

Mitsui to Participate in CIM Group, LLC, a US Real Estate Asset Manager



February 20th, 2017
Mitsui & Co., Ltd.

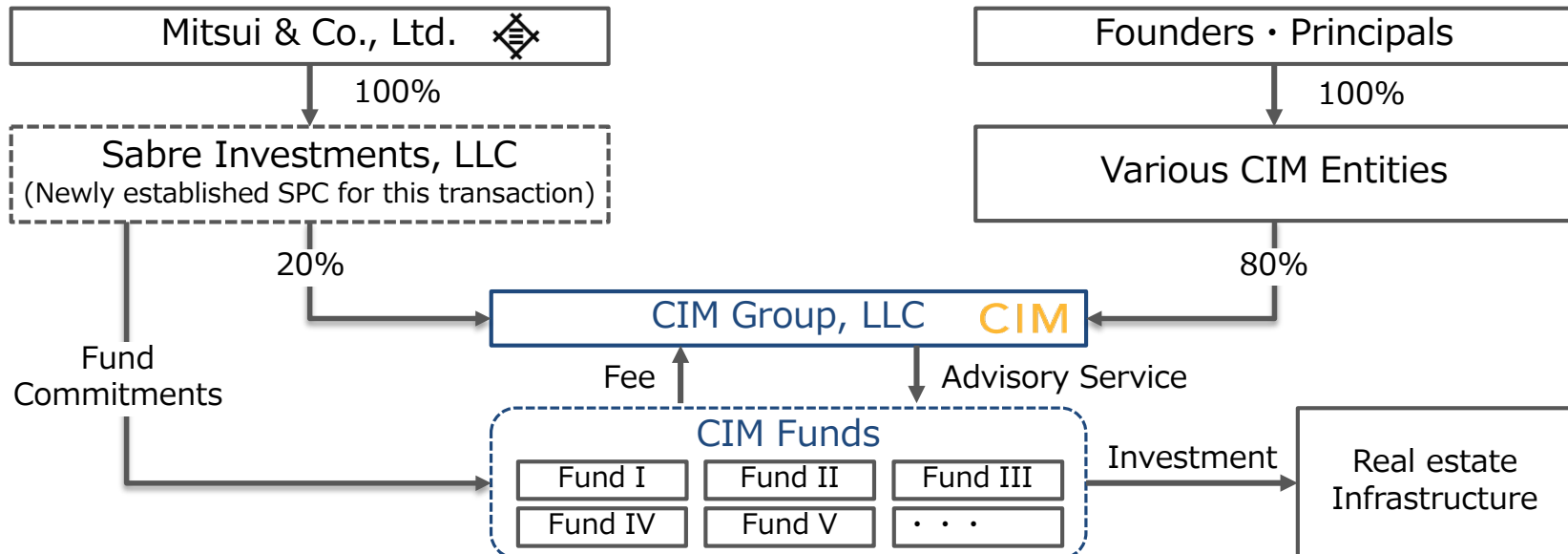
Topics

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1. Outline of Mitsui's Investment

Mitsui will acquire a minority interest in a US real estate asset manager CIM Group, LLC ("CIM"), and invest in CIM's funds.

Mitsui's Ownership	20% (Investment in CIM)
Investment Amount	Total investment of USD 450 - 550 million, with adjustments based on terms of the agreement.
Investment Timing	- Participation in CIM scheduled within FY ending March 2017. - Fund investments to follow for the next several years.

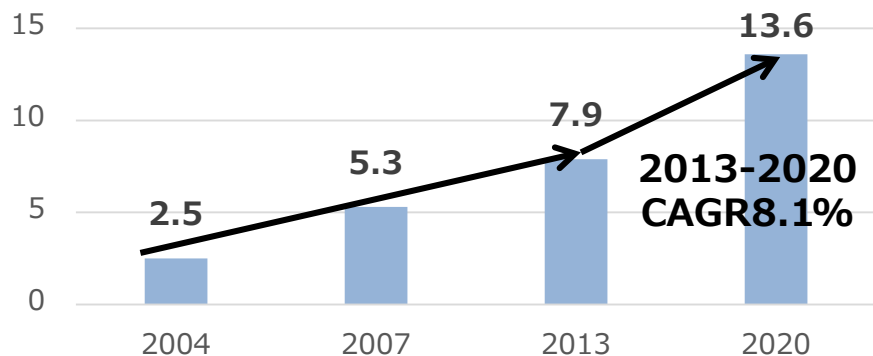


2. The Real Estate AM Market

- In the AM market, any non-traditional assets are generally known as “alternative asset”, including real estate, infrastructure, private equity, hedge funds etc.
- Globally, investment in alternative assets is expected to grow at CAGR of over 8% through 2020.
- Real estate, especially US real estate, is one of the largest asset class in the alternative investment market.
- In Japan, the low interest rate environment has reduced investment return and Japanese investors’ capital is expected to flow increasingly into domestic and global real estate and infrastructure.

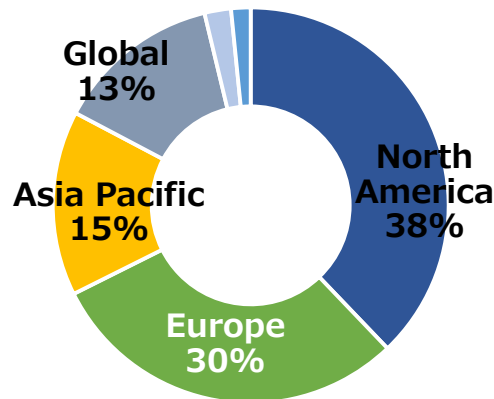
Global Alternative Assets

(US\$ in trillions)



Source: PwC

Real Estate Fund Raising by Region



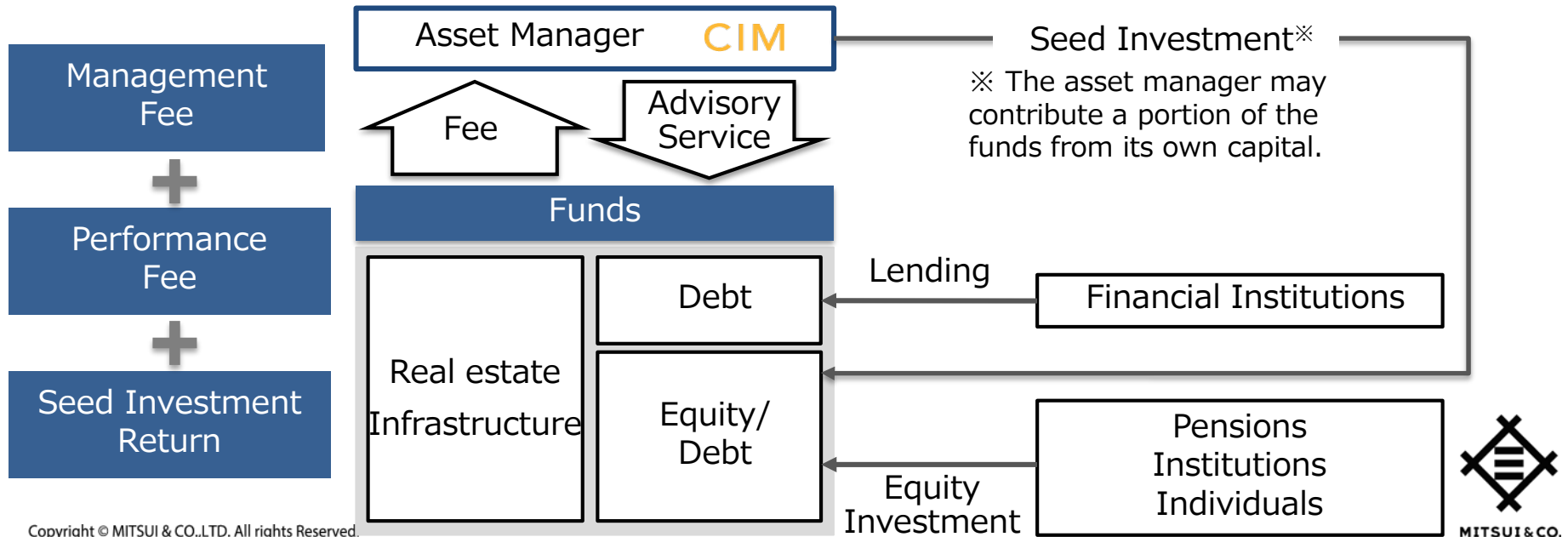
Source: PERE



3. CIM Overview(1)

Establishment	1994
Head Office	Los Angeles, CA (U.S.A.)
Representative	Avi Shemesh / Co-Founder and Principal
Business	Asset management business primarily targeting urban real estate and infrastructure assets in North America.
Employees	615+ (as of end of September, 2016)
AUM	US\$19.2 billion (as of end of September, 2016)

< Business Model >



3. CIM Overview(2)

< Strength of CIM >

Fund Raising Capability

- Global top 20 real estate fundraising in the last 5 years*.
- Investor base includes 70+ global institutions.

Community Focused

- Focus on specific urban submarkets (“Qualified Communities”) meeting qualification criteria that CIM believes will support outsized rent growth /capital appreciation.

Vertically Integrated

- Integrated, full-service investment manager with in-house research, acquisition, development, leasing capabilities.

Sourcing Capability

- Community perspective, which CIM believes provides a significant competitive advantage in sourcing attractive, proprietary investment opportunities.
- Sector-agnostic focus including retail, residential, office, parking, hotel, signage, and mixed-use.

Investment Discipline

- Investment strategy relies on improved asset and community performance, not cap rate compression or financial engineering.
- Judicious use of leverage and diligent underwriting scenarios.

*PERE’s Annual Ranking of the Largest Private Real Estate Firms in the World – 2016 Edition.

3. CIM Overview(3)

< Representative Investments >



Hollywood & Highland® Center / Los Angeles



2Cal (Two California Plaza) / Los Angeles



432 Park Avenue® / New York



11 Madison Avenue / New York

4. Strategic Rational and Mitsui's Value-Add

< Strategic Rational >

- Expand Mitsui's real estate AM business to US, globally the largest and most advanced market.
- Enhance Mitsui's global assets under management ("AUM") and profit base.

< Mitsui's Value-Add >

- Strengthen CIM's customer base by utilizing Mitsui's network and knowledge in the Japanese real estate AM market.
- Introduce CIM's funds to the Japanese market through Japan Alternative Investment Co., Ltd., Mitsui's wholly-owned subsidiary, to provide alternative strategy in the current low interest rate environment.

5. History of Mitsui's Asset Management Business

Japan

Founded Japan Alternative Investment Co.

2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

Listed first dedicated logistics J-REIT

 Japan Logistics Fund, Inc.



Acquired 5 properties from Mitsui as seed assets

Founded Mitsui & Co., Logistics Partners

Retail / office / residential funds (Co-Managed with Kenedix)

Founded Mitsui & Co., Realty Management

Founded the first logistics private fund



Founded healthcare fund

Founded the second logistics private fund



Founded solar energy fund



Founded logistics development / office fund



Founded Mitsui Bussan & Idera Partners Co., Ltd
Listed comprehensive J-REIT





Founded Mitsui & Co., Asset Management Holdings

Overseas

Participated in listed REIT business in Singapore





Founded infrastructure fund focused on emerging markets





Participated in listed REIT business in Thailand





Invested in AM company of infrastructure debt funds in Australia





360° business innovation.



MITSUI & CO.