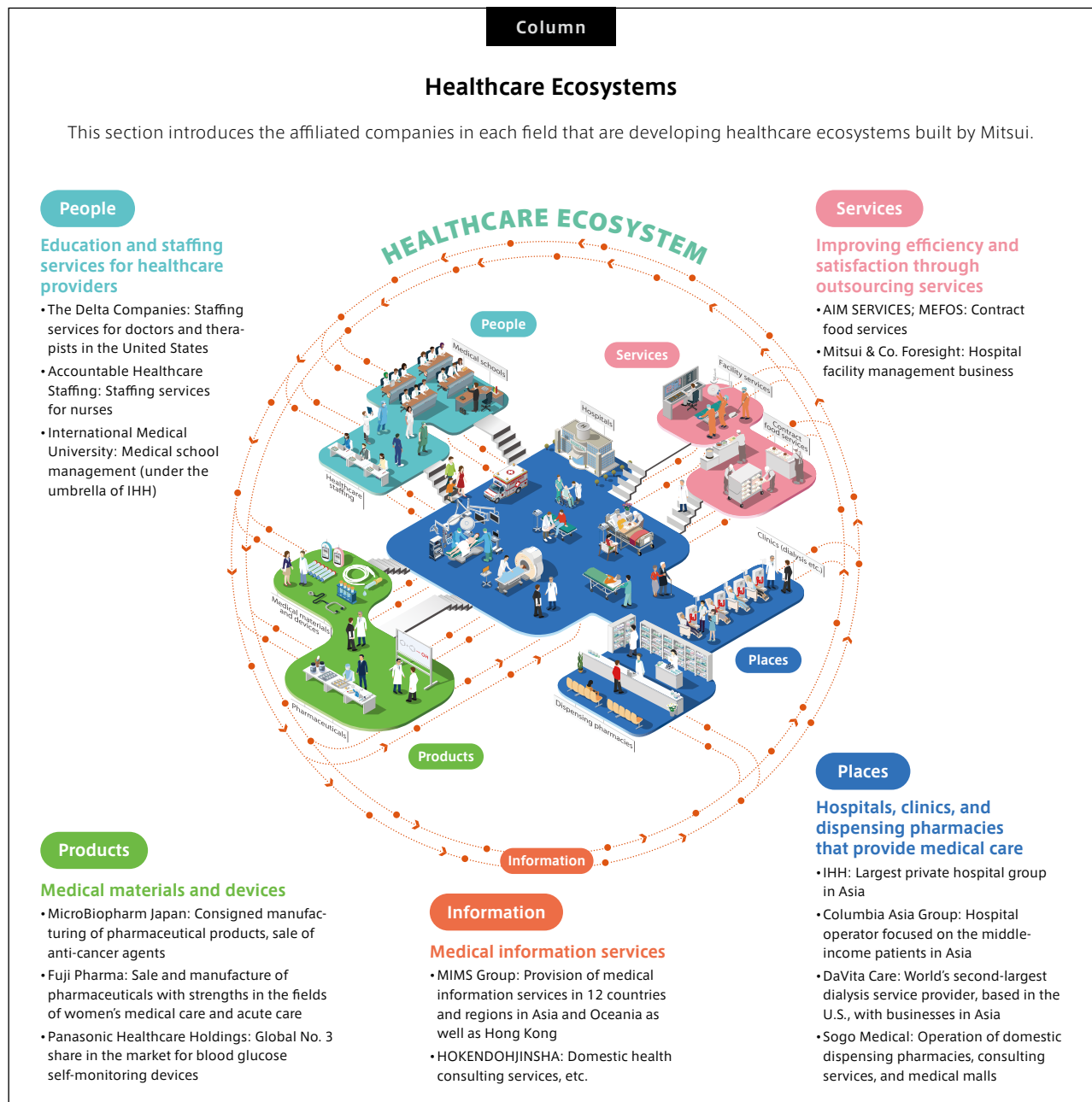
overseas customer base. At the same time, we aim to further reinforce the profit base of the healthcare organizations that we invested in by enhancing the ability of these institutions to attract patients through such means as offering integrated diabetes treatment that utilizes patients' blood glucose data.

Furthermore, with its base of over two million medical practitioner members in 12 nations in the Asia and Oceania region, as well as in Hong Kong, MIMS Group is providing medical information and recruitment services to our affiliate companies IHH and Columbia Asia. Until now, detailed information about pharmaceutical products has been provided in a format specific to each individual pharmaceutical company, which has made such information difficult to understand. By gathering this kind of information and arranging it in an easy-to-understand format,

as well as allowing the information to be updated easily so that it is always current, MIMS Group helps improve operational efficiency and reduce the risks of prescribing errors. Accordingly, we are providing the services of MIMS Group for our client pharmaceutical companies in Japan to support their sales in the greater Asia region.

### Gain operatorship

We aim to acquire operatorship in areas in which we can leverage our capabilities, including hospital and hospital ancillary businesses, the manufacture and sale of pharmaceuticals, and healthcare staffing businesses. In doing so, we will contribute significantly to the management of each operating company and work to improve these companies' business value.



# Nutrition & Agriculture

## Basic Strategies

### 1 Answer the need for increased food production

- Expand grain trading
- Further develop global logistics
- Expand agricultural materials business and sulfur business
- Enhance the animal nutrition business

### 2 Answer the need for foods with high added value

- Increase volume of luxury items and products that promote health
- Accelerate the development of the food science business

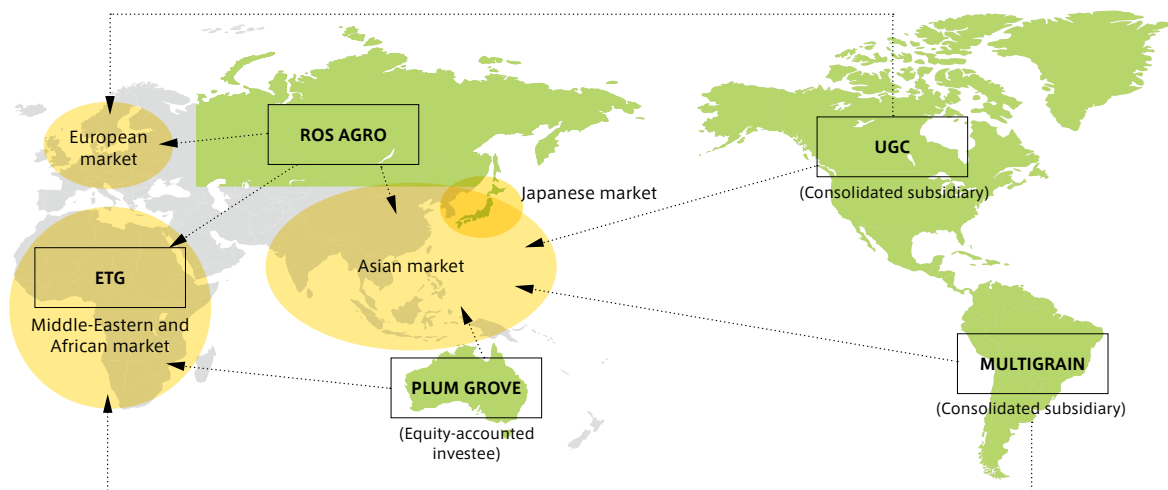
Mitsui has contributed to the increased production of food through businesses related to agricultural materials such as agrochemicals and fertilizers, as well as through grain trading, feed additive businesses, and fishery-related businesses. Further developing global logistics by sea and by land is an essential part of the stable food supply. As such, we have a sound business foundation in the food science domain, which includes functional food materials. Leveraging this foundation, we are expanding our businesses throughout the value chain while responding to the need for food with high added value, focusing particularly on the heightened awareness toward health and greater demand for deliciousness.

## Individual Strategies

### Connecting the destination strategy with origination

For grain and oil seeds, we will leverage the capabilities that we have cultivated in Japan in terms of securing a production area, ensuring food safety and security, and meeting customers' need for high added value as we expand our business into the

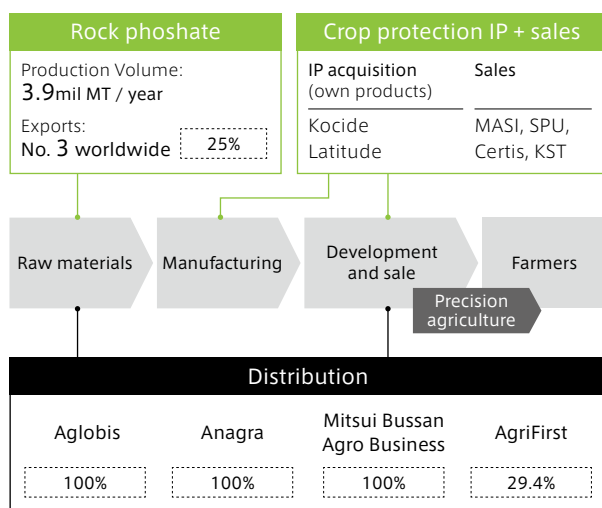
greater Asia region. Competent local personnel whom we have hired at overseas branches are working to cultivate markets in their respective countries, which is allowing us to rapidly boost our presence in Asian markets. Utilizing these competent local personnel as one of our strengths, we aim to further enhance our market presence going forward. Furthermore, the Siberian



region of Russia has tremendous potential for grain production. Through the promotion of the food industry in Russia, we believe we will be able to answer the need for increased food production and high added value in Asia, the Middle East, and Africa. Together with business allies such as Ros Agro PLC, we are moving forward with efforts that contribute to the development of the food industry in Russia as we work to capture new demand from a long-term perspective that focuses on the next 10 to 20 years.

## Agriculture

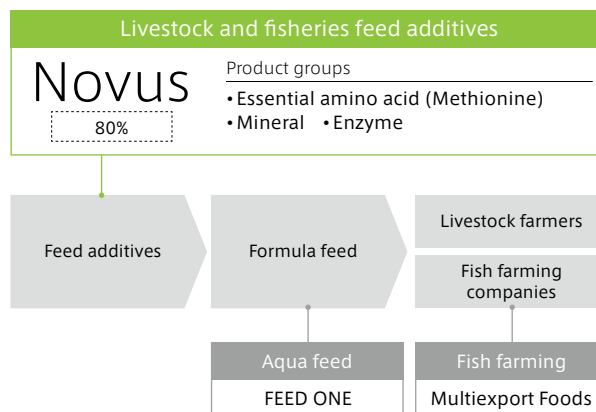
In the agrochemical industry, a large number of global agrochemical manufacturers are accelerating revisions to their business and product organization. By drawing on our management platform in this industry, we believe that agrochemicals is a field in which we can further expand our business going forward. As an example of our recent business expansion in this field, we acquired wheat seed treatment fungicide business from the U.S.-based Monsanto Company in February 2017. While leveraging our previously established network for sales, registration, and services, we are expanding our agrochemical business portfolio through the acquisition of new agrochemical products. In addition, Japanese agrochemical manufacturers excel in developing agrochemicals. As such, we will collaborate with these manufacturers to increase opportunities for new market development as well as to bolster eco-friendly biological pesticide businesses. For downstream sales of agricultural materials, we have established businesses with a certain level of presence and size in each area of operation. In doing so, we are capitalizing on worldwide growth related to agriculture. As for our business related to sulfur and sulfuric acid, which are used as raw materials for fertilizer, we are leveraging our specialty logistics assets and trading networks across the world to further strengthen the stable purchase and sale of sulfur and sulfuric acid through such means as bolt-on investments.



Mitsui's share of ownership

## Animal nutrition

Methionine is an essential feed supplement for poultry, and the demand for methionine has been growing at around 5% to 6% annually. To respond to this demand, Novus International, Inc. (hereinafter, Novus) is contributing to the stable supply of methionine through the steady execution of plans to increase its production capacity. In addition, Novus is expanding its lineup in specialty fields such as minerals and enzymes, for which demand is expected to grow further. In doing so, Novus is helping to maintain the health of animals and fish, prevent disease, and improve the quality of feed. Also, fishmeal is an important source of protein in feed, and the supply of fishmeal is expected to tighten over the medium to long term. Novus will therefore invest in businesses that use biotechnologies to create alternative sources of protein for feed that have high added value, thereby expanding its product portfolio.



Mitsui's share of ownership

## Food science

San-ei Surochemical Co., Ltd. and B Food Science Co., Ltd. have been involved in the manufacture of glucose, sugar alcohol, and other materials, and the products these companies handle are used not only in food but also in medical treatment such as intravenous therapy and dialysis. Flavoring is an important element of good taste, and we announced the scheduled commencement of a tender offer for shares of Soda Aromatic Co., Ltd., which manufactures and sells flavors, fragrances and aromatic-related chemicals, in May 2017. Leveraging the expertise related to technologies, manufacturing, quality control, product application development and marketing that it has cultivated through many years of operation and R&D, it will further accelerate the expansion of the businesses both in Japan and overseas.



# Retail & Services

---

## Basic Strategies

---

### 1 Strengthen and develop existing assets

- Strengthen collaboration between business assets
- Strengthen collaboration with the Seven & i Group
- Provide solutions through digital transformation
- Develop and enhance the media commerce business

### 2 Adapt to change

- Respond to expansion in the prepared foods market
- Further enhance chilled & frozen distribution
- Expand retail business
- Develop and deliver food products

### 3 Provide attractive investment management services

- Increase balance of assets under management
- Enhance sales capabilities aimed at domestic investors

The strengths of a diverse group of consumers are rising on a global scale, and the various tastes and preferences of these consumers are becoming more individualized. Amid these circumstances, Mitsui is working to develop next-generation businesses that fully leverage the latest digital, logistical, and financial capabilities. The Company is also cultivating and strengthening the various capabilities of retail support businesses, such as Vendor Service. At the same time, Mitsui aims for further growth by flexibly responding to change through the exchange of information and collaboration between its individual business assets.

---

## Individual Strategies

---

### Strengthen collaboration between business assets

The retail business changes with the times. However, there are three unchanging elements of the retail business: products, distribution, and payment, and Mitsui will continue to accelerate initiatives that focus on these elements.

We will pursue efforts to thoroughly strengthen each individual business asset. Meanwhile, we will share information between assets in each area of our value chain, from downstream to midstream and from midstream to upstream. We will also put in place a structure that promotes robust business collaboration. To be competitive as a retailer, we need to realize differentiation through the provision of high-quality products, and to develop such products, we need to understand consumer needs. To this end, we will promote collaboration between the Food & Retail Management Business Unit and the IT & Communication Business Unit to deliver products that meet consumer needs.

Furthermore, we are establishing a joint task force with the Seven & i Group to collaborate on specific initiatives for strengthening supply chains and on creating new businesses that utilize technology and finance, thereby further developing our partnership.

### Provide solutions through digital transformation

The evolution of devices and spread of SNS and IoT has led to a rapid increase in data, such as text, images, voice recordings, movies, and sensor information. Meanwhile, technological innovation to collect, manage, and analyze this information is also moving forward. As a result, it is now possible to analyze a greater amount and variety of atypical data that could not be utilized before. In light of these trends, Mitsui has invested in overseas companies with technologies that accumulate, analyze, and leverage data. By introducing sophisticated marketing techniques that collect and analyze data as well as

advanced overseas technologies such as demand-forecasting technologies, we are providing solutions that contribute to the services of our clients and enhance the operational efficiency of their stores. Through the utilization of digital technologies, including AI, we are resolving the issues that retailers face.

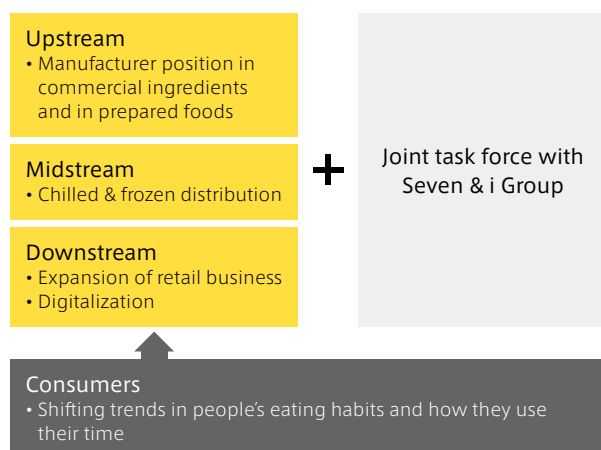
## Develop and enhance the media commerce business

In the media commerce business, with the aim of capitalizing on the robust demand in emerging nations, Mitsui is leveraging its over 20 years of experience and know-how in the TV shopping business in both Japan and overseas to participate in the operation of Naaptol Online Shopping Private Limited (Naaptol) and CCTV Shopping Co., Ltd., TV shopping businesses in India and China, respectively. In the same media commerce field, we also intend to engage in the ever-diversifying e-commerce business.

Regarding the medium of TV, which we position as a key form of media, we will strengthen merchandising in Japan in order to realize the further growth of QVC Japan. In addition, we will enhance the product making, program design, and distribution management capabilities of Naaptol and CCTV Shopping in an effort to bolster the profitability of these companies.

## Adapt to change

The market for prepared foods is expanding due to changing family structures and lifestyles. Amid this expansion, Mitsui is working in collaboration with a joint task force that it established with the Seven & i Group to engage in commercial ingredients and the prepared foods manufacturing business in terms of upstream operations, and the chilled & frozen distribution business in terms of midstream operations. For downstream processes, this joint task force is working to expand retailing businesses and utilize information in order to ascertain consumer needs and reflect these needs in new products. Through this collaboration, Mitsui aims to acquire and develop superior business assets.



In addition, we are giving priority to the development and proposal of high-quality food products in order to respond to diversifying consumer needs. Through the U.S.-based VENTURA FOODS LLC, which deals with the manufacture and sale of dressings and sauces primarily for food service business use, we will make concerted efforts to strengthen our product lineup and enhance our ability to make proposals.

## Pursue asset management services

In February 2017, Mitsui acquired a 20% stake in CIM Group, a U.S.-based real estate asset management company. Mitsui has dispatched three of its personnel, including a director, to participate in the management of CIM Group. To improve CIM Group's business value, these managers will draw on the knowledge of real estate management that they have cultivated in Japan. In the insurance field, we acquired a 15% stake in New Ocean Capital Management, a fund that focuses primarily on natural disaster-related risk, in October 2016. In the same manner as CIM Group, we have dispatched one non-executive director and one project manager to participate in the management of New Ocean, with a particular focus on the company's risk management and analysis operations. We had ¥1.4 trillion in net assets under management as of March 31, 2017, and, through these efforts, we intend to further expand this amount going forward.

At the same time, in Japan we will expand our range of alternative asset management services that appeal to Japanese investors through Mitsui & Co. Alternative Investments Limited (name changed from Japan Alternative Investment Co., Ltd.), which increased its capital and recruited additional personnel in April 2017.

## History of Asset Management Services

