

# 1st Quarter Financial Results Year Ending March 2013

**Mitsui & Co., Ltd.**  
**August 2, 2012**

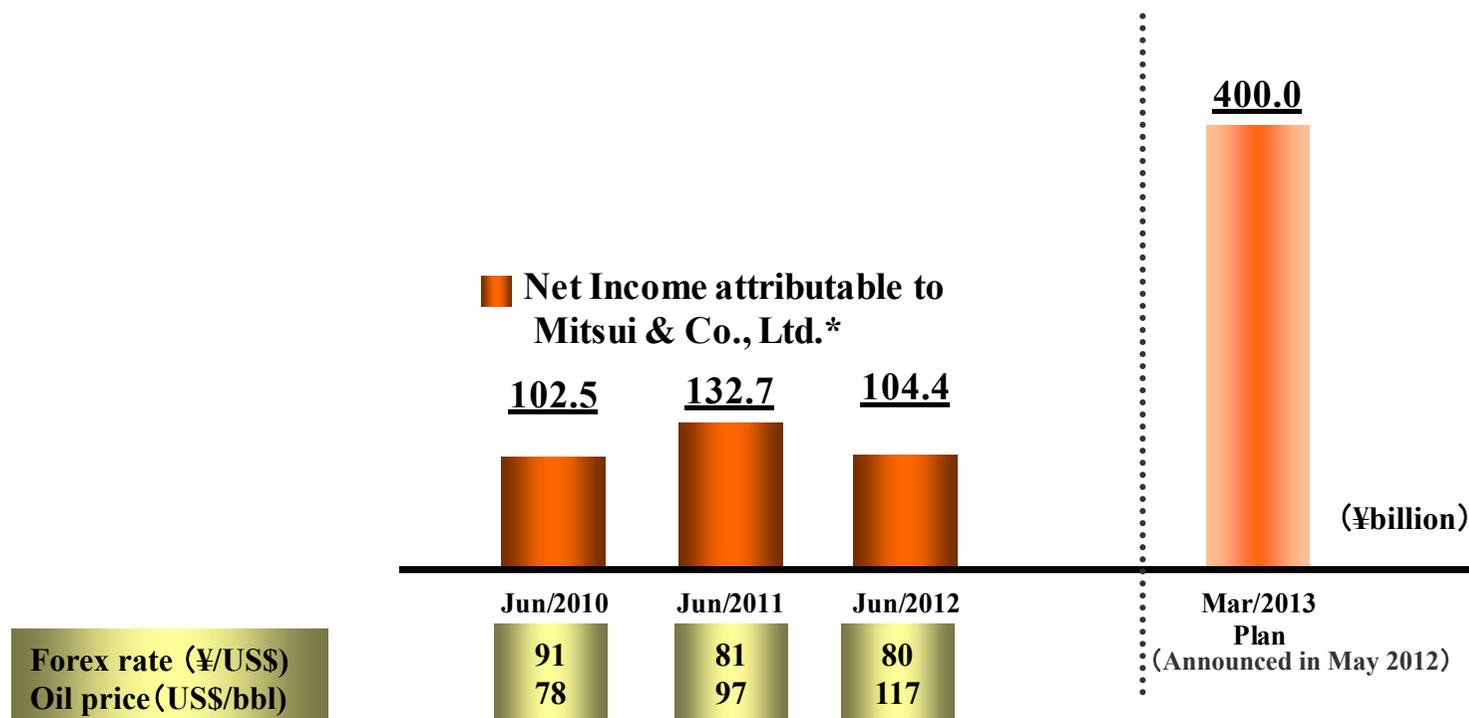
**A Cautionary Note on Forward-Looking Statements:**

This material contains statements (including figures) regarding Mitsui & Co., Ltd. (“Mitsui”)’s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui’s management but should not be relied on solely in making investment and other decisions. You should be aware that a number of important risk factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These include, but are not limited to, (i) change in economic conditions that may lead to unforeseen developments in markets for products handled by Mitsui, (ii) fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions, (iii) adverse political developments that may create unavoidable delays or postponement of transactions and projects, (iv) changes in laws, regulations, or policies in any of the countries where Mitsui conducts its operations that may affect Mitsui’s ability to fulfill its commitments, and (v) significant changes in the competitive environment. In the course of its operations, Mitsui adopts measures to control these and other types of risks, but this does not constitute a guarantee that such measures will be effective.

# Net Income Attributable to Mitsui for 3-month period Ended June 2012

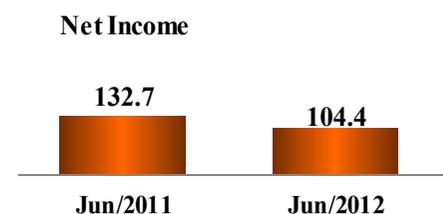
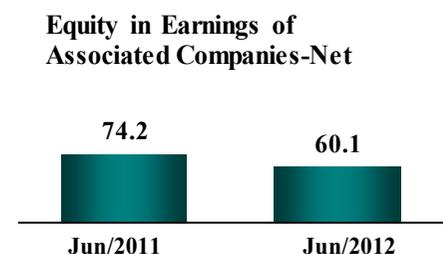
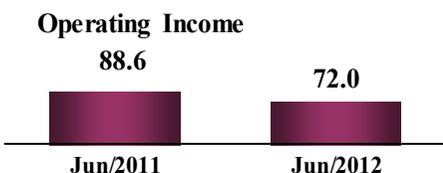
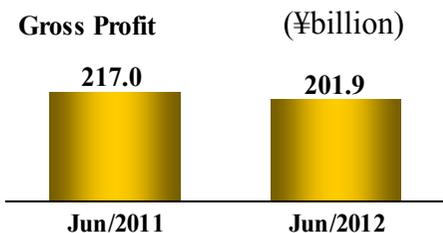
Overall the global economy demonstrated a slower rate of recovery due to weakness in advanced economies and moderated growth momentum in emerging economies.

- ✓ Net Income attributable to Mitsui was ¥104.4 billion, supported by increases in volumes of Metals and Energy and high oil prices.
- ✓ This represents a decline from the corresponding period of the previous year due to lower metal resource prices, but an increase from the 4Q of the previous year.



\* In this presentation material, “net income” means “net income attributable to Mitsui & Co., Ltd. for the three-month period ended June 30”

# Summary of Operating Results



## Major Factors in Q-on-Q Changes

### Gross Profit ¥201.9 bn -¥15.1 bn (-7%)

- ↓ MIOD -7.9 : Decline in iron ore prices, partially offset by increase in sales volume
- MII -4.8 : Decline in iron ore prices
- ↓ Chemicals Segment -5.4 : Decline in sales volume and prices of KPA, underperforming trading activities of petrochemicals
- ↓ MCH -3.3 : Decline in coal prices, partially offset by increase in sales volume and lower cost
- ↑ MOECO +7.8, MEPME+4.8, MEPAU+4.2 : Increase in oil prices and sales volume

### Operating Income ¥72.0 bn -¥16.6 bn (-19%)

- ↓ Decline in gross profit

### Equity in Earnings of Associated Companies ¥60.1 bn -¥14.1 bn (-19%)

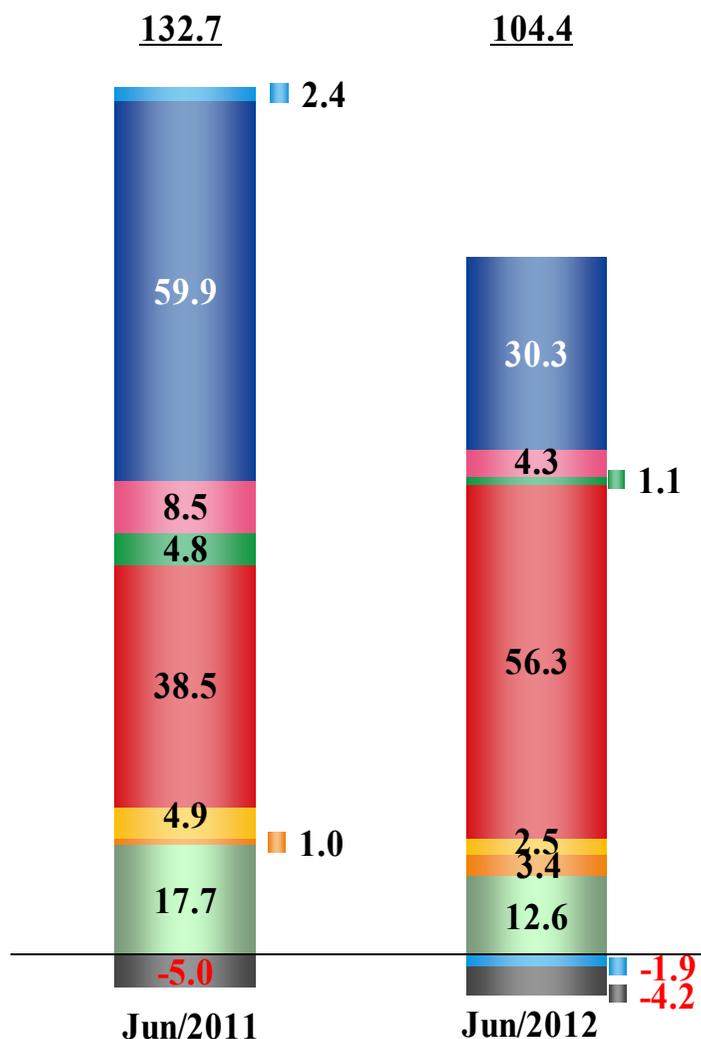
- ↓ Valepar -13.1 : Reversal effect of the gain on aluminium assets divestiture and decline in iron ore prices
- ↓ Overseas IPP business -7.0 : Decline of 6.6 in mark-to-market valuation gains/losses
- ↑ Reversal effect of impairment loss on securities +6.7 : Moshi Moshi Hotline

### Net Income ¥104.4 bn -¥28.3 bn (-21%)

- ↓ Impairment loss on securities -7.8 (pre-tax) :  
   Jun/2012 : Nippon Steel -4.9
- ↓ Loss on sales of securities -7.5 (pre-tax) :  
   Jun/2011 : Remeasurement gain on Multigrain +3.6
- ↓ Exploration expenses -2.4 (pre-tax) :  
   Jun/2012 : -7.3  
   Jun/2011 : -4.9
- ↑ Dividend income +13.9 (pre-tax) : Increase of +15.8 in dividends from LNG projects mainly driven by Sakhalin II

# Net Income by Operating Segment

## Major Factors in Q-on-Q Changes (after tax basis)



- Mineral & Metal Resources ¥30.3 bn -¥29.6 bn (-49%)**
  - ↓ Valepar -7.2\*: Reversal effect of the gain on aluminium assets divestiture and decline in iron ore prices
  - ↓ MIOD -6.3\*\*: Decline in iron ore prices, partially offset by increase in sales volume
  - ↓ MII -1.8\*\*: Decline in iron ore prices
- Energy ¥56.3 bn +¥17.8 bn (+46%)**
  - ↑ Increase in dividend income from LNG projects +16.5
  - ↑ MOECO +5.0, MEPME+2.3, MEPAU+2.1: Higher oil prices and increases in volume
  - ↓ MCH -1.8\*\*: Decline in coal prices, partially offset by increase in sales volume and lower cost
- Iron & Steel Products -¥1.9 bn -¥4.3 bn**
  - ↓ Foreign exchange gains/losses on trading : -1.5
  - ↓ Impairment loss on securities -1.0 : Nippon Steel
- Machinery & Infrastructure ¥4.3 -¥4.2 bn (-49%)**
  - ↓ Overseas IPP business -3.4\*\*/: Decline in mark-to-market valuation gains/losses

(¥billion)

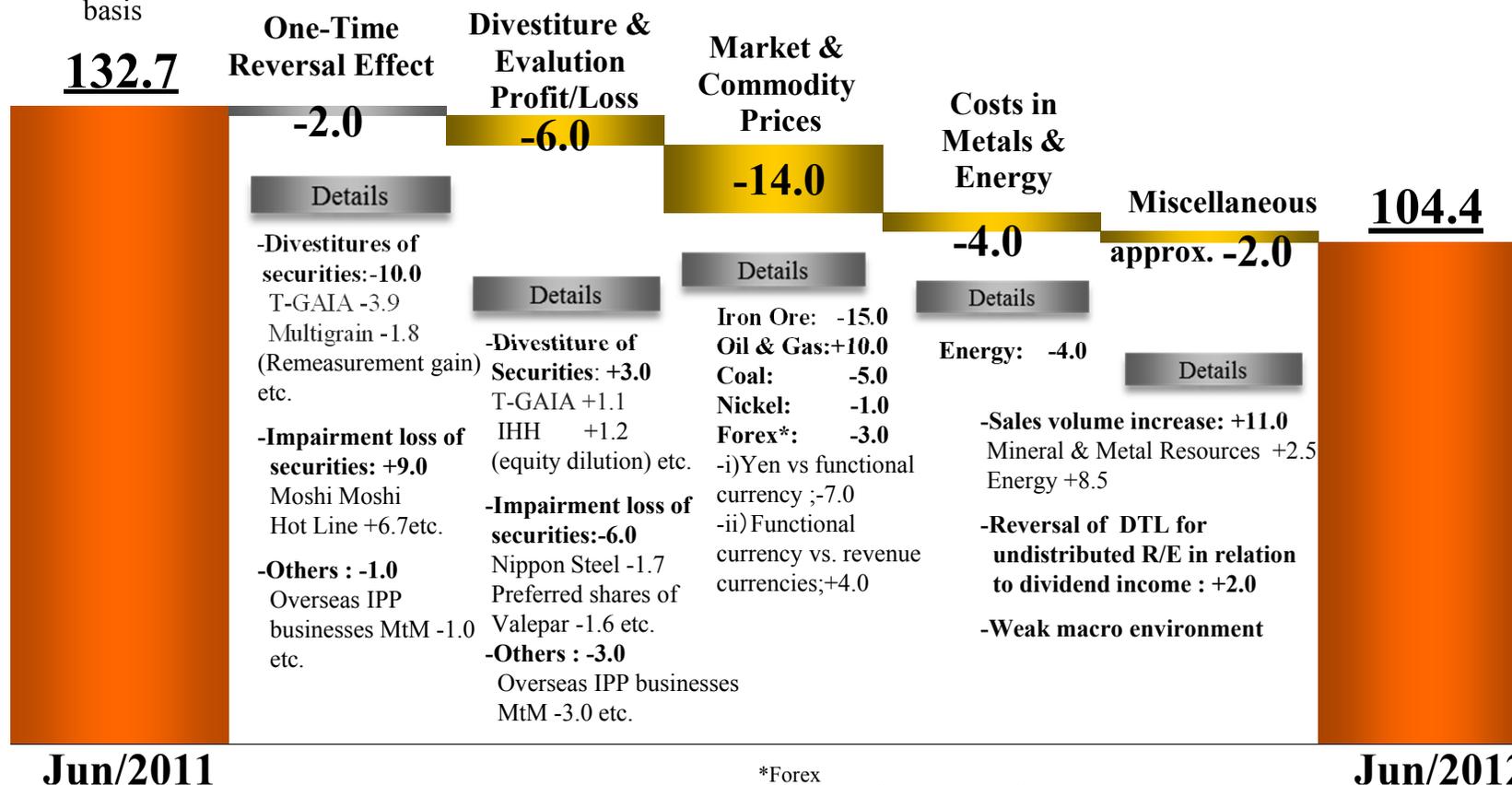
\* After tax effect on undistributed retained earnings recognized at parent company.  
 \*\*This segment's holding portion

■ Chemicals 
 ■ Lifestyle 
 ■ Innovation & Cross Function 
 ■ Overseas 
 ■ All Others/Adjustments & Eliminations

# Breakdown on Q-on-Q Change in Net Income (Jun/2011 vs Jun/2012)

(¥billion)

After tax  
basis

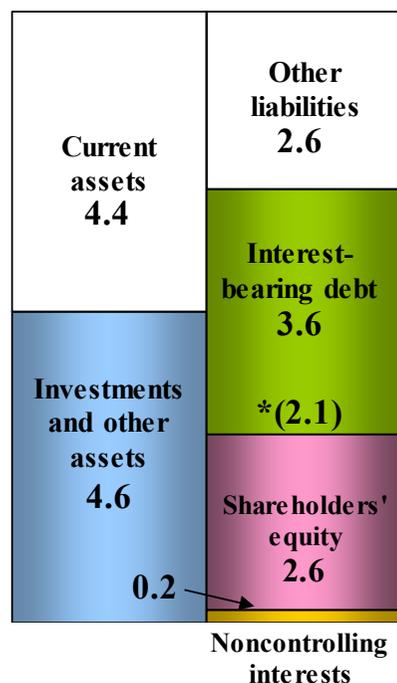


# Balance Sheets & Cash Flows

## Balance Sheets

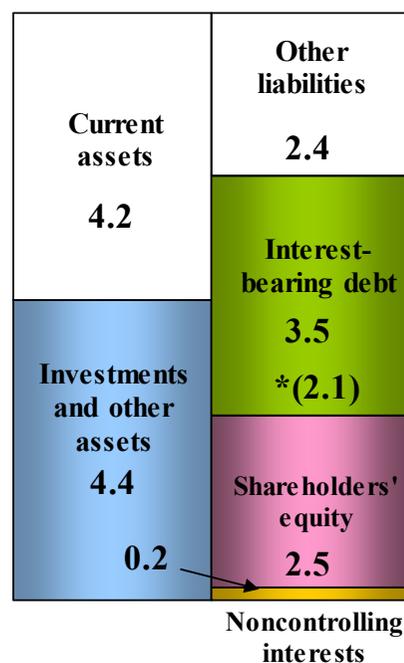
(¥trillion)

Mar/2012



Total assets	¥ 9.0
Shareholders' equity	¥ 2.6
Net DER	0.81X

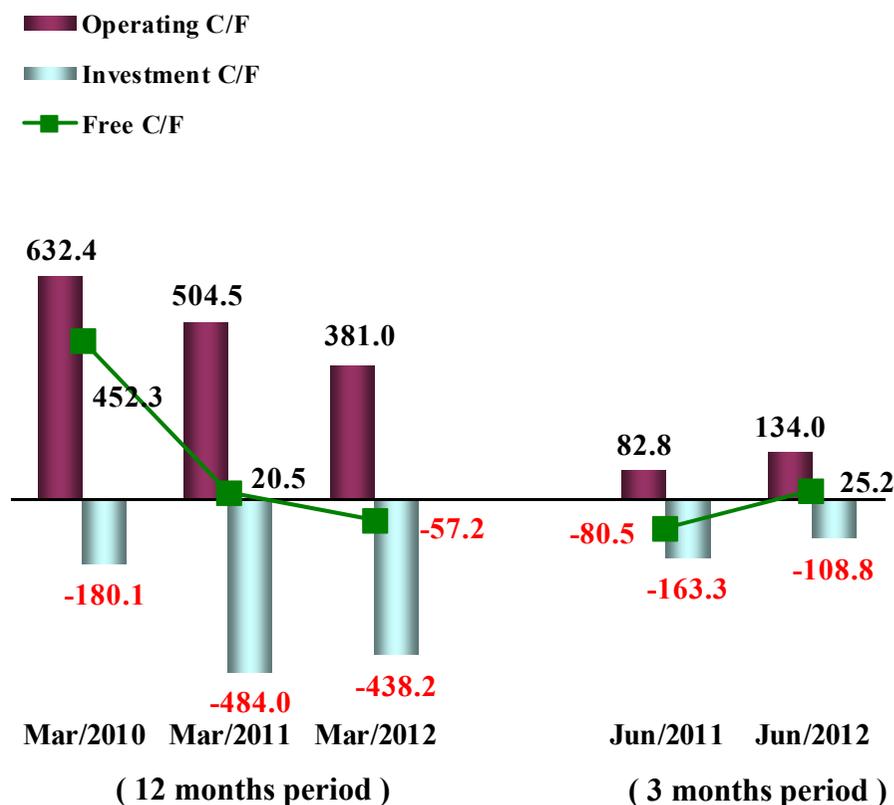
Jun/2012



Total assets	¥ 8.6
Shareholders' equity	¥ 2.5
Net DER	0.84X

## Cash Flows

(¥billion)



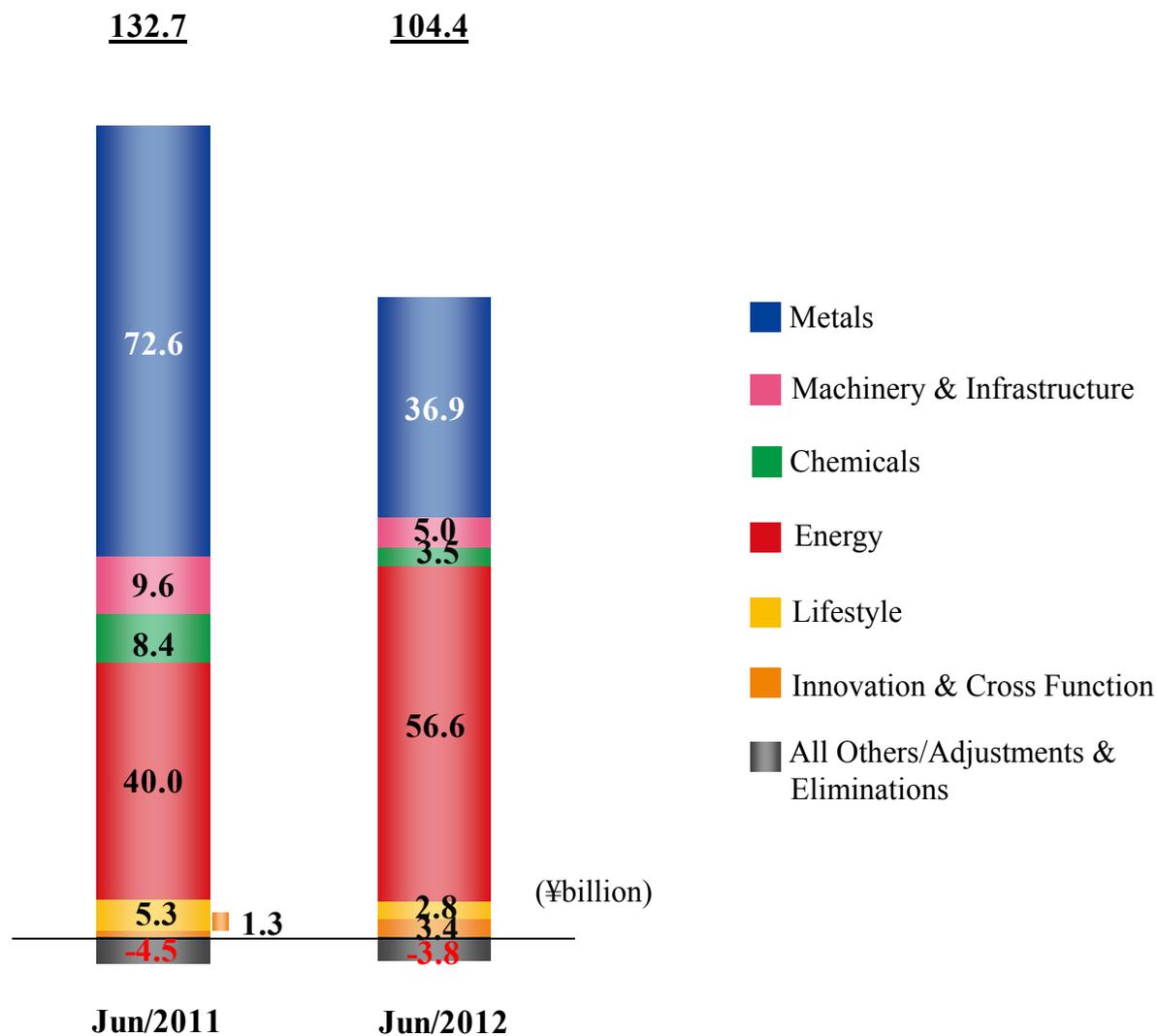
(\*) Figures in brackets in interest-bearing debt are “net interest-bearing debt”, which is interest-bearing debt minus cash and cash equivalents and time deposits.

# Investments and Loans

<u>Business Area</u>	<u>Plan</u> Mar/2013	<u>Result</u> Mar/2013 1Q (¥billion)	<u>Major Projects</u>
<b>Metals</b>	200	35	Australian iron ore expansion, Caserones copper development
<b>Machinery &amp; Infrastructure</b>	200	30	Rolling stock lease, FPSO lease, IPP business
<b>Chemicals</b>	50	5	
<b>Energy</b>	250	65	Shale gas/oil, Expansion of oil & gas and coal, Capital increase in JAL-MIMI
<b>Lifestyle</b>	50	10	
<b>Innovation &amp; Cross Function</b>	50	5	
<b>Gross Investments &amp; Loans</b>	800	150	Loan collection of commercial vessel business, Redemption of preferred shares of Valepar, Divestiture of T-GAIA shares
<b>Divestiture</b>	▲160	▲40	
<b>Net Cash Outflow</b>	640	110	

# Appendix

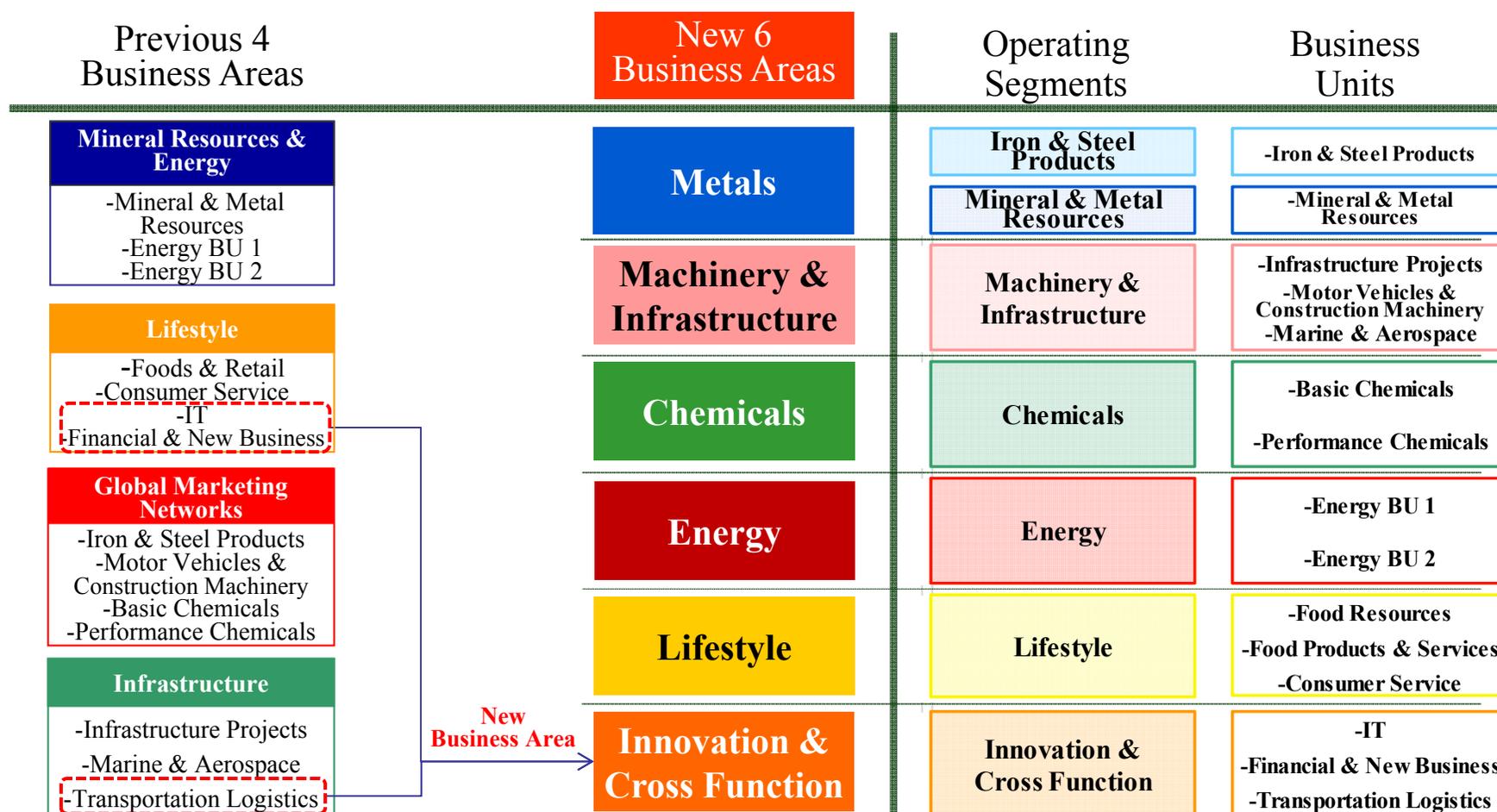
# Net Income by Business Area -Global Basis- (Reference\*)



(\* ) Global results by business area, including all overseas operations (Reference).

# Reorganization to 6 Business Areas

- Reorganization to 6 business areas from previous 4 business areas.
- Newly created “Innovation & Cross Function” business area
  - ✓ Develop new businesses for the future, carry out investments for corporate development purposes
  - ✓ Contribute to the entire earnings base by providing various functional capabilities



# Assumptions and Sensitivities for FY Mar/2013 Forecast

FY Mar/2012 (Result)	Commodity Price and Exchange Rate		Estimated effect on net income for FY Mar/2013 (Announced in May 2012)	FY Mar/2013 (Assumption) (Announced in May 2012)
108	Commodity Price	Crude Oil <sup>(*1)</sup>	¥1.2 bn (US\$1/bbl)	110
154(*2)		Iron Ore	¥1.9 bn (US\$1/ton)	(*3)
8,821(*4)		Copper	(*5)	7,625
10.4(*4)		Nickel	¥1.8 bn (US\$1/lb)	8.5
78.82	Exchange Rate <sup>(*6)</sup>	USD	¥1.6 bn (¥1/USD)	80
83.19		AUD	¥1.9 bn (¥1/AUD)	85
46.65		BRL	¥0.8 bn (¥1/BRL)	45

FY Mar/2013 1Q (Result)
117
139.1(*2)
8,308(*4)
8.9(*4)
79.81
80.16
40.13

(\*1) Oil price trend is reflected in net income with a 0-6 month time lag. For FY Mar/2013:

6 month time lag: 12%, 3 month time lag: 62%, Without lag: 26%

The annual average price applicable to FY Mar/2013 is US\$113/bbl, based on the premise that the crude oil price (JCC) will be maintained at US\$110/bbl throughout FY Mar/2013.

(\*2) FY Mar/2012 Result: Average of representative reference prices (fine, Fe 62% CFR North China) during Dec '10-Nov '11.

FY Mar/2013 1Q Result: Average of representative reference prices (fine, Fe 62% CFR North China) during Apr'12-Jun'12.

(\*3) We refrain from disclosing iron ore price assumption for FY Mar/2013 forecast.

(\*4) FY Mar/2012 Result: Average of LME cash settlement price during Jan'11-Dec'11,

FY Mar/2013 1Q Result: Average of LME cash settlement price during Jan'12-Mar'12.

Copper: US\$/MT, Nickel: US\$/lb.

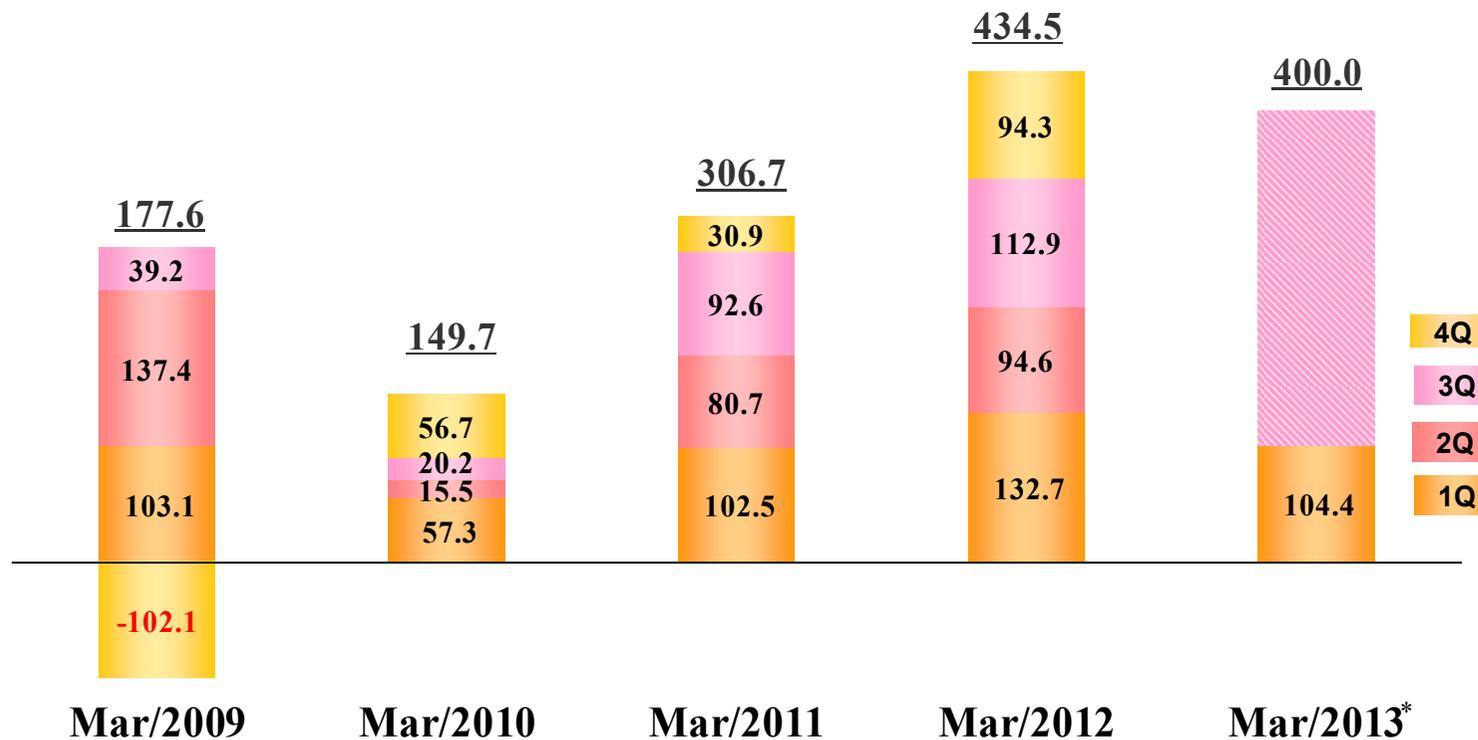
(\*5) We refrain from disclosing the copper price sensitivity to net income.

(\*6) Impact of currency fluctuation on net income of overseas subsidiaries and associated companies

(denominated in functional currency) against JPY. Impact of currency fluctuation between their functional currencies against revenue currencies and exchange hedging are not included.

# Net Income by Quarterly Results

(¥billion)



Exchange rate (¥/US\$)  
Oil price (US\$/bbl)

101	93	85	79	80
101	62	80	108	117

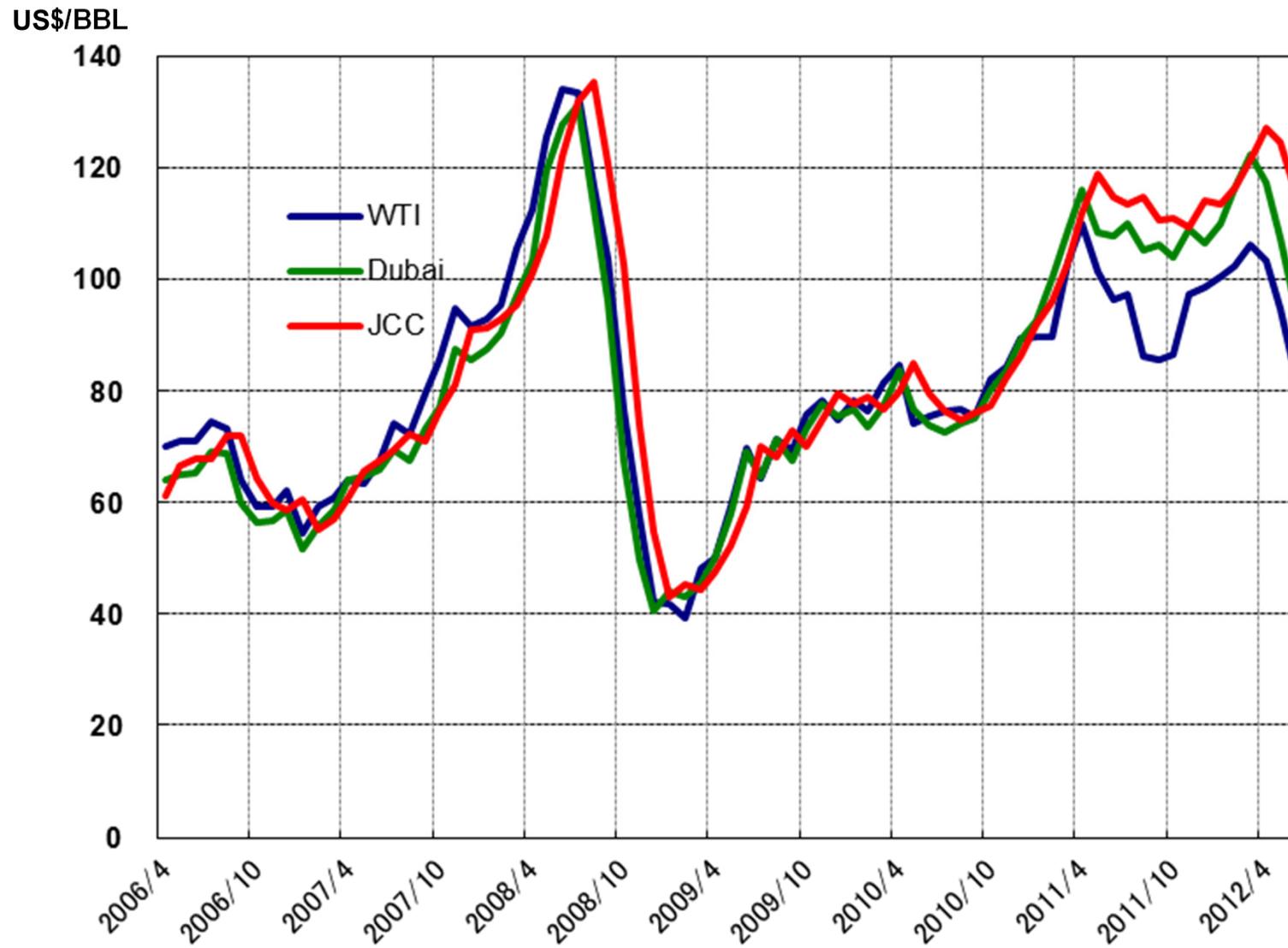
\* average of 3-month period ended June 30, 2012

# Iron Ore Spot Price\* (Reference)



\*Average of representative reference prices

## Crude Oil Prices



## Equity Share of Delivery (Results)

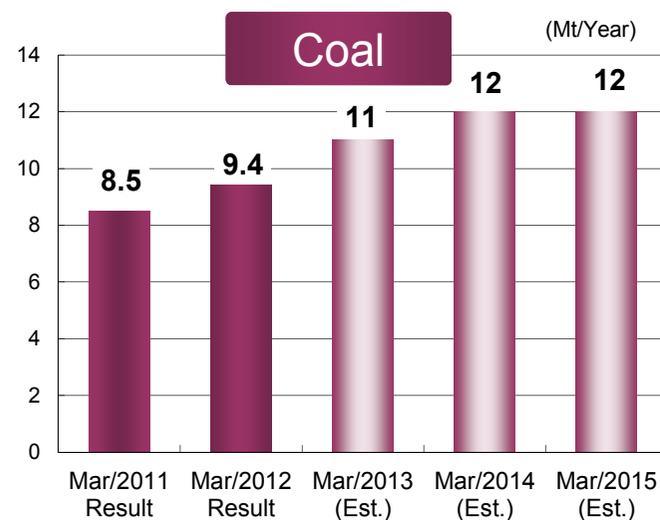
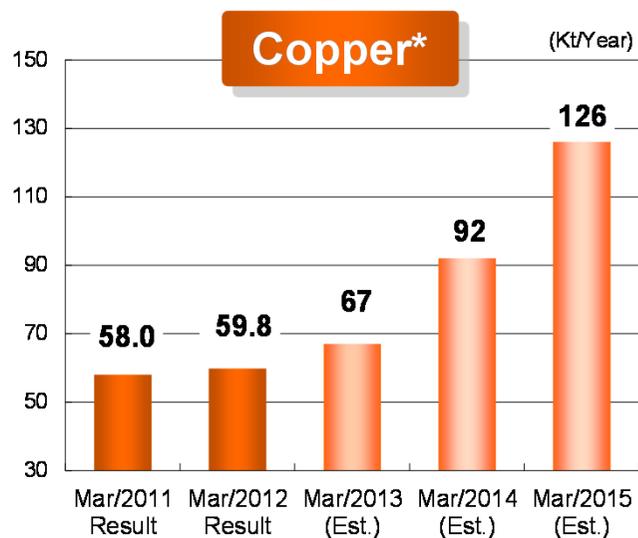
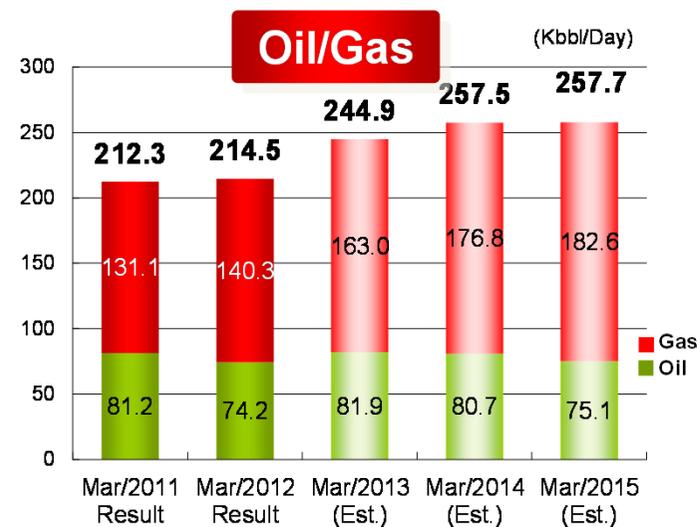
	Mar/2012 1Q	Mar/2012 2Q	Mar/2012 3Q	Mar/2012 4Q	Mar/2012 Total	Mar/2013 1Q*	Mar/2013 Total
<b>Iron Ore (Mt)</b>	10.7	11.7	12.2	11.2	45.8	11.4	11.4
<b>MIOD</b>	6.2	7.0	7.3	6.1	26.6	7.0	7.0
<b>MII</b>	1.1	1.1	1.0	1.0	4.2	1.1	1.1
<b>Vale**</b>	3.4	3.6	3.9	4.1	15.0	3.3	3.3
<b>Coal (Mt)</b>	1.7	2.4	2.7	2.4	9.2	2.4	2.4
<b>MCH</b>	1.5	2.1	2.4	2.1	8.1	2.1	2.1
<b>BMC**</b>	0.2	0.3	0.3	0.3	1.1	0.3	0.3
Coking Coal	1.1	1.8	2.3	1.8	7.0	1.9	1.9
Thermal Coal	0.6	0.6	0.4	0.6	2.2	0.5	0.5
<b>Copper (Kt)***</b>	12.5	14.6	16.5	17.1	60.7	11.1	11.1

\* Preliminary figures for coal

\*\* 1Q: Result of Jan-Mar, 2Q: Result of Apr-Jun, 3Q: Result of Jul-Sep, 4Q: Result of Oct-Dec

\*\*\* Including 5% equity share of Vale

# Equity Share of Production (Announced in May 2012)



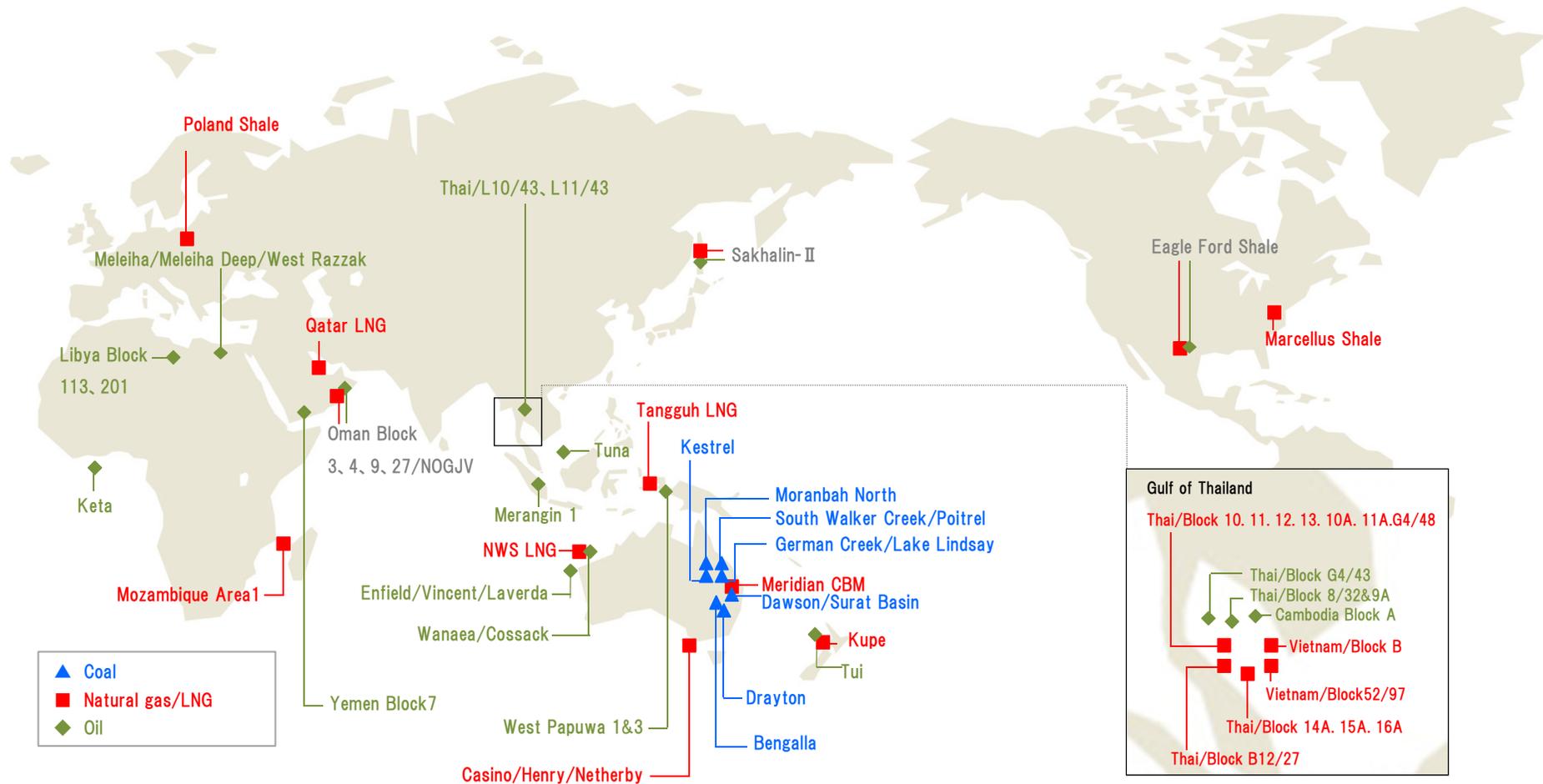
As of June 30, 2012

## Major Projects in Mineral & Metal Resources Business



As of June 30, 2012

## Upstream Assets in Energy Business



As of June 30, 2012

## Upstream Assets (Natural Gas/LNG/Oil)

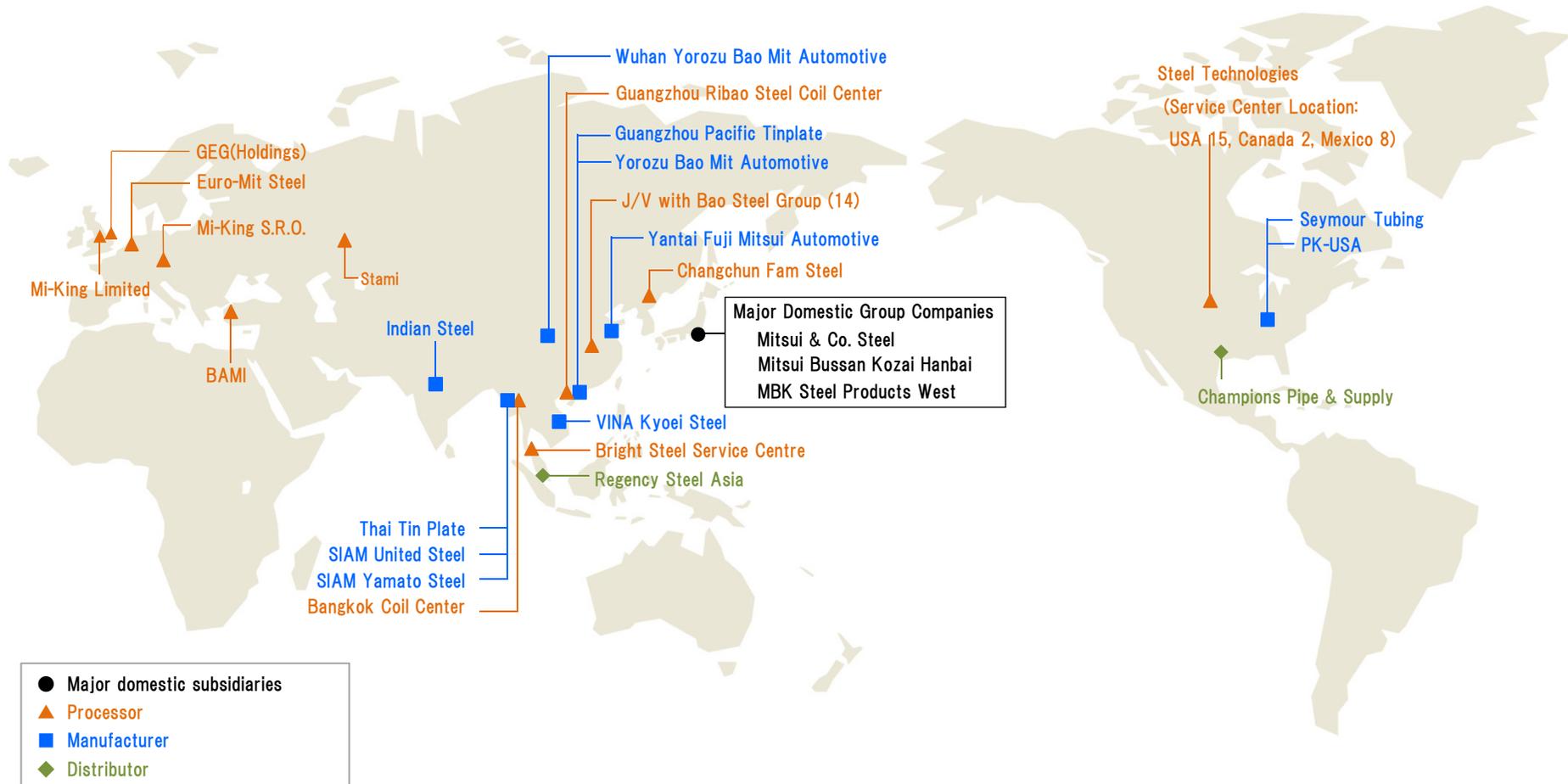


	Exploration	Development	Production
Natural gas/LNG Project	<p><b>Australia:</b> Laverda*1 and 21 other permits (MEPAU)</p> <p><b>New Zealand:</b> PEP50119 and 3 other permits (MEPAU)</p> <p><b>Papua New Guinea:</b> PPL285 (MEPAU)</p> <p><b>Thailand:</b> Blocks L10/43*1 and 3 other permits (MOECO)</p> <p><b>Vietnam:</b> Song Hong (MOECO) Blocks B, 52/97*1 (MOECO)</p> <p><b>Cambodia:</b> Block A (MOECO)</p> <p><b>Indonesia:</b> Merangin I, Tuna, West Papuwa I・III (MOECO)</p> <p><b>Poland:</b> Poland Shale (MEPPOL)</p> <p><b>Oman:</b> Block 3&amp;4*1 (MEPME)</p> <p><b>Egypt:</b> Meleiha Deep (MEPME)</p> <p><b>Yemen:</b> Block 7 (MEPME)</p> <p><b>Libya:</b> Block 113, Block 201 (MOECO)</p> <p><b>Mozambique:</b> Area1 (MEPMOZ)</p> <p><b>Ghana:</b> Keta (MEPGK)</p>	<p><b>USA:</b> Marcellus Shale (MEPUSA)*2 Eagle Ford Shale (MEPTX)*2</p> <p><b>Australia:</b> Meridian CBM (MEPAU)*2</p>	<p><b>Russia:</b> Sakhalin II LNG (Sakhalin Energy)</p> <p><b>Australia:</b> NWS LNG (JAL-MIMI), Casino/Henry/Netherby, Meridian CBM (MEPAU)</p> <p><b>New Zealand:</b> Kupe (MEPAU)</p> <p><b>Thailand:</b> Blocks 10.11.12.13.10A.11A.G4/48, Block B12/27, Blocks 14A.15A.16A, Blocks 8/32&amp;9A, Block G4/43 (MOECO)</p> <p><b>Indonesia:</b> Tangguh LNG (KG Berau/KG Wiriagar)</p> <p><b>USA:</b> Marcellus Shale (MEPUSA) Eagle Ford Shale (MEPTX)</p> <p><b>Qatar:</b> Qatargas 1 LNG (MILNED) Qatargas 3 LNG (Mitsui Qatargas 3)</p> <p><b>Oman:</b> NOGJV (MEPME)</p>
	Oil Project		<p><b>USA:</b> Eagle Ford Shale (MEPTX)*2</p> <p><b>Thailand:</b> L11/43*2 (MOECO)</p>

\*1 Proved undeveloped \*2 Partly in production

As of June 30, 2012

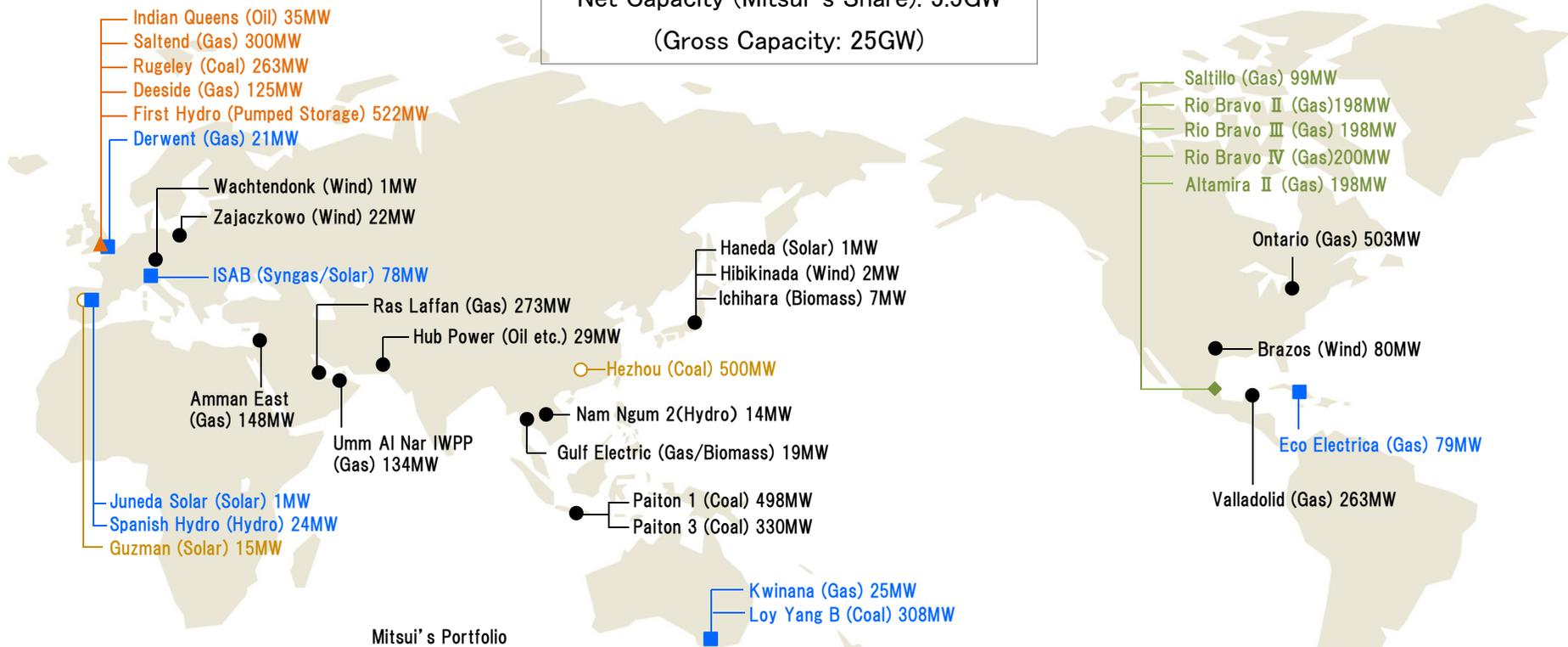
## Major Investments in Iron & Steel Products Business



As of June 30, 2012

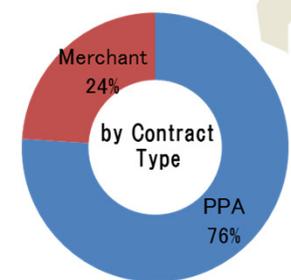
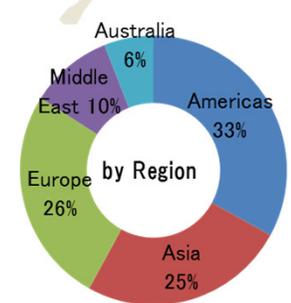
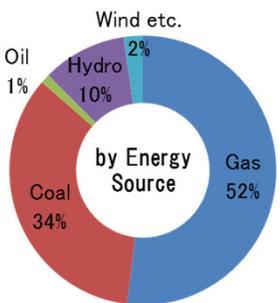
## Portfolio of IPP (Independent Power Producer) Business

Net Capacity (Mitsui's Share): 5.5GW  
(Gross Capacity: 25GW)



- ▲ IPM (UK) Power's portfolio
- IPM Eagle's portfolio
- ◆ MT Falcon's portfolio
- Others
- Under construction

Mitsui's Portfolio



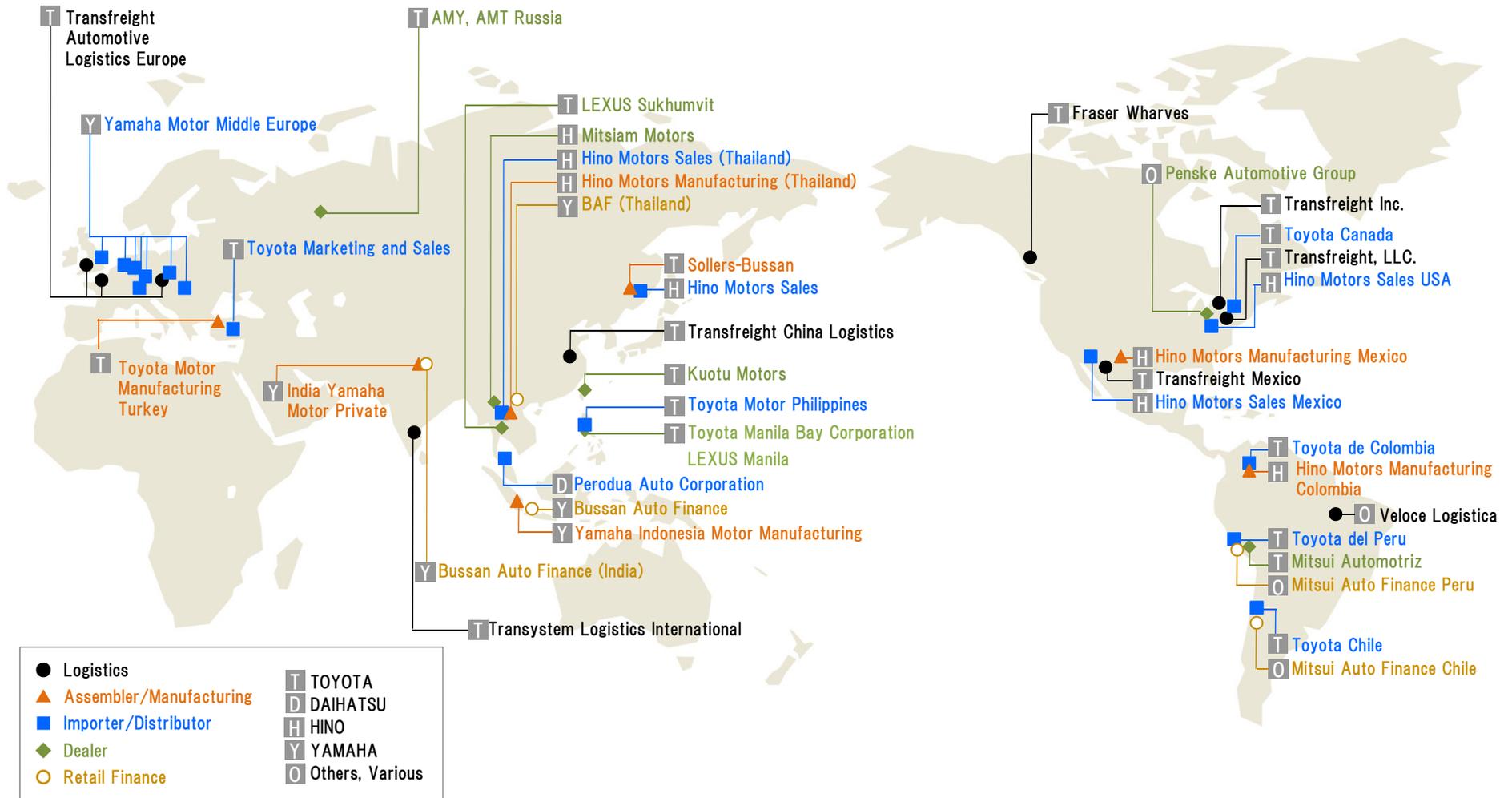
As of June 30, 2012

## Major Infrastructure Projects (except IPP)



As of June 30, 2012

## Portfolio of Automotive-Related Business



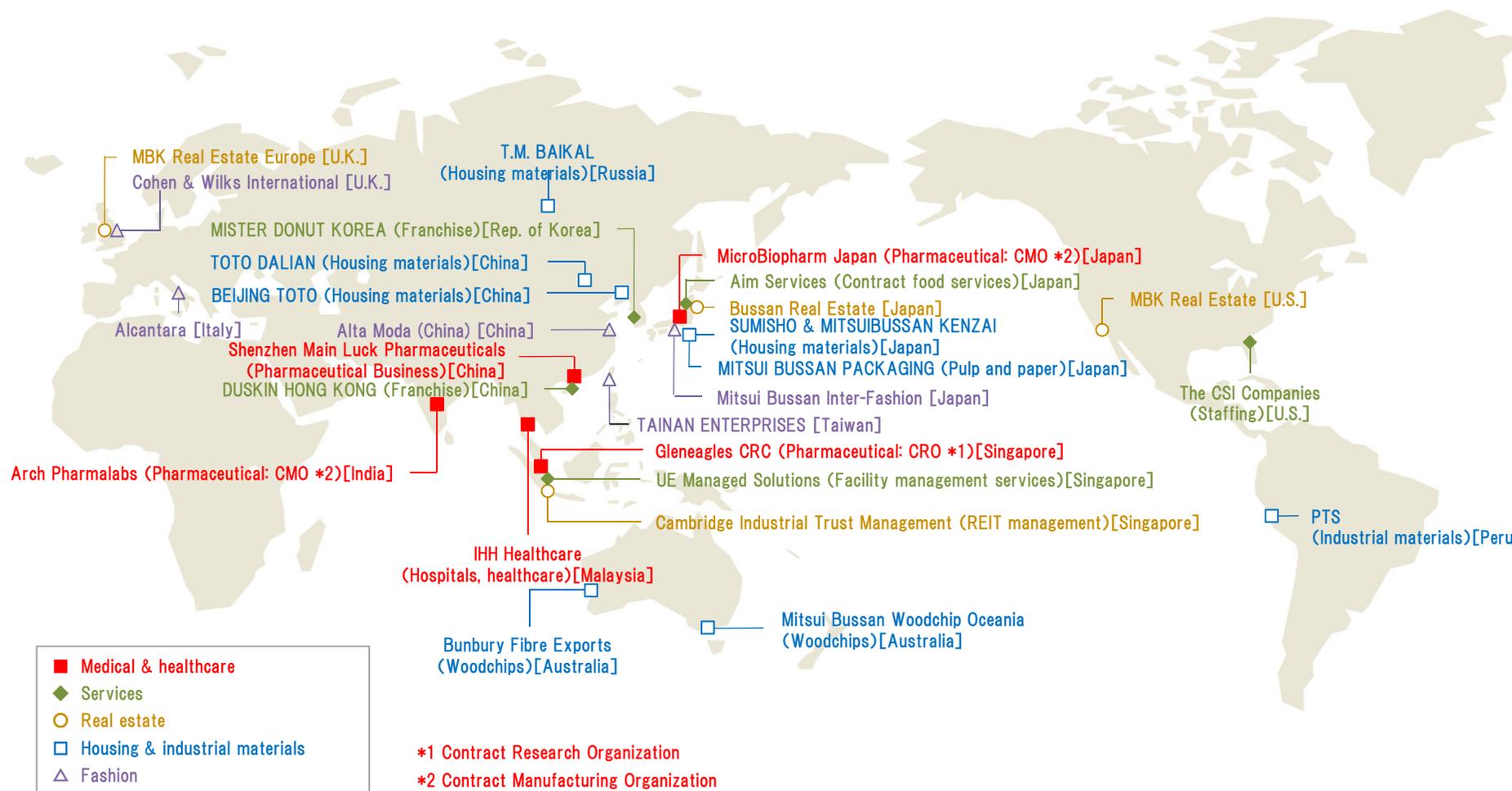
As of June 30, 2012

## Major Overseas Investments in Food Resources and Food Products & Services



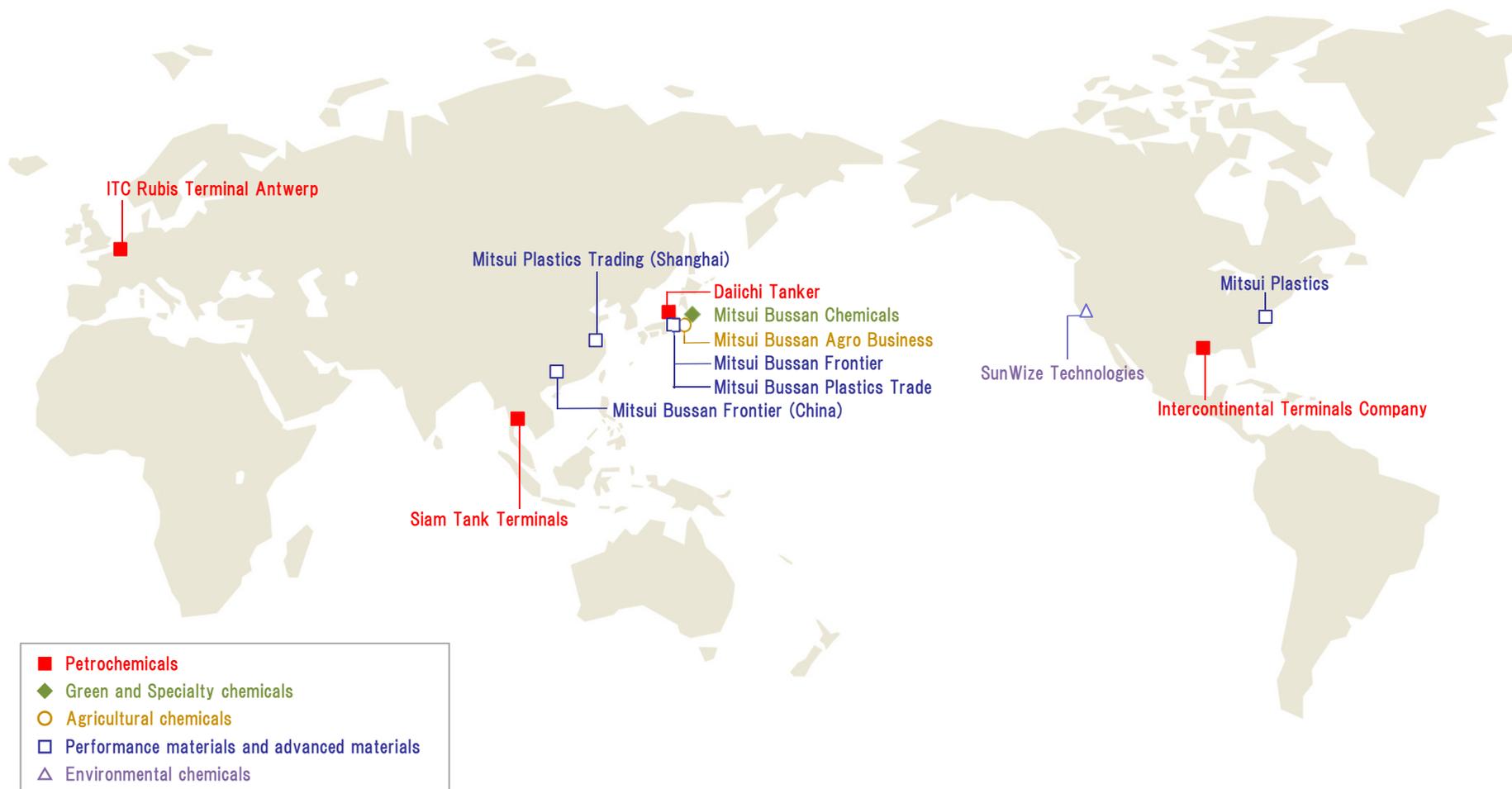
As of June 30, 2012

## Major Investments in Consumer Service Business



As of June 30, 2012

## Major Investments in Trading Business in Chemical Business



As of June 30, 2012

## Major Investments in Manufacturing Business in Chemical Business

