



Energy Segment

June 22, 2012

Mitsui & Co., Ltd.
Energy Business Unit I & Energy Business Unit II

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) change 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.



Agenda

MITSUI & CO., LTD.

- Energy Segment in Mitsui
- Overview
- Strategy in each operating business field
- Topics
- Q&A



Agenda

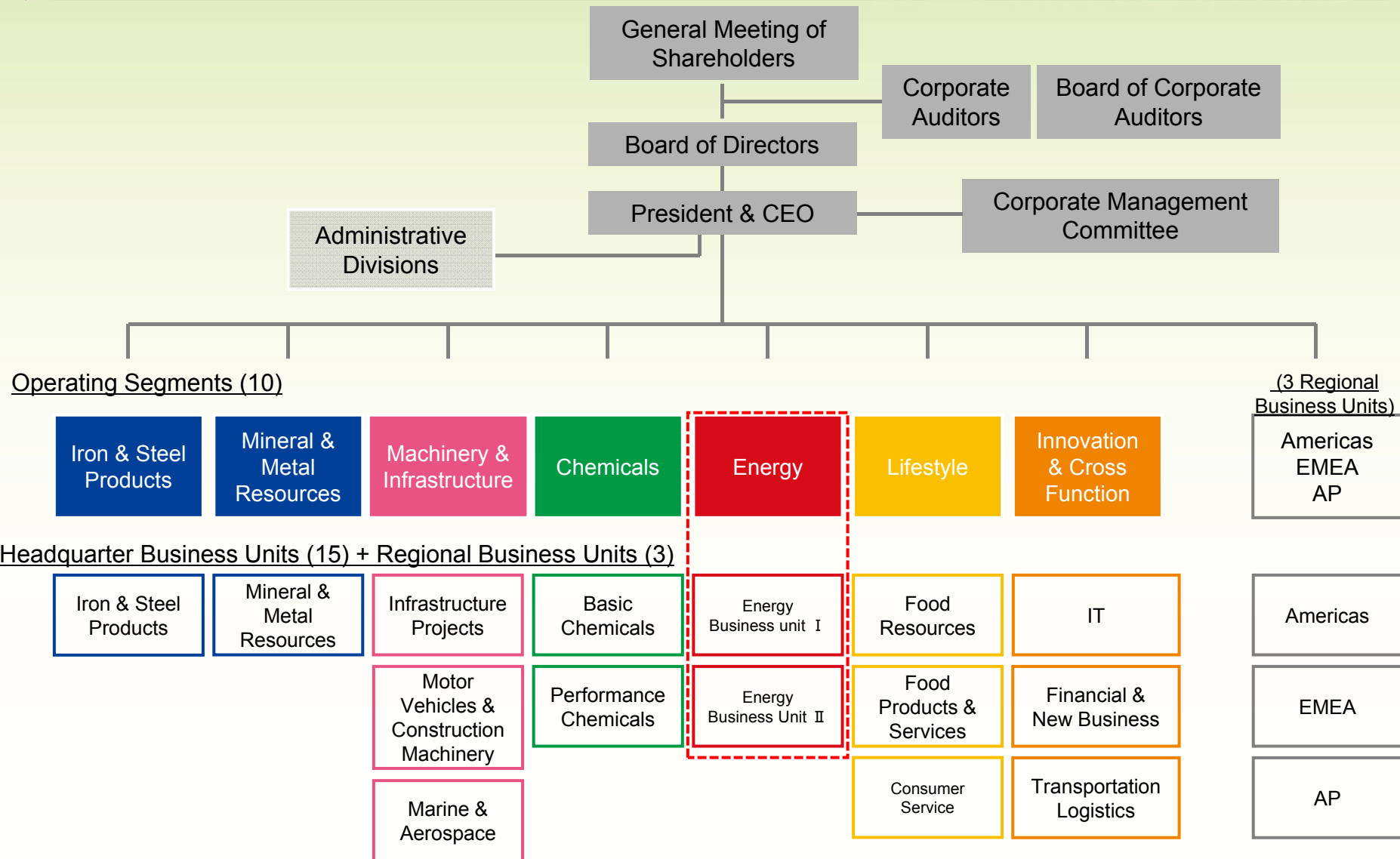
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Energy Segment in Mitsui

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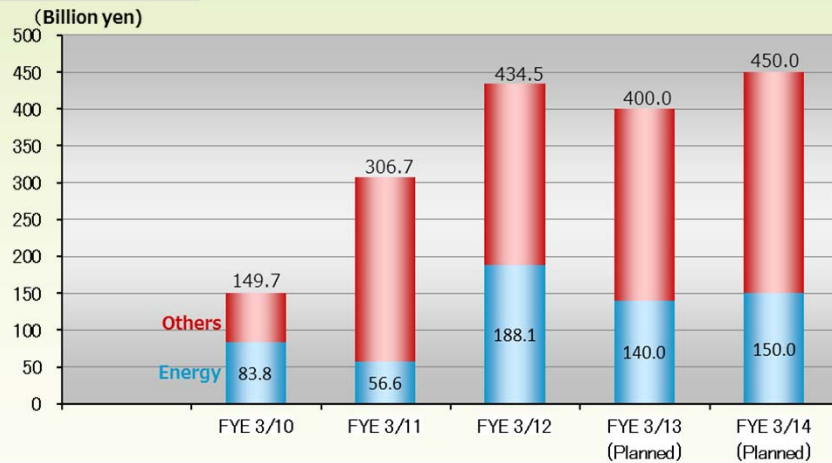


Energy Segment in Mitsui

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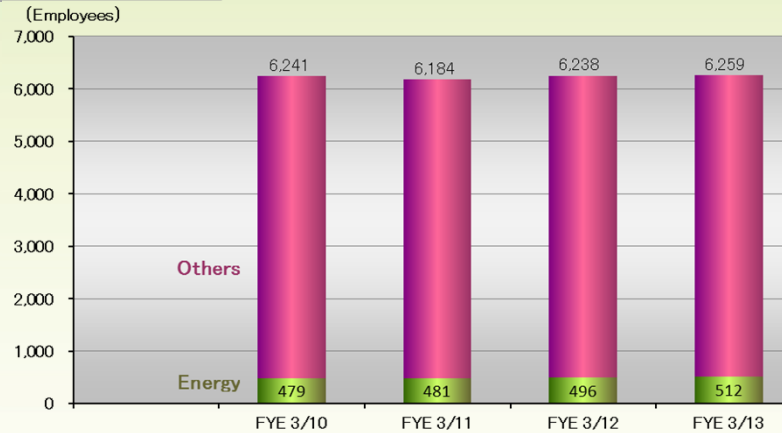
Consolidated Net Income

※Consolidated Net Income attributable to Mitsui & Co., Ltd.



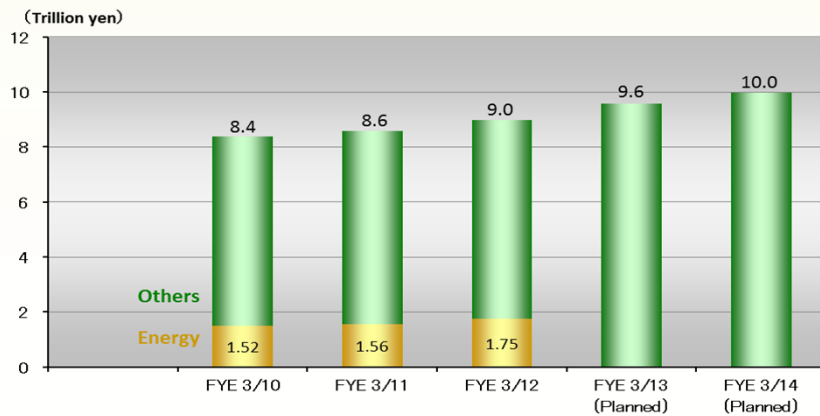
Number of Employees

※At each Fiscal Year Beginning (April 1st)/Non-consolidated



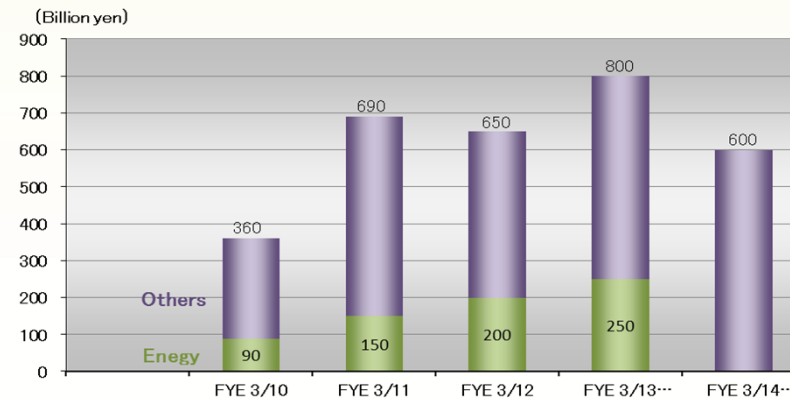
Gross Asset

※At each Fiscal Year Ending (March 31st)



※Including the energy segment, the amount of total assets is planned to be 9.6 trillion(FYE 3/13), 10 trillion(FYE 3/14).

Investment



※Including the energy segment, the investment amount in FYE 3/14 is planned to be 600 billion yen.



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Business Fields and Activities

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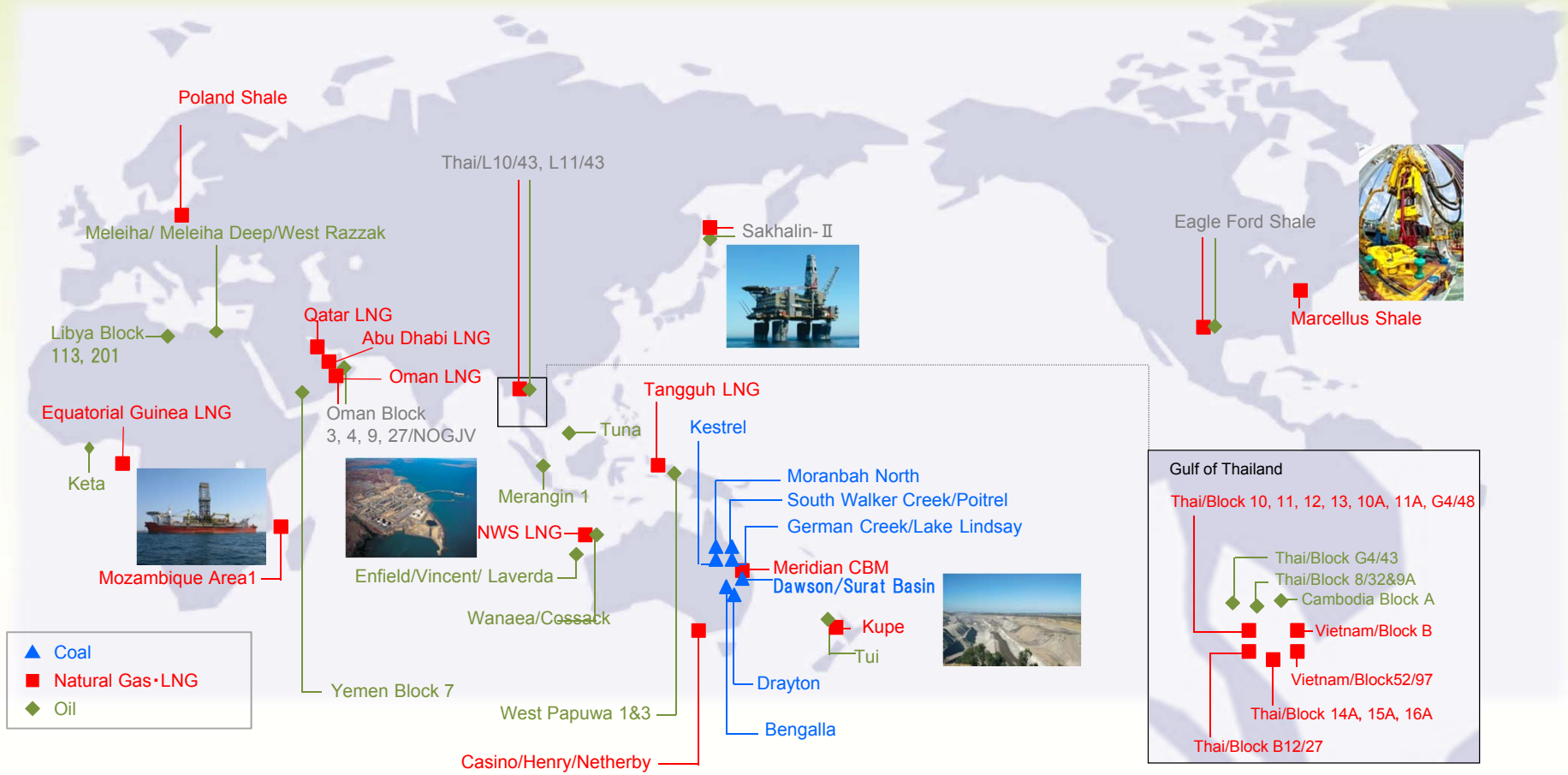
<u>Business Fields</u>	<u>Activities</u>	<u>Major subsidiaries and associated companies</u>
Oil & Gas Upstream (E&P)	Oil & Natural Gas Exploration, Development, Production	Mitsui E&P Australia Mitsui E&P Middle East MOECO Mitsui E&P USA Mitsui E&P Texas
Coal	Coal Development, Production, Import, Intermediate Trading	Mitsui Coal Holdings BHP Mitsui Coal
Oil Trading & Marketing	Importing & Exporting Crude Oil/ Petroleum Products, Intermediate Trading, Domestic Petroleum Refinery, Oil/LPG Distribution	Mitsui Oil Co., Ltd. ENEOS GLOBE Corporation Mitsui Energy Trading Singapore
Nuclear Fuel	Uranium Mine Development, Nuclear Cycle Business	
LNG	Expansion of Existing LNG Business Commercialization of New Natural Gas	Mitsui Gas Development Qatar Mitsui Sakhalin Holdings Mitsui & Co. LNG Investment Mitsui E&P Mozambique Area I Japan Australia LNG (MIMI)
Gas Trading & Marketing	LNG Trading, Sales of North American Pipeline Gas	MMGS
Environmental Energy & New Energy	Biomass Energy, Emission Trading, Hydrogen, CNG, NGH, etc.	



Upstream Assets in Energy Business

MITSUI & CO., LTD.

End of March, 2012





Upstream Assets (Natural Gas/ LNG/ Oil)

MITSUI & CO., LTD.

End of March, 2012



	Exploration	Development	Production
Natural Gas LNG	<p>Australia: Laverda^{*1} and 19 other permits (MEPAU)</p> <p>New Zealand: PEP50119 and 3 other permits (MEPAU)</p> <p>Papua New Guinea: PPL285 (MEPAU)</p> <p>Thailand: Blocks L10/43^{*2}, L11/43^{*2} and 4 other permits (MOECO)</p> <p>Vietnam: Blocks B, 52/97^{*1} (MOECO)</p> <p>Cambodia: Block A (MOECO)</p> <p>Indonesia: Merangin I, Tuna, West Papuwa I-III (MOECO)</p> <p>Poland: Poland Shale (MEPPOL)</p> <p>Oman: Block 3, 4^{*1} (MEPME)</p> <p>Egypt: Meleiha Deep (MEPME)</p> <p>Yemen: Block 7 (MEPME)</p> <p>Libya: Block 113, Block 201 (MOECO)</p> <p>Mozambique: Area1 (MEPMOZ)</p> <p>Ghana: Keta (MEPGK)</p>	<p>U.S.A: Marcellus Shale (MEPUSA) ^{*3}</p> <p>Eagle Ford Shale (MEPTX) ^{*3}</p> <p>Australia: Meridian CBM (MEPAU) ^{*3}</p>	<p>Russia: Sakhalin II LNG (Sakhalin Energy)</p> <p>Australia: NWS LNG (JAL-MIMI), Casino/Henry/Netherby, Meridian CBM (MEPAU)</p> <p>New Zealand: Kupe (MEPAU)</p> <p>Thailand: Blocks 10.11.12.13.10A.11A.G4/48, Block B12/27, Blocks 14A.15A.16A, Blocks 8/32&9A, Block G4/43 (MOECO)</p> <p>Indonesia: Tangguh LNG (KG Berau/KG Wiriagar)</p> <p>U.S.A: Marcellus Shale (MEPUSA) Eagle Ford Shale (MEPTX)</p> <p>Qatar: Qatargas 1 LNG (MILNED) Qatargas 3 LNG (Mitsui Qatargas 3)</p> <p>Oman: NOGJV (MEPME) Oman LNG (MITLI)</p> <p>Abu Dhabi: Abu Dhabi LNG (MITLI)</p> <p>Republic of Equatorial Guinea: Equatorial Guinea LNG (MITLI)</p>
	Oil		<p>U.S.A: Eagle Ford Shale (MEPTX) ^{*3}</p>

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



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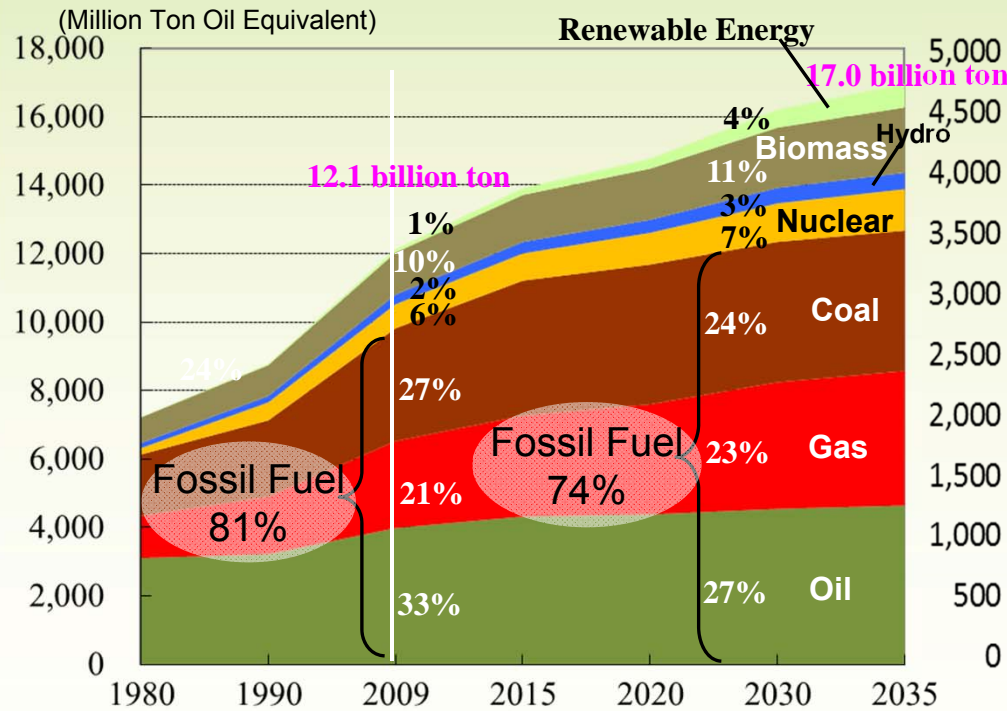
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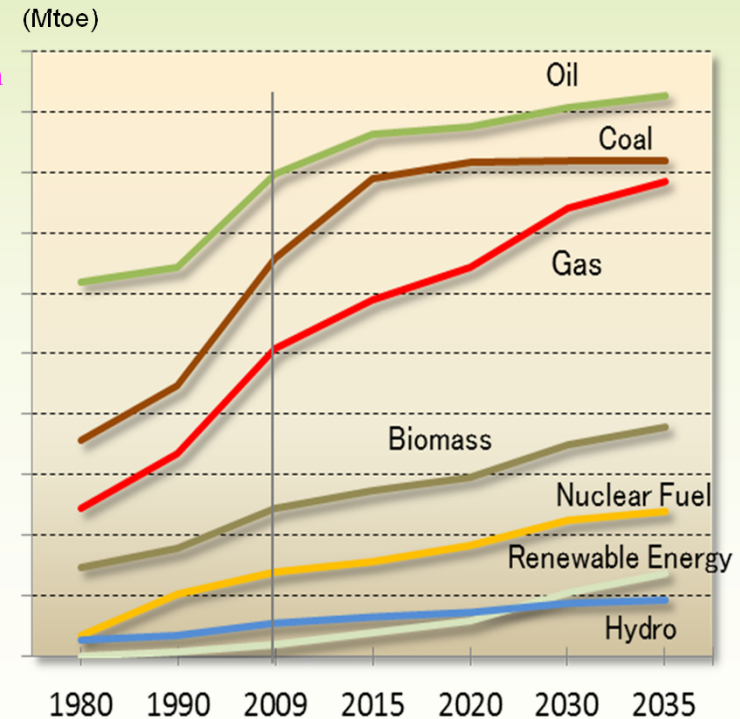


Business Environment ① (Outlook for primary energy demand)

World Primary Energy Demand Outlook



World Primary Energy Demand Outlook



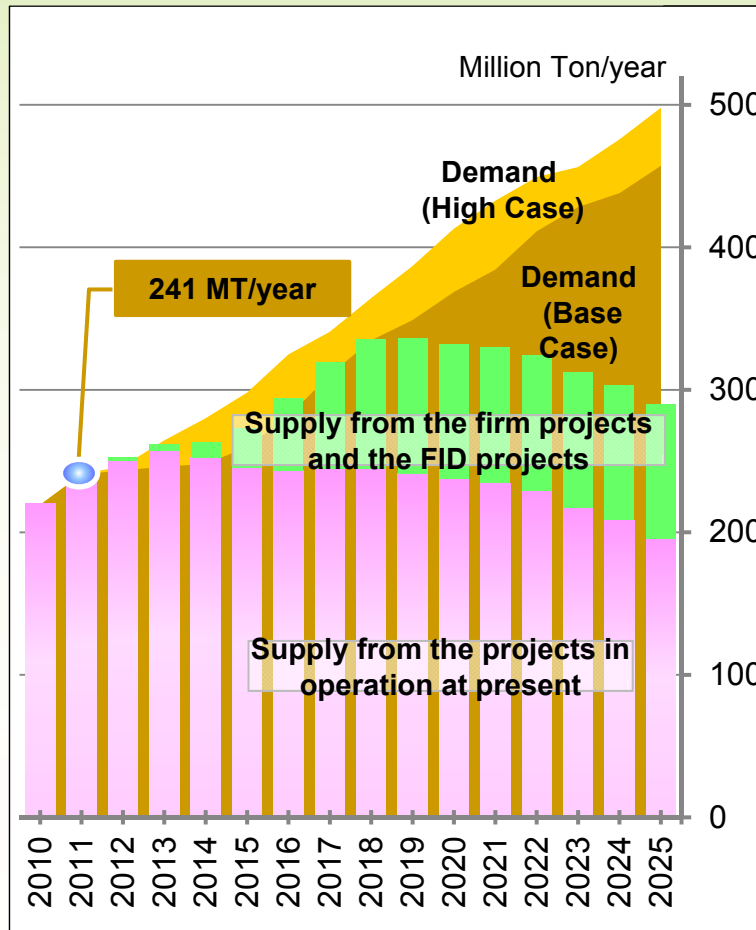
Source: IEA World Energy Outlook2011

- Based on the growth of population and economy in emerging countries such as China and India, the demand for primary energy continues to increase.
- Fossil fuels continue to play a major role in primary energy. Demand for natural gas will increase drastically.

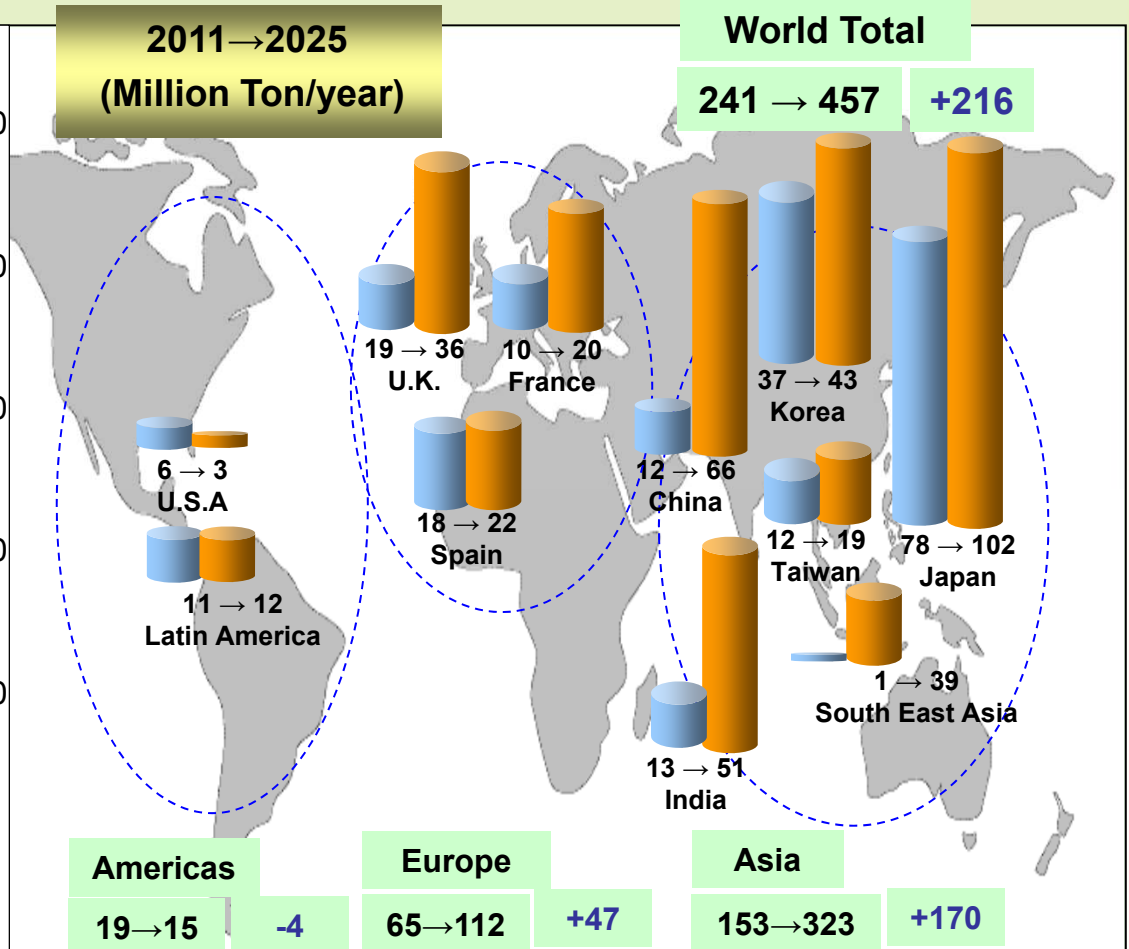


Business Environment ② (Outlook for LNG Demand-Supply)

LNG Demand-Supply Outlook



LNG Demand Outlook by regions (Base Case)



Source: Demand Base Case—WoodMackenzie, Demand High Case—Our estimates
Supply—Partly our estimates based on WoodMackenzie's outlook

Source: WoodMackenzie

Widening geographical imbalance of natural gas demand-supply leads to increase in LNG demand



Strategies of Each Business Field

	Upstream	Trading & Marketing	Environmental Biz. New Energy
Vision	<ul style="list-style-type: none"> • Holding a balanced (regions, products, development phases, partners) and substantial asset portfolio and contributing to Mitsui's profit • Having advanced capabilities to improve asset value 	<ul style="list-style-type: none"> • Contributing to stable profit and meeting needs of customers through stable supply and demand-supply adjustment • Superior market intelligence • Marketing capabilities that enable access to good quality assets 	<ul style="list-style-type: none"> • Part of energy business portfolio to complement fossil fuel related business
Key Strategies	<ul style="list-style-type: none"> • Optimize asset portfolio and accumulate good quality assets • Strengthen partnership strategies • Evolution of business model <ul style="list-style-type: none"> ✓ Pursue upside potential by participation in projects during the early stages ✓ Strengthen technical capabilities (selection of assets; improvement of asset value; Mitsui's presence in the industry) ✓ Participation in operation (E&P/coal; start from low risk projects) 	<ul style="list-style-type: none"> • Seek regional and functional expansion based on existing business to strengthen marketing capabilities • Continuous value improvement of petroleum refining and oil products sales business in Japan • Evolution of business model <ul style="list-style-type: none"> ✓ Respond to commoditization of LNG and coal ✓ Pursue new market in Asia 	<ul style="list-style-type: none"> • Pursue emission trading • Pursue participation in biomass fuel business • Pursue new technology for commercialization of small to medium-sized gas fields (CNG, NGH, etc.)

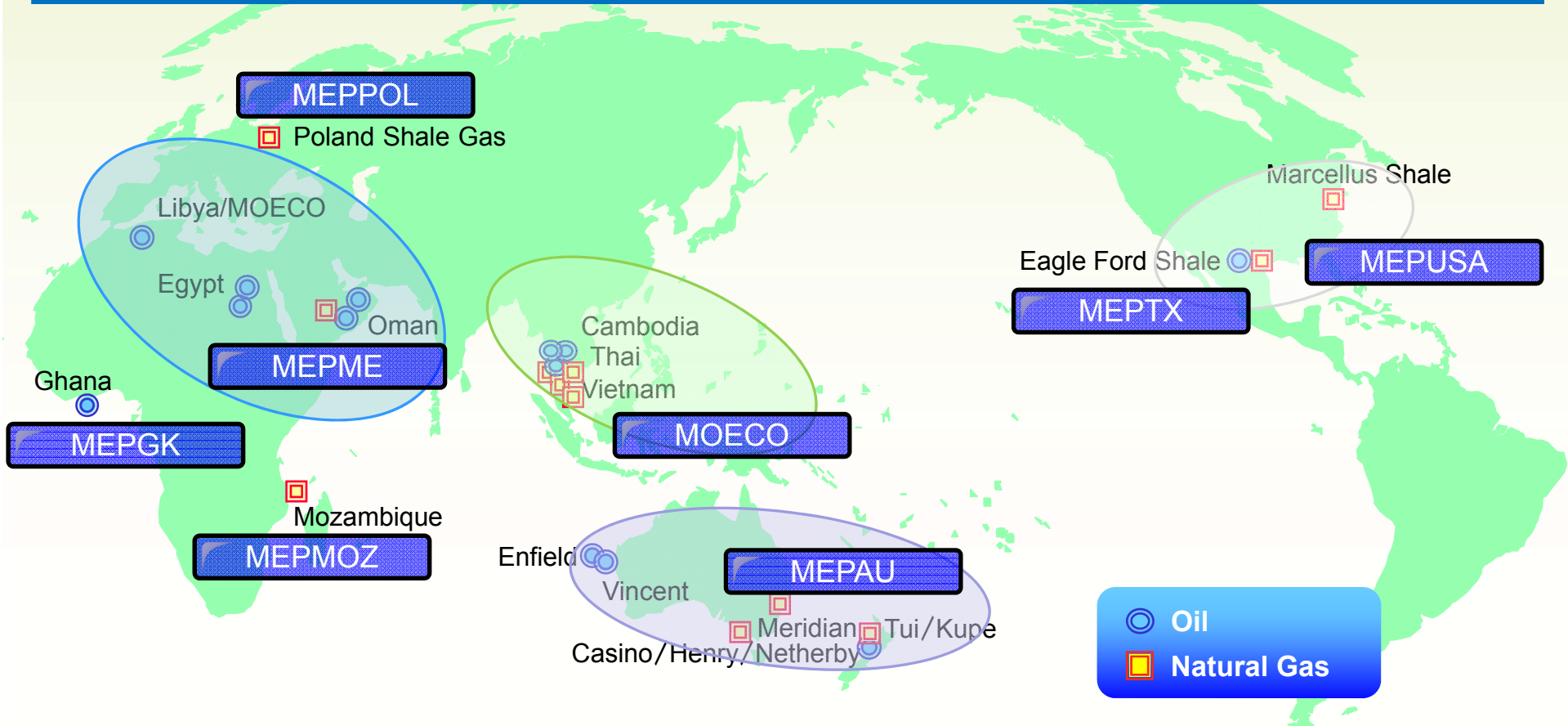




E&P Business

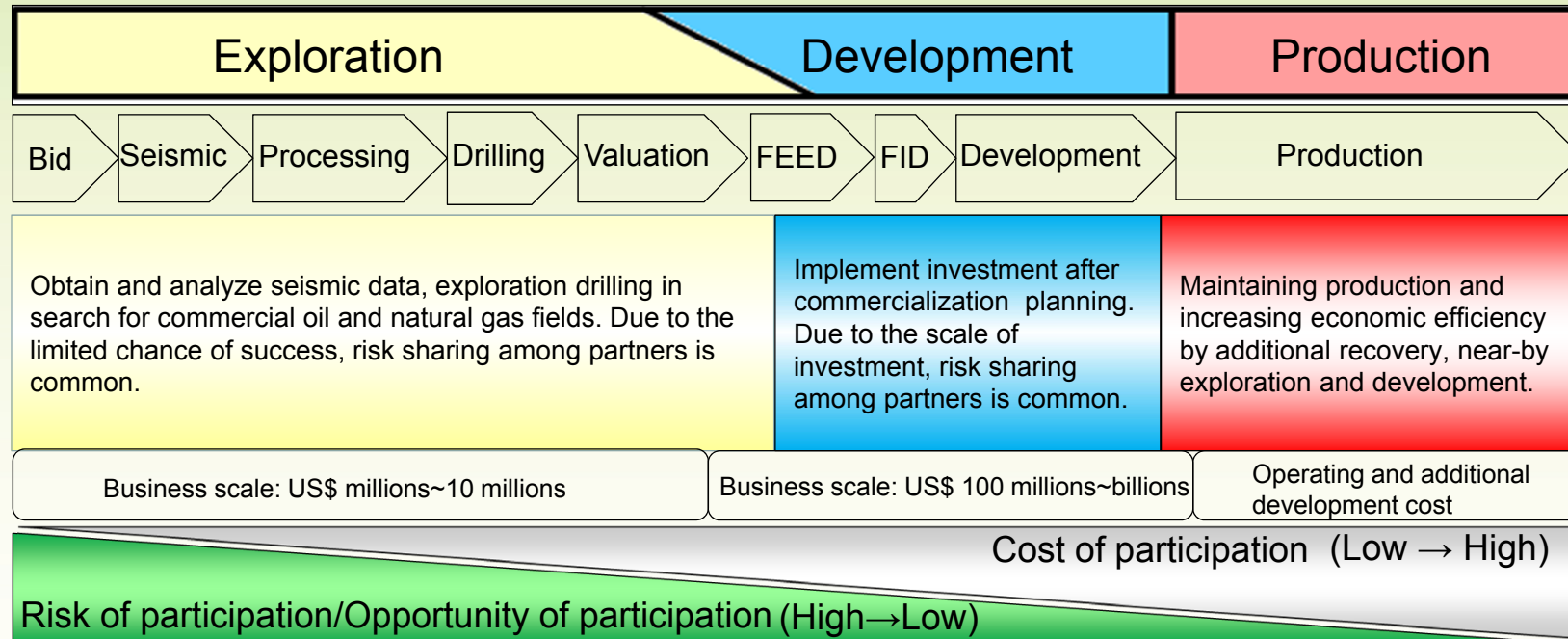
Business description

- Developing a global portfolio by obtaining oil & gas upstream assets through core companies: Southeast Asia (MOECO), Oceania (MEPAU), Middle East (MEPME), North America (MEPUSA, MEPTX), Mozambique (MEPMOZ)
- Investing in good quality assets, project management & implementation as a non-operator





E&P Flow



- Opportunity to participate in a project at each stage (exploration, development, production).
- Continuous cycle of exploration, development and production due to decline in reserve according to production.
- Risk diversification achieved through a well-balanced portfolio (regions, products, development phases, partners).

2010

	Excluding Mozambique	Including Mozambique
Number of wells drilled	16	21
Success rate of exploration	50%	52%
Exploration cost per barrel	\$3.7	\$0.4

2011

	Excluding Mozambique	Including Mozambique
Number of wells drilled	33	35
Success rate of exploration	67%	69%
Exploration cost per barrel	\$1.7	\$0.3

※The number of wells drilled includes near-by exploration in producing or already found on-shore/off-shore oil and gas fields, as well as some exploration wells of partly appraisal nature.

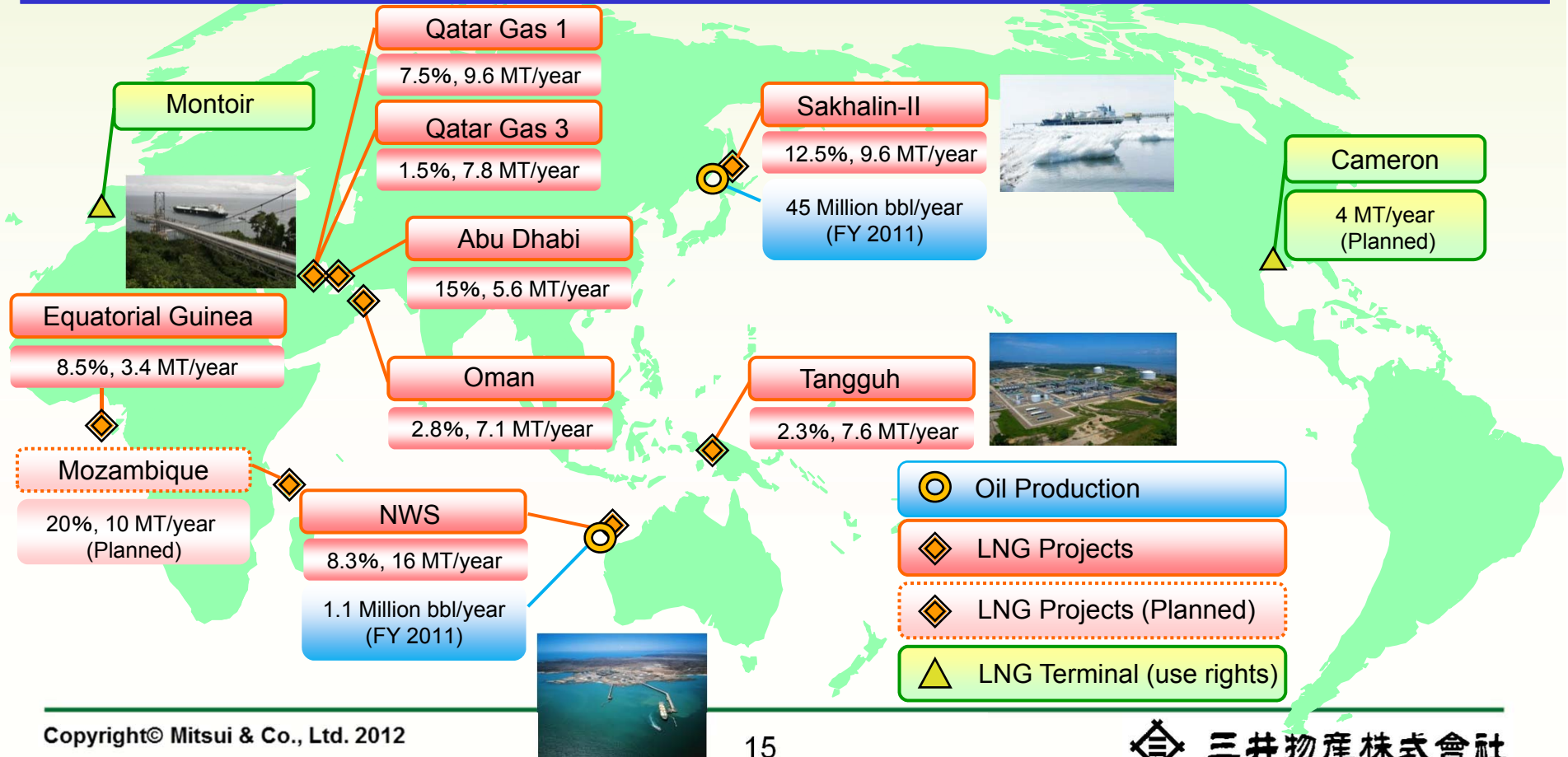
※The exploration cost per barrel includes dry hole cost.



LNG Business

Business description

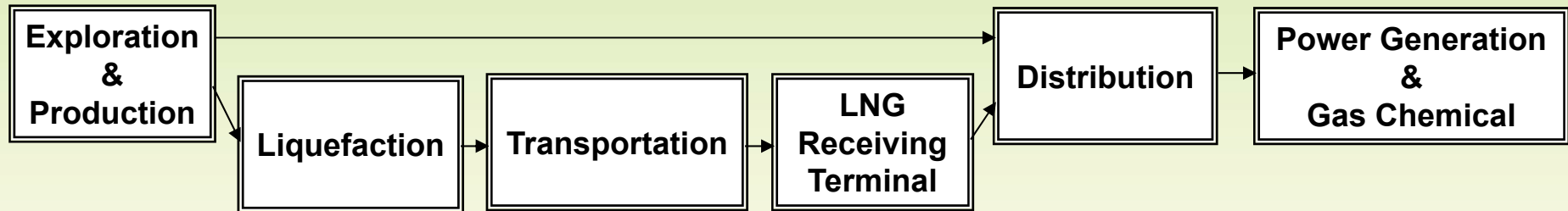
- Since Mitsui participated in the Abu Dhabi LNG project in the 1970s, Mitsui has entered into the whole spectrum of the LNG value chain -production, transportation and marketing-. Mitsui has invested in 8 LNG projects, all of them are in production with efficient management and stable operation.
- Discovery of a world-class natural gas reserve off the coast of Mozambique. Studies in progress for development as a new LNG project.





Gas Value Chain

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- Blocks in
- Australia
 - New Zealand
 - Thailand
 - Cambodia
 - Vietnam
 - Indonesia
 - Oman
 - UAE
 - Qatar
 - Russia
 - Libya
 - Mozambique
 - Poland
 - USA (Shale)
 - Canada, etc

- Sakhalin-II/Russia
- ADGAS/Abu-Dabi
- Qatargas1&3/Qatar
- Oman & Qalhat LNG /Oman
- NWS/Australia
- Equatorial Guinea
- Tangguh/Indonesia

- Qatargas/1 vessel
- Rasgas II · III /9 vessels
- Snohvit/2 vessels
- CPC/4 vessels
- Angola LNG /4 vessels
- Kyushu Electric Power /1 vessel
- Spot LNG fleet /4 vessels (total 25 vessels)

- Manzanillo/Mexico
- Montoir/France (Capacity Usage)

- Malhas PL/Brazil
- Blue Stream /Russia
- Cabiunas/Brazil
- Mitsui Gas (LDC)/Brazil

- Gas Power Generation
- MT Falcon,Valladolid/ Mexico
 - Saltend/UK
 - Eco Electrica/ Puerto Rico
 - Ontario/Canada

- Gas Chemical
- International Methanol Company/Saudi Arabia
 - Kaltim Pasifik Amoniak/ Indonesia

- Equity Investment Project (or tanker owned by Mitsui)
- EPC/finance

- Mitsui participates in the whole spectrum of the 'LNG value chain'.
- Mitsui plays the role of LNG project organizer.



Oil & Natural Gas E&P/LNG business key strategies

- Optimize asset portfolio (regions, products, development phases, partners) and accumulate good quality assets
- Strengthen partnership strategies
- Evolution of business model (participation in projects during the early stages, strengthening technical capabilities, participation in operation).

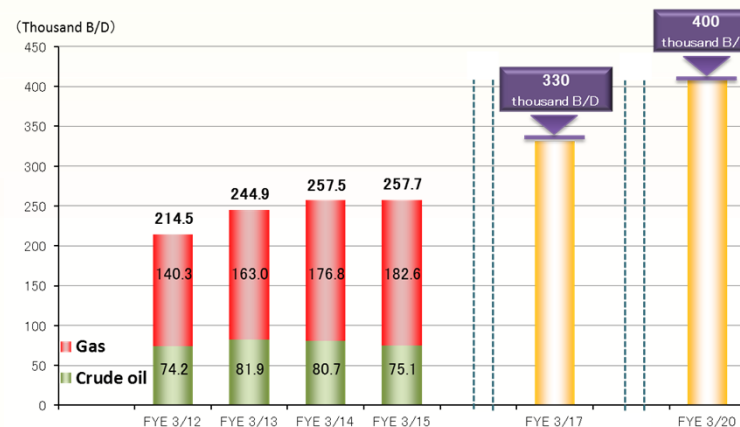
Oil & Natural Gas E&P

- ✓ Strengthen earning base in focus regions (Southeast Asia, Australia, Middle East, U.S.)
- ✓ Pursue exploration opportunities
- ✓ Improve technical capabilities and global management organization
- ✓ Develop business in new region
- ✓ Obtain producing assets to contribute to reserve, production, profit

LNG business

- ✓ Strengthen capabilities that lead to gas commercialization of asset value enhancement
- ✓ Concentrate on Mozambique and Browse project, and expansion of the existing assets
- ✓ Take full advantage of Mitsui's ability to make comprehensive proposals to frontier resource-rich countries (infrastructure, finance, education, agriculture, etc.)

Production Image



※Mitsui's equity production between FYE 3/12-3/15 only includes existing and already FID'd assets.

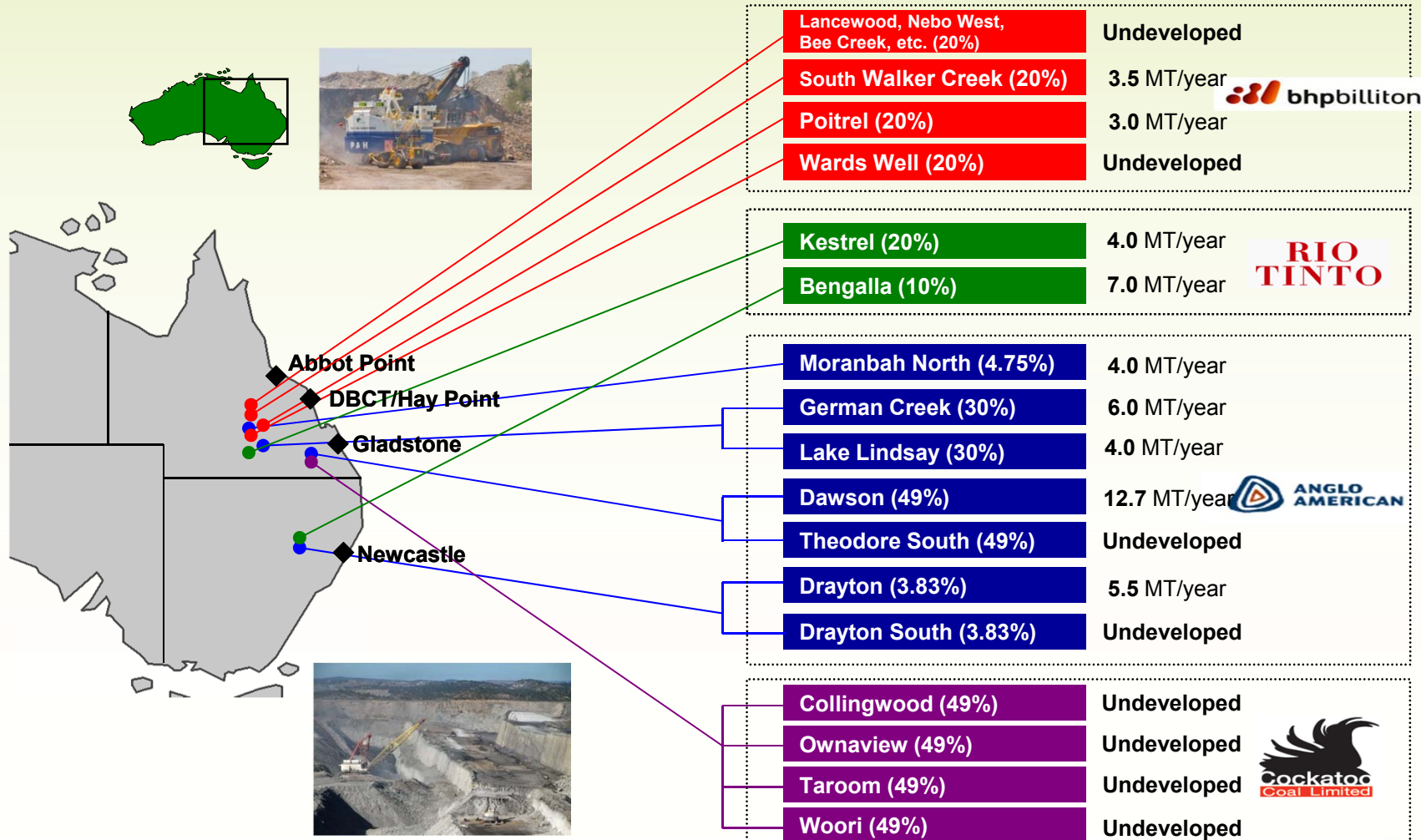


Coal Business

Business Domain

- Coal mine development and production in Australia with mining majors (Anglo, BHP, Rio Tinto)
- Feasibility study to develop the undeveloped mines

※Production capacity





Coal Business

Key strategies to achieve the vision

- Expansion of existing assets (Kestrel, Bengalla, etc.)
- Commencement of production of undeveloped coal mines (Wards Well, Theodore South, etc.)
- Pursue new regions
- Develop and strengthen relationship with new partners
- Strengthen technical capabilities of Mitsui Coal Holdings

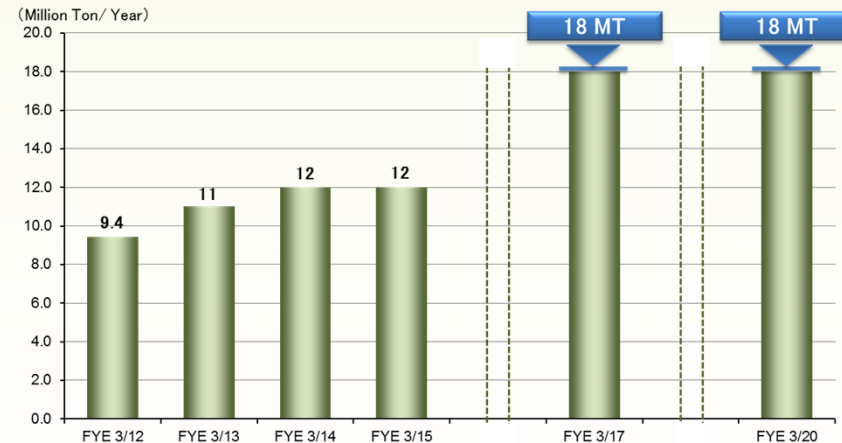
Plans for undeveloped mines

	FID (planned)	Production Start (planned)	Production capacity
Wards Well	2013	2017	5.5 MT/ year
Theodore South	2015	2017	5-10 MT/ year
Drayton South	2013	2015	5 MT/ year
Collingwood	2013	2015	4.2 MT/ year

Expansion Plans

	Expansion (planned)	production capacity
Kestrel	2013	4.0→6.5 MT/ year
Bengalla	2012	7.0→9.3 MT/ year

Production Image



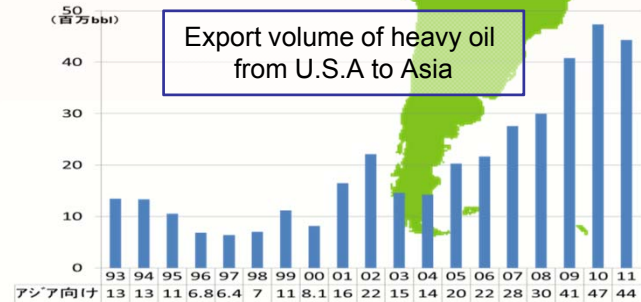
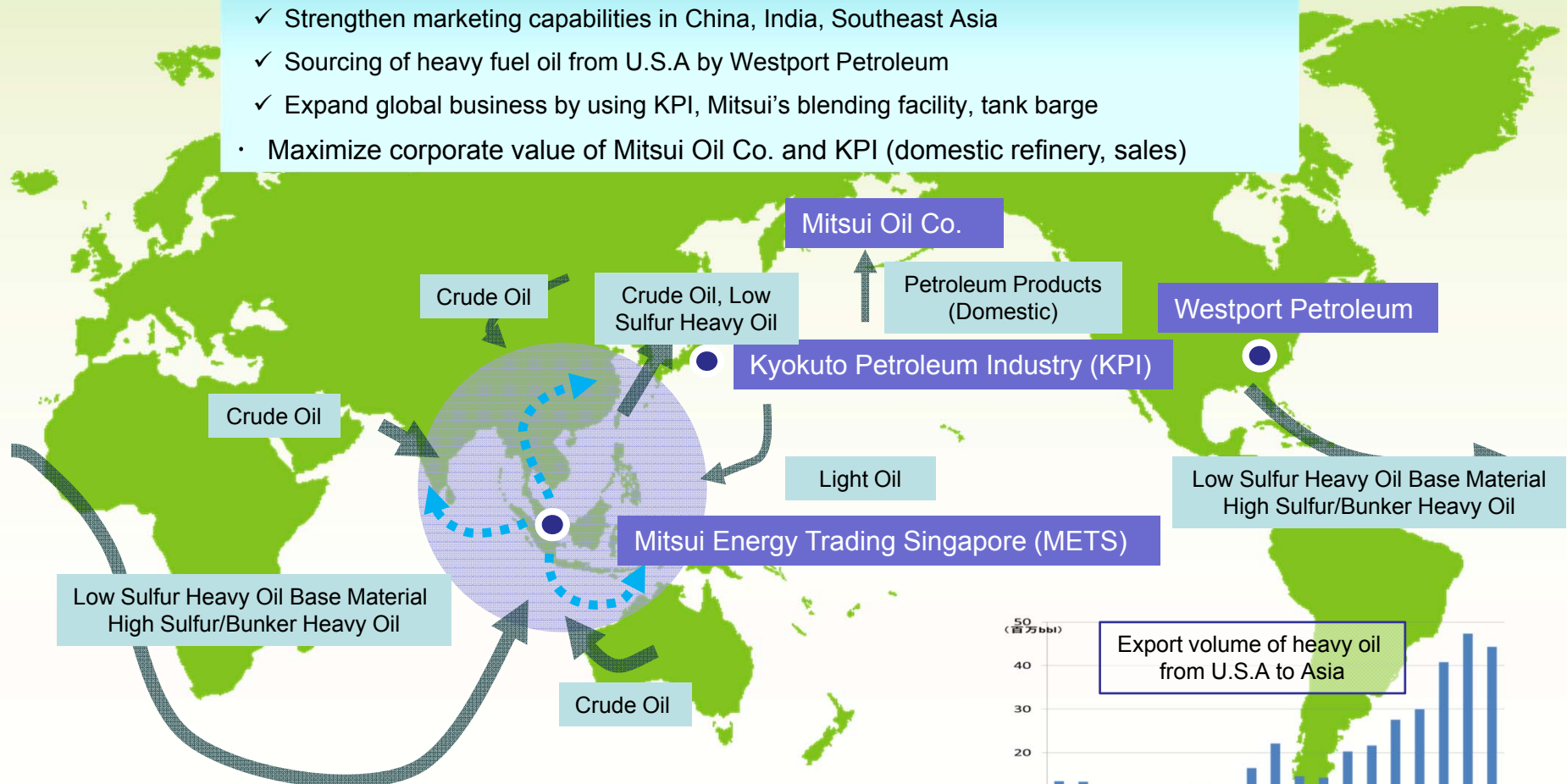
※Mitsui's equity production between FYE 3/12-3/15 only includes existing and already FID'd assets.



Oil Trading & Marketing Business

Key strategies to achieve the vision

- Enhance global trading through METS
 - ✓ Strengthen marketing capabilities in China, India, Southeast Asia
 - ✓ Sourcing of heavy fuel oil from U.S.A by Westport Petroleum
 - ✓ Expand global business by using KPI, Mitsui's blending facility, tank barge
- Maximize corporate value of Mitsui Oil Co. and KPI (domestic refinery, sales)





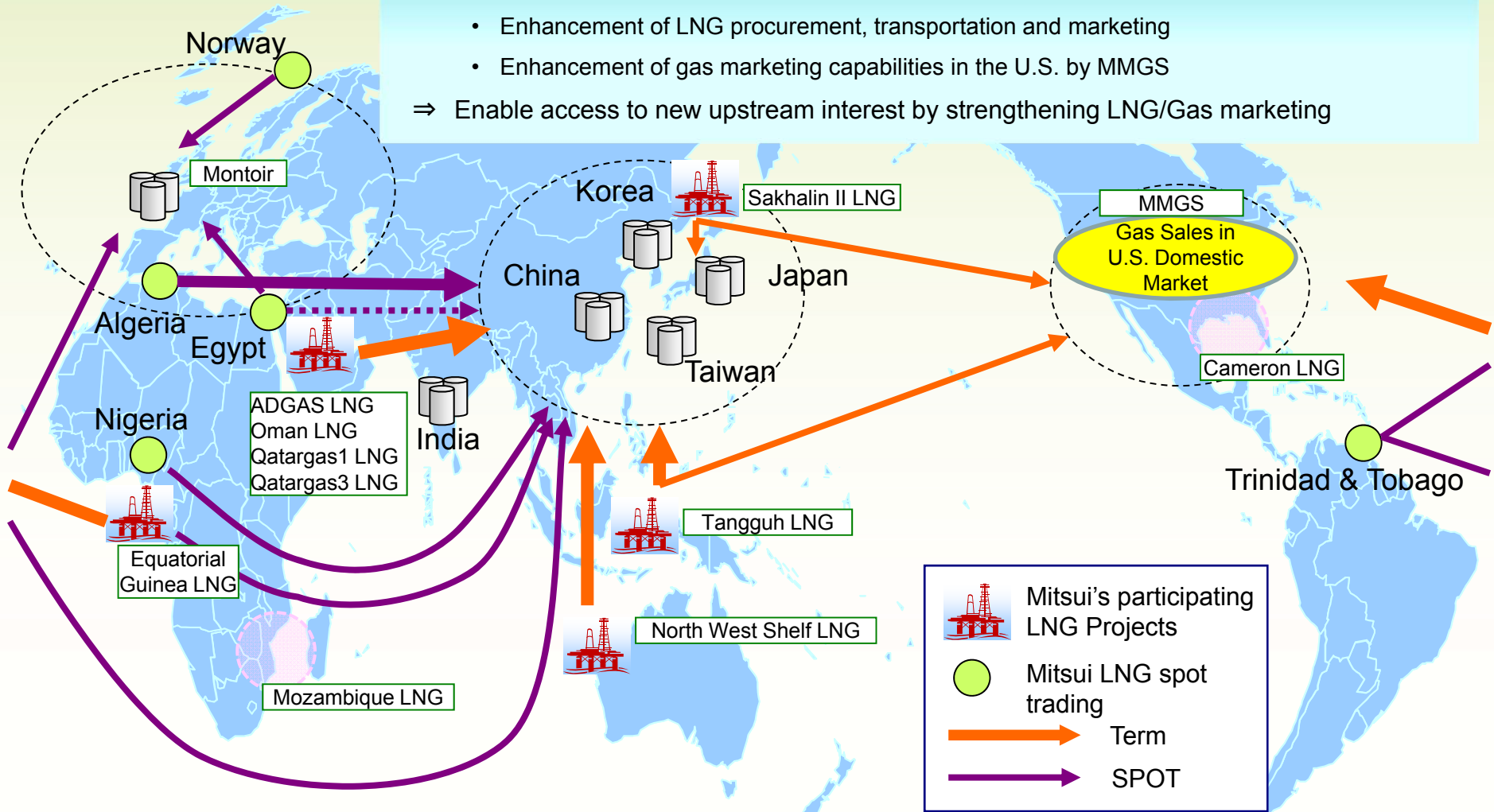
Gas/LNG Trading & Marketing Business

Key strategies to achieve the vision

Strengthen gas/LNG marketing capabilities to the global market

- Enhancement of LNG procurement, transportation and marketing
- Enhancement of gas marketing capabilities in the U.S. by MMGS

⇒ Enable access to new upstream interest by strengthening LNG/Gas marketing





Other Energy Business

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Part of our energy business portfolio
to complement fossil fuel related business

Nuclear fuel/Key strategies

- Pursue stable nuclear fuel supply on a long-term basis, maintain nuclear fuel recycle, and study participation in uranium mine business

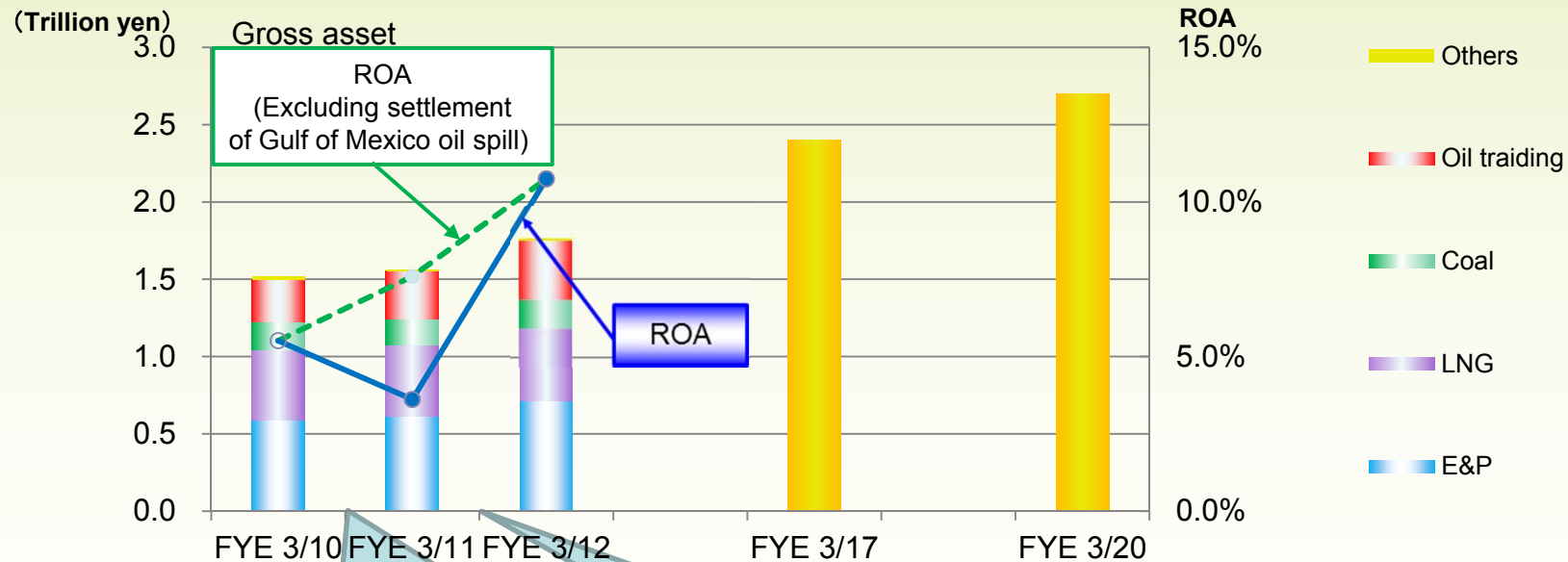
Environment & New Energy/Key strategies

- Pursue emission reductions business continuously and respond to the new framework
- Pursue participation in biomass fuel business continuously
- Select promising new energy (new generation biomass energy, hydrogen, etc.) and conduct study for commercialization
- Pursue new technology for commercialization of small to medium-sized gas fields (CNG, NGH, etc.)



Energy Segment Gross Asset (By business domain)

- Strategic accumulation of assets
- Maintain high investment efficiency through asset recycling



- Increase in Assets**
- Investment in shale projects
 - Investment in MOECO offshore Thailand project
 - Increase in current asset due to increase in oil price and trading volume
- Decrease in Assets**
- Depreciation
 - Reclassification of Mitsui Marubeni Liquefied Gas Co., Ltd. from a subsidiary to an associated company.
 - Sakhalin II capital redemption

- Increase in Assets**
- Investment in shale projects
 - Investment in MOECO offshore Thailand project
 - Investment in coal mines by MCH (Production of existing coal mines, expansion of Kestrel)
 - Increase in current assets due to increase in oil price and trading volume
- Decrease in Assets**
- Depreciation
 - Sakhalin II capital redemption
 - Divestiture of listed securities



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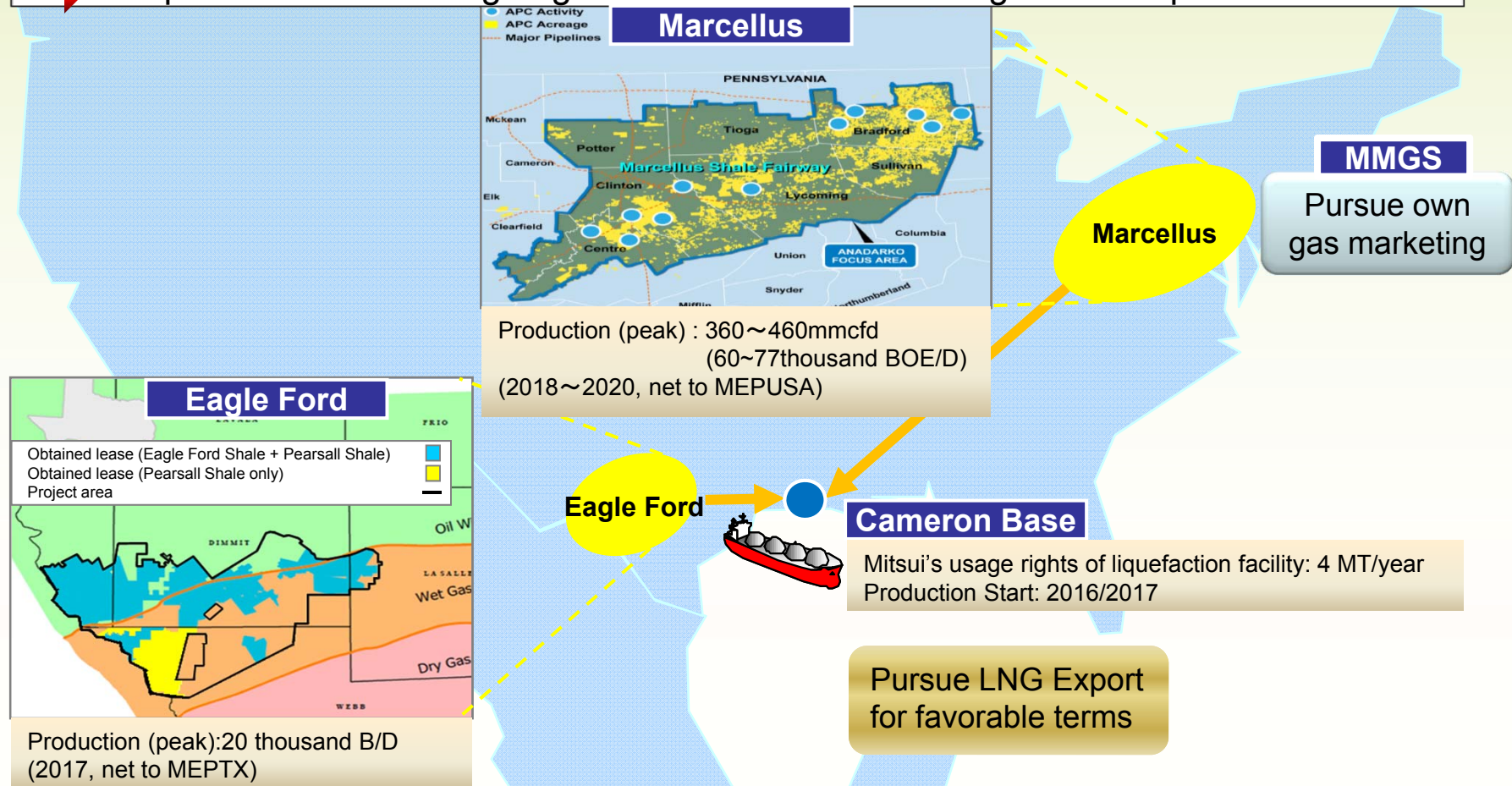
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U.S. Shale Business & Export Base

We expect US natural gas prices to increase due to demand-supply balance in the medium to long term

→ Importance of obtaining large-scale resources with long term competitiveness





Mozambique Area1 Project/Overview

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Project Partner

- Block: Rovuma Basin Offshore Area 1, Republic of Mozambique (Area: 10,565 km²)
- Water Depth: 0~2,000 m
- Equity holders:

	Anadarko (Operator)	36.5%
	Mitsui E&P Mozambique	20.0%
	ENH (NOC)	15.0%
	Bharat (India)	10.0%
	Videocon (India)	10.0%
	Cove Energy (U.K.)	8.5%

Project Status

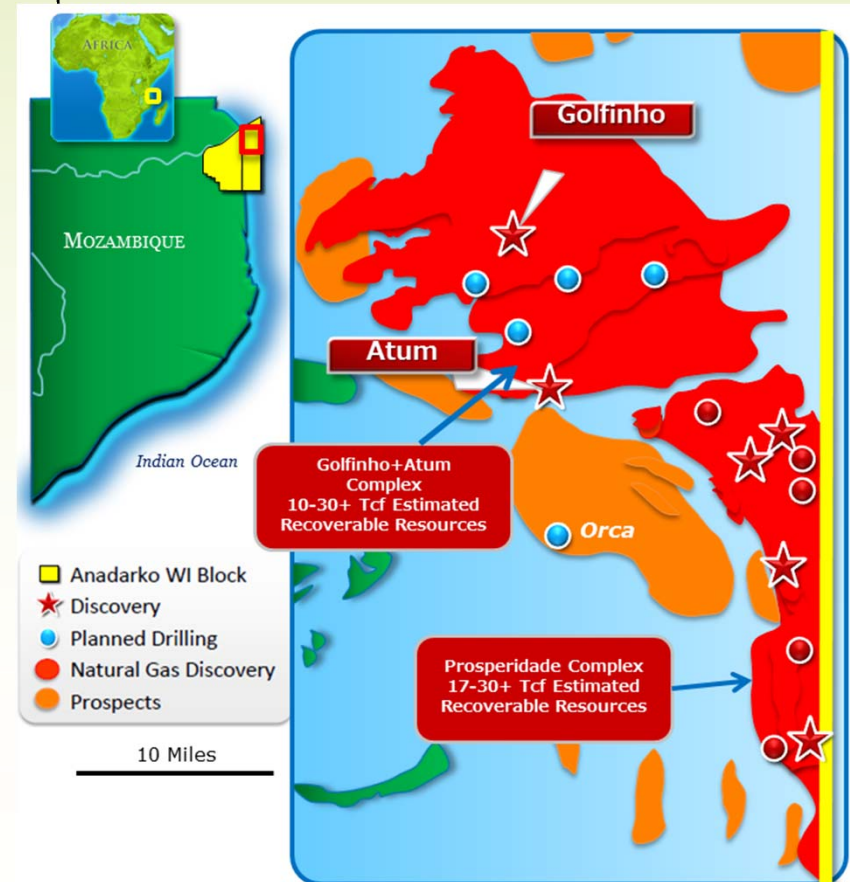
Commercialization of discovered gas

- Recoverable Natural Gas Resources: 30~60+TCF Prosperidade+Golfinho + Atum (announced by Anadarko)
- Liquefaction Scale: 5 MT x 2 Trains (Phase 1) ⇒ Possible expansion up to 6 trains
- FID: End 2013 (Planned) Production Start: 2018 (Planned)

Search for additional oil & natural gas resources

- Drilled 9 deep water wells since 2010 and found gas in 7 wells.
- Expectation of further vast oil & gas resources within unexplored areas of the block (southern part, northern part). Accelerate exploration targeting resource accumulation.

Area Map

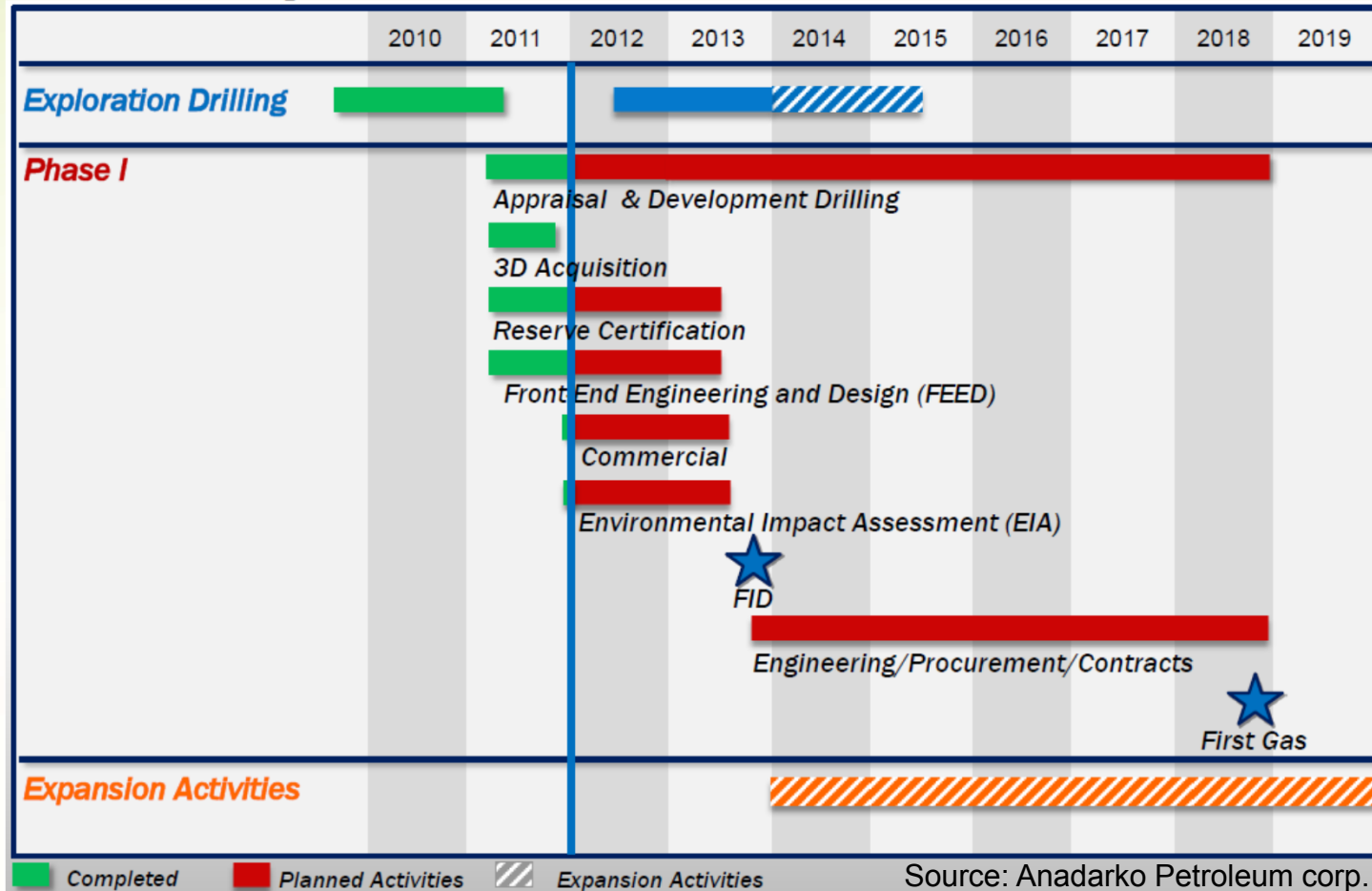


Source: Anadarko Petroleum corp.



Mozambique Area1 Project/ Schedule

- Completed Pre-FEED work. Now in process of selecting FEED contractors.
- FID is scheduled for the end of 2013. Production is scheduled to start in 2018.





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