

## Notice of the 95th Ordinary General Meeting of Shareholders

### Translated document

This notice has been prepared in English solely for the convenience of foreign readers, based on the *Shoushu-Gotsuchi* for Mitsui's 95th Ordinary General Meeting of Shareholders. The original report in Japanese is definitive.

### Terminology

In this translated report, the terms the "Company" or "Mitsui" refer to Mitsui & Co., Ltd.



**MITSUI & CO., LTD.**

## From the President



We are pleased to bring you notice of the 95th annual general meeting of shareholders.

Mitsui & Co., Ltd. has recently announced a new medium-term management plan, *Challenge & Innovation for 2020 : Demonstrating the Mitsui Premium*. This plan covers a three-year period in the context of our group vision for 2020.

Our aim with this plan is to create value by drawing on Mitsui's unique strengths, and in doing so demonstrate a 'Mitsui premium'. Accordingly, we will be pursuing a higher level of competitiveness, strengthening our front line business capabilities, and sharpening our approach to business development in a wide range of areas. By maintaining a constant focus on the needs of our customers, we want to contribute to economic vitality in the countries and regions we serve while also contributing to society as a trusted partner and corporate citizen.

On behalf of the board and our organization as a whole, I look forward to your ongoing support.

May 2014

Masami Iijima  
President and Chief Executive Officer  
Mitsui & Co., Ltd.

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Note : The term "the Group" refers to "corporate organizations" as defined in Article 120 (2), of the enforcement regulations of the Companies Act of Japan.

MITSUI & CO., LTD.  
2-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo  
May 29, 2014

To the shareholders of Mitsui & Co., Ltd. :

Notice of the 95th Ordinary  
General Meeting of Shareholders

You are cordially invited to attend the 95th Ordinary General Meeting of Shareholders (the “Meeting”) of Mitsui & Co., Ltd. (the “Company”), to be held as set forth below.

**If you are able to attend the Meeting, please present your voting card (enclosed) at the Meeting reception desk on the day of the Meeting.**

**If you are unable to attend the Meeting, you may vote in writing or electronically (via the Internet or other means). In that case, please review the “Reference Materials for the Exercise of Voting Rights” on pages 53–73 and exercise your voting rights by 5 : 30pm (Japan standard time) on Thursday, June 19, 2014. (Please also refer to the enclosed “Execution of Voting Rights in Writing or Electronically (via the Internet or Other Means)” on pages 74–75.)**

Yours sincerely,  
Masami Iijima  
President and Chief Executive Officer  
Mitsui & Co., Ltd.

**1. Date and Time :** June 20, 2014 (Friday) at 10 : 00am (doors open from 9 : 00am)

**2. Place :** 13-1, Takanawa, 3-chome, Minato-ku, Tokyo

**Grand Prince Hotel New Takanawa, International Convention Center Pamir**

Note : In the event that Room 1 becomes full, directions will be given to additional rooms, and we ask for your understanding in this regard.

**3. Agenda**

**MATTERS TO BE REPORTED**

1. Reports on the Business Report, Consolidated Financial Statements for the 95th Fiscal Year (from April 1, 2013, to March 31, 2014), and the Results of the Audit thereof by the Independent Auditor and the Board of Corporate Auditors.
2. Reports on the Financial Statements for the 95th Fiscal Year (from April 1, 2013, to March 31, 2014).

**PROPOSED RESOLUTIONS**

**【Items proposed by the Company (Items 1 through 5)】**

- Item 1 : Dividend of Surplus for the 95th Fiscal Year
- Item 2 : Partial Amendments to the Articles of Incorporation
- Item 3 : Election of Thirteen (13) Directors
- Item 4 : Election of One (1) Corporate Auditor
- Item 5 : Revision to Directors Compensation (Grant of Stock Options)

**【Items proposed by a shareholder (Items 6 through 13)】**

- Item 6 : Partial Amendments to the Articles of Incorporation (Addition to Object of the Company in the Articles of Incorporation)
- Item 7 : Partial Amendments to the Articles of Incorporation (Deletion from the Object of the Company in the Articles of Incorporation)
- Item 8 : Partial Amendment to the Articles of Incorporation (Deletion and Addition to the Object of the Company in the Articles of Incorporation)
- Item 9 : Partial Amendment to the Articles of Incorporation (Deletion from Object of the Company in the Articles of Incorporation)
- Item 10 : Partial Amendment to the Articles of Incorporation (Deletion of Provisions from the Articles of Incorporation)
- Item 11 : Partial Amendment to the Articles of Incorporation (Deletion of Provisions from the Articles of Incorporation)
- Item 12 : Dismissal of One (1) Director
- Item 13 : Share buyback

**Please refer to the “Reference Materials for the Exercise of Voting Rights” on pages 53–73 for details of the proposed resolutions and related information.**

**4. Notes regarding the Execution of Votes**

- (1) Where there is no indication of either “approval” or “disapproval” of the respective proposed resolutions on the voting card, it shall be deemed that each of the Items proposed by the Company (Items 1 to 5) was approved, respectively, and each of the Items proposed by a shareholder (Items 6 to 13) was opposed, respectively.
- (2) Duplication of votes
  - 1) Where votes have been cast several times electronically, the vote cast last will be taken as the validly exercised vote.
  - 2) Where votes have been cast both electronically and by voting card, the vote that arrives at the Company latest (in terms of days) will be taken as the validly exercised vote. Further, in the event that duplicated votes arrive at the Company on the same day, votes cast electronically over the Internet, etc., will be taken as the validly exercised votes.

\* In case of voting by proxy, please have the proxy present the voting card along with written proof of their right of proxy at the Meeting reception desk. As per the Company’s Articles of Incorporation, each shareholder owning voting rights in the Company is entitled to appoint one (1) proxy who is also a shareholder of the Company entitled to voting rights at the Meeting.

- ◎ Where there are changes in either the schedule or venue as well as to the Reference Materials for the Exercise of Voting Rights, the Business Report, the Financial Statements, or the Consolidated Financial Statements, these changes will be posted on the Company’s website.
- ◎ Based on relevant laws and the Company’s Articles of Incorporation, the following items are posted on the Company’s website and are therefore not included in the documents accompanying this Convocation Notice. If you would like to receive these items by mail, please telephone the Company at 81 (3) 3285-1111 to request.
  - Notes to Consolidated Financial Statements (95th Fiscal Year from April 1, 2013, to March 31, 2014)
  - Notes to Non-Consolidated Financial Statements (95th Fiscal Year from April 1, 2013, to March 31, 2014)Accordingly, portions of the consolidated and non-consolidated financial statements audited by the independent auditors in the preparation of the Independent Auditor’s Report are available only on the Company’s website.

<<Website>>

<http://www.mitsui.com/jp/en/ir/information/general/index.html>

## Attachment to Convocation Notice

### Business Report (April 1, 2013, to March 31, 2014)

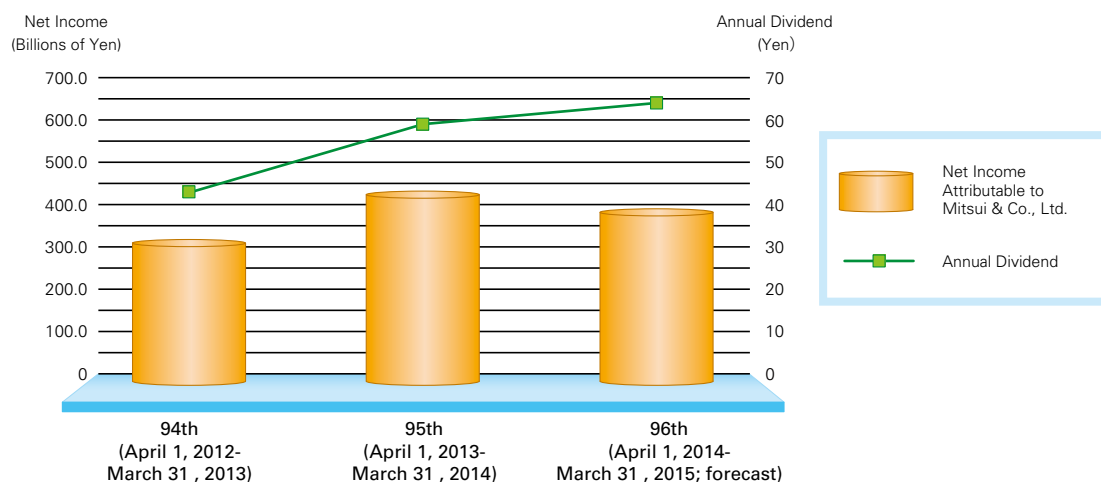
	94th (April 1, 2012 – March 31, 2013)	95th (April 1, 2013 – March 31, 2014; current consolidated fiscal year under review)	96th (April 1, 2014 – March 31, 2015; forecast) <sup>(*2)</sup>
Net Income Attributable to Mitsui & Co., Ltd.	¥307.9 (Billions)	¥422.2 (Billions)	¥380.0 (Billions)
Annual Dividend	¥43.00	¥59.00 <sup>(*1)</sup> (Interim dividend: ¥25.00)	¥64.00

(<sup>\*1</sup>) For the 95th fiscal year from April 1, 2013, to March 31, 2014, the Company intends to propose a **year-end dividend** of **¥34.00** per share at the Ordinary General Meeting of Shareholders scheduled to be held on June 20, 2014.

Please refer to page 53 of the “Reference Materials for the Exercise of Voting Rights.”

(<sup>\*2</sup>) The Company will adopt International Financial Reporting Standards (“IFRS”) instead of the Generally Accepted Accounting Principles in the United States (“US GAAP”) from the Annual Securities Report for the fiscal year ended March 31, 2014 to be submitted to the Financial Services Agency after the conclusion of Ordinary General Meeting of Shareholders to be held on June 20, 2014.

Consequently, forecasts for the 96th fiscal year ending March 31, 2015 are prepared based on IFRS. Note that “Net income attributable to Mitsui & Co., Ltd.” of the forecasts for the 96th fiscal year in this Business Report is equivalent to “Profit for the year attributable to owners of the parent” in IFRS. For details; please refer to “Forecasts for the Year Ending March 31, 2015” on page 19.



## I. BUSINESS REVIEW

### 1. Operating environment

During the fiscal year under review, the global economy witnessed a modest recovery thanks to monetary easing measures implemented in advanced countries and progress made toward resolving the fiscal and financial crisis in Europe, however, while economies in advanced countries are recovering gradually, recovery in emerging countries is lagging.

The United States economy continued on a firm path towards recovery as consumer spending increased due to improved labor market and higher stock prices coupled with firm capital investment backed by growth in corporate earnings, as well as a rebounded housing market. A battle in Congress between the ruling and opposition parties with regard to how to restore government finances led to a temporary shutdown of government departments and agencies in the fall of 2013, however, a subsequent agreement will ensure any recurrence of this issue will be avoided until September 2015. This led the Federal Reserve to start tapering its quantitative easing measures from the beginning of 2014.

The European economy lifted up from recession thanks to efforts made by the EU and European Central Bank towards resolving the fiscal and financial crisis, but domestic demand continued to stagnate in the wake of fiscal consolidation and a high unemployment rate.

The Chinese economy continued to lack vigor despite government infrastructure investment and other measures to boost the economy as excess production capacity was cut mostly in the raw material sector amid economic structure reform. Meanwhile, other emerging market economies, faced with depreciated currencies and inflation due to capital flight, implemented the painful countermeasure of raising interest rates despite their slowing growth rates.

Japanese economy demonstrated a steady recovery thanks to the significant strengthening of monetary easing measures that corrected the strong yen and improved stock prices, with strong domestic demand boosted by the implementation of economic measures totaling ¥5.5 trillion in government spending coupled with recovered exports. The second half of the fiscal year saw a surge in last-minute demand immediately prior to the increase in consumption tax that accelerated the pace of the recovery.

## 2. Operating results, financial condition, etc.

### 1. Results of Operations (Key Items from the Statements of Consolidated Income)

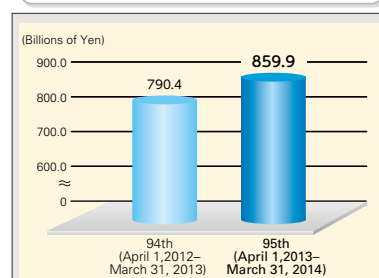
➤ **Gross profit** for the year ended March 31, 2014 totaled **¥859.9 billion**, a ¥69.5 billion increase from the corresponding previous year. The Mineral & Metal Resources Segment recorded a substantial increase in gross profit mainly due to the depreciation of the Japanese yen and an increase in sales volume of iron ore owing to increased capacity. The Americas Segment posted an increase due to the depreciation of the Japanese yen, while the Chemicals Segment also recorded higher gross profit due to the same factor and the recovery of trading activities of petrochemical materials. Moreover, the Iron & Steel Products Segment posted an increase attributable to solid sales of tubular products including line pipe.

➤ **Operating income\*** for the year ended March 31, 2014 was **¥275.2 billion**, marking a ¥20.6 billion increase from the corresponding previous year. Despite an increase in selling, general and administrative expenses due to the depreciation of the Japanese yen, operating income increased due to higher gross profit.

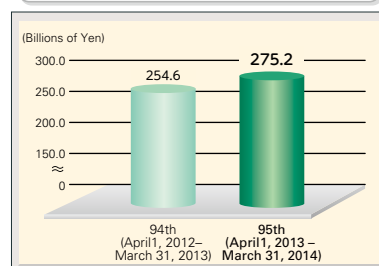
\*Operating income = Gross profit – Selling, general and administrative expenses – Provision for doubtful receivables

➤ **Equity in earnings of associated companies – net** for the year ended March 31, 2014 was **¥173.7 billion**, a decline of ¥2.5 billion from the corresponding previous year. The Mineral & Metal Resources Segment recorded a decline reflecting a tax-related loss accounted for by Brazilian resource company Vale S.A., a subsidiary of Valepar S.A., and impairment loss on the investment in the Caserones copper mine development in Chile. Meanwhile, Australian iron ore mining company Robe River Mining Co. Pty. Ltd. and Chilean copper mine development company Compañía Minera Doña Inés de Collahuasi SCM reported increases mainly attributable to an increase in sales volume, respectively. Japan Australia LNG (MIMI) Pty. Ltd. reported an increase reflecting the depreciation of the Japanese yen at the Energy Segment.

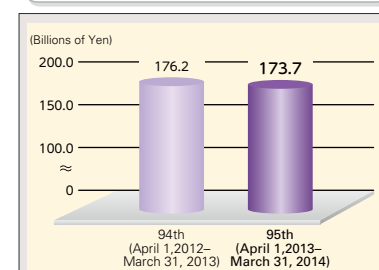
Gross Profit



Operating Income



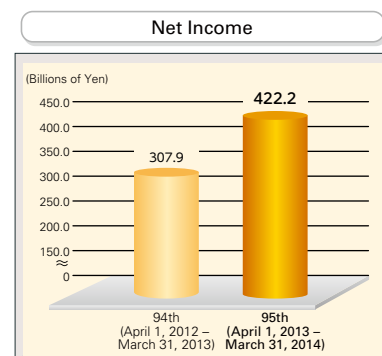
Equity in Earnings of Associated Companies



Net income attributable to Mitsui & Co., Ltd. for the year ended March 31, 2014 totaled **¥422.2 billion**, an increase of ¥114.3 billion from the corresponding previous year. In addition to the increase in operating income as described above, the main reasons for the increase were :

- **Dividend income** increased by ¥40.4 billion from the previous year to **¥120.5 billion**, as a result of an increase in dividend income from LNG projects.
- **Gain on sales of securities – net** increased by ¥36.0 billion to **¥80.9 billion**. This included gains on sales of shares in Mitsui Oil Co., Ltd, QIWI plc, INPEX Corporation and Brightstar Corp.
- **Loss on write-downs of securities** improved ¥8.4 billion to **¥18.9 billion**. An impairment loss due to foreign exchange translation loss on the current portion of preferred shares of Valepar S.A. was recorded.
- **Other expenses (income) – net** improved ¥17.5 billion, to a **¥13.4 billion loss**. A decline of exploration expenses at oil and gas producing businesses was reported.
- **Income taxes** for the fiscal year increased by ¥22.4 billion to **¥180.7 billion**, mainly because of an increase in pretax profit\*.

\*Pretax profit is shown as “Income before Income Taxes and Equity in Earnings” in the “Statements of Consolidated Income” on page 36.



Return on equity for the year ended March 31, 2014 was **12.5%**, marking a 1.9 percentage point rise from the 10.6% recorded in the corresponding previous year.



## 2. Financial Condition and Cash Flows

### Financial Condition

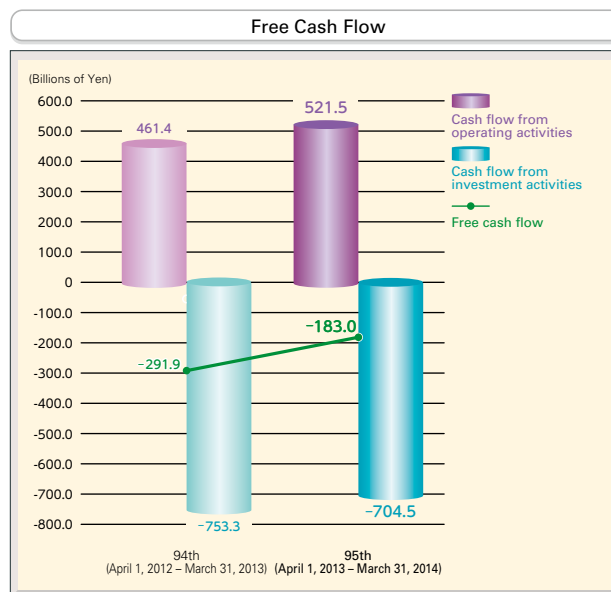
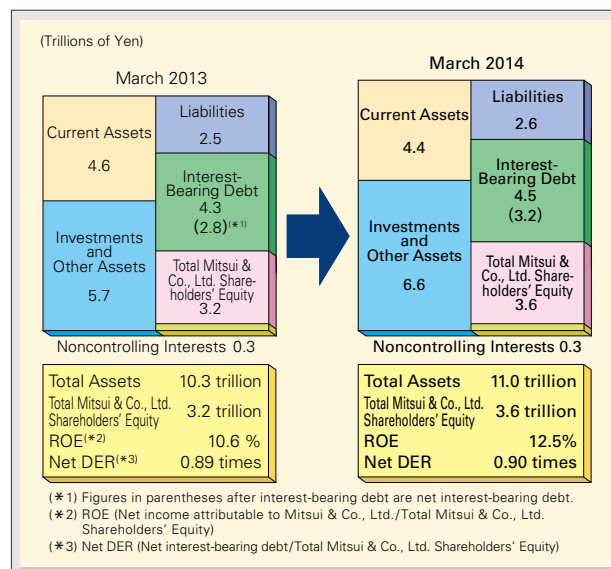
**Total assets** as of March 31, 2014 were **¥11,001.3 billion**, a ¥676.7 billion increase from the previous fiscal year-end. Investments and other assets increased by ¥877.9 billion due to the depreciation of the Japanese yen and new investments, as well as expansion investments at existing businesses.

**Net interest-bearing debt** (interest-bearing debt minus cash and deposits) increased by ¥385.0 billion to **¥3,224.4 billion**. Meanwhile, despite a decline due to the share buyback, **total Mitsui & Co., Ltd. shareholders' equity** increased by ¥404.6 billion to **¥3,586.4 billion**, mainly owing to an increase in retained earnings and an improvement of foreign currency translation adjustments due to the depreciation of the Japanese yen. As a result, the net debt-to-equity ratio ("Net DER") rose 0.01 percentage points to 0.90 times as of the fiscal year-end.

### Cash Flows

**Net cash provided by operating activities** for the year ended March 31, 2014 was **¥521.5 billion**, a ¥60.1 billion increase from the corresponding previous year. While ¥275.2 billion and ¥273.7 billion were provided from operating income and dividend income, respectively, net cash of ¥74.9 billion was used for increasing working capital relating to business activities. **Net cash used in investing activities** was **¥704.5 billion**, decline ¥48.8 billion, mainly due to new investments and expansion investments at existing businesses. As a result, **free cash flow** – the sum of net cash provided by operating activities and net cash used in investing activities – was a net outflow of **¥183.0 billion**.

**Net cash used in financing activities** was **¥34.7 billion**, a ¥256.3 billion increase in cash outflow compared with the ¥221.6 billion provided in the corresponding previous year.





### 3. Overview of Operating Segments

Mitsui develops business activities by structuring its business organization along two axes: products and regions. The product axis comprises headquarters business units, which operate independently under their respective product strategies. Headquarters business units also cooperate horizontally across business units to better deploy Mitsui's comprehensive strength. The regional axis consists of regional business units, which are staffed by experts in the respective local markets who build close relationships with leading companies in those markets, and are the cornerstone of Mitsui's global strategy.

These business units are organized into seven product segments, based on the properties and characteristics of the products they handle, and three regional segments.

#### (1) Results by Operating Segment

Net income attributable to Mitsui & Co., Ltd. by operating segments is as follows :

		(Billions of Yen)			
		Year ended March 31, 2014	Year ended March 31, 2013	Increase / (Decrease)	
Product Segments	Business Areas	Operating Segments			
	Metals	Iron & Steel Products	18.1	(3.8)	21.9
		Mineral & Metal Resources	95.6	91.5	4.1
	Machinery & Infrastructure	Machinery & Infrastructure	26.6	17.0	9.6
	Chemicals	Chemicals	15.8	(1.5)	17.3
	Energy	Energy	197.0	164.6	32.4
	Lifestyle	Lifestyle	19.2	13.0	6.2
Regional Segments	Innovation & Corporate Development	Innovation & Corporate Development	4.9	4.7	0.2
		Americas	13.8	12.4	1.4
		Europe, the Middle East and Africa	4.8	(0.9)	5.7
		Asia Pacific	35.2	27.5	7.7
		Total	431.0	324.5	106.5
	All Other	12.1	6.1	6.0	
	Adjustments and Eliminations	(20.9)	(22.7)	1.8	
	Consolidated Total	422.2	307.9	114.3	

Notes :

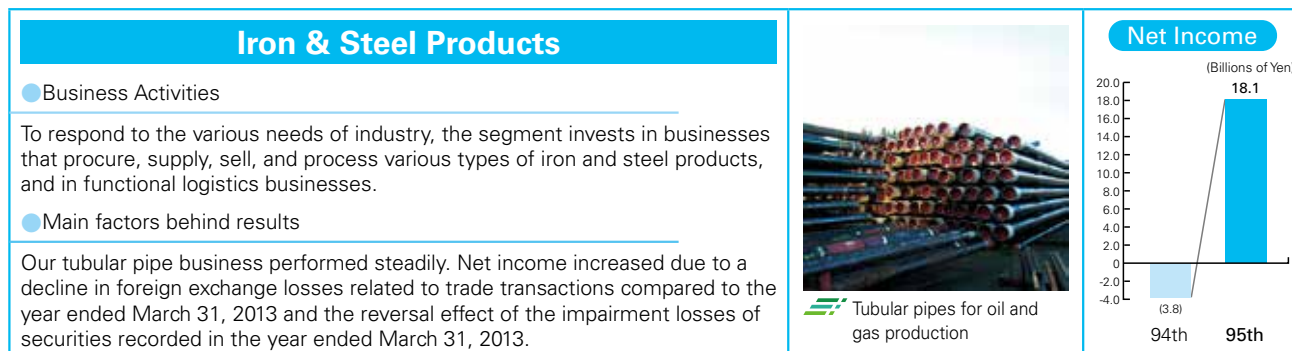
1. "All Other" principally consisted of the Corporate Staff Unit which provides financing services and operations services to external customers and/or to the companies and associated companies.
2. "Adjustments and Eliminations" includes income and expense items that are not allocated to specific operating segments and eliminations of intersegment transactions.
3. During the year ended March 31, 2014, a part of the Corporate Staff Unit which was formerly included in "Adjustments and Eliminations" was reclassified to "All Other".
4. During the year ended March 31, 2014, "Innovation & Cross Function" changed its name to "Innovation & Corporate Development".
5. During the year ended March 31, 2014, logistics infrastructure businesses, including development and management of ports and airport terminal, advanced materials related businesses such as liquid crystal and electronic devices, and media-related businesses such as TV shopping and broadcasting, all included in the Innovation & Corporate Development Segment, were transferred to the Machinery & Infrastructure Segment, Chemicals Segment, and Lifestyle Segment, respectively. Meanwhile, during the year ended March 31, 2014, steel scrap related businesses of Mitsui Bussan Metals Co., Ltd. in the Mineral & Metal Resources Segment were transferred to Mitsui & Co. Steel Ltd. in the Iron & Steel Products Segment and coal related businesses, except for trading of thermal coal for power utilities, which were transferred from the Energy Segment to the Mineral & Metal Resources Segment. In accordance with these changes, the operating segment information for the year ended March 31, 2013, has been restated to conform to the current period presentation.

## (2) Overview of operating segments

The business activities and results of each operating segment are provided separately below.

### 1) Product Segments

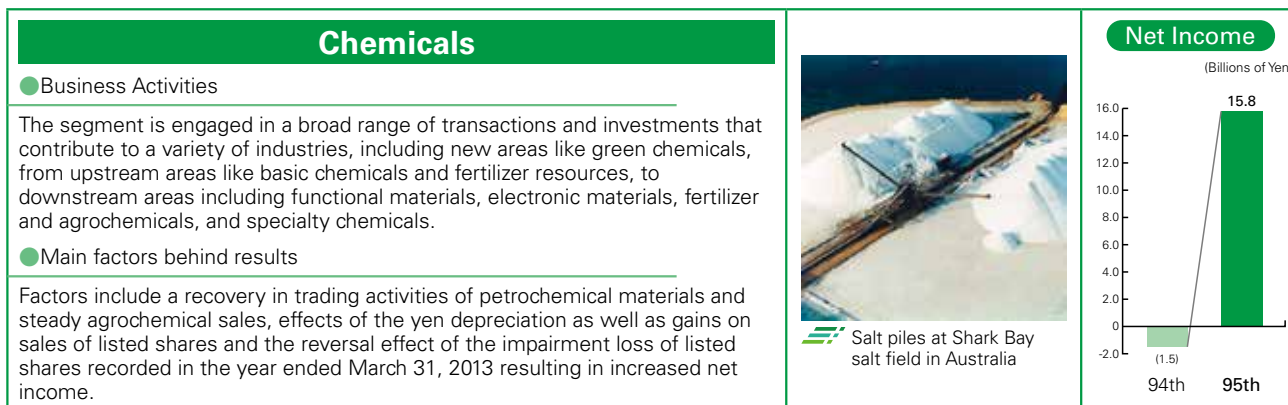
#### Metals



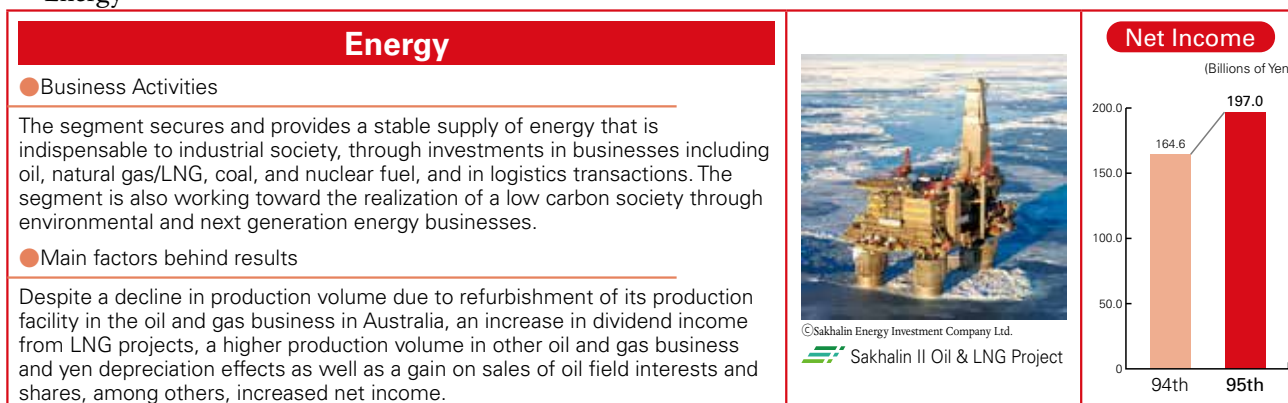
#### Machinery & Infrastructure



## Chemicals



## Energy



## Lifestyle



## Innovation & Corporate Development

### Innovation & Corporate Development

#### ● Business Activities

The segment works in a variety of ways to create next-generation businesses and expand spheres of business through operations including logistics, finance, and information technology. The segment also strengthens and expands Mitsui's companywide earnings base by providing the Group with specialty functions across the organization.

#### ● Main factors behind results

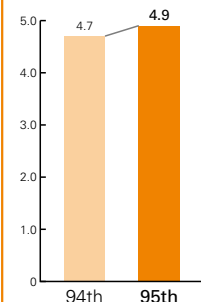
Sales of QIWI plc and Brightstar Corp. shares resulted in an increase in gain on sales of securities compared to the year ended March 31, 2013. Meanwhile, due to the recording of an impairment loss on shares of TPV Technology Limited, net income remained mainly unchanged.



High-speed mobile data communication service in Indonesia

#### Net Income

(Billions of Yen)



## 2) Regional Segments

### Americas

#### ● Business Activities

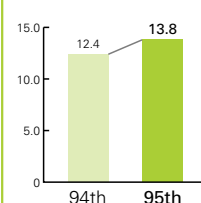
The chief operating officer of the Americas Business Unit oversees a range of activities, mainly at locally incorporated entities in North, Central, and South America.

#### ● Main factors behind results

Despite lower earnings at the U.S. feed additive manufacturing and sales company, mainly from lower prices, net income increased due to the posting of a gain on sales of senior living facilities at a U.S. real estate subsidiary.

#### Net Income

(Billions of Yen)



### Europe, the Middle East and Africa

#### ● Business Activities

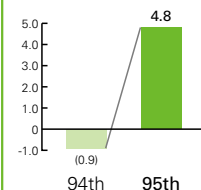
The chief operating officer of the EMEA (Europe, the Middle East, and Africa) Business Unit oversees a range of activities, mainly at locally incorporated entities in Europe, the Middle East, and Africa.

#### ● Main factors behind results

Net income increased due to the posting of a gain on sale of an office building at the U.K. real estate subsidiary.

#### Net Income

(Billions of Yen)



### Asia Pacific

#### ● Business Activities

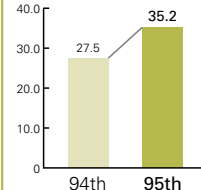
The chief operating officer of the Asia Pacific Business Unit oversees a range of activities, mainly at locally incorporated entities in the Asia Pacific region.

#### ● Main factors behind results

Net income increased due to a higher sales volume at the Australian iron ore subsidiaries despite a decline in net income at the Australian coal subsidiary due to a drop in prices.

#### Net Income

(Billions of Yen)



### 3. Review of the Medium-term Management Plan to March 2014

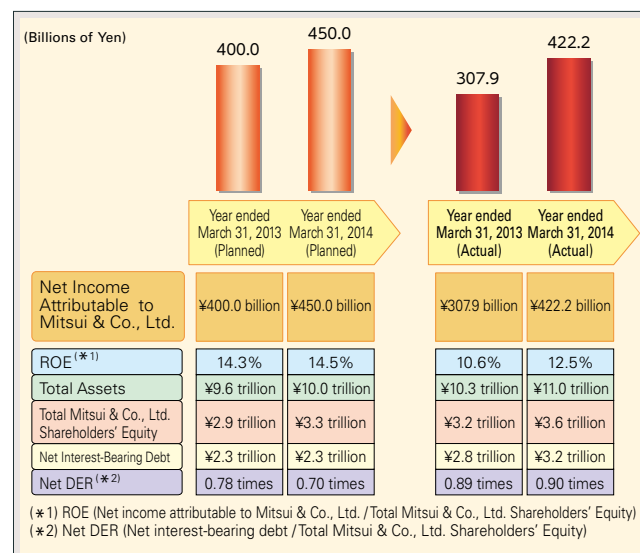
Review of the Medium-term Management Plan to March 2014 announced in May 2012, “Challenge and Innovation 2014 – Creating the Future through Dynamic Evolution” is outlined below.

#### (1) Attainment of Quantitative targets

Quantitative targets were attained as follows :

##### Progress under the investment and loan plan

Under the Medium-term Management Plan to March 2014, an investment target of ¥1.4 trillion over two years was set, however, since we saw many good investment opportunities to strengthen our earnings base such as to acquire and develop high quality upstream interests and infrastructure projects mainly in emerging countries, we effected a total of ¥1.97 trillion in investments and loans. Meanwhile, we constantly reviewed our business assets and collected ¥525 billion through divestiture of assets and investments, which surpassed the original premise of ¥300 billion.



(Billions of Yen)				
Business Areas	Medium-term Management Plan		Result and Major Projects during the Medium-term Management Plan	
	13/3	14/3		
Metals	200.0	600.0	625.0	Acquisition and development of copper mines in Chile, Expansion of iron ore project in Australia, Automotive components business in Americas
Machinery & Infrastructure	200.0		435.0	IPP in Brazil, Mexico, Australia and Canada Rolling stock for leasing
Chemicals	50.0		60.0	Expansion of chemical tank terminal in U.S. Methanol production in U.S.
Energy	250.0		675.0	Shale gas/oil development in U.S., Expansion of oil/gas/coal, Onshore oil field in Italy
Lifestyle	50.0		125.0	Senior living facilities/housing in U.S. Grain export & merchandising in Russia
Innovation & Corporate Development	50.0		50.0	High-speed mobile service in Indonesia
Gross Investments and Loans	800.0	600.0	1,970.0	
Divestiture	(160.0)	(140.0)	(525.0)	
Net Cash Outflow	640.0	460.0	1,445.0	

## **(2) Five key initiatives under the Medium-term Management Plan**

### **1) Reinforcement of the earnings base and business engineering capabilities**

#### **i) Reinforcement of comprehensive initiatives in the value chain**

In our efforts to improve on assets in the upstream value chain of resource fields, interests in a copper mine in Chile through a joint venture with Codelco, and in the Jimblebar iron mine in Australia, were acquired for the Mineral & Metal Resources Segment, and oil and gas concessions in United Kingdom's North Sea and onshore oil field interests in Italy were acquired for the Energy Segment. Regarding the natural gas value chain, we made great strides in comprehensive initiatives that included upstream U.S. shale development projects, the manufacturing of methanol with Celanese Corporation (U.S.) that utilizes shale gas as a raw material and fuel, thermal power generation in New York, tank terminals and LNG exports from the U.S., among others. We also promoted a motor vehicle components business and initiatives with Seven & i Holdings Co., Ltd., cross-sectional endeavors that surpassed the boundaries of our operations division, fortified our global grains sales framework and expanded our steel material and woodchip businesses, among other efforts to aggrandize our distribution business from upstream to downstream.

#### **ii) Capture the momentum of growth in emerging economies and to meet global industrial requirement**

In emerging countries, we made concrete progress in each business segment from upstream to downstream. We broadened our power generation business in Asia, port and harbor business in Asia and Africa leveraging the functions of Portek International Pte. Ltd., hospital business and related businesses mostly in Asia based on the platform of IHH Healthcare Bhd., which listed during the Plan's term, among others. In Myanmar, a newly designated key region, in addition to rice exports, we promoted a crude oil and gas exploration business. Moreover, we proactively pushed ahead with downstream endeavors including a convenience store business in China and a fashion e-commerce business in Taiwan in hopes of strengthening our efforts to capture new demand.

#### **iii) Providing and intensifying functions needed for our earnings base and creating and fostering new business areas**

The Innovation & Corporate Development Business Unit was newly established to provide IT, financial and logistics functions both internally and externally and promoted initiatives focused on strengthening our transportation functions such as our domestic and overseas warehousing and delivery center business and low-temperature distribution business. Moreover, by providing IT functions that include big data applications, we are bolstering the Group's competitiveness in response to environmental changes and working to create new areas of business.

#### **iv) Enhancement of partnership strategy**

We promoted multifaceted initiatives deepening relationships with prominent local companies in emerging markets such as Thailand's public oil company PTT, Malaysia's national strategic investment fund Khazanah Nasional Bhd. and India's national oil and natural gas company ONGC, among others. Our joint venture with Rio Tinto, Total S.A. and other resource majors, our power generation business with GDF Suez, our aircraft engine related business with GE and other projects based on reinforcing relationships with prominent partners also moved forward.

**2) Creating businesses for the next generation ~Challenges to create new businesses that will support our earnings base for the next generation~**

Along with building a companywide innovation promotion framework, we buttressed our information-gathering capabilities and our ability to formulate new projects through our network of universities and research institutions both in Japan and overseas. We also promoted our power generation business in Yonago City, Tottori Prefecture and Higashimatsushima City, Miyagi Prefecture by integrating our response structures to solar power business, as well as businesses that contribute to the revitalization of local economies such as the seafood processing industrial area in Kesennuma and the Sendai Aquarium (tentative name).

**3) Evolution of portfolio strategy**

We worked to bolster our onsite capabilities through the construction of business support units that integrally respond to onsite sales needs with the aim of strengthening our portfolio through the development of new projects and improvement of existing projects. We also executed strategic asset recycling and other recycling efforts that exceeded Plan levels, and promoted the hiring and placement of personnel that match onsite needs.

**4) Acceleration of globalization initiatives**

We designated Brazil, Russia, India, China, Mexico, Indonesia, Mozambique and Myanmar as key regions. We increased our presence by accelerating the effectuation of comprehensive initiatives in these key regions and promoted endeavors aimed at formulating new projects both in business investment and distribution. Specifically, we promoted new initiatives with Lippo Group, an Indonesian firm engaged in various businesses, and multifaceted projects with Brazil's VALE, and developed a business park in Chongqing, China, among other multiple advances. Also, hub and system renovations in Africa and other frontier regions moved forward.

**5) Reinforcement of the group management infrastructure**

Aiming to build an organization that exerts its collective strengths to their maximum limit, we combined part of our operations segment centered on functions and reformed the organization from 15 divisions to 12. Each site continues to promote CSR activities independently through their ordinary business.

## **4. Outline of financing and capital expenditure**

### **1. Financing**

Mitsui's basic funding policy is to secure appropriate liquidity required for our business activities and to maintain financial strength and stability. We procure long-term funds, mostly with maturities of around 10 years, primarily through long-term borrowings from domestic financial institutions, including insurance companies and banks, and the issuance of corporate bonds. In cases where projects require large amounts of financing, we utilize loans from government financing agencies and/or project finance.

In principle, wholly owned subsidiaries procure funds not from financial institutions outside the Group, but by utilizing our Cash Management Service, in which wholly owned subsidiaries can procure financing from Mitsui's overseas and domestic financing subsidiaries and overseas offices. Through this service, we are promoting centralization of fund raising and the efficient use of funds.

With new investments and loans made during the year, interest-bearing debt outstanding as of March 31, 2014, totaled ¥4,455.1 billion, marking a ¥185.8 billion increase from the previous fiscal year-end. Net interest-bearing debt (after subtracting cash and cash equivalents) totaled ¥3,224.4 billion, a ¥385.0 billion increase. We will continue to strive to maintain stable fund procurement, while closely monitoring economic and price trends, and the economic environment, in Japan and overseas.

During the year ended March 31, 2014, the Company borrowed long-term funds of ¥410.3 billion in total from insurance



companies, banks, and other financial institutions, and issued medium-term notes (medium-term corporate bonds in the euro market). In addition, Japanese and overseas financing subsidiaries and overseas offices procured long-term and short-term borrowings as well as issued commercial paper (short-term corporate bonds) and medium-term notes in accordance with their funding needs.

## 2. Capital Expenditure

Please refer to pages 12–14 of the “Review of the Medium-term Management Plan to March 2014” for information regarding the Group’s capital expenditures during the fiscal year under review.

## 5. Trends in value of group assets and operating results

### 1. Trends in Value of Assets and Operating Results (Consolidated)

(Millions of Yen, Except Net Income Attributable to Mitsui & Co., Ltd. per Share)

	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014
Total Trading Transactions	¥9,942,472	¥10,481,166	¥10,049,637	¥11,165,660
Gross Profit	859,223	878,279	790,439	859,932
Net Income Attributable to Mitsui & Co., Ltd.	306,659	434,497	307,926	422,161
Net Income Attributable to Mitsui & Co., Ltd. per Share (Yen)	168.05	238.10	168.72	231.79
Total Mitsui & Co., Ltd. Shareholders’ Equity	2,366,192	2,641,318	3,181,819	3,586,414
Total Assets	8,598,124	9,011,823	10,324,581	11,001,264

Notes :

1. The figures shown in this table have been prepared on the basis of accounting principles generally accepted in the United States of America (“US GAAP”).
2. The information concerning Total Trading Transactions is shown due to customary use in Japanese accounting and the Company believes it is useful for Japanese investors.
3. Net Income Attributable to Mitsui & Co., Ltd. per Share was computed based on the average number of shares outstanding during the fiscal year.
4. Figures less than ¥1.0 million and figures less than ¥1 / 100 (in the case of Net Income Attributable to Mitsui & Co., Ltd. per Share) are rounded.

## 2. Trends in Value of Assets and Operating Results (Non-Consolidated)

(Millions of Yen, Except Net Income per Share)

	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014
Sales	¥4,278,166	¥4,343,155	¥4,182,193	¥4,597,257
Net Income	229,448	253,551	83,366	220,470
Net Income per Share (Yen)	125.69	138.90	45.67	121.02
Net Assets	1,298,626	1,459,425	1,406,050	1,433,627
Total Assets	4,771,464	4,893,805	5,093,715	5,167,617

Notes :

1. Net Income per Share was computed based on the average number of shares outstanding during the fiscal year.
2. Figures less than ¥1.0 million and figures less than ¥1 / 100 (in the case of Net Income per Share) are truncated.

## 6. Key issues to address

### 1. The New Medium-term Management Plan “Challenge & Innovation for 2020 ~Demonstrating the Mitsui Premium~”

#### (1) Basic policies of the New Medium-term Management Plan

With Mitsui's long-term management vision “Dynamic Evolution as a 21st Century Global Business Enabler” announced in March 2009 in mind, we established a new medium-term management plan entitled “Challenge & Innovation for 2020 ~Demonstrating the Mitsui Premium~” in which the next three years are positioned as a crucial period during which our path towards demonstrating this vision is solidified. The following are the basic policies of the New Medium-term Management Plan and our vision for 2020.



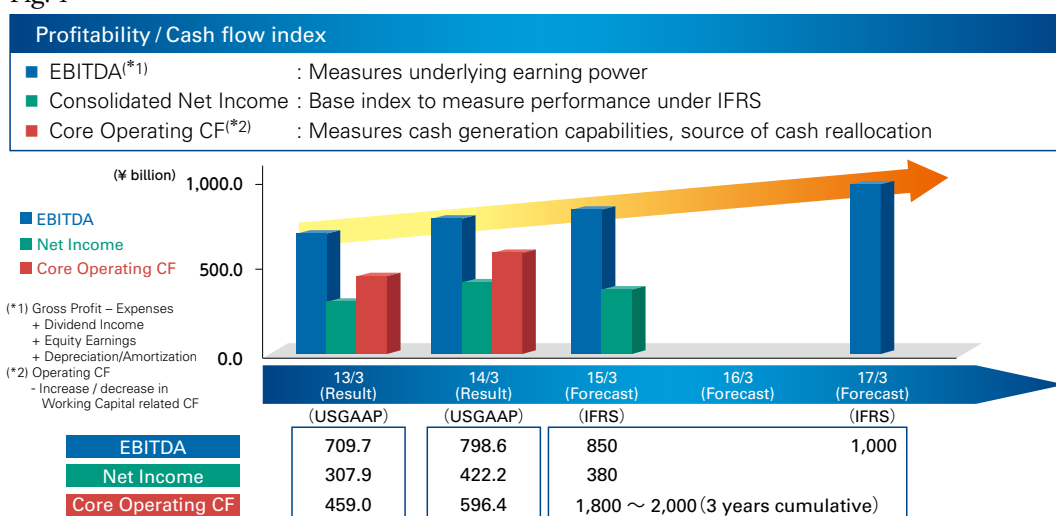
(\*1) In 2009, we announced our Long-Term Management Vision outlining our vision for the coming ten years.  
(\*2) Projects our participation in which have been decided and announced as of May 2014 and profit contribution by which are expected within several years.

## (2) Overview of the New Medium-term Management Plan

### 1) Pursue both growth investments and return to shareholders backed by strong cash generation capabilities

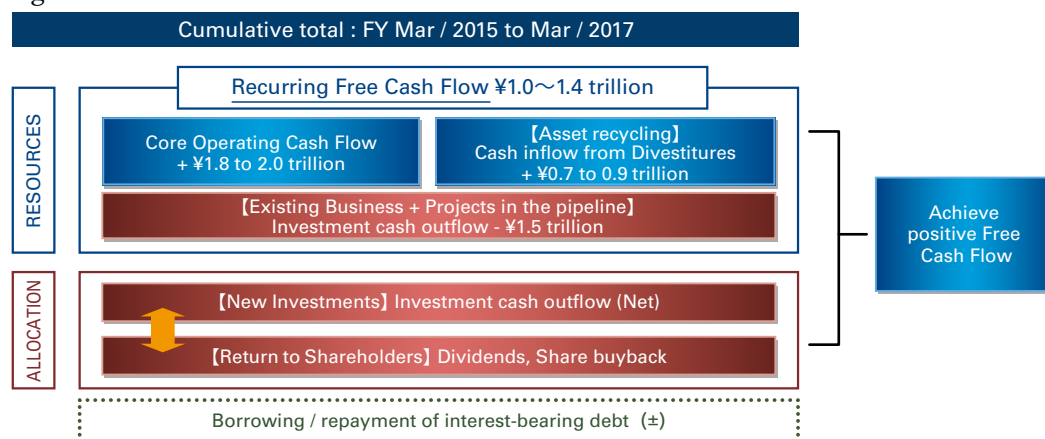
In the establishment of the New Medium-term Management Plan, we have reexamined the competitive positions of our key business assets and investment activities and, as shown in Fig. 1 below, this enabled us to verify again that our underlying core operating cash flow will remain strong and will continue well into the future. As shown in Fig. 2 below, we will allocate cash flows generated by business activities and existing investment projects to shareholder return and investments in new businesses that will contribute to our future growth.

Fig. 1



Note : The quantitative targets of the New Medium-term Management Plan were compiled based on IFRS.

Fig. 2

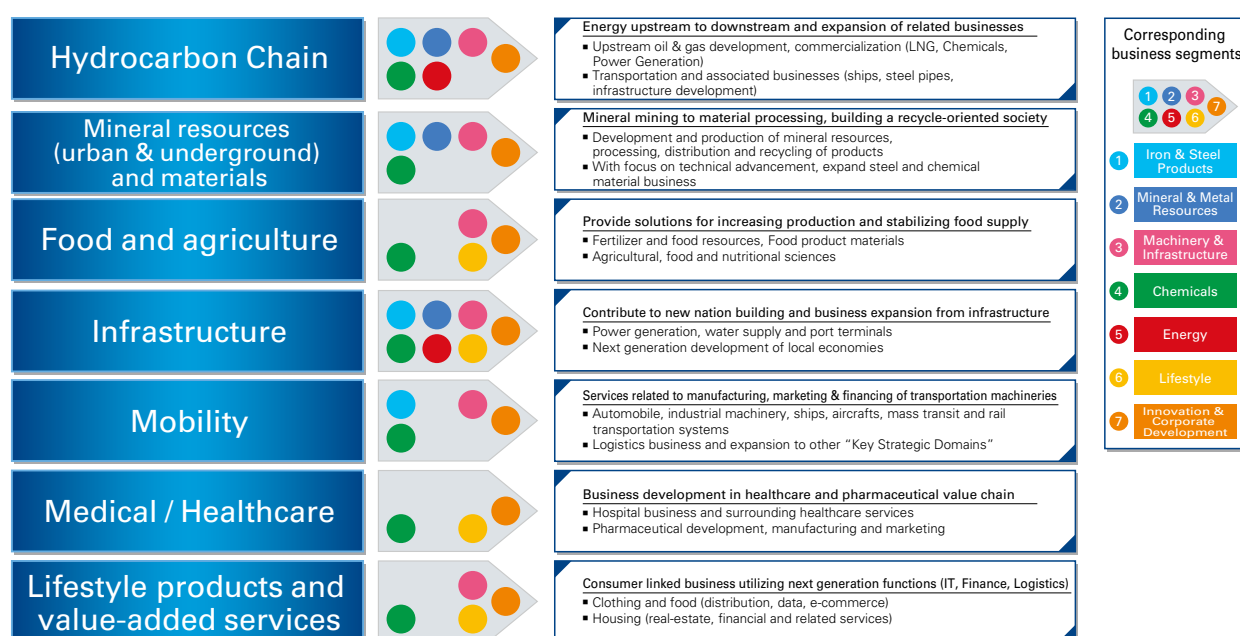


## 2) 7 key strategic domains and 4 key initiatives

Under the New Medium-term Management Plan, we will bolster our distribution earnings base, improve our existing projects and realize the execution of superior projects in the pipeline anticipated to contribute to earnings over the next several years all in an effort to further strengthen our cash flow generation capabilities based on our superior and competitive business portfolio. To realize this, each of our operating segments will accelerate onsite initiatives leveraging our comprehensive strengths centered on the following seven key strategic domains, exploring each individual area to uncover various businesses, carefully screening new investments in these seven key strategic domains and discovering and developing more dynamic projects.

In addition, we will implement the four key initiatives specified by the New Medium-term Management Plan, that is, evolution of portfolio strategy, enhanced capacity for global development, reinforced group management structure, and innovation for the next generation to ensure demonstrating the plan.

### 7 Key Strategic Domains :



### 4 Key Initiatives :



### (3) Profit Distribution Policy

While we recognize the importance of maintaining a strong financial base that can support demand for investment, our basic policy is to return profits directly to all shareholders through dividends based on part of our results, and we use as an indicator the consolidated dividend payout ratio.

For the two-year period of the Medium-term Management Plan to March 2014, while we principally aim for a steady increase in dividends through improvements in corporate performance, we also considered more flexible compensation to the shareholders, provided that sufficient retained earnings for future business development are secured, and we set our minimum target consolidated dividend payout ratio at 25%.

For the period of the New Medium-term Management Plan, we have raised our target dividend payout ratio to 30% of consolidated net income. Pursuant to our policy, we currently envisage an annual dividend of ¥64 per share for the year ending March 31, 2015 (a ¥5 increase from the year ended March 31, 2014) assuming the consolidated net income attributable to Mitsui & Co., Ltd. will be ¥380 billion.

In the year ended March 31, 2014, we conducted a share buyback program of up to ¥50 billion in total for improvement of capital efficiency. Under the New Medium-term Management Plan, we will take measures accordingly in a prompt and flexible manner as needed, taking into consideration the business environment, future investment activity trends, free cash flow and interest-bearing debt levels, and return on equity.

## 2. Forecasts for the Year Ending March 31, 2015

Under the New Medium-term Management Plan described above, our forecasts for the year ending March 31, 2015 are as follows :

	(Billions of Yen)	
	Forecast for FY ending March 31, 2015 (IFRS)	FY ended March 31, 2014 (US GAAP)
Gross Profit	850.0	859.9
Equity in Earnings of Associated Companies	230.0	173.7
Net Income Attributable to Mitsui & Co., Ltd.	380.0	422.2
EBITDA	850.0	798.6

Note : Forecast is prepared based on IFRS. The above forecast is based on an exchange rate assumption of ¥100/US\$ (¥100.49/US\$ for the year ended March 31, 2014) and a crude oil price assumption of US\$104/barrel (US\$110/barrel for the year ended March 31, 2014).

## II. Corporate Outline

### 1. Principal group business (As of March 31, 2014)

The Group is engaged in its business through product segments of Business Units as well as regional segments of overseas offices and local subsidiaries, both of which form the operating segments. Along with its domestic and overseas affiliate companies, the Group is engaged in the sale, import, export, and international trading of various products from the Iron & Steel Products, Mineral & Metal Resources, Machinery & Infrastructure, Chemicals, Energy, Lifestyle, and Innovation & Corporate Development Business areas. The Group also provides a diversified range of services, including manufacturing, transport, and financial services as well as the development of natural resources and investment in operations.

### 2. Principal group offices (As of March 31, 2014)

Mitsui has 11 domestic offices and branches in Japan in addition to its head office and 134 branches and trading subsidiaries overseas. The principal entities are as follows :

- ◎ **Head Office** Chiyoda-ku, Tokyo
- ◎ **Domestic Offices and Branches** Hokkaido Office (Sapporo), Tohoku Office (Sendai),  
Chubu Office (Nagoya), Osaka Office,  
Chugoku Office (Hiroshima),  
Kyushu Office (Fukuoka), Niigata Branch,  
Hokuriku Branch (Toyama), Shikoku Branch (Takamatsu)
- ◎ **Overseas : Trading Subsidiaries** MITSUI & CO. (U.S.A.), INC.  
MITSUI & CO. EUROPE PLC (United Kingdom)  
MITSUI & CO. (ASIA PACIFIC) PTE. LTD. (Singapore)

Note : For information regarding important subsidiaries and associated companies as well as the overseas offices, subsidiaries, and other companies, including the above-listed entities, please refer to pages 23.

### 3. Shares of Mitsui & Co., Ltd. (As of March 31, 2014)

- ◎ **Number of shares authorized** : 2,500,000,000 shares
- ◎ **Number of shares outstanding** : 1,829,153,527 shares (including 36,370,596 shares of treasury stock)

Notes :

1. The Board of Directors, at a meeting held on February 5, 2014, resolved to set up a share buyback program of up to 40,000,000 shares of treasury stock and up to ¥50,000,000,000 in total by market trading on the Tokyo Stock Exchange and, based on this resolution, the Company repurchased 32,639,400 shares of treasury stock for the total purchase price of ¥49,999,859,746 from February 6, 2014 to March 14, 2014. As a result, the total number of treasury stock increased by 32,639,400 shares.
2. The Board of Directors, at a meeting held on March 26, 2014, resolved to cancel 32,639,400 shares of treasury stock on April 18, 2014. As a result, on that date, the total number of shares outstanding decreased by 32,639,400 shares to 1,796,514,127 shares.

- ◎ **Number of shareholders** : 230,896 shareholders

#### 4. Principal shareholders (As of March 31, 2014)

Name of Shareholder	Investment in Mitsui & Co., Ltd.	
	Number of shares (thousands)	Investment ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	144,762	8.07
Japan Trustee Services Bank, Ltd. (trust account)	107,395	5.99
Sumitomo Mitsui Banking Corporation	38,500	2.15
Nippon Life Insurance Company	35,070	1.96
Barclays Securities Japan Limited	25,000	1.39
Mitsui Sumitomo Insurance Company, Limited	24,726	1.38
Japan Trustee Services Bank, Ltd. (trust account 1)	21,618	1.21
THE BANK OF NEW YORK 133522	20,678	1.15
STATE STREET BANK WEST CLIENT - TREATY	20,514	1.14
The Dai-ichi Life Insurance Company, Limited	20,444	1.14

Notes :

1. The number of shares is rounded down to the nearest thousand.
2. The Company holds 36,370,596 shares of treasury stock excluding the above principal shareholders. The investment ratios are calculated excluding treasury stock.

#### 5. Group employees

Operating Segment	Total Number of Company and Subsidiary Employees		Total Number of Company Employees (Persons)	
	As of March 31, 2013	As of March 31, 2014	As of March 31, 2013	As of March 31, 2014
Iron & Steel Products	1,959	1,882	394	352
Mineral & Metal Resources	512	457	259	251
Machinery & Infrastructure	15,107	18,804	808	784
Chemicals	2,794	2,727	705	634
Energy	1,056	758	435	416
Lifestyle	7,829	10,047	806	801
Innovation & Corporate Development	5,733	3,586	528	391
(Other)	3,022	3,198	1,655	1,865
Americas	4,622	4,220	211	219
Europe, the Middle East and Africa	945	947	149	155
Asia Pacific	1,569	1,464	217	229
Total (Compared with Year Ended March 31, 2013)	45,148	48,090 (+2,942)	6,167	6,097 (-70)

Notes :

1. The above employee figures do not include temporary staff, seconded staff, or part-time staff.
2. Employees at locally incorporated companies and their consolidated subsidiaries in China, Taiwan, South Korea, and the CIS region, which report directly to headquarter business units, and headquarter employees working in these regions, are included in "Other."



## 6. Principal sources of borrowings (As of March 31, 2014)

(Millions of Yen)

Source of Borrowings	Amount Borrowed by the Company
Meiji Yasuda Life Insurance Company	231,000
Nippon Life Insurance Company	196,000
The Dai-ichi Life Insurance Company, Limited	183,000
Japan Bank for International Cooperation	178,520
Mitsui Life Insurance Company Limited	157,000
Sumitomo Mitsui Trust Bank, Limited	139,971
Mitsubishi UFJ Trust and Banking Corporation	123,504
Sumitomo Life Insurance Company	117,000

Note : Amounts are rounded down to the nearest ¥1 million.

## 7. Principal subsidiaries

### 1. Principal Subsidiaries and Associated Companies (As of March 31, 2014)

Subsidiary (S)/ Associated company (A)	Operating Segment	Capital	Percentage owned by Mitsui & Co., Ltd.	Main Business
Mitsui & Co. Steel Ltd. (JAPAN) (S)	Iron & Steel Products	¥9,620 million	100	Sales of architectural, lumber and building materials
Mitsui Iron Ore Development Pty. Ltd. (Australia) (S)	Mineral & Metal Resources	A\$20,000 thousand	100 (100)	Production and sales of Australian iron ore
Valepar S.A. (Brazil) (A)	Mineral & Metal Resources	R\$10,078,589 thousand	18.2	Investments in Brazilian natural resources company Vale
Oriente Copper Netherlands B.V. (Netherlands) (S)	Mineral & Metal Resources	US\$9,000 thousand	100	Investment in copper business in Chile through Inversiones Mineras Acrux SpA
PT. Bussan Auto Finance (Indonesia) (S)	Machinery & Infrastructure	IDR 353,571,000 thousand	70 (11.7)	Retail finance for Yamaha motorcycles in Indonesia
P.T. Paiton Energy (Indonesia) (A)	Machinery & Infrastructure	US\$424,740 thousand	40.5 (40.5)	Power generation in Indonesia
Japan-Arabia Methanol Company Ltd. (JAPAN) (S)	Chemicals	¥500 million	55	Investments in, and product sales of methanol producing businesses in Saudi Arabia
Mitsui & Co. Plastics Ltd. (JAPAN) (S)	Chemicals	¥626 million	100	General wholesaler mainly handling synthetic resins
Mitsui Sakhalin Holdings B.V. (Netherlands) (S)	Energy	US\$407,401 thousand	100	Investment in Sakhalin Energy Investment
Mitsui Oil Exploration Co., Ltd. (JAPAN) (S)	Energy	¥33,133 million	73.6	Exploration, development and sales of oil and natural gas resources
Japan Australia LNG (MIMI) Pty. Ltd. (Australia) (A)	Energy	A\$2,564,286 thousand	50 (50)	Exploration, development and sales of oil and natural gas
MITSUI FOODS CO., LTD. (JAPAN) (S)	Lifestyle	¥12,031 million	100	Wholesale of food products
MBK Healthcare Partners Limited (United Kingdom) (S)	Lifestyle	S\$1,376,885 thousand	100	Investment in IHH Healthcare Bhd.
JA MITSUI LEASING, LTD. (JAPAN) (A)	Innovation & Corporate Development	¥32,000 million	31.4	Leasing business
Novus International, Inc. (United States) (S)	Americas	US\$100,000 thousand	65 (65)	Manufacture and sales of feed additives

Notes :

1. The companies listed above are the major subsidiaries and associated companies of the main operating segments.
2. The figures in brackets represent indirect ownership through other subsidiaries.
3. The figures for capital have been rounded.

### 2. Number of Subsidiaries and Associated Companies

The number of subsidiaries and associated companies as of March 31, 2014, and for the previous three years, is as follows:

	(Number of Companies)			
	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014
Subsidiaries	275	263	268	272
Associated Companies Accounted for under the Equity Method	161	150	142	154

Note : Some subsidiaries and associated companies report their financial statements with further consolidating their subsidiaries and associated companies. The number of companies in the table do not include the latter, namely, those consolidated to other subsidiaries and associated companies.

## 8. Senior company officers and auditors

### 1. Directors and Corporate Auditors (As of March 31, 2014)

Title	Name	Principal Position(s)	Significant Concurrent Position(s) Held in Other Organizations
Director, Chairman of the Board	Shoei Utsuda		Tokyo Broadcasting System Holdings, Inc. External Director Isetan Mitsukoshi Holdings Ltd. External Director
Representative Director, President and Chief Executive Officer	Masami Iijima	Chief Executive Officer	
Representative Director	Seiichi Tanaka	Basic Chemicals Business Unit; Performance Chemicals Business Unit	
Representative Director	Fuminobu Kawashima	Mineral & Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II; Domestic Offices and Branches	
Representative Director	Daisuke Saiga	Iron & Steel Products Business Unit; Food Resources Business Unit; Food Products & Services Business Unit; Consumer Service Business Unit	
Representative Director	Joji Okada	Chief Financial Officer; Corporate Staff Unit (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Business Supporting Unit (Each Financial Management & Advisory Division))	
Representative Director	Masayuki Kinoshita	Chief Information Officer; Chief Privacy Officer; Corporate Staff Unit (Corporate Planning & Strategy Division, Information Technology Promotion Division, Environmental-Social Contribution Division, Corporate Communications Division, Investment Administrative Division, Business Supporting Unit (Each Planning & Administrative Division)); Business Innovation & Incubation; Environmental Matters	
Representative Director	Shintaro Ambe	Infrastructure Projects Business Unit; Integrated Transportation Systems Business Unit; Innovation & Corporate Development Business Unit	
Representative Director	Koichi Tanaka	Chief Compliance Officer; Corporate Staff Unit (Secretariat, Corporate Auditor Division, Human Resources & General Affairs Division, Legal Division, Trade & Logistics Control Division); BCM (Business Continuity Management)	

Title	Name	Principal Position(s)	Significant Concurrent Position(s) Held in Other Organizations
Director	Nobuko Matsubara		Japan Institute of Workers' Evolution Honorary Chairman, Daiwa Securities Group Inc. External Director
Director	Ikujiro Nonaka		Hitotsubashi University Professor Emeritus Seven & i Holdings Co., Ltd. External Director Trend Micro Incorporated External Director
Director	Hiroshi Hirabayashi		The Japan-India Association President DAIICHI SANKYO COMPANY, LIMITED External Director
Director	Toshiro Muto		Daiwa Institute of Research Ltd. Chairman NIPPON STEEL & SUMITOMO METAL CORPORATION External Corporate Auditor The Tokyo Organising Committee of the Olympic and Paralympic Games CEO and Director General
Corporate Auditor	Satoru Miura		
Corporate Auditor	Motonori Murakami		
Corporate Auditor	Naoto Nakamura		Attorney at Law Asahi Group Holdings, Ltd. External Corporate Auditor Recruit Holdings Co., Ltd. External Corporate Auditor
Corporate Auditor	Kunihiro Matsuo		Attorney at Law Japan Exchange Group, Inc. External Director TOYOTA MOTOR CORPORATION External Corporate Auditor Komatsu Ltd. External Corporate Auditor BROTHER INDUSTRIES, LTD. External Corporate Auditor Seven Bank, Ltd. External Corporate Auditor TV TOKYO Holdings Corporation External Corporate Auditor
Corporate Auditor	Hiroyasu Watanabe		Graduate School of Finance, Accounting & Law, Waseda University Professor NOMURA Co., Ltd. External Corporate Auditor JX Holdings, Inc. External Corporate Auditor

1. Directors Nobuko Matsubara, Ikujiro Nonaka, Hiroshi Hirabayashi, and Toshiro Muto are External Directors, and the Company has submitted filings with the domestic stock exchanges on which it is listed designating all four individuals as independent Directors.
2. Corporate Auditors Naoto Nakamura, Kunihiro Matsuo, and Hiroyasu Watanabe are External Corporate Auditors, and the Company has submitted filings with the domestic stock exchanges on which it is listed designating all three individuals as independent Corporate Auditors.
3. Full-time Corporate Auditor Motonori Murakami was formerly General Manager of the General Accounting Division and Assistant to Chief Financial Officer of Mitsui & Co., Ltd., and has considerable expertise in finance and accounting. Corporate Auditor Hiroyasu Watanabe is a former Commissioner of the National Tax Agency of the Ministry of Finance Japan, and is currently a professor at the Graduate School of Finance, Accounting & Law of Waseda University. He has considerable expertise in finance and accounting.
4. The Company paid a membership fee to the Japan Institute of Workers' Evolution, of which Director Nobuko Matsubara served as the Chairman from July 2006 to July 2012, but the amount is small. The Company paid a membership fee to The Japan-India Association, of which Director Hiroshi Hirabayashi has served as the President since June 2007, but the amount is small. There is no special interest between the organizations at which the External Directors and External Corporate Auditors are concurrently posted and the Company that would interfere with or raise problems with regard to their performance of their duties as External Directors or External Corporate Auditors.

## 2. Executive Officers (As of April 1, 2014)

\* Serves concurrently as Director

Title	Name	Principal Position(s) / Areas Overseen
* President and Chief Executive Officer	Masami Iijima	Chief Executive Officer
* Executive Vice President	Daisuke Saiga	Iron & Steel Products Business Unit; Food Resources Business Unit; Food Products & Services Business Unit; Consumer Service Business Unit
* Executive Vice President	Joji Okada	Chief Financial Officer; Corporate Staff Unit (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Business Supporting Unit (Each Financial Management & Advisory Division))
* Executive Vice President	Masayuki Kinoshita	Chief Information Officer; Chief Privacy Officer; Corporate Staff Unit (Corporate Planning & Strategy Division, Information Technology Promotion Division, Environmental-Social Contribution Division, Corporate Communications Division, Investment Administrative Division, Business Supporting Unit (Each Planning & Administrative Division)); Business Innovation & Incubation; Environmental Matters
* Executive Vice President	Shintaro Ambe	Infrastructure Projects Business Unit; Integrated Transportation Systems Business Unit; Innovation & Corporate Development Business Unit
Executive Vice President	Takashi Yamauchi	Chief Operating Officer of Asia Pacific Business Unit
* Senior Executive Managing Officer	Koichi Tanaka	Chief Compliance Officer; Corporate Staff Unit (Secretariat, Corporate Auditor Division, Human Resources & General Affairs Division, Legal Division, Trade & Logistics Control Division, Corporate Logistics Development Division); BCM (Business Continuity Management)
Senior Executive Managing Officer	Atsushi Oi	General Manager of Osaka Office
Senior Executive Managing Officer	Motomu Takahashi	Chief Operating Officer of Americas Business Unit
Senior Executive Managing Officer	Hiroyuki Kato	Mineral & Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II
Senior Executive Managing Officer	Yoshihiro Hombo	Basic Chemicals Business Unit; Performance Chemicals Business Unit; Domestic Offices and Branches
Executive Managing Officer	Hironobu Ishikawa	Chief Operating Officer of EMEA (Europe, the Middle East and Africa) Business Unit
Executive Managing Officer	Atsushi Kume	Chief Operating Officer of Innovation & Corporate Development Business Unit
Executive Managing Officer	Takeshi Kanamori	Chief Operating Officer of Infrastructure Projects Business Unit
Executive Managing Officer	Satoshi Tanaka	Chief Operating Officer of Consumer Service Business Unit
Executive Managing Officer	Makoto Suzuki	Chief Representative of Mitsui & Co., Ltd. in South West Asia
Executive Managing Officer	Katsunori Aikyo	General Manager of Nagoya Office
Executive Managing Officer	Yasushi Takahashi	Chairman & Managing Director of Mitsui & Co. (Australia) Ltd.
Executive Managing Officer	Kazuo Nakayama	Chief Operating Officer of Food Resources Business Unit

Title		Name	Principal Position(s) / Areas Overseen
	Managing Officer	Toru Suzuki	General Director of Mitsui & Co. Vietnam Ltd.
	Managing Officer	Kaku Kato	General Manager of Internal Auditing Division
	Managing Officer	Akira Nakaminato	President & CEO of Mitsui Global Strategic Studies Institute
	Managing Officer	Yasushi Yoshikai	Chief Operating Officer of Energy Business Unit II
	Managing Officer	Keigo Matsubara	Deputy Chief Financial Officer; General Manager of Global Controller Division
	Managing Officer	Shinjiro Sawada	Chief Representative of Mitsui & Co., Ltd. in China
	Managing Officer	Yasuyuki Fujitani	Deputy Chief Operating Officer of EMEA (Europe, the Middle East and Africa) Business Unit; Chairman & Managing Director of Mitsui & Co., Middle East Ltd.
	Managing Officer	Yasuharu Fujiyoshi	Chief Operating Officer of Food Products & Services Business Unit
	Managing Officer	Taku Morimoto	Chief Operating Officer of Performance Chemicals Business Unit
	Managing Officer	Nobuaki Kitamori	General Manager of Human Resources & General Affairs Division
	Managing Officer	Shinsuke Fujii	President of Mitsui & Co. (Brasil) S.A.
	Managing Officer	Shingo Sato	President of Mitsui & Co. (Thailand) Ltd.
	Managing Officer	Motoo Ono	Deputy Chief Representative of Mitsui & Co., Ltd. in China; Managing Director of Mitsui & Co. (Shanghai) Ltd.
	Managing Officer	Yukio Takebe	Chief Operating Officer of Mineral & Metal Resources Business Unit
	Managing Officer	Tatsuo Yasunaga	Chief Operating Officer of Integrated Transportation Systems Business Unit
	Managing Officer	Noboru Katsu	Chief Operating Officer of Iron & Steel Products Business Unit
	Managing Officer	Katsurao Yoshimori	Chief Operating Officer of Basic Chemicals Business Unit
	Managing Officer	Osamu Toriumi	General Manager of Legal Division
	Managing Officer	Takakazu Uchida	General Manager of Finance Division
	Managing Officer	Hiromichi Yagi	General Manager of Planning & Administrative Division, Machinery & Infrastructure Unit
	Managing Officer	Shinichiro Omachi	General Manager of Investment Administrative Division
	Managing Officer	Hiroyuki Tsurugi	Chief Operating Officer of Energy Business Unit I
	Managing Officer	Hirotatsu Fujiwara	General Manager of Planning & Administrative Division, Energy Unit
	Managing Officer	Kenichi Hori	General Manager of Corporate Planning & Strategy Division



### 3. Remuneration of Directors and Corporate Auditors

The remuneration system for Directors has an emphasis on transparency by examining compensation and bonuses for Directors and Executive Officers by the Remuneration Committee, which is chaired by an External Director.

This system comprises a basic fixed remuneration for Directors of no more than ¥70 million per month in total, and results-linked bonuses in the total amount of 0.1% of consolidated net income (with an upper limit of ¥500 million).

Given the difficulty of correlating results-linked compensation for External Directors and Corporate Auditors, who carry out their duties independently from management, External Directors and Corporate Auditors are paid fixed remuneration only.

The fixed remuneration paid to Corporate Auditors has an upper limit of ¥20 million per month in total.

The systems of special retirement compensation for Directors and Corporate Auditors were abolished on July 1, 2004.

The remuneration of the Company's Directors and Corporate Auditors regarding the year ended March 31, 2014, was as follows :

	Number of Recipients	Basic Remuneration	Bonus	Total Remuneration Paid Relating to the Year Ended March 31, 2014
Directors (Excluding External Directors)	9	¥688 million	¥422 million	¥1,110 million
Corporate Auditors (Excluding External Corporate Auditors)	2	¥113 million	–	¥113 million
External Directors and External Corporate Auditors	7	¥84 million	–	¥84 million
<b>Total</b>	<b>18</b>	<b>¥885 million</b>	<b>¥422 million</b>	<b>¥1,307 million</b>

Notes :

1. The bonuses shown above are planned payments.
2. In addition to the above amounts, a total of ¥609 million was paid to 130 retired Directors, and ¥74 million to 22 retired Corporate Auditors, as pensions (representing payments determined prior to the abolition of those systems).
3. Amounts are rounded down to the nearest ¥1 million.

#### 4. External Directors and External Corporate Auditors

##### (1) External Directors

###### 1) Major activities of External Directors

<b>Nobuko Matsubara</b> (Director since June 2006)	Ms. Matsubara participated in all 16 Board of Directors meetings held during the year ended March 31, 2014, and offered advice mainly from the perspective of her knowledge and experience in labor issues gained within the public sectors.
<b>Ikujiro Nonaka</b> (Director since June 2007)	Mr. Nonaka participated in 15 of the 16 Board of Directors meetings held during the year ended March 31, 2014, and offered advice mainly from the perspective of his deep insight related to management acquired as an expert in international corporate strategy.
<b>Hiroshi Hirabayashi</b> (Director since June 2007)	Mr. Hirabayashi participated in 14 of the 16 Board of Directors meetings held during the year ended March 31, 2014, and offered advice mainly from the perspective of his wealth and knowledge gained as a foreign diplomat for Japan.
<b>Toshiro Muto</b> (Director since June 2010)	Mr. Muto participated in all 16 Board of Directors meetings held during the year ended March 31, 2014, and offered advice mainly from the perspective of his deep insight into fiscal and monetary affairs, as well as in economics in general, gained at the Ministry of Finance and the Bank of Japan.

- 2) The Company has entered into agreements with the respective External Directors pursuant to Article 427(1) of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act.
- 3) The eldest daughter of External Director Hiroshi Hirabayashi is an employee of the Company (non-managerial post).

##### (2) External Corporate Auditors

###### 1) Major activities of External Corporate Auditors

<b>Naoto Nakamura</b> (Corporate Auditor since June 2006)	Mr. Nakamura participated in 14 of the 16 Board of Directors meetings, and 18 of the 20 Board of Corporate Auditors meetings, held during the year ended March 31, 2014, and offered advice from the perspective of his knowledge and experience gained as an attorney at law.
<b>Kunihiro Matsuo</b> (Corporate Auditor since June 2008)	Mr. Matsuo participated in 14 of the 16 Board of Directors meetings, and 18 of the 20 Board of Corporate Auditors meetings, held during the year ended March 31, 2014, and offered advice from the perspective of his knowledge and experience over the years gained as a prosecutor and an attorney at law.
<b>Hiroyasu Watanabe</b> (Corporate Auditor since June 2009)	Mr. Watanabe participated in 15 of the 16 Board of Directors meetings, and 19 of the 20 Board of Corporate Auditors meetings, held during the year ended March 31, 2014, and offered advice from the perspective of his knowledge and experience gained at the Ministry of Finance and the National Tax Agency, and as a graduate school professor.

- 2) The Company has entered into agreements with the respective External Corporate Auditors pursuant to Article 427(1) of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act.

## 9. Details of independent auditor

### 1. Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

### 2. Remuneration Paid to Independent Auditor

- ④ Total remuneration paid by the Company to its Independent Auditor relating to the consolidated fiscal year under review : ¥948 million
- ④ Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to the Independent Auditor : ¥1,816 million

Note : The Company has not drawn any distinction between the remuneration for the audit services pursuant to the Companies Act and the Financial Instruments and Exchange Act of Japan in the agreement with the Independent Auditor.

### 3. Non-Audit Services

The Company has engaged its Independent Auditor to provide “tax-related services,” etc., being services falling outside the scope of Article 2(1) of the Certified Public Accountants Act (non-audit services).

### 4. Policy for Decisions on Dismissal or Non Re-Appointment of Independent Auditor

The Company has the following policy on the removal of, and decisions not to re-appoint, the Independent Auditor.

- 1) The tenure of the Independent Auditor is one year, and they may be re-appointed.
- 2) The election, dismissal and/or non re-appointment of the Independent Auditor is/are resolved by the Board of Directors to be referred for discussion and resolution at the General Meeting of Shareholders, after obtaining the approval of the Board of Corporate Auditors. The re-appointment of the Independent Auditor is determined by resolution of the Board of Directors after obtaining the approval of the Board of Corporate Auditors.
- 3) Where the Independent Auditor has breached or contravened law or regulation such as the Companies Act or the Certified Public Accountants Act, or has conducted itself in breach of public policy or breached its contract of engagement, the Board of Directors considers whether or not it is appropriate to refer the dismissal or non re-appointment, the Independent Auditor to the General Meeting of Shareholders for discussion and resolution.
- 4) The Board of Corporate Auditors may dismiss the Independent Auditor with the approval of each Corporate Auditor if the circumstances outlined in the respective provisions of Article 340(1) of the Companies Act apply.

Note : Of the Company's major subsidiaries, Mitsui Iron Ore Development Pty. Ltd. is audited by Deloitte Touche Tohmatsu in Australia, Oriente Copper Netherlands B.V. and Mitsui Sakhalin Holdings B.V. are audited by Deloitte Accountants B.V. in the Netherlands, PT. Bussan Auto Finance is audited by Osman Bing Satrio & Eny (a member firm of Deloitte Touche Tohmatsu) in Indonesia, MBK Healthcare Partners Limited is audited by Deloitte LLP in the United Kingdom, and Novus International, Inc. is audited by Deloitte & Touche LLP in the United States.

## 10. Corporate governance

Mitsui adopts the structure of a company with the Board of Corporate Auditors. To achieve effective corporate governance for shareholders and other stakeholders, the Company has established and maintains the following structures:

- (1) The Board of Directors is the highest authority for business execution and supervision. To ensure those functions, Mitsui has set the number of Directors to the maximum number to enable effective deliberations. Mitsui has also established the Governance Committee, Nomination Committee, and Remuneration Committee as advisory bodies to the Board of Directors, with External Directors and External Corporate Auditors serving as members of these committees.

The purpose of each committee as well as its membership, as of March 31, 2014, are as follows:

	Purpose	Chairman and Members
Governance Committee	To study the state and direction of the Company's corporate governance while taking into consideration the viewpoints of External Directors and Corporate Auditors.	Chairman: Chairman of the Board (Utsuda, Director) Members: President (Iijima, Director), two External Directors (Matsubara, Director; Nonaka, Director), three Internal Directors (Okada, Director; Kinoshita, Director; Koichi Tanaka, Director), one External Corporate Auditor (Nakamura, Corporate Auditor)
Nomination Committee	To establish the selection standards and processes used in nominating Directors and Executive Officers and to evaluate Director nomination proposals.	Chairman: President (Iijima, Director) Members: two External Directors (Nonaka, Director; Hirabayashi, Director), two Internal Directors (Kinoshita, Director; Koichi Tanaka, Director)
Remuneration Committee	To study the system and decision-making process related to remuneration and bonuses—including the evaluation of remuneration proposals—for Directors and Executive Officers.	Chairman: External Director (Muto, Director) Members: President (Iijima, Director), two Internal Directors (Okada, Director; Koichi Tanaka, Director)

- (2) The Corporate Auditors audits the execution of duties by the Directors as an independent body and reports to shareholders. In pursuit of this objective, the Corporate Auditors carry out multifaceted, effective auditing activities, such as attending important internal meetings and auditing various types of reports, investigating corporate business operations, and take necessary measures in a timely manner.

Please refer to the Company's website (<http://www.mitsui.com/jp/en/company/governance/system/index.html>) for more information regarding the corporate governance structure.

## 11. Necessary systems to ensure appropriate operations

An outline of Mitsui's "Necessary systems to ensure appropriate operations" (pursuant to Article 362(4) (6) of the Companies Act of Japan) is as follows.

Further details can be found via the following link on Mitsui's website

(<http://www.mitsui.com/jp/en/company/governance/system/index.html>).

### 1. Systems to Ensure that Directors and Employees Comply with Laws and Regulations, and the Articles of Incorporation

- 1) Mitsui has established the "BUSINESS CONDUCT GUIDELINES FOR EMPLOYEES AND OFFICERS OF MITSUI & CO., LTD.", based on its positioning of compliance by officers and employees in the course of carrying out their duties as one of Mitsui's most important priorities.
- 2) Mitsui has established the Compliance Committee, headed by the Chief Compliance Officer (CCO), and carries out compliance training and other measures to improve awareness of compliance issues. Mitsui has set up several avenues, both internal and external, for its employees to report and consult on compliance matters, and conducts periodical auditing to ensure its compliance regime is observed while also taking disciplinary actions on violations.
- 3) Mitsui's Corporate Auditors monitor the observance of all relevant laws and regulations and the Articles of Incorporation, among other things, by Directors and employees in the performance of their duties.
- 4) Mitsui has appointed External Directors and Corporate Auditors to strengthen the supervisory function of the Board of Directors and has established various advisory committees that include External Directors and External Corporate Auditors as committee members, in order to ensure management transparency and objectivity.

### 2. Systems to Store and Control Information-Related to Duties Performed by Directors

In accordance with its Rules on Information Management, Mitsui stores and controls important information such as the minutes of the General Meetings of Shareholders and the Board of Directors.

### 3. Regulations and Systems Related to Management of Risk of Loss

- 1) The heads of Mitsui's business units and regional business units manage risks of losses ("risks") that arise from businesses within the scope of their authority.
- 2) Mitsui's Corporate Staff Divisions have established and oversee an integrated risk management system to holistically manage the various risks that Mitsui faces in its businesses, centered on the Internal Controls Committee and the Portfolio Management Committee.
- 3) Mitsui responds to crises and emergency situations by establishing the Crisis Management Headquarters, etc. in accordance with the Crisis Management Headquarters Regulations and the Emergency Business Continuity Management Regulations.

### 4. Systems to Ensure Effective and Efficient Execution of Duties by Directors

- 1) Efficient management performance is pursued through having the Board of Directors oversee each Director in the performance of his/her duties and the use of an Executive Officer System.
- 2) Mitsui has established various committees, such as the Corporate Management Committee and the Portfolio Management Committee, to enhance efficient and appropriate management decisions.
- 3) Mitsui has constructed a business unit system and regional unit system to enable timely management decisions, and implemented an internal approval system where its Representative Directors make the final decision in the best interest of the Company, following deliberations by the relevant Corporate Staff Divisions.

- 4) Management initiatives are implemented in accordance with the Medium-Term Management Plan and annual business plans, with the Board of Directors regularly checking upon progress.

#### **5. Systems to Ensure Proper Operations in the Group**

- 1) Based on the general principle of maintaining the autonomy of its subsidiaries and associated companies, Mitsui appropriately manages subsidiaries and associated companies, understanding the management status and maintaining a group-wide management framework, while providing for Mitsui's participation in the management and/or governance of its subsidiaries and associated companies as appropriate to its equity investor status.
- 2) Mitsui requires its major subsidiaries and associated companies to conduct regular auditing to check their compliance with all relevant laws and regulations.
- 3) In the event where subsidiaries or associated companies discover compliance breaches by Mitsui's officers or employees group-wide, Mitsui has set up several internal and external routes so that these subsidiaries and associated companies can report such breaches to the Compliance Committee.

#### **6. Systems Related to Employees Assigned to Assist Corporate Auditors and the Independence of Such Employees from Directors**

- 1) The Corporate Auditor Division is staffed with three or more full-time employees.
- 2) The organization and assignment of employees to the Corporate Auditor Division is determined with the approval of the Corporate Auditors.

#### **7. Systems for Directors and Employees to Report to Corporate Auditors**

- 1) Corporate Auditors may receive information by attending relevant meetings, requesting copies of material documents, and holding regular meetings with Directors, Executive Officers, or other management staff.
- 2) Directors report immediately to the Board of Corporate Auditors in the event of discovery of circumstances that carry the potential risk of serious loss or consequence to Mitsui.
- 3) Mitsui's Corporate Auditors audit the status of the management of its major subsidiaries and associated companies through on-site visits and through regular cooperation with the Corporate Auditors of those companies.

#### **8. Other Systems to Ensure Effective Auditing by Corporate Auditors**

- 1) The Directors maintain an appropriate environment for auditing.
- 2) The Corporate Auditors may request cooperation from the Internal Auditing Division, the Legal Division, and the Global Controller Division, as well as other divisions with regard to their auditing.
- 3) The Corporate Auditors maintain close contact with Mitsui's Independent Auditor.
- 4) The Corporate Auditors may request the assistance of full-time corporate legal counsel and other external expert professional advisors.

## Consolidated Financial Statements

### Consolidated Balance Sheets

(Millions of Yen)

ASSETS			LIABILITIES AND EQUITY		
	March 31, 2014	March 31, 2013(*)		March 31, 2014	March 31, 2013(*)
<b>Current Assets :</b>			<b>Current Liabilities :</b>		
Cash and cash equivalents	¥1,225,079	¥1,425,174	Short-term debt	¥ 519,220	¥ 663,129
Time deposits	5,617	4,740	Current maturities of long-term debt	503,396	421,211
Marketable securities	—	367	Trade payables:		
Trade receivables :			Notes and acceptances	37,041	46,057
Notes and loans, less unearned interest	283,242	291,052	Accounts	1,362,839	1,438,287
Accounts	1,664,240	1,608,915	Associated companies	96,425	71,272
Associated companies	87,141	138,588	Accrued expenses :		
Allowance for doubtful receivables	(14,556)	(16,463)	Income taxes	44,821	54,091
Inventories	702,555	746,584	Interest	17,081	16,985
Advance payments to suppliers	124,666	135,120	Other	95,689	80,971
Deferred tax assets-current	12,667	15,644	Advances from customers	101,678	98,470
Derivative assets	89,199	61,081	Derivative liabilities	100,618	83,940
Other current assets	250,429	220,729	Other current liabilities	93,353	70,917
<b>Total current assets</b>	<b>4,430,279</b>	<b>4,631,531</b>	<b>Total current liabilities</b>	<b>2,972,161</b>	<b>3,045,330</b>
<b>Investments and Non-current Receivables :</b>					
Investments in and advances to associated companies	2,729,476	2,325,255	<b>Long-term Debt, less Current Maturities</b>	<b>3,432,501</b>	<b>3,184,957</b>
Other investments	950,480	816,343	<b>Accrued Pension Costs and Liability for Severeance Indemnities</b>	<b>69,492</b>	<b>68,312</b>
Non-current receivables, less unearned interest	538,333	523,904	<b>Deferred Tax Liabilities-Non-current</b>	<b>309,309</b>	<b>266,544</b>
Allowance for doubtful receivables	(37,397)	(37,362)	<b>Other Long-term Liabilities</b>	<b>349,735</b>	<b>319,334</b>
Property leased to others-at cost, less accumulated depreciation	362,558	330,627	<b>Equity :</b>		
<b>Total investments and non-current receivables</b>	<b>4,543,450</b>	<b>3,958,767</b>	Mitsui & Co., Ltd. Shareholders' equity :		
<b>Property and Equipment-at Cost :</b>			Common stock - no par value	341,482	341,482
Land, land improvements and timberlands	204,319	218,801	Authorized, 2,500,000,000 shares ; Issued 1,829,153,527 shares in 2014 and 1,829,153,527 shares in 2013(*)		
Buildings, including leasehold improvements	487,625	442,255	Capital surplus	418,796	429,828
Equipment and fixtures	1,962,216	1,668,246	Retained earnings :		
Mineral rights	280,782	203,142	Appropriated for legal reserve	75,073	69,653
Vessels	42,085	42,478	Unappropriated	2,737,792	2,405,008
Projects in progress	261,178	235,084	Accumulated other comprehensive income (loss) :		
<b>Total property and equipment</b>	<b>3,238,205</b>	<b>2,810,006</b>	Unrealized holding gains on available-for-sale securities	164,896	135,832
Accumulated depreciation	(1,404,071)	(1,239,736)	Foreign currency translation adjustments	(10,218)	(94,912)
<b>Net property and equipment</b>	<b>1,834,134</b>	<b>1,570,270</b>	Defined benefit pension plans	(70,207)	(74,124)
<b>Intangible Assets, less Accumulated Amortization</b>	<b>141,346</b>	<b>118,448</b>	Net unrealized losses on derivatives	(15,060)	(24,974)
<b>Deferred Tax Assets-Non-current</b>	<b>35,637</b>	<b>31,538</b>	Total accumulated other comprehensive income (loss)	69,411	(58,178)
<b>Other Assets</b>	<b>16,418</b>	<b>14,027</b>	Treasury stock, at cost : 36,641,439 shares in 2014 and 4,027,206 shares in 2013(*)	(56,140)	(5,974)
			Total Mitsui & Co., Ltd. shareholders' equity	3,586,414	3,181,819
			Noncontrolling interests	281,652	258,285
			<b>Total equity</b>	<b>3,868,066</b>	<b>3,440,104</b>
<b>Total</b>	<b>¥11,001,264</b>	<b>¥10,324,581</b>	<b>Total</b>	<b>¥11,001,264</b>	<b>¥10,324,581</b>

(\*) Supplementary Information



## Statements of Consolidated Income

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013(*)
<b>Revenues :</b>		
Sales of products	¥5,216,933	¥4,408,144
Sales of services	415,395	392,088
Other sales	108,322	111,377
<b>Total revenues</b>	<b>5,740,650</b>	<b>4,911,609</b>
<div> <div>Total Trading Transactions :</div> <div> Year ended March 31, 2014, ¥11,165,660 million  Year ended March 31, 2013, ¥10,049,637 million(*) </div> </div>		
<b>Cost of Revenues :</b>		
Cost of products sold	4,657,400	3,901,272
Cost of services sold	162,873	161,858
Cost of other sales	60,445	58,040
<b>Total cost of revenues</b>	<b>4,880,718</b>	<b>4,121,170</b>
<b>Gross Profit</b>	<b>859,932</b>	<b>790,439</b>
<b>Other Expenses (Income) :</b>		
Selling, general and administrative	574,734	521,075
Provision for doubtful receivables	9,982	14,761
Interest income	(46,545)	(41,724)
Interest expense	44,426	42,910
Dividend income	(120,510)	(80,057)
Gain on sales of securities - net	(80,901)	(44,905)
Gain on securities contributed to an employee retirement benefit trust	(2,119)	—
Loss on write-down of securities	18,923	27,278
Gain on disposal or sales of property and equipment - net	(15,747)	(6,207)
Impairment loss of long-lived assets	6,453	12,342
Impairment loss of goodwill	4,071	—
Other expenses - net	13,433	30,868
<b>Total other expenses (income)</b>	<b>406,200</b>	<b>476,341</b>
<b>Income before Income Taxes and Equity in Earnings</b>	<b>453,732</b>	<b>314,098</b>
<b>Income Taxes :</b>		
Current	181,686	182,327
Deferred	(972)	(23,978)
<b>Total income taxes</b>	<b>180,714</b>	<b>158,349</b>
<b>Income before Equity in Earnings</b>	<b>273,018</b>	<b>155,749</b>
Equity in Earnings of Associated Companies - Net	173,730	176,226
<b>Net Income before Attribution of Noncontrolling Interests</b>	<b>446,748</b>	<b>331,975</b>
Net Income Attributable to Noncontrolling Interests	(24,587)	(24,049)
<b>Net Income Attributable to Mitsui &amp; Co., Ltd.</b>	<b>¥ 422,161</b>	<b>¥ 307,926</b>

(\*) Supplementary Information

## Statements of Changes in Consolidated Equity

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013(*)
<b>Common Stock :</b>		
Balance at beginning of year	¥ 341,482	¥ 341,482
Balance at end of year	<b>¥ 341,482</b>	<b>¥ 341,482</b>
<b>Capital Surplus :</b>		
Balance at beginning of year	¥ 429,828	¥ 430,491
Equity transactions with noncontrolling interest shareholders	(11,032)	(663)
Balance at end of year	<b>¥ 418,796</b>	<b>¥ 429,828</b>
<b>Retained Earnings :</b>		
<b>Appropriated for Legal Reserve :</b>		
Balance at beginning of year	¥ 69,653	¥ 65,500
Transfer from unappropriated retained earnings	5,420	4,153
Balance at end of year	<b>¥ 75,073</b>	<b>¥ 69,653</b>
<b>Unappropriated :</b>		
Balance at beginning of year	¥2,405,008	¥2,192,494
Net income attributable to Mitsui & Co., Ltd.	422,161	307,926
Cash dividends paid to Mitsui & Co., Ltd. shareholders	(83,957)	(91,248)
Dividends paid per share : Year ended March 31, 2014, ¥46.0 Year ended March 31, 2013, ¥50.0 (*)		
Transfer to retained earnings appropriated for legal reserve	(5,420)	(4,153)
Losses on sales of treasury stock	(0)	(11)
Balance at end of year	<b>¥2,737,792</b>	<b>¥2,405,008</b>
<b>Accumulated Other Comprehensive Income (Loss) (After Income Tax Effect) :</b>		
Balance at beginning of year	¥ (58,178)	¥ (382,446)
Unrealized holding gains on available-for-sale securities	28,953	44,052
Foreign currency translation adjustments	84,362	285,903
Defined benefit pension plans :		
Net prior service credit	1,042	40
Net actuarial gains (losses)	2,875	(6,001)
Net unrealized gains (losses) on derivatives	9,845	(660)
Equity transactions with noncontrolling interest shareholders	512	934
Balance at end of year	<b>¥ 69,411</b>	<b>¥ (58,178)</b>
<b>Treasury Stock, at Cost :</b>		
Balance at beginning of year	¥ (5,974)	¥ (6,203)
Purchases of treasury stock	(50,217)	(15)
Sales of treasury stock	51	244
Balance at end of year	<b>¥ (56,140)</b>	<b>¥ (5,974)</b>
<b>Total Mitsui &amp; Co., Ltd. shareholders' equity</b>	<b>¥3,586,414</b>	<b>¥3,181,819</b>

[Continued from previous page]

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013(*)
<b>Noncontrolling Interests :</b>		
Balance at beginning of year	¥ 258,285	¥ 219,492
Dividends paid to noncontrolling interest shareholders	(18,981)	(13,580)
Net income attributable to noncontrolling interests	24,587	24,049
Unrealized holding losses on available-for-sale securities (after income tax effect)	(963)	(3,181)
Foreign currency translation adjustments (after income tax effect)	10,913	20,209
Defined benefit pension plans (after income tax effect) :		
Net prior service credit	—	0
Net actuarial gains	197	53
Net unrealized gains (losses) on derivatives (after income tax effect)	88	(93)
Equity transactions with noncontrolling interest shareholders and other	7,526	11,336
Balance at end of year	<b>¥ 281,652</b>	<b>¥ 258,285</b>
<b>Total Equity :</b>		
Balance at beginning of year	¥3,440,104	¥2,860,810
Losses on sales of treasury stock	(0)	(11)
Net income before attribution of noncontrolling interests	446,748	331,975
Cash dividends paid to Mitsui & Co., Ltd. shareholders	(83,957)	(91,248)
Dividends paid to noncontrolling interest shareholders	(18,981)	(13,580)
Unrealized holding gains on available-for-sale securities (after income tax effect)	27,990	40,871
Foreign currency translation adjustments (after income tax effect)	95,275	306,112
Defined benefit pension plans (after income tax effect) :		
Net prior service credit	1,042	40
Net actuarial gains (losses)	3,072	(5,948)
Net unrealized gains (losses) on derivatives (after income tax effect)	9,933	(753)
Sales and purchases of treasury stock	(50,166)	229
Equity transactions with noncontrolling interest shareholders and other	(2,994)	11,607
Balance at end of year	<b>¥3,868,066</b>	<b>¥3,440,104</b>

(\*) Supplementary Information

# Statements of Consolidated Comprehensive Income [Supplementary Information] (Unaudited)

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013
<b>Comprehensive Income :</b>		
Net income before attribution of noncontrolling interests	¥ 446,748	¥ 331,975
Other comprehensive income (loss) (after income tax effect) :		
Unrealized holding gains on available-for-sale securities	27,990	40,871
Foreign currency translation adjustments	95,275	306,112
Defined benefit pension plans :		
Net prior service credit	1,042	40
Net actuarial gains (losses)	3,072	(5,948)
Net unrealized gains (losses) on derivatives	9,933	(753)
Total other comprehensive income (loss) (after income tax effect)	137,312	340,322
Comprehensive income before attribution of noncontrolling interests	584,060	672,297
Comprehensive income attributable to noncontrolling interests	(34,822)	(41,037)
Comprehensive income attributable to Mitsui & Co., Ltd.	¥ 549,238	¥ 631,260

## Statements of Consolidated Cash Flows [Supplementary Information] (Unaudited)

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013
<b>Operating Activities :</b>		
Net income before attribution of noncontrolling interests	¥ 446,748	¥ 331,975
Adjustments to reconcile net income before attribution of noncontrolling interests to net cash provided by operating activities :		
Depreciation and amortization	229,234	198,852
Pension and severance costs, less payments	1,264	9,366
Provision for doubtful receivables	9,982	14,761
Gain on sales of securities-net	(80,901)	(44,905)
Gain on securities contributed to an employee retirement benefit trust	(2,119)	—
Loss on write-down of securities	18,923	27,278
Gain on disposal or sales of property and equipment-net	(15,747)	(6,207)
Impairment loss of long-lived assets	6,453	12,342
Impairment loss of goodwill	4,071	—
Deferred income taxes	(972)	(23,978)
Equity in earnings of associated companies, less dividends received	(20,544)	(60,492)
Changes in operating assets and liabilities :		
(Increase) decrease in trade receivables	(9,331)	62,484
Decrease in inventories	64,550	106,338
(Decrease) increase in trade payables	(68,459)	11,331
Other-net	(61,628)	(177,715)
Net cash provided by operating activities	521,524	461,430
<b>Investing Activities :</b>		
Net decrease (increase) in time deposits	707	(382)
Net increase in investments in and advances to associated companies	(217,554)	(230,592)
Net (increase) decrease in other investments	(89,773)	9,155
Net increase in long-term loan receivables	(23,341)	(132,560)
Net increase in property leased to others and property and equipment	(374,555)	(398,918)
Net cash used in investing activities	(704,516)	(753,297)
<b>Financing Activities :</b>		
Net (decrease) increase in short-term debt	(109,780)	161,481
Net increase in long-term debt	212,164	150,516
Transactions with noncontrolling interest shareholders	(2,896)	921
Purchases of treasury stock-net	(50,216)	(13)
Payments of cash dividends	(83,970)	(91,270)
Net cash (used in) provided by financing activities	(34,698)	221,635
Effect of Exchange Rate Changes on Cash and Cash Equivalents	17,595	64,294
Net Decrease in Cash and Cash Equivalents	(200,095)	(5,938)
Cash and Cash Equivalents at Beginning of Year	1,425,174	1,431,112
<b>Cash and Cash Equivalents at End of Year</b>	<b>¥1,225,079</b>	<b>¥1,425,174</b>

## Operating Segment Information [Supplementary Information] (Unaudited)

The companies allocate their resources and review their performance by operating segments comprised of the business units of the Head Office and region-focused operating segments comprised of the regional business units. The companies' operating segments have been aggregated based on the nature of the products and other criteria into seven product-focused reportable operating segments and three region-focused reportable operating segments.

Year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
Revenues	¥220,068	¥ 790,743	¥ 410,155	¥943,198	¥ 1,455,748	¥ 889,689	¥103,177
Gross Profit	¥ 51,130	¥ 193,630	¥ 115,539	¥ 80,527	¥ 186,570	¥ 111,656	¥ 22,358
Operating Income (Loss)	¥ 13,580	¥ 152,032	¥ (8,742)	¥ 11,258	¥ 129,050	¥ (17,798)	¥ (37,345)
Equity in Earnings of Associated Companies -Net	¥ 5,393	¥ 42,846	¥ 16,824	¥ 8,637	¥ 60,208	¥ 19,788	¥ 7,371
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	¥ 18,121	¥ 95,574	¥ 26,614	¥ 15,817	¥ 197,023	¥ 19,230	¥ 4,942
Total Assets at March 31, 2014	¥561,076	¥ 2,010,055	¥ 1,866,515	¥732,438	¥ 2,131,675	¥ 1,434,669	¥559,887

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenues	¥699,737	¥117,176	¥109,079	¥ 5,738,770	¥ 1,884	¥ (4)	¥ 5,740,650
Gross Profit	¥ 77,482	¥ 22,104	¥ 12,469	¥ 873,465	¥ 794	¥ (14,327)	¥ 859,932
Operating Income (Loss)	¥ 11,858	¥ 724	¥ (6,861)	¥ 247,756	¥ (7,383)	¥ 34,843	¥ 275,216
Equity in Earnings of Associated Companies -Net	¥ 6,521	¥ 1,455	¥ 4,522	¥ 173,565	¥ 365	¥ (200)	¥ 173,730
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	¥ 13,820	¥ 4,815	¥ 35,165	¥ 431,121	¥ 12,146	¥ (21,106)	¥ 422,161
Total Assets at March 31, 2014	¥564,044	¥109,452	¥339,923	¥10,309,734	¥ 5,034,651	¥(4,343,121)	¥11,001,264

Year ended March 31, 2013 (from April 1, 2012 to March 31, 2013) (As restated)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
Revenues	¥214,059	¥ 629,262	¥ 376,246	¥747,589	¥ 1,281,177	¥ 815,070	¥121,113
Gross Profit	¥ 42,218	¥ 161,379	¥ 106,762	¥ 70,677	¥ 186,459	¥ 111,677	¥ 31,602
Operating Income (Loss)	¥ 2,656	¥ 124,491	¥ (12,552)	¥ 7,409	¥ 135,314	¥ (7,028)	¥ (27,090)
Equity in Earnings of Associated Companies -Net	¥ 3,114	¥ 44,394	¥ 32,314	¥ 6,635	¥ 55,196	¥ 13,140	¥ 12,852
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	¥ (3,805)	¥ 91,481	¥ 16,982	¥ (1,500)	¥ 164,634	¥ 12,980	¥ 4,710
Total Assets at March 31, 2013	¥542,339	¥ 1,764,310	¥ 1,589,480	¥723,356	¥ 1,721,327	¥ 1,350,263	¥649,937

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenues	¥547,154	¥ 95,118	¥ 82,922	¥4,909,710	¥ 1,902	¥ (3)	¥ 4,911,609
Gross Profit	¥ 66,009	¥ 15,646	¥ 10,513	¥ 802,942	¥ 935	¥ (13,438)	¥ 790,439
Operating Income (Loss)	¥ 11,428	¥ (3,673)	¥ (5,936)	¥ 225,019	¥ (1,289)	¥ 30,873	¥ 254,603
Equity in Earnings of Associated Companies -Net	¥ 3,473	¥ 398	¥ 4,936	¥ 176,452	¥ —	¥ (226)	¥ 176,226
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	¥ 12,405	¥ (949)	¥ 27,536	¥ 324,474	¥ 6,134	¥ (22,682)	¥ 307,926
Total Assets at March 31, 2013	¥501,536	¥114,026	¥321,936	¥9,278,510	¥4,784,428	¥(3,738,357)	¥10,324,581

Notes : 1. "All Other" principally consisted of the Corporate Staff Unit which provides financing services and operations services to external customers and/or to the companies and associated companies. Total assets of "All Other" at March 31, 2014 and 2013 consisted primarily of cash and cash equivalents and time deposits related to financing activities, and assets of the Corporate Staff Unit and certain subsidiaries related to the above services.

During the year ended March 31, 2014, a part of the Corporate Staff Unit which was formerly included in "Adjustments and Eliminations" was reclassified to "All Other".

This change has been made to the operating segment information for the year ended March 31, 2013, to conform to the current period presentation.

2. Transfers between operating segments are made at cost plus a markup.

3. Net Income (Loss) Attributable to Mitsui & Co., Ltd. of "Adjustments and Eliminations" includes income and expense items that are not allocated to specific reportable operating segments, and eliminations of intersegment transactions.

4. During the year ended March 31, 2014, Logistics infrastructure businesses including development and management of ports and airport terminal, advanced materials related businesses such as liquid crystal and electronic devices, and media related businesses such as TV shopping and broadcasting, all included in "Innovation & Corporate Development" segment, were transferred to "Machinery & Infrastructure" segment, "Chemicals" segment, and "Lifestyle" segment, respectively.

In accordance with these changes, the operating segment information for the year ended March 31, 2013, has been restated to conform to the current period presentation.

5. During the year ended March 31, 2014, the steel scrap related businesses of Mitsui Bussan Metals Co., Ltd. in “Mineral & Metal Resources” segment were transferred to Mitsui & Co. Steel Ltd. in “Iron & Steel Products” segment. In accordance with this change, the operating segment information for the year ended March 31, 2013, has been restated to conform to the current period presentation.
6. During the year ended March 31, 2014, “Innovation & Cross Function” changed its name to “Innovation & Corporate Development”.
7. During the year ended March 31, 2014, the coal related businesses, except for trading of thermal coal for power utilities, included in “Energy” segment, were transferred to “Mineral & Metal Resources” segment. In accordance with this change, the operating segment information for the year ended March 31, 2013, has been restated to conform to the current period presentation.
8. Operating Income (Loss) reflects the companies’ a) Gross Profit, b) Selling, general and administrative expenses, and c) Provision for doubtful receivables as presented in the Statements of Consolidated Income.

## Balance Sheets

(Millions of Yen)

	March 31, 2014	March 31, 2013(*)		March 31, 2014	March 31, 2013(*)
<b>ASSETS</b>			<b>LIABILITIES</b>		
<b>Current Assets :</b>			<b>Current Liabilities :</b>		
Cash and time deposits	¥ 762,825	¥1,000,894	Notes payable, trade	¥ 3,840	¥ 7,296
Notes receivable, trade	34,518	41,385	Accounts payable, trade	544,497	556,714
Accounts receivable, trade	717,012	715,785	Short-term borrowings	426,738	280,763
Securities	—	347	Current portion of bonds	21,000	80,500
Inventories	132,077	109,267	Accounts payable, other	88,043	119,391
Prepaid expenses	2,976	2,659	Accrued expenses	38,228	32,271
Short-term loans receivable	222,817	182,747	Advances from customers	7,128	12,711
Income tax receivable	13,400	8,333	Deposits received	2,565	2,951
Other	182,419	209,523	Deferred income	10,718	12,377
Allowance for doubtful receivables	(1,280)	(4,361)	Other	53,447	57,833
<b>Total current assets</b>	<b>2,066,766</b>	<b>2,266,584</b>	<b>Total current liabilities</b>	<b>1,196,210</b>	<b>1,162,811</b>
<b>Non-Current Assets :</b>			<b>Long-Term Liabilities :</b>		
Tangible assets (net) :			Bonds	313,400	337,431
Leased-out property	44,929	45,065	Long-term borrowings	2,071,226	2,051,055
Buildings	9,436	15,417	Deferred tax liabilities-non-current	61,941	48,245
Structures	259	327	Liability for retirement benefits	17,045	15,737
Machinery and equipment	3,221	3,129	Allowances for the obligation for guarantees and commitments	35,505	29,891
Vehicles	118	108	Other	38,659	42,491
Tools, furniture and fixtures	2,826	3,306	<b>Total long-term liabilities</b>	<b>2,537,779</b>	<b>2,524,853</b>
Timberland	7,858	7,848	<b>Total liabilities</b>	<b>3,733,989</b>	<b>3,687,664</b>
Land	24,283	12,987			
Construction in progress	171	120			
<b>Total tangible assets (net)</b>	<b>93,105</b>	<b>88,309</b>			
Intangible assets :			<b>EQUITY</b>		
Software	14,850	18,383	<b>Shareholders' Equity :</b>		
Other	1,801	7,153	Common stock	341,481	341,481
<b>Total intangible assets</b>	<b>16,652</b>	<b>25,536</b>	Capital surplus :		
Investments and other assets :			Capital reserve	367,758	367,758
Investments in securities	522,462	470,284	Total capital surplus	367,758	367,758
Investments in subsidiaries and associated companies	1,924,728	1,692,828	Retained earnings :		
Ownership in subsidiaries and associated companies	337,034	335,755	Legal reserve	27,745	27,745
Long-term loans receivable	113,002	118,343	Other retained earnings :		
Long-term accounts receivable	108,817	61,530	General reserve	176,851	176,851
Other	53,161	80,617	Special reserve	1,619	1,619
Allowance for doubtful receivables	(68,115)	(46,074)	Retained earnings-carry forward	572,641	436,141
<b>Total investments and other assets</b>	<b>2,991,092</b>	<b>2,713,284</b>	Total retained earnings	778,858	642,357
<b>Total non-current assets</b>	<b>3,100,850</b>	<b>2,827,131</b>	Treasury stock	(55,715)	(5,690)
			<b>Total shareholders' equity</b>	<b>1,432,383</b>	<b>1,345,907</b>
			<b>Valuation and Translation Adjustments :</b>		
			Net unrealized gains on available-for-sale securities	143,574	119,475
			Deferred losses on derivatives under hedge accounting	(142,330)	(59,332)
			<b>Total valuation and translation adjustments</b>	<b>1,243</b>	<b>60,143</b>
			<b>Total equity</b>	<b>1,433,627</b>	<b>1,406,050</b>
<b>Total Assets</b>	<b>¥5,167,617</b>	<b>¥5,093,715</b>	<b>Total Liabilities and Equity</b>	<b>¥5,167,617</b>	<b>¥5,093,715</b>

(\*) Supplementary Information



## Statements of Income

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013(*)
<b>Sales</b>	<b>¥ 4,597,257</b>	<b>¥ 4,182,193</b>
<b>Cost of sales</b>	<b>4,523,595</b>	<b>4,090,681</b>
<b>Gross Profit</b>	<b>73,661</b>	<b>91,511</b>
<b>Selling, general and administrative expenses</b>	<b>246,859</b>	<b>223,694</b>
<b>Operating Loss</b>	<b>(173,197)</b>	<b>(132,182)</b>
<b>Non-Operating Income</b>		
Interest income	5,091	6,465
Dividend income	364,772	289,617
Foreign exchange income	7,096	—
Gain on sales of tangible assets	349	691
Gain on sales of investments in securities and subsidiaries and associated companies	78,343	31,103
Gain on securities contributed to an employee retirement benefit trust	2,119	—
Other	32,773	34,420
<b>Total non-operating income</b>	<b>490,546</b>	<b>362,298</b>
<b>Non-Operating Expenses</b>		
Interest expense	24,194	25,180
Foreign exchange loss	—	18,660
Loss on sales of tangible assets	524	656
Impairment loss	193	878
Loss on sales of investments in securities and subsidiaries and associated companies	509	290
Loss on write-down of investments in securities and subsidiaries and associated companies	33,927	36,625
Provision for doubtful receivables from subsidiaries and associated companies	22,320	6,399
Provision for the obligation for guarantees and commitments	6,443	22,796
Other	11,213	9,820
<b>Total non-operating expenses</b>	<b>99,326</b>	<b>121,307</b>
<b>Ordinary Profit</b>	<b>218,022</b>	<b>108,808</b>
<b>Income before Income Taxes</b>	<b>218,022</b>	<b>108,808</b>
Income taxes (refund)-current	(2,255)	(1,528)
Income taxes-deferred	(193)	26,970
<b>Net Income</b>	<b>¥ 220,470</b>	<b>¥ 83,366</b>

(\*) Supplementary Information

## Statements of Changes in Equity

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013(*)
<b>Shareholders' Equity</b>		
<b>Common Stock</b>		
Balance at the beginning of current period	¥ 341,481	¥ 341,481
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	<b>¥ 341,481</b>	<b>¥ 341,481</b>
<b>Capital Surplus</b>		
Capital reserve		
Balance at the beginning of current period	¥ 367,758	¥ 367,758
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	¥ 367,758	¥ 367,758
Total capital surplus		
Balance at the beginning of current period	¥ 367,758	¥ 367,758
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	<b>¥ 367,758</b>	<b>¥ 367,758</b>
<b>Retained Earnings</b>		
Legal reserve		
Balance at the beginning of current period	¥ 27,745	¥ 27,745
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	¥ 27,745	¥ 27,745
Other retained earnings		
General reserve		
Balance at the beginning of current period	¥ 176,851	¥ 176,851
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	¥ 176,851	¥ 176,851
Special reserve		
Balance at the beginning of current period	¥ 1,619	¥ 1,619
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	¥ 1,619	¥ 1,619
Retained earnings-carry forward		
Balance at the beginning of current period	¥ 436,141	¥ 444,054
Changes of items during the period		
Cash dividends	(83,970)	(91,269)
Net income	220,470	83,366
Disposal of treasury stock	(0)	(10)
Total changes of items during the period	136,500	(7,913)
Balance at the end of current period	¥ 572,641	¥ 436,141
Total retained earnings		
Balance at the beginning of current period	¥ 642,357	¥ 650,271
Changes of items during the period		
Cash dividends	(83,970)	(91,269)
Net income	220,470	83,366
Disposal of treasury stock	(0)	(10)
Total changes of items during the period	136,500	(7,913)
Balance at the end of current period	<b>¥ 778,858</b>	<b>¥ 642,357</b>

[Continued from previous page]

(Millions of Yen)

	Year ended March 31, 2014	Year ended March 31, 2013(*)
<b>Treasury Stock</b>		
Balance at the beginning of current period	¥ (5,690)	¥ (5,768)
Changes of items during the period		
Acquisition of treasury stock	(50,025)	(15)
Disposal of treasury stock	1	92
Total changes of items during the period	(50,024)	77
Balance at the end of current period	<b>¥ (55,715)</b>	<b>¥ (5,690)</b>
<b>Total Shareholders' Equity</b>		
Balance at the beginning of current period	¥1,345,907	¥1,353,742
Changes of items during the period		
Cash dividends	(83,970)	(91,269)
Net income	220,470	83,366
Acquisition of treasury stock	(50,025)	(15)
Disposal of treasury stock	1	82
Total changes of items during the period	86,476	(7,835)
Balance at the end of current period	<b>¥1,432,383</b>	<b>¥1,345,907</b>
<b>Valuation and Translation Adjustments</b>		
Net Unrealized Gains on Available-for-Sale Securities		
Balance at the beginning of current period	¥ 119,475	¥ 69,988
Changes of items during the period		
Net changes during period of items in valuation and translation adjustments	24,098	49,486
Total changes of items during the period	24,098	49,486
Balance at the end of current period	¥ 143,574	¥ 119,475
Deferred Losses on Derivatives under Hedge Accounting		
Balance at the beginning of current period	¥ (59,332)	¥ 35,693
Changes of items during the period		
Net changes during period of items in valuation and translation adjustments	(82,998)	(95,025)
Total changes of items during the period	(82,998)	(95,025)
Balance at the end of current period	¥ (142,330)	¥ (59,332)
Total Valuation and Translation Adjustments		
Balance at the beginning of current period	¥ 60,143	¥ 105,682
Changes of items during the period		
Net changes during period of items in valuation and translation adjustments	(58,899)	(45,538)
Total changes of items during the period	(58,899)	(45,538)
Balance at the end of current period	<b>¥ 1,243</b>	<b>¥ 60,143</b>
<b>Total Equity</b>		
Balance at the beginning of current period	¥1,406,050	¥1,459,425
Changes of items during the period		
Cash dividends	(83,970)	(91,269)
Net income	220,470	83,366
Acquisition of treasury stock	(50,025)	(15)
Disposal of treasury stock	1	82
Net changes during period of items in valuation and translation adjustments	(58,899)	(45,538)
Total changes of items during the period	27,576	(53,374)
Balance at the end of current period	<b>¥1,433,627</b>	<b>¥1,406,050</b>

(\*) Supplementary Information

## Auditors' Report

(TRANSLATION)

### INDEPENDENT AUDITOR'S REPORT

May 08, 2014

To the Board of Directors of Mitsui & Co., Ltd. :

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Koji Inagaki

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Yoshio Sato

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Nobuaki Fuse

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Hidehito Goda

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Michiyuki Yamamoto

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of March 31, 2014 of Mitsui & Co., Ltd. (the "Company") and its consolidated subsidiaries, and the related statement of consolidated income and statement of changes in consolidated equity for the fiscal year from April 1, 2013 to March 31, 2014 and the related notes.

#### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120-2 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under accounting principles generally accepted in the United States of America, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assess-

ments, the auditor considers internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Audit Opinion**

In our opinion, the consolidated financial statements referred to above, prepared with the omission of a part of the disclosures required under accounting principles generally accepted in the United States of America pursuant to the provisions of the second sentence of the first paragraph of Article 120-2 of the Ordinance on Company Accounting, present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2014, and the results of their operations for the year then ended.

#### **Interest**

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(TRANSLATION)

## INDEPENDENT AUDITOR'S REPORT

May 8, 2014

To the Board of Directors of Mitsui & Co., Ltd. :

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Koji Inagaki

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Yoshio Sato

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Nobuaki Fuse

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Hidehito Goda

Designated Unlimited Liability Partner, Engagement Partner,  
Certified Public Accountant : Michiyuki Yamamoto

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the balance sheet as of March 31, 2014 of Mitsui & Co., Ltd. (the "Company"), and the related statements of income and changes in net assets for the 95 th fiscal year from April 1, 2013 to March 31, 2014, and the related notes and the accompanying supplemental schedules.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial state-

ments and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Audit Opinion**

In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2014, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

#### **Interest**

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and “the accompanying supplemental schedules” referred to in this report are not included in the attached financial documents.

## Corporate Auditors' Report

Having examined the Directors' performance of their duties during the 95th fiscal year from April 1, 2013 to March 31, 2014, we, the Board of Corporate Auditors, make this report as follows, based upon discussion on the basis of the auditors' reports submitted by the respective Corporate Auditors :

### 1. METHODS AND SUBSTANCE OF AUDIT BY CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS

The Board of Corporate Auditors decided upon auditing policies, allocation of work duties, etc., received a report on the auditing work performed and its results from each Corporate Auditor, and received a report on their status of work executed from the Directors and the Independent Auditor and requested their explanations as necessary.

While conforming to the auditing standards as decided by the Board of Corporate Auditors, the auditing policies, the allocation of duties, etc., each Corporate Auditor endeavored to facilitate mutual understanding with the Directors, the internal auditing division, other employees and Independent Auditor endeavored to collect information and to improve the auditing environment, attended the meetings of the Board of Directors and other important meetings, received reports on their status of work executed from the Directors and the employees and requested their explanations as necessary, inspected material internal decision-making documents, etc., and investigated the status of operations and assets of the headquarters and major business sites. In addition, regular reports were received and explanations given by directors and employees, and audits were conducted, including expressing opinions, covering the substance of decisions made by the Board of Directors with regard to "Necessary systems to ensure appropriate operations" noted in the Business Report (pursuant to Article 362(4)(6) of the Companies Act of Japan) and of the status of construction and operation of the systems actually developed on the basis of those decisions (the "internal control systems"). With respect to subsidiaries, we endeavored to facilitate mutual understanding and exchanging of information with their directors, corporate auditors, etc., and collected reports on their business as necessary. Based on the above methods, the business report and its supplementary schedules for the relevant fiscal year were examined.

In addition, we examined whether the independence of the Independent Auditor was maintained and whether appropriate audit was being undertaken, received reports from the Independent Auditor on the status of operations, and requested explanations as necessary. We also received reports from the Independent Auditor that "Necessary systems to ensure appropriate execution of operations" (pursuant to Article 131 of the Corporate Accounting Regulations of Japan) was duly developed in line with "Quality control standards for auditing" (issued by the Japan Corporate Accounting Council on October 28, 2005), and requested explanations as necessary. Based on the above methods, we examined the financial statements for the relevant fiscal year (the balance sheet, the statements of income, the changes in shareholders' equity and the notes to non-consolidated financial statements) and their supplementary schedules and then the consolidated financial statements for the relevant fiscal year (the consolidated balance sheet, the statements of consolidated income, the statements of consolidated shareholders' equity and the notes to consolidated financial statements).

Regarding internal control of financial reporting, the Directors and Deloitte Touche Tohmatsu LLC provided us with reports assessing the internal control procedures and audit status, as well as explanations where necessary.



## 2. RESULTS OF AUDIT

(1) Results of examination of the business report, etc.

- a) In our opinion, the business report and its supplementary schedules are in conformity with the applicable laws and regulations of Japan and the Articles of Incorporation of the Company and fairly present the state of the Company's affairs.
- b) We have found no misconduct or material fact constituting a violation of any applicable laws and regulations of Japan or the Articles of Incorporation in connection with the Directors' performance of their duties, and
- c) In our opinion, the substance of the decisions made by the Board of Directors with regard to the internal control systems is appropriate. Furthermore, we find no matters that require noting with regard to the details contained in the Business Report or the Directors' performance of their duties in connection with the internal control systems.

(2) Results of examination of the financial statements and their supplementary schedules

In our opinion, the auditing methods used and the conclusions reached by the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of examination of the consolidated financial statements

In our opinion, the auditing methods used and the conclusions reached by the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

May 15, 2014

Board of Corporate Auditors  
Mitsui & Co., Ltd.  
Corporate Auditor (full time) Satoru Miura  
Corporate Auditor (full time) Motonori Murakami  
Corporate Auditor Naoto Nakamura  
Corporate Auditor Kunihiro Matsuo  
Corporate Auditor Hiroyasu Watanabe

Note : Naoto Nakamura, Kunihiro Matsuo and Hiroyasu Watanabe are External Corporate Auditors.

## Reference Materials for the Exercise of Voting Rights

### Proposed Resolutions and Related Information

#### 【Items proposed by the Company (Items 1 through 5)】

##### Item 1 : Dividend of Surplus for the 95th Fiscal Year

Under the Medium-term Management Plan to March 2014, which was publicly announced in May 2012, we recognized the importance of maintaining a strong financial base that can support robust demand for investments while meeting the expectations of shareholders for compensation and dividends. Our basic dividend policy is to compensate shareholders in a flexible manner in line with the operating environment, including operating results and retained earnings, while maintaining an annual dividend equivalent to a consolidated payout ratio of at least 25%. Based on this dividend policy, we concluded the dividend payout ratio should be 25.5% for the year ended March 31, 2014, and regarding the year-end dividend for the 95th fiscal year, the Company proposes the following.

##### (1) Type of Dividend Payment

Cash

##### (2) Items Relating to Dividend Payment and the Total Amount Distributed to Shareholders

Payment of a dividend of ¥34.00 per ordinary share, for a total payment of ¥60,954,619,654

An interim dividend of ¥25.00 per ordinary share was paid in December 2013, which would result in an annual dividend for the 95th fiscal year of ¥59.00 per ordinary share.

##### (3) Date that the Dividend of Surplus Became Effective

June 23, 2014

##### Item 2 : Partial Amendments to the Articles of Incorporation

The Company proposes to amend certain provisions of the Articles of Incorporation as shown as proposed amendments on page 54.

##### (1) Reasons for amendments

- 1) The Company proposes to amend Article 22 of the current Articles of Incorporation so that the President may be selected not only among Representative Directors but also among Managing Officers in order to allow the optimum management structure to be flexibly built.
- 2) The Company introduced the Managing Officer system in 2002 for the purpose of swift business execution and the clarification of responsibilities. In conjunction with the amendment above, we propose to establish a provision relating to Managing Officers to clarify the method to appoint Managing Officers and roles of Managing Officers. (proposed amendment Article 26)

## (2) Details of amendments

The proposed amendments to the Articles of Incorporation are as follows :

(Underlining denotes change)

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;"><b>CHAPTER IV</b> <b>DIRECTORS AND THE BOARD OF DIRECTORS</b> (REPRESENTATIVE DIRECTORS AND <u>DIRECTORS</u> WITH SPECIFIC TITLES)</p> <p>Article 22. Representative Directors, <u>one of whom shall be the President</u>, shall be elected by a resolution of the Board of Directors.</p> <p>The Board of Directors may elect one Chairman of the Board of Directors and one Vice Chairman of the Board of Directors. However, in case of necessity, one additional Vice Chairman of the Board of Directors may be elected.</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;"><b>CHAPTER V</b> <b>CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS</b></p> <p>Articles <u>26</u> through <u>31</u> (Omitted)</p> <p style="text-align: center;"><b>CHAPTER VI</b> <b>ACCOUNTS</b></p> <p>Articles <u>32</u> through <u>35</u> (Omitted)</p> <p style="text-align: center;"><b>CHAPTER VII</b> <b>MISCELLANEOUS</b></p> <p>Article <u>36</u> (Omitted)</p>	<p style="text-align: center;"><b>CHAPTER IV</b> <b>DIRECTORS AND THE BOARD OF DIRECTORS</b> (REPRESENTATIVE DIRECTORS AND <u>OFFICERS</u> WITH SPECIFIC TITLES, ETC.)</p> <p>Article 22. Representative Directors shall be elected by a resolution of the Board of Directors. <u>The President shall be elected among the Representative Directors and Managing Officers by a resolution of the Board of Directors.</u></p> <p>The Board of Directors may elect one Chairman of the Board of Directors and one Vice Chairman of the Board of Directors. However, in case of necessity, one additional Vice Chairman of the Board of Directors may be elected.</p> <p style="text-align: center;">(MANAGING OFFICERS)</p> <p><u>Article 26. The Managing Officers may be appointed by a resolution of the Board of Directors, to execute certain assigned duties of the Company.</u></p> <p style="text-align: center;"><b>CHAPTER V</b> <b>CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS</b></p> <p>Articles <u>27</u> through <u>32</u> (Unchanged)</p> <p style="text-align: center;"><b>CHAPTER VI</b> <b>ACCOUNTS</b></p> <p>Articles <u>33</u> through <u>36</u> (Unchanged)</p> <p style="text-align: center;"><b>CHAPTER VII</b> <b>MISCELLANEOUS</b></p> <p>Articles <u>37</u> (Unchanged)</p>

### Item 3 : Election of Thirteen (13) Directors

The terms of office for all the current Directors will expire at the conclusion of the 95th Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect thirteen (13) Directors.

Based on the deliberations of the Nomination Committee, which serves as an advisory body to the Board of Directors, the Board of Directors has selected the following candidates for the position of Director.

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
1	<p>Shoei Utsuda (February 12, 1943)</p>  <p><u>Number of Company's Shares Held</u> <u>110,046</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 94% (15 of 16 meetings)</p>	<p>Apr. 1967 Joined Mitsui &amp; Co., Ltd.</p> <p>Jun. 1997 Director; General Manager, Machinery &amp; Information, Industries Administrative Division</p> <p>Jun. 2000 Representative Director; Executive Managing Director; General Manager, Corporate Planning Division</p> <p>Apr. 2002 Representative Director; Senior Executive Managing Officer; Chief Strategic Officer (Responsible for Administrative Division); Chief Operating Officer (COO), Business Process Re-Engineering Project</p> <p>Oct. 2002 Representative Director; President and Chief Executive Officer</p> <p>Apr. 2009 Director; Chairman of the Board (current position)</p>	<p>External Director, Tokyo Broadcasting System Holdings, Inc.</p> <p>External Director, Isetan Mitsukoshi Holdings Ltd.</p>
2	<p>Masami Iijima (September 23, 1950)</p>  <p><u>Number of Company's Shares Held</u> <u>65,359</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 100% (attended all 16 meetings)</p>	<p>Apr. 1974 Joined Mitsui &amp; Co., Ltd.</p> <p>Apr. 2006 Managing Officer; COO, Iron &amp; Steel Raw Materials and Non-Ferrous Metals Business Unit</p> <p>Apr. 2007 Managing Officer; COO, Mineral &amp; Metal Resources Business Unit</p> <p>Apr. 2008 Executive Managing Officer</p> <p>Jun. 2008 Representative Director; Executive Managing Officer</p> <p>Oct. 2008 Representative Director; Senior Executive Managing Officer</p> <p>Apr. 2009 Representative Director; President and Chief Executive Officer (current position)</p>	


Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
3	<p>Daisuke Saiga (March 16, 1955)</p>  <p><u>Number of Company's Shares Held</u> <u>23,070</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 100% (attended all 16 meetings)</p>	<p>Apr. 1977 Joined Mitsui &amp; Co., Ltd. Apr. 2008 Managing Officer; General Manager, Human Resources &amp; General Affairs Division Apr. 2010 Executive Managing Officer, Chief Compliance Officer (CCO) Jun. 2010 Representative Director; Executive Managing Officer; CCO Apr. 2012 Representative Director; Senior Executive Managing Officer Apr. 2014 Representative Director; Executive Vice President (current position)</p> <p><b>Current responsibilities :</b> Iron &amp; Steel Products Business Unit, Food Resources Business Unit, Food Products &amp; Services Business Unit, Consumer Service Business Unit</p>	
4	<p>Joji Okada (October 10, 1951)</p>  <p><u>Number of Company's Shares Held</u> <u>36,165</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 100% (attended all 16 meetings)</p>	<p>Apr. 1974 Joined Mitsui &amp; Co., Ltd. Apr. 2008 Managing Officer; General Manager, Accounting Division Apr. 2009 Managing Officer; Deputy CFO; General Manager, Global Controller Division Apr. 2010 Executive Managing Officer; Deputy CFO; General Manager, Global Controller Division Apr. 2011 Executive Managing Officer; Chief Financial Officer (CFO) Jun. 2011 Representative Director; Executive Managing Officer; CFO Apr. 2012 Representative Director; Senior Executive Managing Officer; CFO Apr. 2014 Representative Director; Executive Vice President; CFO (current position)</p> <p><b>Current responsibilities :</b> Corporate Staff Unit (CFO Planning &amp; Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Business Supporting Unit (Each Financial Management &amp; Advisory Division))</p>	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
5	<p>Masayuki Kinoshita (April 11, 1954)</p>  <p><u>Number of Company's Shares Held</u> <u>26,613</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 100% (attended all 16 meetings)</p>	<p>Apr. 1978 Joined Mitsui &amp; Co., Ltd.</p> <p>Apr. 2008 Managing Officer; COO, Mineral &amp; Metal Resources Business Unit; General Manager, Planning &amp; Administrative Division, Mineral &amp; Metal Resources Business Unit</p> <p>May 2008 Managing Officer; COO, Mineral &amp; Metal Resources Business Unit</p> <p>Apr. 2010 Executive Managing Officer; COO, Mineral &amp; Metal Resources Business Unit</p> <p>Apr. 2011 Executive Managing Officer; Chief Information Officer (CIO); Chief Privacy Officer (CPO)</p> <p>Jun. 2011 Representative Director; Executive Managing Officer; CIO; CPO</p> <p>Apr. 2012 Representative Director; Senior Executive Managing Officer; CIO; CPO</p> <p>Apr. 2014 Representative Director; Executive Vice President; CIO; CPO (current position)</p> <p><b>Current responsibilities :</b> Corporate Staff Unit (Corporate Planning &amp; Strategy Division, Information Technology Promotion Division, Environmental-Social Contribution Division, Corporate Communications Division, Investment Administrative Division, Business Supporting Unit (Each Planning &amp; Administrative Division)); Business Innovation &amp; Incubation; Environmental Matters</p>	
6	<p>Shintaro Ambe (August 31, 1952)</p>  <p><u>Number of Company's Shares Held</u> <u>19,475</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 88% (14 of 16 meetings)</p>	<p>Apr. 1977 Joined Mitsui &amp; Co., Ltd.</p> <p>Apr. 2009 Managing Officer; COO, Infrastructure Projects Business Unit</p> <p>Apr. 2011 Executive Managing Officer; COO, Infrastructure Projects Business Unit</p> <p>Apr. 2012 Executive Managing Officer</p> <p>Jun. 2012 Representative Director; Executive Managing Officer</p> <p>Apr. 2013 Representative Director; Senior Executive Managing Officer</p> <p>Apr. 2014 Representative Director; Executive Vice President (current position)</p> <p><b>Current responsibilities :</b> Infrastructure Projects Business Unit; Integrated Transportation Systems Business Unit; Innovation &amp; Corporate Development Business Unit</p>	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
7	<p>Koichi Tanaka (October 21, 1955)</p>  <p><u>Number of Company's Shares Held</u> 24,390</p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 100% (attended all 16 meetings)</p>	<p>Apr. 1980 Joined Mitsui &amp; Co., Ltd. Apr. 2010 Managing Officer; General Manager, Segment Controller Division Apr. 2011 Managing Officer; Deputy CFO; General Manager, Segment Controller Division Apr. 2012 Executive Managing Officer; CCO Jun. 2012 Representative Director; Executive Managing Officer; CCO Apr. 2014 Representative Director; Senior Executive Managing Officer; CCO (current position)</p> <p><b>Current responsibilities :</b> Corporate Staff Unit (Secretariat, Corporate Auditor Division, Human Resources &amp; General Affairs Division, Legal Division, Trade &amp; Logistics Control Division, Corporate Logistics Development Division), BCM (Business Continuity Management)</p>	
8	<p>Hiroyuki Kato (April 28, 1956)</p>  <p><b>Newly appointed</b></p> <p><u>Number of Company's Shares Held</u> 22,052</p>	<p>Apr. 1979 Joined Mitsui &amp; Co., Ltd. Apr. 2010 Managing Officer; Chief Operating Officer of Energy Business Unit I Apr. 2012 Executive Managing Officer; Chief Operating Officer of Energy Business Unit I Apr. 2014 Senior Executive Managing Officer (current position)</p> <p><b>Current responsibilities :</b> Mineral &amp; Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II</p>	
9	<p>Yoshihiro Hombo (March 19, 1957)</p>  <p><b>Newly appointed</b></p> <p><u>Number of Company's Shares Held</u> 15,952</p>	<p>Apr. 1979 Joined Mitsui &amp; Co., Ltd. Apr. 2010 Managing Officer; Chief Operating Officer of Basic Chemicals Business Unit Apr. 2012 Executive Managing Officer; General Manager of Investment Administration Division Apr. 2014 Senior Executive Managing Officer (current position)</p> <p><b>Current responsibilities :</b> Basic Chemicals Business Unit; Performance Chemicals Business Unit; Domestic Offices and Branches</p>	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
10	<p>Ikujiro Nonaka (May 10, 1935)</p>  <p><b>External Director Candidate</b></p> <p><b>Independent Director</b></p> <p><u>Number of Company's Shares Held</u> 17,994</p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 94% (15 of 16 meetings)</p>	<p>Apr. 1958 Joined Fuji Electric Co., Ltd.</p> <p>Apr. 1977 Professor, Management Faculty, Nanzan University</p> <p>Jan. 1979 Professor, National Defense Academy of Japan</p> <p>Apr. 1982 Professor, Institute of Business Research, Hitotsubashi University</p> <p>Apr. 1995 Professor, Graduate School of Knowledge Science, JAIST</p> <p>May 1997 Xerox Distinguished Professor in Knowledge, Walter A. Haas School of Business, University of California, Berkeley (current position)</p> <p>Apr. 2000 Professor, Graduate School of International Corporate Strategy, Hitotsubashi University</p> <p>Apr. 2006 Professor Emeritus, Hitotsubashi University (current position)</p> <p>Jan. 2007 First Distinguished Drucker Scholar in Residence, Drucker School of Claremont Graduate University (current position)</p> <p>Jun. 2007 External Director, Mitsui &amp; Co., Ltd. (current position)</p> <p>Apr. 2012 Specially Appointed Professor, Waseda University (current position)</p> <p><b>Reasons for appointment as External Director :</b> Mr. Nonaka is being nominated as an External Director so that the management may benefit from his deep insight and supervisory capabilities related to management acquired over the years as an expert in international corporate strategy. Although Mr. Nonaka has no direct experience of participated in corporate management, he is deemed able to carry out the duties of an External Director by providing management with appropriate advice from a broad perspective that reaches beyond the industries in which the Company operates as well as by exercising an independent oversight function.</p> <p><b>Term of office for Director :</b> Seven (7) years (at the conclusion of this Ordinary General Meeting of Shareholders)</p>	<p>Professor Emeritus, Hitotsubashi University</p> <p>External Director, Trend Micro Incorporated</p>



Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
11	<p>Hiroshi Hirabayashi (May 5, 1940)</p>  <p><b>External Director Candidate</b></p> <p><b>Independent Director</b></p> <p><u>Number of Company's Shares Held</u> <u>11,867</u></p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 88% (14 of 16 meetings)</p>	<p>Apr. 1963 Entered Ministry of Foreign Affairs</p> <p>Aug. 1993 Director-General, Economic Cooperation Bureau, Ministry of Foreign Affairs</p> <p>Jan. 1998 Ambassador Extraordinary and Plenipotentiary to India and to Bhutan</p> <p>Sep. 2002 Ambassador Extraordinary and Plenipotentiary to France and to Andorra</p> <p>Jan. 2003 Ambassador Extraordinary and Plenipotentiary to Djibouti</p> <p>Jun. 2006 Ambassador in Charge of Inspection, Ministry of Foreign Affairs</p> <p>Apr. 2007 Retired from Ministry of Foreign Affairs</p> <p>Jun. 2007 External Director, Mitsui &amp; Co., Ltd. (current position); President, The Japan-India Association (current position)</p> <p>Jun. 2009 Vice President, The Japan Forum on International Relations, Inc. (current position)</p> <p><b>Reasons for appointment as External Director :</b> Mr. Hirabayashi is being nominated as an External Director so that the management may benefit from his wealth of international experience and knowledge gained over the years as a diplomat. Although Mr. Hirabayashi has no direct experience of participating in corporate management, he is deemed able to carry out the duties of an External Director by providing management with appropriate advice from abroad perspective that reaches beyond the industries in which the Company operates as well as by exercising an independent oversight function.</p> <p><b>Term of office for Director :</b> Seven (7) years (at the conclusion of this Ordinary General Meeting of Shareholders)</p>	<p>President, The Japan-India Association</p> <p>External Director, DAIICHI SANKYO COMPANY, LIMITED</p>

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
12	<p>Toshiro Muto (July 2, 1943)</p>  <p><b>External Director Candidate</b></p> <p><b>Independent Director</b></p> <p><u>Number of Company's Shares Held</u> 6,768</p> <p>Board of Directors meeting attendance during the year ended March 31, 2014 – 100% (attended all 16 meetings)</p>	<p>Apr. 1966 Entered Ministry of Finance</p> <p>Jul. 1999 Director-General of the Budget Bureau, Ministry of Finance</p> <p>Jun. 2000 Administrative Vice Minister, Ministry of Finance</p> <p>Jan. 2003 Retired from Ministry of Finance Special Advisor, Ministry of Finance</p> <p>Mar. 2003 Deputy Governor, Bank of Japan</p> <p>Mar. 2008 Retired from Deputy Governor, Bank of Japan</p> <p>Jul. 2008 Chairman, Daiwa Institute of Research Ltd. (current position)</p> <p>Apr. 2009 Director, Principal, The Kaisei Academy (current position)</p> <p>Jun. 2010 External Director, Mitsui &amp; Co., Ltd. (current position)</p> <p><b>Reasons for appointment as External Director :</b> Mr. Muto is being nominated as an External Director so that the management may benefit from his deep insight into fiscal and monetary affairs, as well as in economics in general, gained over the years at the Ministry of Finance and the Bank of Japan. Although Mr. Muto has no direct experience of participating in corporate management, he is deemed able to carry out the duties of an External Director by providing management with appropriate advice from a broad perspective that reaches beyond the industries in which the Company operates as well as by exercising an independent oversight function.</p> <p><b>Term of office for Director :</b> Four (4) years (at the conclusion of this Ordinary General Meeting of Shareholders)</p>	<p>Chairman, Daiwa Institute of Research Ltd.</p> <p>External Corporate Auditor, Sumitomo Metal Industries, Ltd.</p> <p>CEO and Director General, the Tokyo Organising Committee of the Olympic and Paralympic Games</p>
13	<p>Izumi Kobayashi (January 18, 1959)</p>  <p><b>Newly appointed</b></p> <p><b>External Director Candidate</b></p> <p><b>Independent Director</b></p> <p><u>Number of Company's Shares Held</u> 0</p>	<p>Apr. 1981 Joined Mitsubishi Chemical Industries, Ltd. (currently Mitsubishi Chemical Corporation)</p> <p>Jun. 1985 Joined Merrill Lynch Futures Japan Inc.</p> <p>Dec. 2001 President, Merrill Lynch Japan Securities Co., Ltd.</p> <p>Jul. 2002 External Director, Osaka Securities Exchange Co., Ltd.</p> <p>Apr. 2007 Vice Chairperson, Japan Association of Corporate Executives</p> <p>Nov. 2008 Executive Vice President, Multilateral Investment Guarantee Agency, World Bank Group</p> <p><b>Reasons for appointment as External Director :</b> Ms. Kobayashi is being nominated for External Director so that management may benefit from her wide-ranging knowledge and experience accumulated over many years both in Japan and overseas as a representative of private sector financial institutions and a multilateral development bank.</p>	<p>External Director, ANA HOLDINGS INC.</p> <p>External Director, Suntory Holdings Limited</p>


Notes :

1. Among the candidates for director, Ikujiro Nonaka, Mr. Hiroshi Hirabayashi, Mr. Toshiro Muto, and Ms. Izumi Kobayashi are candidates for External Director. Each of these candidates meets the standards set by the Company for selection as External Director.
2. The Company has submitted filings with the domestic stock exchanges on which it is listed designating three candidates for External Director, Mr. Nonaka, Mr. Hirabayashi, and Mr. Muto, as Independent Directors. Moreover, the Company will submit filings with the domestic stock exchanges on which it is listed designating Ms. Kobayashi as Independent Director.
3. The Company has entered into agreements with Mr. Nonaka, Mr. Hirabayashi, and Mr. Muto pursuant to Article 427(1) of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act. Upon approval of this Item, the aforementioned limited liability agreements shall be continued and the same limited liability agreement shall be newly executed with Ms. Kobayashi.
4. Mr. Hirabayashi's eldest daughter is an employee (in a non-managerial position) of the Company.
5. The Company paid a membership fee to The Japan-India Association, of which Mr. Hirabayashi has been serving as the President since June 2007, however, the amount is small. The Company paid a membership fee and made financial contributions to the Japan Association of Corporate Executives at which Ms. Kobayashi served as Deputy Chairman from May 2007 to April 2009, however, the amount is small. There is no special interest between each of the candidates for External Director and the organizations at which the candidates for External Director are concurrently posted, and the Company that would interfere with or raise problems with regard to their performance of their duties as External Directors.

#### Item 4 : Election of One (1) Corporate Auditor

The term of office of Corporate Auditor Naoto Nakamura will expire as of the conclusion of the 95th Ordinary General Meeting of Shareholders, and we are therefore proposing Ms. Haruka Matsuyama to be newly appointed as Corporate Auditor.

The candidate's professional history follows below. This nomination has been consented to by the Board of Corporate Auditors.

Candidate Number	Name (Date of Birth)	Information Regarding the Candidate's Career, Current Position	Important Concurrent Positions held in Other Organizations
1	<p>Haruka Matsuyama (August 22, 1967)</p>  <p><b>Newly appointed</b></p> <p><b>External Corporate Auditor Candidate</b></p> <p><b>Independent Corporate Auditor</b></p> <p>Number of Company's Shares Held 0</p>	<p>Apr. 1995 Appointed assistant judge at Tokyo District Court</p> <p>Jul. 2000 Registered as Attorney at Law</p> <p>Jul. 2000 Joined Hibiya Park Law Offices</p> <p>Jan. 2002 Partner of Hibiya Park Law Offices (current position)</p> <p><b>Reasons for appointment as External Corporate Auditor :</b> Ms. Matsuyama is being nominated for External Corporate Auditor so that management may benefit from her objective audit opinions from an independent and neutral perspective based on her knowledge and experience accumulated over many years as an attorney. Although Ms. Matsuyama has no direct experience participating in corporate management, she is deemed able to appropriately carry out the duties of External Corporate Auditor by providing management with valuable opinions and advice.</p>	<p>External Director, T&amp;D Holdings, Inc.</p> <p>External Auditor, Vitec Co., Ltd.</p>

Notes :

- Ms. Haruka Matsuyama is a candidate for the position of External Corporate Auditor. Ms. Matsuyama meets the standards set by the Company for selection as an External Corporate Auditor. The Company will submit filings with the domestic stock exchanges on which it is listed designating Ms. Matsuyama as Independent Corporate Auditor.
- Upon approval of this Item, the Company will enter into an agreement with Ms. Matsuyama pursuant to Article 427(1) of the Companies Act of Japan, to limit her liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act.
- There is no special interest between Ms. Matsuyama and the organizations at which Ms. Matsuyama is concurrently posted, and the Company that would interfere with or raise problems with regard to her performance of her duties as an External Corporate Auditor.
- Ms. Matsuyama's name as it appears in her family registry is Haruka Kato.

**【Reference : Selection Standards for External Directors and External Corporate Auditors】**

**【Selection Standards for External Directors】**

- 1) The Company has decided that as the selection standard for External Directors, the prospective person's extensive business experience and knowledge is required to deliberate on such board meeting proposals as investments and loans, and knowledge of his or her particular area of business should be used.
- 2) The Company has decided that in selecting External Directors, Mitsui should put great value on ensuring their independence from Mitsui in the pursuit of their management oversight functions. Also, with a view to overseeing business operations in a way that reflects the standpoint of our diverse stakeholders, in selecting External Directors, Mitsui shall take into consideration the fields from which candidates originate, along with their gender.
- 3) Given that Mitsui is a general trading company with extensive business dealings, it has been decided to make appropriate efforts by the Board of Directors to handle with likely conflicts of interest involving the prospective External Director in individual transactions with external parties.

**【Selection Standards for External Corporate Auditors】**

The External Corporate Auditors shall be selected with the objective of further heightening the neutrality and independence of the auditing system, and in particular it is expected that the external auditors will give objective voice to their auditing opinions from the standpoint of neutrality, building on such factors as that independence and ability to influence people. When selecting candidates for External Corporate Auditors, the Board of Corporate Auditors shall confirm that no issues with independence arise by taking into consideration such factors as relations with the company, management and important staff members.

The full text of Mitsui & Co., Ltd.'s Corporate Governance and Internal Control Principles, in which the above are stipulated, is available on the Company's website.

(<http://www.mitsui.com/jp/en/company/governance/system/index.html>)

## Item 5 : Revision to Directors Compensation (Grant of Stock Options)

The remuneration for Directors of the Company was approved at the 88th Ordinary General Meeting of Shareholders held on June 22, 2007 as comprising of a fixed remuneration of no more than ¥70 million per month in total and performance-linked bonuses reflecting consolidated net income of an upper limit of ¥500 million per annum in total. However, this time, we propose a revision to the remuneration system for Directors to issue subscription rights to shares of up to ¥500 million to the Company's Directors (excluding External Directors) for a stock option scheme as stock-based compensation that is separate from the aforementioned amount of compensation.

Until now, the Company's compensation system for Directors of the Company (excluding External Directors) comprised of a fixed remuneration and a performance-linked bonuses reflecting consolidated net income, in addition to a mechanism whereby each Director was required to purchase the Company's shares in an amount equivalent to at least 10% of his or her fixed monthly remuneration through the Mitsui Executives' Shareholding Association. This time, with the goal of continuous enhancement of corporate value and sharing more value with managers and shareholders by further linking the remuneration of managers centered on Directors with the Company's results and stock price, we will introduce a new stock option scheme as stock-based compensation in addition to the current compensation system as a medium- to long-term incentive.

The stock option scheme as stock-based compensation to be introduced by the Company is to issue subscription rights to shares for Directors, excluding External Directors, for which stock price conditions are prescribed. Specifically, all of the subscription rights to shares granted may be exercised only when the Company's stock price growth rate is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate and the number of exercisable subscription rights to shares may fluctuate depending on the stock price growth rate. In addition to stock price growth rate fluctuation, we will also consider the performance of the stock price compared with the entire stock exchange thus giving Directors greater motivation to increase corporate value beyond the growth of the stock exchange.

This stock option scheme as stock-based compensation was found to be appropriate by the Remuneration Committee, the advisory body of the Board of Directors of the Company chaired by an External Director.

Please note that, upon approval of Item 3, there will be nine (9) Directors eligible thereto (hereinafter referred to as the "eligible persons"). Also, we ask that specific granting periods and distributions to each Director be determined by the Board of Directors.

An overview of the details of the subscription rights to shares to be allotted under the stock option scheme as stock-based compensation from this Item is as follows :

1. Class and number of shares to be issued upon exercise of subscription rights to shares  
The maximum number of the Company's common stocks for each fiscal year shall be 500,000.
2. Total number of subscription rights to shares  
The maximum number of subscription rights to shares for each fiscal year shall be 5,000.  
The number of shares to be granted by the exercise of 1 subscription right to shares (hereinafter referred to as the "Number of Shares Granted") shall be 100 shares.
3. Amount to be paid in for subscription rights to shares  
No payment shall be required for the subscription rights to shares.
4. Amount of assets to be contributed upon exercise of subscription rights to shares  
The amount of assets to be contributed upon exercise of each subscription right to shares shall be determined by multiplying the amount to be paid in for one share to be delivered upon the exercise of the subscription right to shares (hereinafter referred to as the "Exercise Price") by the Number of Shares Granted. The Exercise Price shall be ¥1.

5. Exercise period of subscription rights to shares

27 years from the day following the date on which 3 years have elapsed after the allotment date of subscription rights to shares.

6. Conditions for exercise of subscription rights to shares

- (1) Eligible persons may no longer exercise the subscription rights to shares after a period of 10 years has elapsed from the subsequent day on which the eligible persons lose their positions as Directors, and/or Managing Officers \*1, and/or Corporate Auditors \*2 of the Company.

\*1 The Company plans to issue stock options of the same type to Managing Officers not serving concurrently as the Company's Directors following a resolution of the Board of Directors.

\*2 Corporate Auditors are not eligible for the subscription rights to shares to be granted as the stock option scheme as stock-based compensation.

- (2) Eligible persons may exercise all of the subscription rights to shares only when, as the stock price conditions, the Company's stock price growth rate over 3 years from the allotment date is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate and on the other hand, when such rate does not exceed the TOPIX (Tokyo Stock Price Index) growth rate, reflecting the degree, they may exercise only part of such subscription rights to shares allotted (please refer to the below for details).

7. Restrictions on acquisition of subscription rights to shares through transfer

Acquisition of the subscription rights to shares through transfer shall be subject to approval by resolution of the Company's Board of Directors.

8. Other matters related to subscription rights to shares, etc.

Other matters related to the subscription rights to shares, etc. shall be determined at the meeting of the Company's Board of Directors in which the subscription requirements of the subscription rights to shares are resolved.

[Details of stock price conditions]

1. When the Company's stock price growth rate\*1 is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate\*2 :

All of the subscription rights to shares granted may be exercised.

2. When the Company's stock price growth rate does not exceed the TOPIX (Tokyo Stock Price Index) growth rate: Only part of the subscription rights to shares granted\*3 may be exercised.

\*1 The Company's stock price growth rate shall be calculated by the formula below based on the Company's stock price growth rate for the period of three years from the allotment date to the first date of the exercise period.

A: The average closing price for the Company's common stocks on the Tokyo Stock Exchange on each day for the 3 months immediately before the month in which the first date of the exercise period of the subscription rights to shares falls

B: The total amount of dividends per common share of the Company for the period from the allotment date to the first date of the exercise period of the subscription rights to shares

C: The average closing price for the Company's common stocks on the Tokyo Stock Exchange on each day for the 3 months immediately before the month in which the allotment date falls

**The Company's stock price growth rate = (A + B) / C**

\*2 The TOPIX (Tokyo Stock Price Index) growth rate shall be calculated by the formula below based on the TOPIX (Tokyo Stock Price Index) growth rate for the period of 3 years from the allotment date to the first date of the exercise period.

D: The average closing price for TOPIX on the Tokyo Stock Exchange on each day for the 3 months immediately before the month in which the first date of the exercise period of the subscription rights to shares falls

E: The average closing price for TOPIX on the Tokyo Stock Exchange on each day for the 3 months immediately before the month in which the allotment date falls

**TOPIX growth rate = D / E**

\*3 **Number of exercisable subscription rights to shares = Number of subscription rights to shares granted × (the Company's stock price growth rate / TOPIX growth rate)**

## 【Items proposed by a shareholder (Items 6 through 13)】

Items 6 through 13 were proposed by one shareholder.

The title of each Item and its purpose, details and reasons are shown below in the order of proposal and in its original wording as submitted by the proposing shareholder, excluding any change in proposal number.

◆ Opinion of the Board of Directors on shareholder proposals :

### **The Board of Directors opposes all of Items 6 through 13.**

The Board of Directors believes that the Company, as a general trading company, contributes to the shared interests of shareholders by realizing mid- to long-term growth and increasing corporate value by cultivating and developing new business agilely responding the times and to changes in the operating environment. To achieve this, quick managerial decisions and execution of duties in step with current trends are necessary. Under the Companies Act, it is the basic principle that the execution of the business operation of the company is made in accordance with the decisions of the meeting of the Board of Directors. Therefore, we believe that the matters relating to the shareholder proposals would be best handled based on quick managerial decisions and execution of duties by the Board of Directors elected by the shareholders as well as the corporate managers appointed by the Board of Directors.

For individual opinions of the Board of Directors with regard to these Items, please refer to the descriptions of each Item.

### **Item 6 : Partial Amendments to the Articles of Incorporation (Addition to Object of the Company in the Articles of Incorporation)**

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder, excluding any change in proposal numbers referred to in the text.

#### **(1) Purpose of the proposal**

In preparation for future business development, “Object of the Company” provided for in Article 2 of Chapter 1 “General Provisions” of the current Articles of Incorporation shall be partially amended.

#### **(2) Details of the proposal**

Details of the amendment are as follows.

(The underlined portions are changes.)

Chapter 1. General Provisions

(Object of the Company)

Article 2. The object of the Company shall be to engage in the following business :

A. b. other fuels (including second generation biodiesel),

c. antipollution equipment, radiation contaminated water treatment facilities, radioactive waste treatment facilities and other such facilities,

d. radio isotopes, radioactive waste,

J. Construction (including construction relating to radiation contaminated water treatment facilities, radioactive waste treatment facilities, etc.)

M. Surveying relating to land, sea and sky (including measurement of radioactive substances in the vicinity of nuclear power plants)

#### **(3) Reasons for the proposal**

Indication to be added to “A. b. other fuels”

Second-generation biodiesel fuel (BDF), which does not use food grains such as soybeans or rape seeds as raw material, does not experience any great surges in price on commodities markets and therefore does not pose any risk of causing food scarcity or social instability in developing countries. New technologies whereby the utilization of the



distiller's dried grains with solubles (DDGS) generated when the Company making ethanol from corn in Brazil and other Central and South American countries would enable the low cost mass production of BDF with special solid catalysts. Next-generation fuel BDF, which does not waste valuable energy, greatly contributes to the building of a recycling society as with biomass power generation proposed in Item 8. As part of the corporate social responsibilities (CSR) fulfilled by the Company, I propose to engage in this business and indicated as such in the Articles of Incorporation.

Indication to be added after "A. c. antipollution equipment"

Indication to be added after "A. d. radioactive isotopes"

Indication to be added to "J. Construction"

Indication to be added to "M. Surveying relating to land, sea and sky "

The Company was involved in the construction of Units 1, 2 and 6 of the Fukushima Nuclear Power Plant in the 1970s as a business agent for GE. However, following the nuclear accident in 2011, a trend to abandon nuclear power generation has grown in momentum. A majority of Japanese people oppose restarting nuclear power plant reactors. Prime Minister Merkel of Germany called for the complete abandonment of nuclear power one week after the accident at Fukushima and received a great amount of support. As the world looks sternly upon any reactivation or promotion of nuclear power generation, disaster-stricken areas facing the problem of radiation exposure must deal with the urgent issue of radiation contaminated water treatment. The initially employed American and French treatment equipment had many defects that resulted in its suspension. Presently, multi-nuclide removal equipment (ALPS) is being operated, however, the treatment and disposal method for the high-dose radiation absorbent column emitted from the equipment are as yet undetermined and accumulating onsite. The aboveground tanks storing contaminated water from the underground tanks pose a danger due to the possible obsolescence of the packing. I propose to indicate in the Articles of Incorporation that it engages in measures to handle radiation contaminated water and waste to recompense the people of Fukushima for their immense sacrifice.

◆ **Opinion of the Board of Directors : We oppose Item 6.**

Regarding the details as to whether the Company engages in a certain business in whatever field, in light of the need to execute tasks swiftly and appropriately, we believe that, rather than establishing an amendment in the Articles of Incorporation requiring a special resolution by the General Meeting of Shareholders, it would be more appropriate to entrust the determination of the same to the Board of Directors. Particularly, since the Company engages in many diverse businesses as a general trading company, and will have to quickly develop businesses in new fields in the future, the Board of Directors opposes excessive indications to the Object of the Company in the Articles of Incorporation as would result from the passage of this Item.

**Item 7 : Partial Amendments to the Articles of Incorporation (Deletion from the Object of the Company in the Articles of Incorporation)**

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

**(1) Purpose of the proposal**

In preparation for future business, the Object of the Company provided for in Article 2 of the Articles of Incorporation shall be partially amended.

**(2) Details of the proposal**

Details of the amendment are as follows.

(The underlined portions are changes.)

Article 2. The object of the Company shall be to engage in the following business :

A. e. feeds (excluding genetically modified products)

P. medical facilities (excluding clinical trial related facilities and medical tourism related facilities)

**(3) Reasons for the proposal**

Regarding “A. e. feeds”

Pressure is increasing for Japan to import genetically modified feed (soybean and corn) from the U.S. as part of the TPP (Trans-Pacific Partnership) treaty. For quite some time, genetically modified food products have been known to pose health and environmental risks and Europe currently prohibits the introduction of genetically modified agricultural produce requiring strict labeling as “genetically modified.” In Japan, Prime Minister Abe clearly declared at a parliamentary party head debate in April 2013 that “food safety and consumer health are the greatest considerations for the national interest that will never be compromised” with regard to genetically modified food safety, one of the topics intertwined in the TPP issue. I therefore propose that the Company remove “genetically modified foods” from the Articles of Incorporation in an effort to safeguard the “food safety of Japan and the health of its citizens” and thus fulfill its corporate social responsibilities (CSR).

Regarding “P. medical facilities”

Four years ago, the spectacular launch of our participation in global clinical trials subsequently changed to new drug development applying genetic analytical technologies. The term “clinical trials” refers to laboratory testing to acquire approval under the Pharmaceuticals Affairs Act regarding the manufacture and sale of pharmaceuticals. It also refers to human experiments on healthy adults and cancer patients for safety verification purposes. The Company is hopeful that, because of its participation limited to capital contribution, “there is no reason to believe that the Company will ever be liable for new drug safety,” however, our message of “broadening our scope of business to help build a society where people will wholeheartedly appreciate living long lives” disappeared along with “clinical trials.” I am not certain that new drugs will provide society with good health and long lifespans and the risk of side effects cannot be avoided. A management that frequently changes its policies betrays the trust of its shareholders. As for medical tourism targeting wealthy foreigners, its hotels and lavish facilities where so-called “hospitality” is provided for several thousands of dollars a day with a wide disparity in medical treatment levels is bound to damage the reputation of the Company. I propose to remove these two businesses that lack any social significance and fairness.

◆ **Opinion of the Board of Directors : We oppose Item 7.**

The same reasons as for Item 6.

**Item 8 : Partial Amendment to the Articles of Incorporation (Deletion and Addition to the Object of the Company in the Articles of Incorporation)**

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

**(1) Purpose of the proposal**

In preparation for future business, the Object of the Company provided for in Article 2 of the current Articles of Incorporation shall be partially amended.

**(2) Details of the proposal**

Details of the amendment are as follows.

(The underlined portions are changes.)

Article 2. The object of the Company shall be to engage in the following business :

U. Generation (excluding nuclear; including biomass)

**(3) Reasons for the proposal**

At last year’s General Meeting of Shareholders, the determination was expressed to “work towards increasing environmentally-friendly renewable energy in the power generation business of the Company, which is centered on thermal power and continues to be based on coal, gas and partially diesel, and never again think to have our own

nuclear power plants.” Biomass power generation, which uses plants, wood shavings, scrap materials, burnable garbage and other unutilized wastes fuel, enables for the recycling and reduction of waste and greatly contributes to the building of a recycling society. The Kyoto Protocol classifies it as a non-emitter of CO<sub>2</sub>. This is based on the concept that, even if plants are burned, they absorb CO<sub>2</sub> in their growth process making them “carbon neutral.” To perpetuate this resolve and for shareholders (owners) and the Board of Directors (managers) to advocate the foregoing in common as a permanent and comprehensive corporate philosophy, I propose to indicate in the Articles of Incorporation the deletion of “nuclear power generation” accumulating nuclear waste and the addition of waste reducing “biomass power generation.”

◆ **Opinion of the Board of Directors : We oppose Item 8.**

The same reasons as for Item 6.

**Item 9 : Partial Amendment to the Articles of Incorporation (Deletion from Object of the Company in the Articles of Incorporation)**

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

**(1) Purpose of the proposal**

In preparation for future business, the Object of the Company provided for in Article 2 of the Articles of Incorporation shall be partially amended.

**(2) Details of the proposal**

Details of the amendment are as follows.

(The underlined portions are changes.)

Article 2. The object of the Company shall be to engage in the following business :

A. d. Pharmaceuticals (including medicines, non-medicinal drugs, medicine for veterinary use, poisons and stimulants; excluding narcotics)

**(3) Reasons for the proposal**

A typical narcotic, morphine, is used to alleviate pain suffered by terminal cancer patients. If the pain is not completely eliminated, many patients are placed under sedation (a state where administered drugs induce diminished consciousness to alleviate pain). However, negative aspects of sedation, including diminished consciousness of the patient, loss of communication, shortening of life expectancy, etc., are unavoidable. Amply taking into consideration the lives and way of living of both the patients (if able to make conscious decisions) and their families is both important and indispensable. Anticancer drugs are being developed at the medical facilities of site management organizations in which the Company invests. Side effects cause the patients discomfort and our involvement in a drug business relating to the process that takes individuals from pain killing to tranquilizing is contradictory to our corporate philosophy. As anticancer drugs do not necessarily cure patients, for a trading company good at arithmetic, engaging in the medicinal narcotic business that brings into question human quality life, way of living and outlook on life and death is inappropriate and would not be accepted by society. I propose that the Company withdraws immediately from the narcotics business.

◆ **Opinion of the Board of Directors : We oppose Item 9.**

The same reasons as for Item 6.

#### Item 10 : Partial Amendment to the Articles of Incorporation (Deletion of Provisions from the Articles of Incorporation)

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

##### (1) Purpose of the proposal

To restore shareholder governance, Article 7 “Share buyback by Resolution of the Board of Directors” in Chapter 2 “Shares” of the Articles of Incorporation shall be deleted.

##### (2) Details of the proposal

Deletion of Article 7 (the Company may acquire its own shares through market transactions or otherwise following a resolution by the Board of Directors)

##### (3) Reasons for the proposal

Article 7 of the current Articles of Incorporation authorizes the Board of Directors to repurchase shares through market transactions, etc., however, this power is wasted on the Board. Management repeated like a parrot the statement of Chairman Utsuda made six years ago, “repurchasing shares is one of the ways we can select for shareholder returns,” at the General Meeting of Shareholders and the Financial Results Briefing, among other venues, justifying its procrastination in repurchasing shares. In February of this year, we finally were able to repurchase shares worth ¥50 billion, however, this is too late after waiting as much as eight years since announcement of capital increase of ¥200 billion by public offering in 2006. While our “corporate managers” spared no expense using up bountiful cash flows to rebuild the head office building (¥170 billion), they sat on their vested interest of maintaining the “resolution of the Board of Directors” requirement bestowed by the shareholder “owners” in the Articles of Incorporation as an absolute right of the “corporate managers” and invariably ignored shareholders’ demands to purchase shares. If it be so, it would be reasonable to centralize the power to repurchase shares with the shareholders and, based on “authorization resolutions of the General Meeting of Shareholders,” work towards the systematic share buyback through market transactions, etc. I therefore propose that Article 7 be deleted.

#### ◆ Opinion of the Board of Directors : We oppose Item 10.

The share buyback through market transactions, etc., is one of many capital policies that require flexible examination based on various aspects of the business environment at any given time, and we believe that its treatment by resolution of the Board of Directors is appropriate.

Moreover, a ¥50 billion share buyback was made by resolution of the Board of Directors in February of this year and we believe this to have been appropriate from the viewpoint of increasing corporate value through aggressive investment in growth fields, etc. and share buyback as well as returning profits to shareholders in light of various business environment considerations from time to time. We therefore are opposed to this Item as the Board of Directors.

#### Item 11 : Partial Amendment to the Articles of Incorporation (Deletion of Provisions from the Articles of Incorporation)

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

##### (1) Purpose of the proposal

To ensure the transparency and mobility of management, Article 19 “Election” in Chapter 4 of the Articles of Incorporation shall be partially amended.

##### (2) Details of the proposal

Deletion of the wording regarding the election of Directors provided for in Article 19 “Election” (“The election of Directors shall not be conducted by cumulative voting.”).

### (3) Reasons for the proposal

Cumulative voting by the General Meeting of Shareholders is a system whereby the same number of voting rights as the number of Directors to be elected are granted to each shareholder for every share held (if there are 10 Directors to be elected, 10 voting rights shall be granted per share) thus enabling voting rights to be concentrated in one candidate. Individuals are elected as Directors in the order starting from the individual who received a majority of cumulative votes thus giving an opportunity for minority shareholders to elect a Director. If a group of shareholders is able to deploy their representative to the Company as Director, they can simultaneously fulfill their “breaking role” to prevent domination or injustices by any corporate manager and their “accelerating role” to boost profitability by preventing management decision postponements such as retaining insolvent businesses. This is a growth strategy that enables the strengthening of corporate governance and the disciplining of management. Since the Company, in the Articles of Incorporation, forbids the election of Directors by cumulative voting, I propose to delete this provision that prevents such growth strategy from being implemented.

#### ◆ Opinion of the Board of Directors : We oppose Item 11.

The method of resolving election of directors by non-cumulative voting can realize the formation of a board of directors that represents the interests of all shareholders. Each director appointed by this method executes his or her duties for the common benefit of the shareholders and not for a certain support base. Contrastingly, if employing cumulative voting, a director elected as a result of receiving affirmative votes from a certain group of shareholders may act in a way that advocates the interests of the shareholders that cast their votes for him or her, rather than for the best interest of the Company and all its shareholders. This may likely render impossible any appropriate decision-making or execution of duties. Therefore, we as the Board of Directors are opposed to this Item.

### Item 12 : Dismissal of One (1) Director

(Company Note) The details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

#### (1) Details of the proposal

To propose the dismissal of the following Director ;

1 Shoei Utsuda (Director, Chairman of the Board of Directors)

#### (2) Reasons for the proposal

At a press conference held in May 2008, he stated that “for fiscal years ending March 31, 2010 and 2011, share buyback is one way that could be thought. I recognize it as one measure,” however, he did not make good on his pledge. Time waits for no man. He neglected the basic maxim of top management of selecting one’s words carefully when speaking in public. In addition, in 2012, after the nuclear accident, at a council meeting of the Ministry of Economy to debate the revision of national energy policy, the Chairman advocated 23% which was the highest rate of dependency on nuclear power generation for the country in 2030 of the 25 attendees. While Toray’s chairman (the next Keidanren chairman) was 17%, and five advocated “0” nuclear power dependency, taking a stance advocating that “no other choice but to assume based on facts” and “the current situation is unstable” in stark contrast to the Company’s CSR philosophy. In the Nikkei Environment Management Survey of January of this year (486 companies responding), the ratio of respondents believing that the country should have a nuclear power ratio of “30% or more” was 8.8%, a significant decline from previous surveys. When considering the rate of dependency on nuclear power, a little over 70% rank “insuring safety and security” as the paramount focus. Therefore, in light of the current societal demands, he cannot continue as Director.

◆ **Opinion of the Board of Directors : We oppose Item 12.**

Director Utsuda, ever since the time of his taking office, has been faithfully executing his duties in accordance with laws and regulations and the Articles of Incorporation and contributed to the development of the Company and the strengthening of its management base. Therefore, we believe he is fit to serve as Director and thus, as the Board of Directors, oppose this Item.

**Item 13 : Share buyback**

(Company Note) The details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

**(1) Details of the proposal**

Pursuant to Article 156 of the Companies Act, designating one year or less from the conclusion of this General Meeting of Shareholders as the transaction period, the Company shall repurchase shares in exchange of money; provided, however, that a maximum amount to be granted in exchange for repurchasing 120 million shares of common stock maximum shall be ¥150 billion (however, if such amount is lower than the total acquisition value permitted under the Companies Act (referring to the “distributable amount” provided for in Article 461 thereof), the amount shall be limited to the total acquisition value permitted under the Companies Act).

**(2) Reasons for the proposal**

I aim to improve the ROE and the total returns to shareholders in the form of dividends and share buyback and to generate a share value increasing effect. The ¥50 billion share buyback in February of this year was very low compared to the capital increase of ¥200 billion by public offering in 2006. The International Financial Reporting Standards (IFRS) introduced from the annual securities report for the fiscal year ended March 31, 2014 require unlisted shares that embody overseas resource interests to be accounted for on the balance sheet at fair value, not at acquisition cost. If the denominator shareholders’ equity “E” inflates due to the fair value valuation, a low ROE of about 10% will further decline pushing down corporate value and taking our stock price down with it. This will negatively affect the investment decisions of institutional investors both in Japan and overseas. Now that the growth strategies are entering a mature phase with no more high-level growth on the horizon, this is a good opportunity to return the capital the Company acquired through business operations to shareholders and strive to lift ROE and maximize share value. At the Financial Results Briefing for the second quarter of the fiscal year ending March 31, 2014, Mr. Iijima, President and Chief Executive Officer grinned broadly with both hands flat on the table as he stated “this company has strong cash flow generating capabilities and the amount of money to be used for shareholder returns is increasing.” I therefore propose the execution of additional Company share buyback.

◆ **Opinion of the Board of Directors : We oppose Item 13.**

The same reasons as for Item 10.

## **Execution of Voting Rights in Writing or Electronically (via the Internet or Other Means)**

- ☑ If voting in writing, please mail your completed voting card (enclosed) to arrive by 5 : 30pm (Japan standard time) on Thursday, June 19, 2014.
- ☑ If voting via the Internet, please review the following and complete the voting procedure by 5 : 30pm (Japan standard time) on Thursday, June 19, 2014.
  1. Voting rights may only be exercised via the Company's designated website for the exercise of voting rights (<http://www.web54.net>).
    - 1) Access the website, and following the directions on the screen, enter the voting rights code printed on the right-hand side of the voting card.
    - 2) Enter the password printed on the right-hand side of the voting card, and to prevent unauthorized third-party access or alterations of votes cast, enter a new password.

If you have received this convocation notice by e-mail, the password printed on the right-hand side of the voting card will be shown as “\*\*\*\*\*”. Therefore please enter the password you designated when you registered your e-mail address.
  2. Where votes have been cast several times over the Internet, the vote cast last will be taken as the validly exercised vote.
  3. Where votes have been cast in duplicate on both the Internet and by voting card, the vote that arrives at the Company latest (in time) will be taken as the validly exercised vote. Further, in the event that duplicate votes arrive at the Company on the same day, votes cast on the Internet will be taken as the validly exercised votes.
  4. In order to use the Internet voting website, it may be necessary to incur Internet service provider connection fees and data transmission fees (phone charges), the cost of which shall be borne by the shareholder.
  5. Where shareholders access the Internet from their workplace, there are cases where communications over the Internet are restricted by the employer setting up firewalls, etc. Please check with the relevant person.
- ☑ Safekeeping of passwords
  1. Passwords provided at this time will only be valid for this Ordinary General Meeting of Shareholders. A new password will be provided for next year's Ordinary General Meeting of Shareholders.
  2. Passwords are the means by which people exercising voting rights are confirmed as shareholders. Please keep these passwords safe until the close of the Meeting. Further, the Company cannot respond to password enquiries by phone.
  3. Please note that if an incorrect password is entered an excessive multiple times, the shareholder will be unable to access the main screen.



☑ The following system specifications necessary in order to utilize the voting website

1. Access using a PC

- (1) The PC must be able to access the Internet.
- (2) The PC's monitor resolution must be at least 800 x 600 pixels (wide by long – SVGA).
- (3) The following applications must be installed on the PC :

- Microsoft® Internet Explorer Version 5.01 Service Pack 2 or above
- Adobe® Reader® Version 6.0 or above

(This will be necessary when shareholders view the “Notice of Ordinary General Meeting of Shareholders” over the Internet.)

(Microsoft® and Internet Explorer, Adobe® Reader® are registered trademarks, trademarks, or product names of Microsoft Corporation and Adobe Systems Incorporated, respectively, in the United States and other countries.)

2. Access using a mobile phone terminal

The model of the mobile phone must be installed with 128 bit SSL (Secure Socket Layer) capable of encrypted communication as well as be able to receive the following services :

- i-mode
- EZweb
- Yahoo! Mobile

(i-mode, EZweb, Yahoo!, and Yahoo! Mobile are registered trademarks, trademarks, or service names of NTT DOCOMO INC., KDDI Corporation, Yahoo! Inc., of the United States, and SOFTBANK MOBILE Corp., respectively.)

(Regardless of whether the mobile phone fulfill the above conditions, when shareholders access the voting website via a full browser application by mobile phone, or by using a phone system as only for data communication terminal to access through PC, or by using smartphone, such access means will be taken as equivalent to voting using a PC.)

☑ Use of the platform for the electronic exercise of votes for institutional investors

When institutional investors have made prior application for use of the platform for the electronic exercise of votes operated by ICJ, Inc. they may, as an alternative to exercising voting rights over the Internet as detailed above, use such a platform as another way of electronically exercising voting rights at the Company's Ordinary General Meeting of Shareholders.



## Corporate Mission, Vision and Values






### **Mission**

Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled.

### **Vision**

Aim to become a global business enabler that can meet the needs of our customers throughout the world.

### **Values**

-  Build trust with fairness and humility.
-  Aspire to set high standards and to contribute to society.
-  Embrace the challenge of continuous innovation.
-  Foster a culture of open-mindedness.
-  Strive to develop others and oneself to achieve full potential.

### **【Information for shareholders】**

Fiscal year-end	March 31
Record date	March 31
Interim dividend record date	September 30
General shareholders' meeting	June
Administrator of the register of shareholders	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Contact information for above	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department
Mailing address	Sumitomo Mitsui Trust Bank, Limited
Phone	Stock Transfer Agency Business Planning Department 8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063 Tel : 0120-782-031 (free dial)
Stock exchange listings	Tokyo, Nagoya, Sapporo, Fukuoka
Securities identification code	8031