

— Driving Value Creation —

# 3<sup>rd</sup> Quarter Financial Results FY Ending March 2018



**MITSUI & CO.**

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February 2, 2018  
Mitsui & Co., Ltd.

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# 1 Progress of Medium-term Management Plan

## Summary of Operating Results

- Resources & Energy very strong; Steady progress in non-resource areas, in particular Iron & Steel Products and Machinery & Infrastructure
- Further increased core operating cash flow through steady performance and increase in dividends from equity method affiliates
- Increase in free cash flow due to rich core operating cash flow and improvements in investment discipline

(Unit: ¥billion)

	FY Mar/2017 Q3	<b>FY Mar/2018 Q3</b>	Change	FY Mar/2018 Previous forecasts (Announced Nov 2017)	<b>Progress</b>
Profit for the year/period	230.3	<b>376.8</b>	+146.5	400	<b>94%</b>
Core Operating Cash Flow* <sup>1</sup>	348.9	<b>549.6</b>	+200.7	600	<b>92%</b>
Free Cash Flow* <sup>2</sup>	195.0	<b>376.6</b>	+181.6	—	<b>—</b>

\*1. Cash flow from operating activities (FY Mar/2018 Q3: ¥403.0bn) minus cash flow from changes in working capital (FY Mar/2018 Q3: -¥146.6bn)

\*2. Free cash flow that excludes the effects of changes in working capital and time deposits

### Full-year business forecast: Upward revision of profit and core operating cash flow, reaching historical high

- Profit after tax: ¥440bn (+¥40bn), Core operating cash flow: ¥670bn (+¥70bn)

### Shareholder returns: Implement dividend increase and share buyback (total amount: ¥172.5bn)

- Raise annual dividend to ¥70 (¥+10). Implement share buyback totaling ¥50bn and cancellation of treasury stock.

## Key Initiatives (1) Build robust profit base and thoroughly strengthen existing businesses

### Core Areas

- Resources & Energy: Australian iron ore and coal operations strong; Dividend growth; Achieved cost reductions and volume increase in Energy business
- Machinery & Infrastructure: Steady progress due to strong performance in Automobiles and other areas; Higher dividends from IPP business; New FPSO charter
- Chemicals: Profit from DTL reversal due to revision to US tax code, strong methanol (Unit: ¥billion)

#### Profit for the year/period

	FY Mar/2018 Q3 Result	Previous forecasts*1	Progress
Resources & Energy	264.3	305	87%
Machinery & Infrastructure	79.0	90	88%
Chemicals	27.5	30	92%
<b>Core Areas Total</b>	<b>370.8</b>	<b>425</b>	<b>87%</b>
Company Total	376.8	400	94%

#### Core Operating Cash Flow

	FY Mar/2018 Q3 Result	Previous forecasts*1	Progress
	320.2	360	89%
	128.8	150	86%
	36.6	50	73%
<b>Core Areas Total</b>	<b>485.6</b>	<b>560</b>	<b>87%</b>
Company Total	549.6	600	92%

\*1. Announced in Nov 2017

### Thoroughly strengthen existing businesses

- Profit for the period improved steadily to approx. ¥330.0bn, excluding valuation gains and losses, and the effects of revisions to the US tax code
- Resources & Energy accounted for approx. ¥190.0bn of this figure and Non-resources areas accounted for ¥140.0bn. Both achieved steady growth

## Key Initiatives (2) Establish selected new growth areas

### Growth Areas

FY Mar/2018 Q3 achievements\*

	Progress	Business Description	Objective
<b>Mobility</b>	Investments in EV-related businesses <ul style="list-style-type: none"> <li>■ CaetanoBus (Portugal)</li> <li>■ Forsee Power (France)</li> <li>■ The Mobility House (Germany)</li> </ul>	<ul style="list-style-type: none"> <li>■ Manufacture and sales of electric and conventional busses</li> <li>■ Manufacture and sales of battery systems</li> <li>■ Development of EV charging systems, electric power business using EV batteries</li> </ul>	<ul style="list-style-type: none"> <li>■ Promote global sales of electric busses</li> <li>■ Battery reuse/recycle initiative</li> <li>■ Commercialization of advanced European business model</li> </ul>
<b>Healthcare</b>	<ul style="list-style-type: none"> <li>■ Investment in R-Pharm (Russia)</li> </ul>	<ul style="list-style-type: none"> <li>■ Russia's largest pharmaceutical company</li> </ul>	<ul style="list-style-type: none"> <li>■ Address demand for high value-added new drugs</li> </ul>
<b>Nutrition &amp; Agriculture</b>	<ul style="list-style-type: none"> <li>■ Agreement on plan to invest in ETC Group</li> </ul>	<ul style="list-style-type: none"> <li>■ Trade in agricultural products and materials, and manufacture and sales of food products in Africa</li> </ul>	<ul style="list-style-type: none"> <li>■ Enhancement of business base in N&amp;A area; In line with Africa regional strategy</li> </ul>

\*Initiatives undertaken in Q3. For initiatives undertaken in Q1 and Q2, please see slides 22 and 23

## Key Initiatives (3) Cash flow focused management; Strengthen financial base

### Result of cash flow allocation (FY Mar/2018 Q3)

- Increased core operating cash flow through steady performance improvement and increase in dividends from equity method affiliates
- Significantly increased free cash flow after shareholder returns (Unit: ¥billion)

		FY Mar/2018 Q3 Result	3-year cumulative (announced May 2017) (FY Mar/2018~FY Mar/2020)
Cash-In	Core Operating Cash Flow*1...①	550.0	1,700
	Asset Recycling...②	230.0	700
Cash-Out	Investment and Loans...③	-400.0	-1,700~-1,900
	Shareholder Returns*2...④	-52.5	-300
Free cash flow*3 after shareholder returns*2 ...①+②+③+④		327.5	200~400

\*1. Cash flow from operating activities minus cash flow from changes in working capital

\*2. Three-year cumulative column shows minimum total dividend

\*3. Free cash flow that excludes the effects of changes in working capital and time deposits

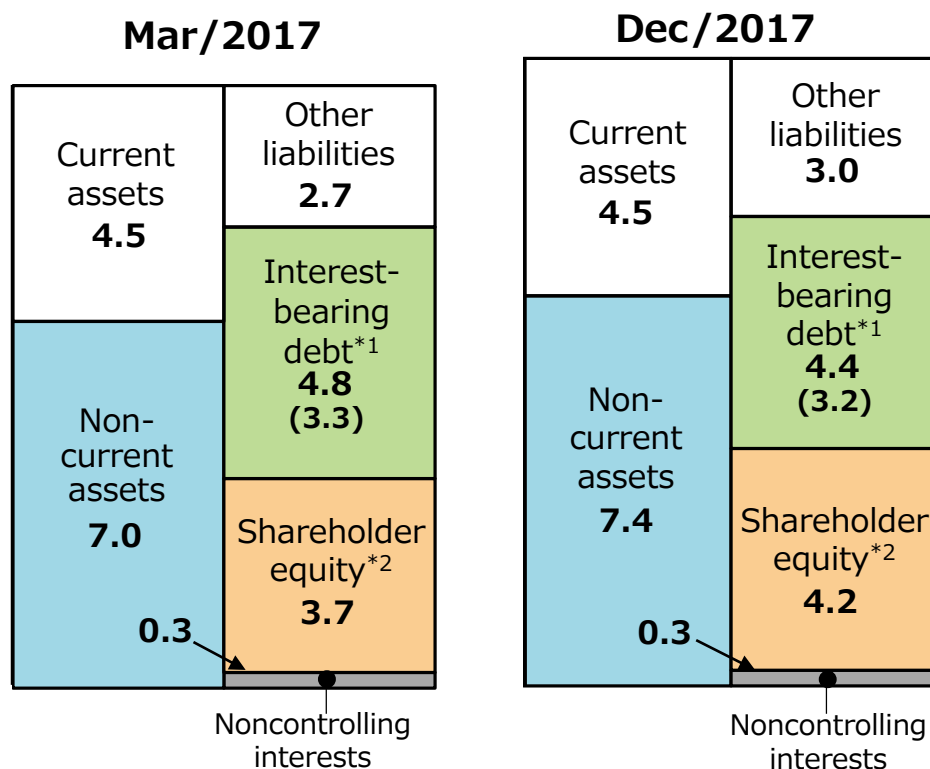
Decision to carry out additional shareholder returns due to expected growth in free cash flow over the three-year cumulative period, which is a result of core operating cash flow growth exceeding the assumptions of the Medium term plan



## Key Initiatives (3) Cash flow focused management; Strengthen financial base

### Balance sheet

- Steady strengthening of financial base amid strong business performance
  - Net DER improved to 0.75x on December 31, 2017; 0.65x after adjustment for hybrid loans
  - Will continue to strengthen financial base
- (Unit: ¥trillion)



Total assets	11.5
Shareholder equity	3.7
Net DER	0.88x

Total assets	11.9
Shareholder equity	4.2
Net DER	0.75x

### Main changes from March 2017

#### Net interest-bearing debt down ¥118.2bn

#### Shareholder equity up ¥459.9bn

- Profit for the period: +¥376.8bn
- Foreign currency translation adjustments: +¥29.1bn
- Financial assets measured at FVTOCI: +¥157.3bn
- Dividend payments: -¥105.8bn
- Other: +¥2.5bn

1. Figures in brackets describe "net interest-bearing debt," which is interest-bearing debt minus cash and cash equivalents, and time deposits

2. In these presentation materials, "Shareholder equity" means total equity attributable to owners of the parent.



# Shareholder Returns

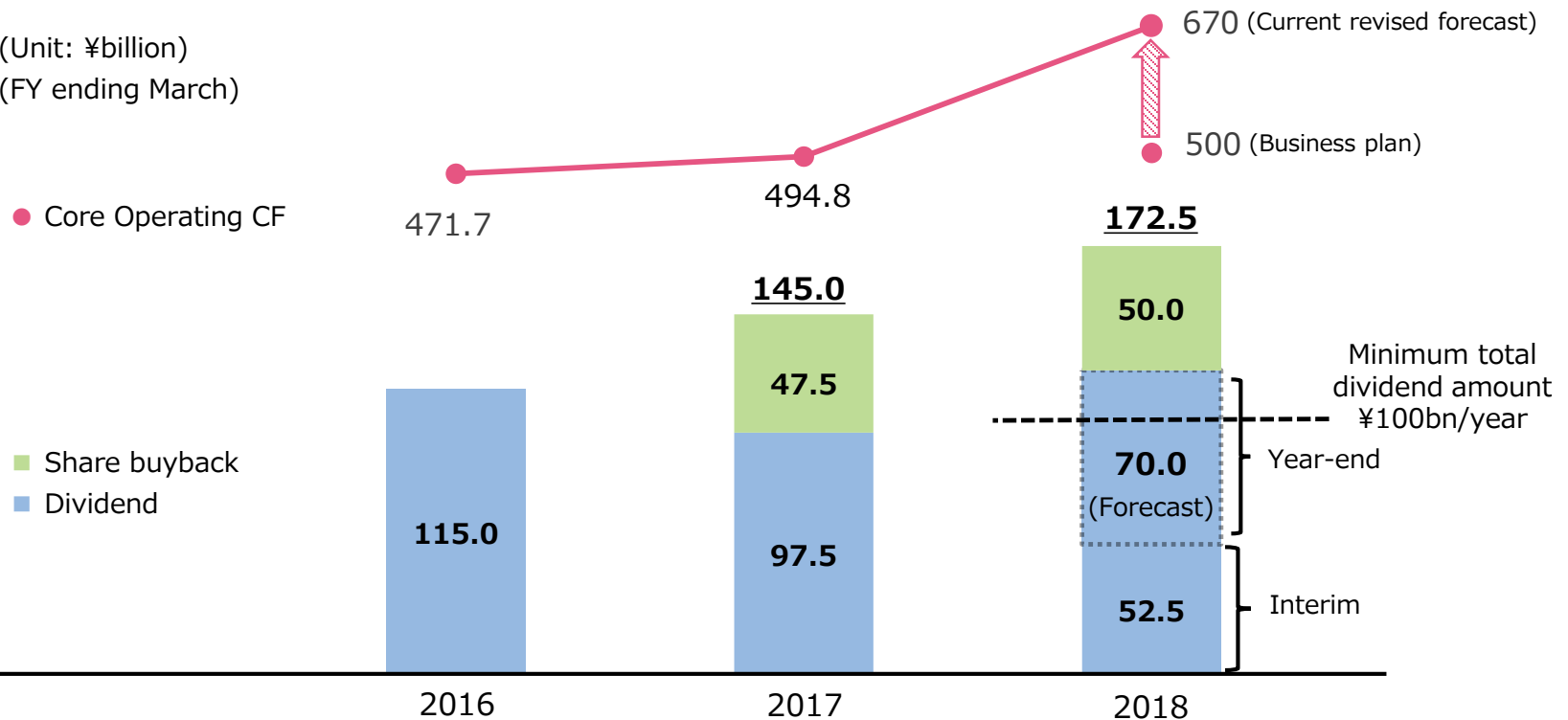
Raise dividend and carry out share buyback; shareholder returns for the current fiscal year will be ¥172.5bn

- Forecast annual dividend increased by ¥10 to ¥70 per share (interim dividend: ¥30, year-end dividend: ¥40)
- Implementing share buyback and cancellation of treasury stock to upper limit of 30 million shares or ¥50.0bn
- 28 million shares out of total treasury stock as of February 2 will be cancelled

Continue to increase dividend based on performance improvement and continue initiatives to achieve 10% ROE in FY Mar/2020

(Unit: ¥billion)

(FY ending March)



Annual dividend per share

¥64

2017

¥55

2018

¥70 (forecast)

Total shareholder returns as a percentage of core operating cash flow\*

24%

29%

26% (forecast)

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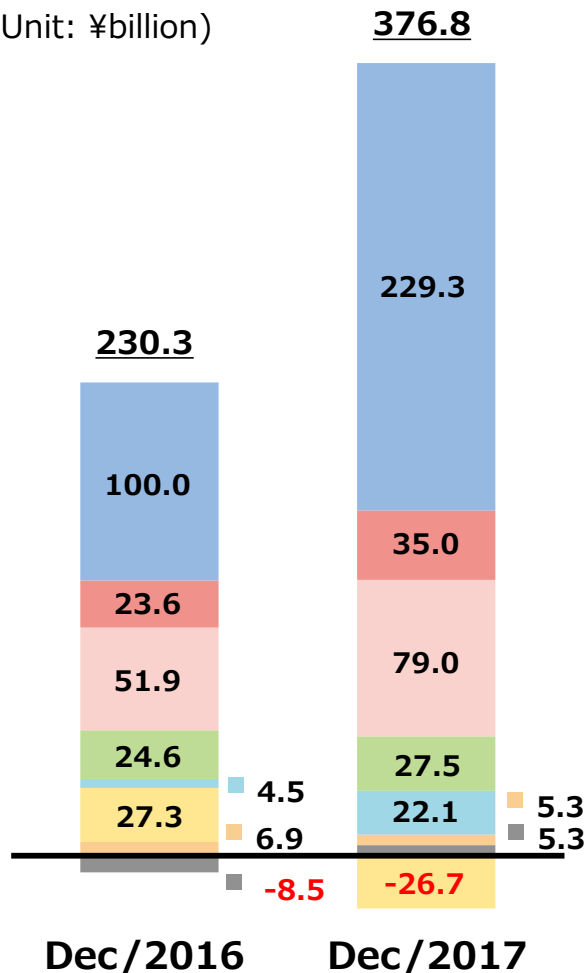
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## 2 Operating Results

## Q3 Profit YoY Segment Comparison

■ Q3 profit ¥376.8bn, up ¥146.5bn

(Unit: ¥billion)

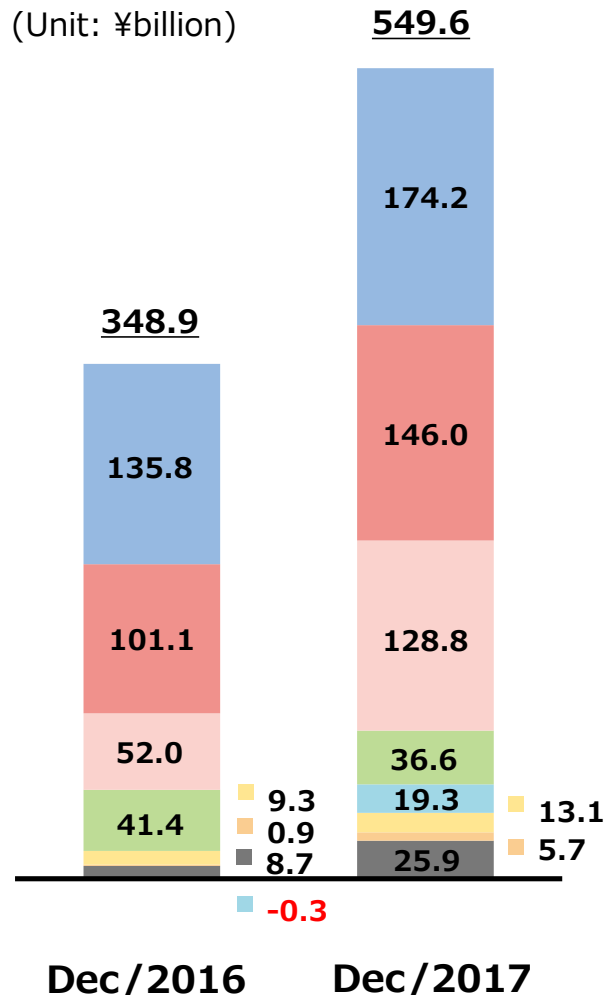


### Main factors

- ↑ **Minerals & Metal Resources (+¥129.3bn)**
  - Valuation gain on Valepar restructuring
  - Profit growth at Australian coal and iron ore operations due to increase in price of coal and iron ore
- ↑ **Energy (+¥11.4bn)**
  - Increase in LNG dividend
  - Profit growth at MEPUSA primarily due to increase in price of gas and partial dilution of stake in Marcellus
  - Profit decline at shale gas and oil holding company due to reversal of deferred tax assets resulting from revision to US tax code
- ↑ **Machinery & Infrastructure (+¥27.1bn)**
  - Sale of holding in a UK pumped-storage hydroelectric operator
- ↑ **Chemicals (+¥2.9bn)**
  - Profit increase at US terminal business company resulting from revision to US tax code
  - Profit decline at Novus due to fall in price of Methionine
- ↑ **Iron & Steel Products (+¥17.6bn)**
  - Gestamp newly included in consolidation, and valuation gain resulting from price adjustment clause from investment
  - Market recovery and increase in handling volume
- ↓ **Lifestyle (-¥54.0bn)**
  - Loss related to Multigrain operations
  - Gain in previous period on partial dilution of stake in IHH
- ↓ **Innovation & Corporate Development (-¥1.6bn)**
  - FVTPL loss on high speed mobile data network operator, poor performance by Indonesian telecommunications operator
  - FVTPL profit on Chinese drug development company
- ↑ **Others (+¥13.8bn)**

## Q3 Core Operating Cash Flow YoY Segment Comparison

- Q3 Core operating cash flow ¥549.6bn, up ¥200.7bn

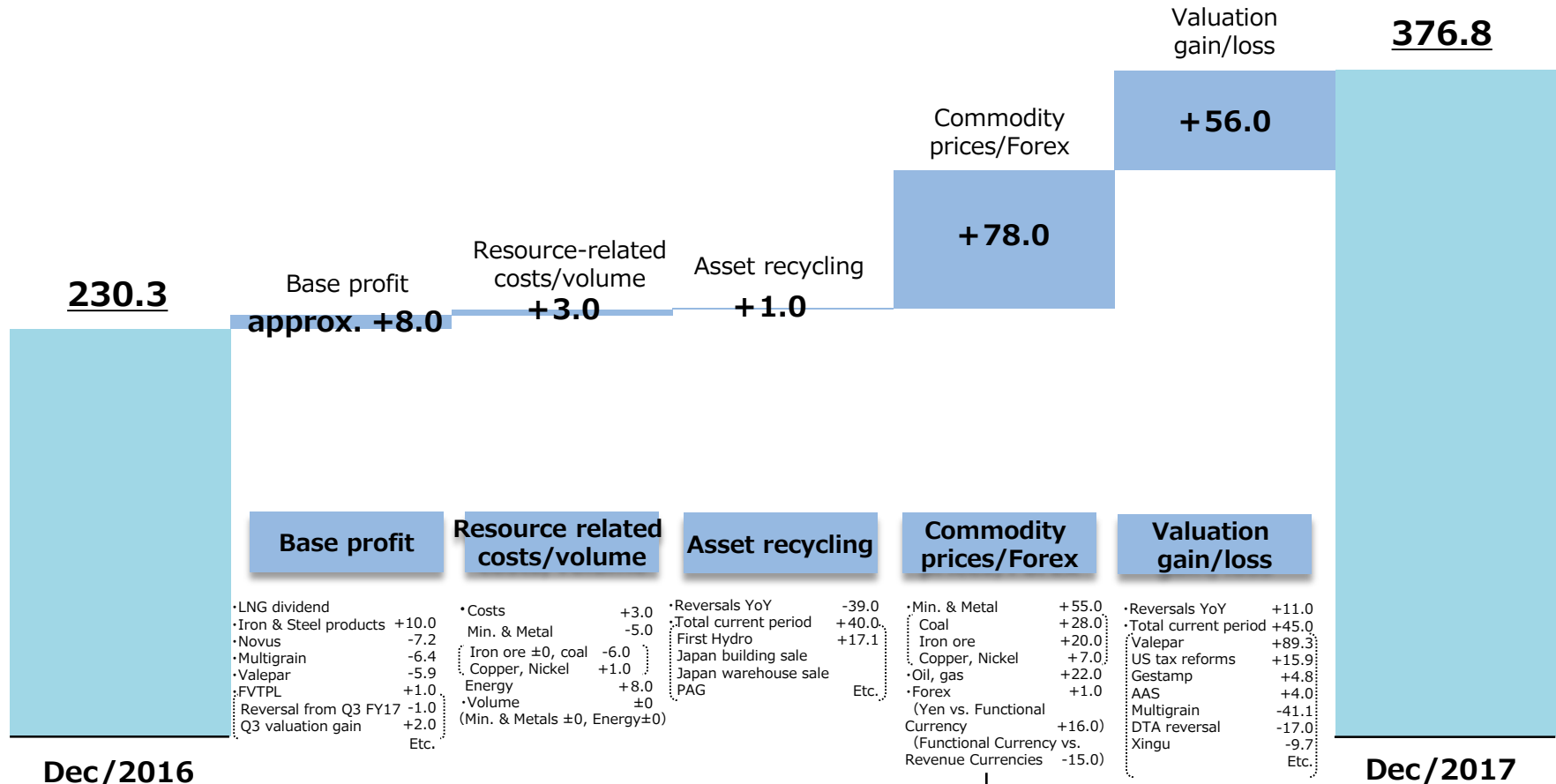


### Main factors

- ↑ **Minerals & Metal Resources (+¥38.4bn)**
  - Increase in price of coal and iron ore
- ↑ **Energy (+¥44.9bn)**
  - Increase in price of oil and gas, increase in dividend received
- ↑ **Machinery & Infrastructure (+¥76.8bn)**
  - Increase in dividend received from IPP business
- ↓ **Chemicals (-¥4.8bn)**
  - Fall in price of Methionine at Novus
  - Methanol business, trading strong
- ↑ **Iron & Steel Products (+¥19.6bn)**
  - Gestamp valuation gain resulting from price adjustment clause
  - Market recovery and increase in handling volume
- ↑ **Lifestyle (+¥3.8bn)**
  - Strong performance of Food & Retail businesses
- ↑ **Innovation & Corporate Development (+¥4.8bn)**
  - Increase in gross profit resulting from FVTPL
- ↑ **Others (+¥17.2bn)**
  - Expenses, interest, taxes, etc. not allocated on business segments

# Q3 Profit YoY Factor Comparison

(Unit ¥billion)



Forex breakdown	Yen vs. Functional Currency	Functional Currency vs. Revenue Currencies
·Min. & Metal Resources	: -6.0 +8.0	-14.0
·Energy	: +4.0 +4.0	±0
·Other	: +3.0 +4.0	-1.0



## Result of asset recycling, investment and loans

FY Mar/2018 Q3

- Steady progress in asset recycling
- Allocated 56% to core areas, 39% to growth areas

	Amount	Main projects*2
Asset Recycling	<b>¥230.0bn</b>	[Resources] Recovery of loans associated with liquidation of SUMIC [Energy] Partial dilution of stake in Marcellus [Machinery & Infrastructure] Recovery of IPP Business loans, <a href="#">sale of holding in UK power generation operator</a> [Lifestyle] Sale of buildings in Japan [Innovation & Corporate Development] Sale of warehouses in Japan
Investment and Loans*1	<b>-¥400.0bn</b>	Main projects*2
Core Areas	-¥225.0bn	[Resources] Australian iron ore and coal operations [Energy] Thai offshore oil and gas development, Australian oil development, Cameron LNG (US) [Machinery & Infrastructure] <a href="#">Offshore energy business</a> , Ghanaian FPSO [Chemicals] US tank terminal operations, European Sulphur & Sulfuric Acid Distribution Company
Growth Areas (includes overlap with core areas)	-¥155.0bn	[Mobility] Additional investment in PTL [Healthcare] <a href="#">R-Pharm</a> , US healthcare staffing business [Nutrition & Agriculture] Tender offer for Soda Aromatic Co., Ltd. [Retail & Services] <a href="#">CIM Group</a> , US senior living business
Others	-¥20.0bn	

\*1. Excludes changes in time deposits

\*2. [Blue text describes new investments made or proceeds from asset recycling during Q3](#)

See section 4. Segment Data for yen amounts for each project

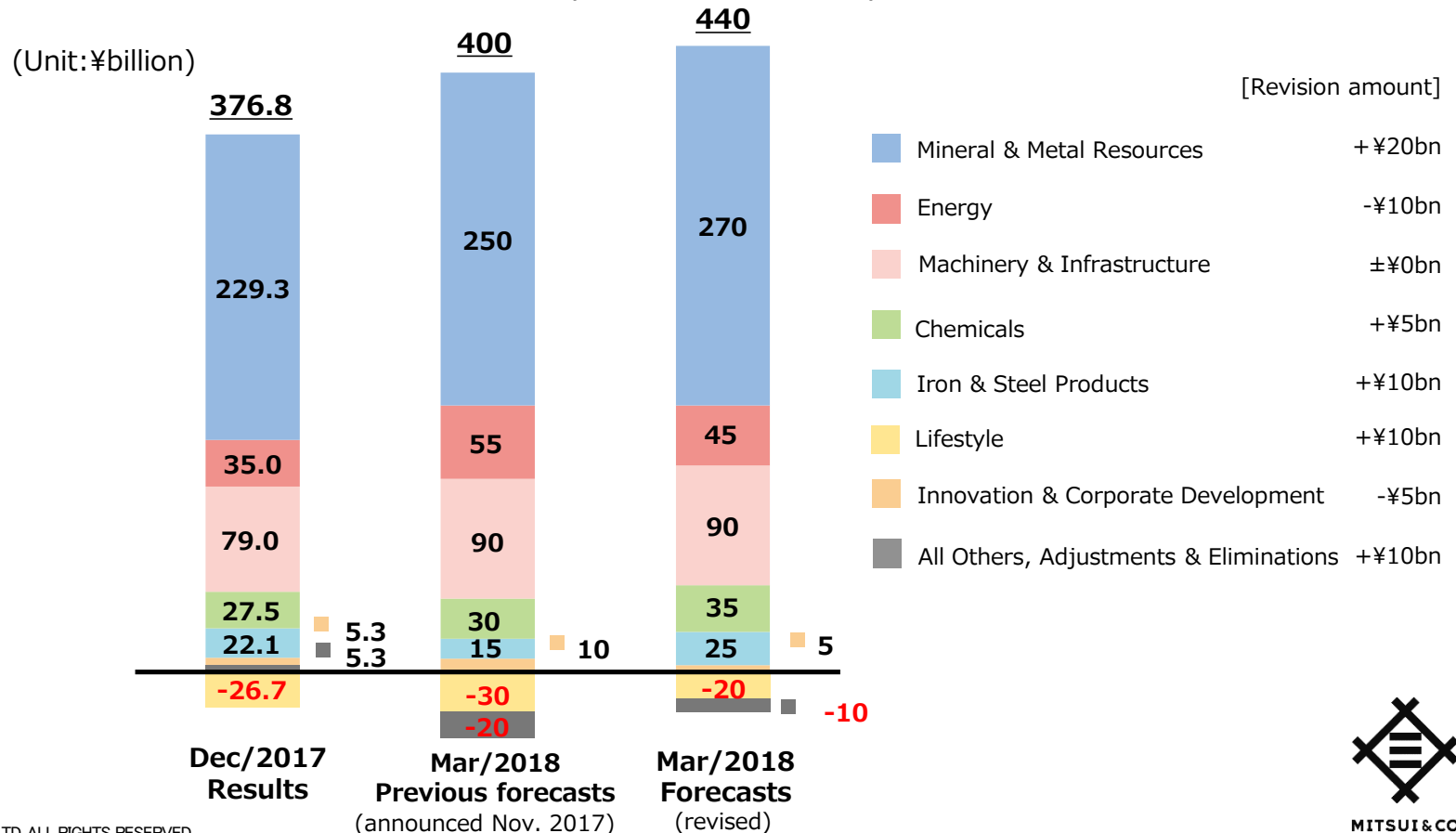


# Profit After Tax FY Mar/2018 Revised Forecasts

**Profit after tax: Upwardly revised to ¥440bn (+¥40bn relative to previous forecasts)**

Revisions and reasons by main segment

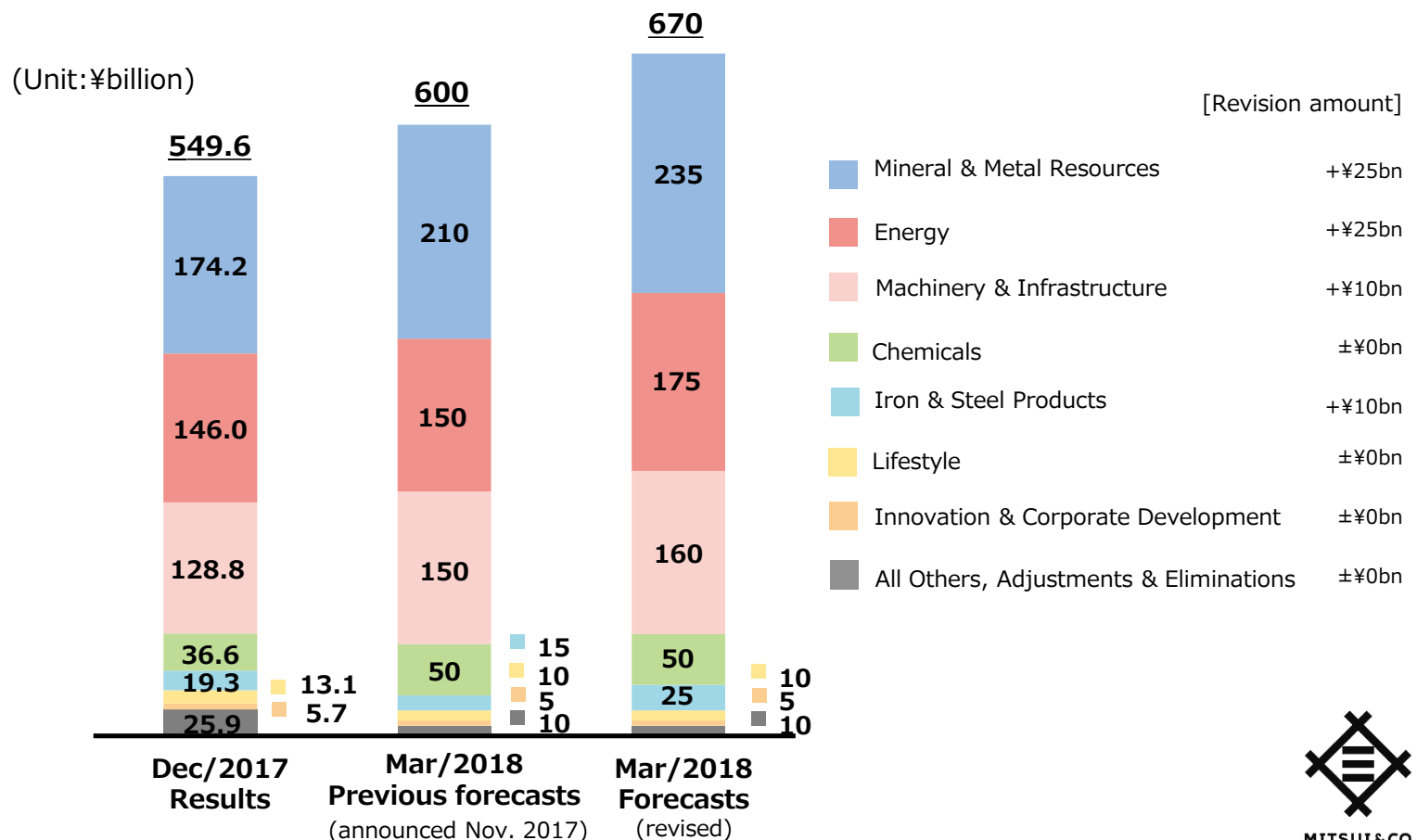
- Mineral & Metal Resources : +¥20bn Increase in price of coal, gain on reversal of undistributed earnings tax effect associated with increase in dividends from equity method affiliates
- Iron & Steel Products : +¥10bn Valuation gain related to Gestamp
- Lifestyle : +¥10bn MBK Healthcare Partners gain on reversal of undistributed earnings tax effect
- Energy : -¥10bn Reversal of DTA (revisions to US tax code), LNG dividend increase



# Core Operating Cash Flow FY Mar/2018 Revised Forecasts

## Core Operating Cash Flow: Upwardly revised to ¥670bn (+¥70bn relative to previous forecasts)

- Mineral & Metal Resources : +¥25bn Increase in dividends from equity method affiliates, increase in price of coal
- Energy : +¥25bn Increase in cost reduction/volume increase, LNG dividend increase
- Machinery & Infrastructure : +¥10bn Increase in dividends from equity method affiliates
- Iron & Steel Products : +¥10bn Valuation gain related to Gestamp





# Shareholder Returns

## Details of stock repurchase and cancellation of treasury stock

### 1. Stock repurchase

- (1) Class of share : Common stock of Mitsui
- (2) Total number of shares of common stock to be repurchased : Up to 30 million shares
- (3) Total yen amount : Up to ¥50.0bn
- (4) Repurchase period : February 5, 2018 – March 23, 2018
- (5) Repurchase method : Auction market on Tokyo Stock Exchange

### 2. Cancellation of treasury stock

- (1) Class of shares : Common stock of Mitsui
- (2) Total number of shares of treasury stock to be cancelled : All of the shares of common stock to be repurchased pursuant to 1. above, and 28 million of the treasury shares acquired as of February 2, 2018.  
(Ref) Maximum percentage on total outstanding shares prior to cancellation: 3.3%
- (3) Scheduled date of cancellation : April 20, 2018

# 3 Supplementary Information

# Assumptions and Sensitivities

Effects of price changes on profit for FY Mar/2018 (announced May 2017)			FY Mar/2018 assumption (announced Nov 2017)	18/3 Q1-3 (Result)	18/3 Q4 (Assumption)	18/3 Full year forecast (Ave. of Q1-3 & Q4) (announced Feb 2018)
Commodities	Crude oil/JCC	¥2.8bn (US\$1/barrel)	51	54	59	55
	Consolidated oil price (*1)		51	53	56	54
	U.S. gas (*2)	¥0.4bn (US\$0.1/mmBtu)	3.05	3.06 (*3)	2.93(*4)	3.03
	Iron ore	¥2.5bn (US\$1/ton)	(*5)	66 (*6)	(*5)	(*5)
	Copper	¥1bn (US\$100/ton)	6,079	5,948 (*7)	6,808	6,163
Forex (*8)	US\$	¥2bn (¥1/US\$)	110.65	111.78	110.00	111.34
	Australian \$	¥1.7bn (¥1/Australian\$)	86.52	86.24	85.00	85.93
	Brazilian Real	¥0.4bn (¥1/Brazilian real)	34.88	34.63	35.00	34.72

(\*1) As the crude oil price affects our consolidated results with a 0-6 month time lag, the effect of crude oil prices on consolidated results is estimated as the Consolidated Oil Price, which reflects this lag. For the year ending 18/3 we have assumed that there is a 4-6 month lag for 31%, a 1-3 month lag for 38%, and no lag for 31%.

(\*2) As Mitsui's U.S. natural gas is not necessarily sold at Henry Hub (HH) directly linked prices the above sensitivities are relative to changes in the weighted average sale price, not to changes in the HH price.

(\*3) US gas figures for 18/3 Q1-3 results are the Henry Hub Natural Gas Futures average daily prompt month closing prices traded on NYMEX during January to September 2017.

(\*4) For natural gas sold in the US at HH linked prices, the HH price during October to December 2017 of US\$2.93/mmBtu has been assumed.

(\*5) Iron ore price assumptions are not disclosed.

(\*6) Iron ore results figures for 18/3 Q1-3 are the daily average (reference price) spot indicated price (Fe 62% CFR North China) recorded in several industry trade magazines from April to December 2017.

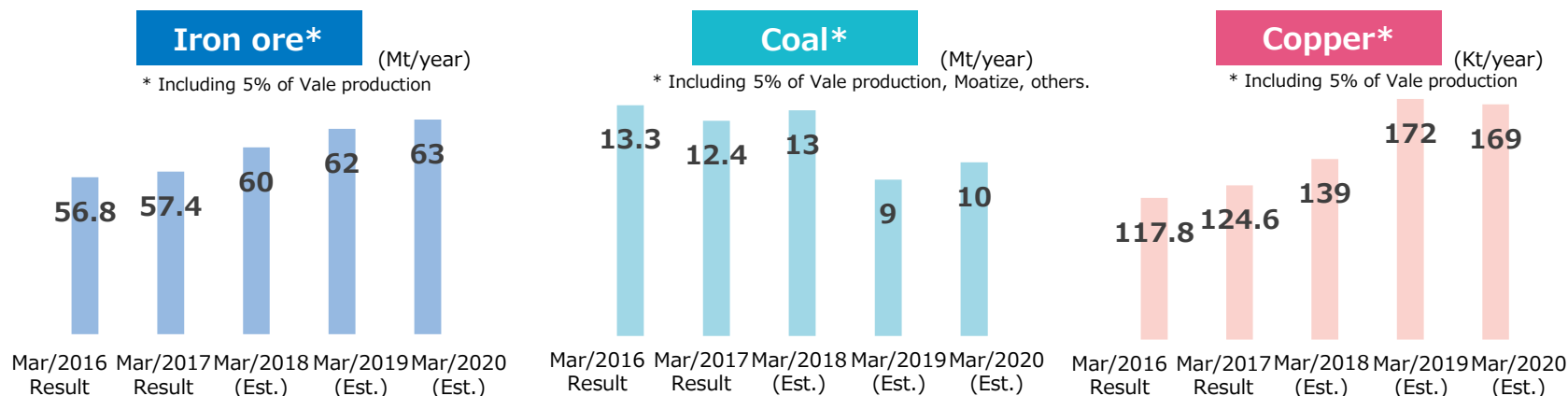
(\*7) Copper results figures for 18/3 Q1-3 are the averages of the LME monthly average cash settlement prices for the period January to September 2017.

(\*8) Impact of currency fluctuations on reported profit for the year of overseas subsidiaries and equity accounted investees denominated in functional currencies Depreciation of the yen has the effect of increasing profit for the year through the conversion of profit for the year of overseas subsidiaries and associated companies (denominated in functional currencies) into yen. In the Metal Resources and Energy business where the sales contract is in US\$ the impact of currency fluctuations between the US\$ and the functional currencies (Australian \$ and Brazilian Real) and the impact of currency hedging are not included.



# Mineral & Metal Resources: Equity share of production; Production

## Equity share of production (announced May 2017)

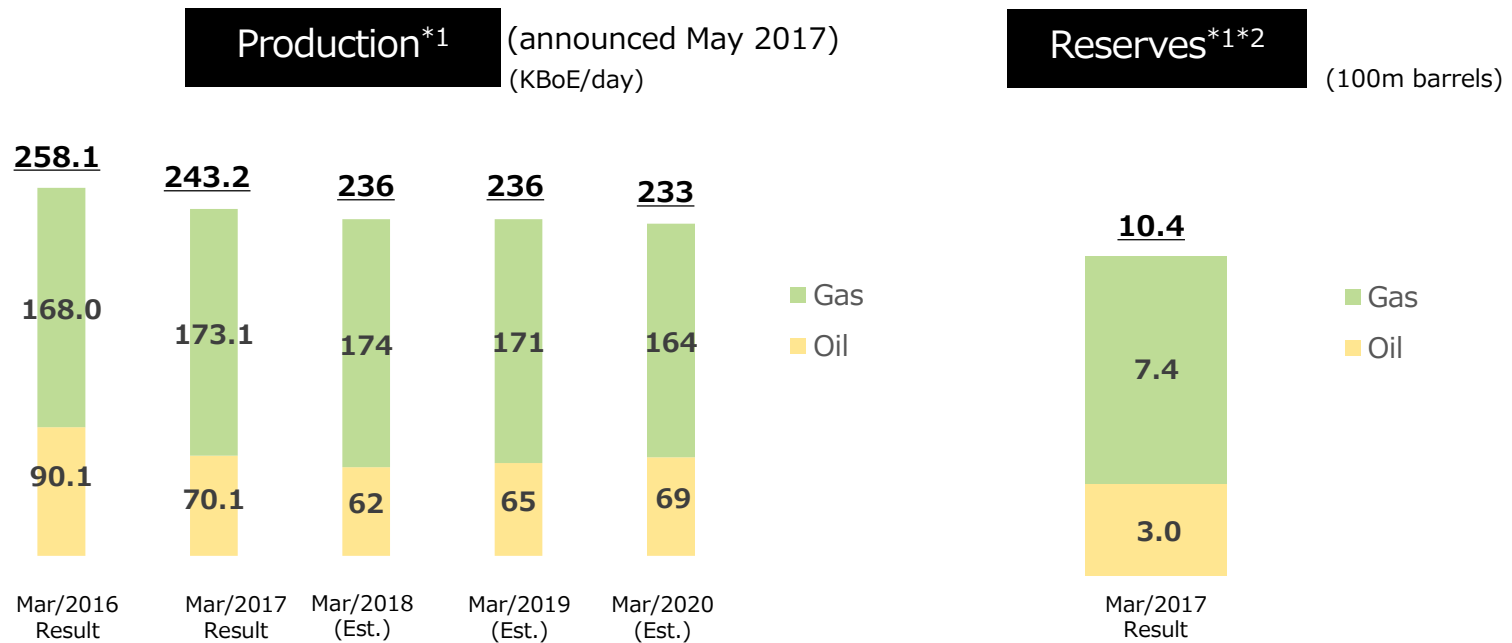


## Production

	FY Mar/2017					FY Mar/2018			
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Nine Months
<b>Iron ore (Mt)</b>	13.8	14.3	15.2	14.1	57.4	14.3	15.3	15.9	45.5
Australian iron ore	9.9	10.0	10.6	9.5	40.0	10.0	10.3	10.7	31.0
Vale* <sup>1</sup>	3.9	4.3	4.6	4.6	17.4	4.3	5.0	5.2	14.5
<b>Coal*<sup>2</sup> (Mt)</b>	3.1	3.3	3.0	3.0	12.4	3.1	3.5	3.2	9.8
MCH	2.5	2.4	2.4	2.3	9.6	2.1	2.4	2.0	6.5
BMC* <sup>1</sup>	0.4	0.5	0.4	0.4	1.7	0.4	0.4	0.4	1.2
Coking coal	2.0	2.1	2.0	2.0	8.1	1.9	2.1	1.7	5.7
Thermal coal	0.9	0.8	0.8	0.7	3.2	0.6	0.7	0.7	2.0
Moatize* <sup>1</sup>	-	-	-	-	-	0.3	0.4	0.5	1.2
<b>Copper*<sup>1, 2</sup> (Kt)</b>	30.4	29.9	30.4	33.9	124.6	32.2	28.4	33.5	94.1

\*1 Figures for Vale, BMC, Moatize and copper are results for: 1Q Jan-Mar; 2Q Apr-Jun; 3Q; Jul-Sep; 4Q Oct-Dec. \*2 Includes Vale production (5% for Q1 and earlier, 5.5% for Q2 and after)

# Energy: Crude oil & Gas-Equity share of production & reserves



\*1 Oil equivalent

Mitsui's equity share of interests of consolidated subsidiaries, affiliates and non-consolidated interests

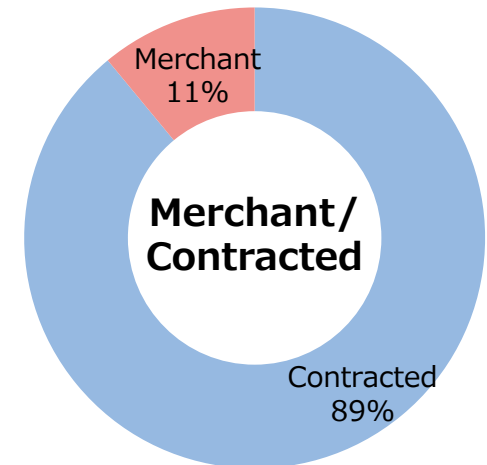
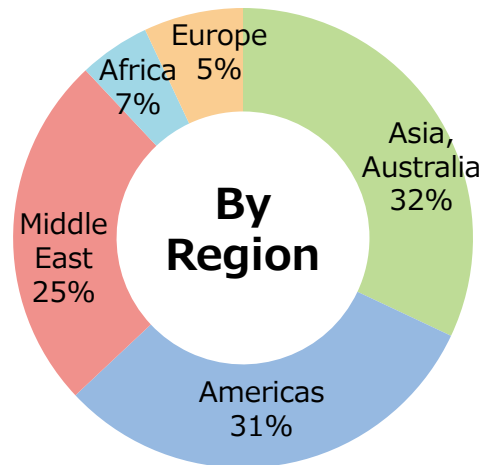
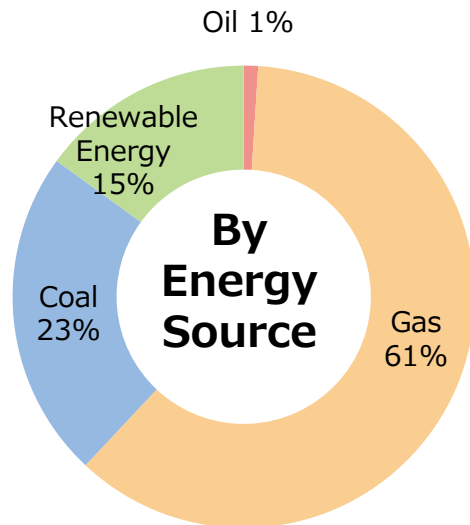
\*2According to Mitsui's assessment standards

# Machinery & Infrastructure

# Power generation portfolio

Net generation capacity (Mitsui's share) : **10.1GW**  
 (Gross generation capacity : 37GW)

As of end September 2017



## Key Initiatives

## (2) Establish selected new growth areas

## Growth Areas

FY Mar/2018 Q1 achievements\*

	Progress	Business Description	Objective
<b>Mobility</b>	<ul style="list-style-type: none"> <li>Decision to expand production facilities at KAAP (US)</li> </ul>	<ul style="list-style-type: none"> <li>Manufacture and sales of auto parts</li> </ul>	<ul style="list-style-type: none"> <li>Address demand for lighter cars</li> </ul>
<b>Healthcare</b>	<ul style="list-style-type: none"> <li>Agreement to invest in R-Pharma (Russia)</li> </ul>	<ul style="list-style-type: none"> <li>Russia's largest pharmaceutical company</li> </ul>	<ul style="list-style-type: none"> <li>Address demand for high value-added new drugs</li> </ul>
<b>Nutrition &amp; Agriculture</b>	<ul style="list-style-type: none"> <li>Announcing schedule of tender offer for shares of Soda Aromatic Co., Ltd. (Japan)</li> </ul>	<ul style="list-style-type: none"> <li>Manufacture and sales of fragrances and related products</li> </ul>	<ul style="list-style-type: none"> <li>Address demand for high added value in foods</li> </ul>

\* For initiatives undertaken in Q3, please see slide 5

## Key Initiatives

## (2) Establish selected new growth areas

## Growth Areas

FY Mar/2018 Q2 achievements\*

	Progress	Business Description	Objective
<b>Mobility</b>	<ul style="list-style-type: none"> <li>■ Additional investment in Penske Truck Leasing (PTL)</li> <li>■ Acquisition of operating rights for West Midlands (UK)</li> </ul>	<ul style="list-style-type: none"> <li>■ Truck leasing, rental, and logistics business</li> <li>■ Passenger railway business</li> </ul>	<ul style="list-style-type: none"> <li>■ Provide comprehensive cargo transport services</li> <li>■ Provide integrated passenger transport services</li> </ul>
<b>Healthcare</b>	<ul style="list-style-type: none"> <li>■ Acquisition of Accountable Healthcare Holding Corporation (US)</li> <li>■ Improvement of corporate value at Columbia Asia (CA), Panasonic Healthcare (PHC), MIMS</li> </ul>	<ul style="list-style-type: none"> <li>■ Healthcare staffing business</li> <li>■ Decision to introduce PHC instruments at three hospitals in Indonesia owned by CA</li> <li>■ Decision to introduce MIMS service at all CA hospitals</li> </ul>	<ul style="list-style-type: none"> <li>■ Address demand for HR services, strengthen cooperation between assets</li> <li>■ Establish and enhance a healthcare ecosystem that brings together [Places x People x Products x Services x Information]</li> </ul>
<b>Nutrition &amp; Agriculture</b>	<ul style="list-style-type: none"> <li>■ Completion of tender offer for shares of Soda Aromatic Co., Ltd. (Japan)</li> </ul>	<ul style="list-style-type: none"> <li>■ Manufacture and sales of fragrances and related products</li> </ul>	<ul style="list-style-type: none"> <li>■ Address demand for high added value in foods</li> </ul>

\* For initiatives undertaken in Q3, please see slide 5



# 4 Segment Data

# Mineral & Metal Resources

## Forecast PAT and CF revised upward, mainly due to higher coal price

(Unit: ¥billion)

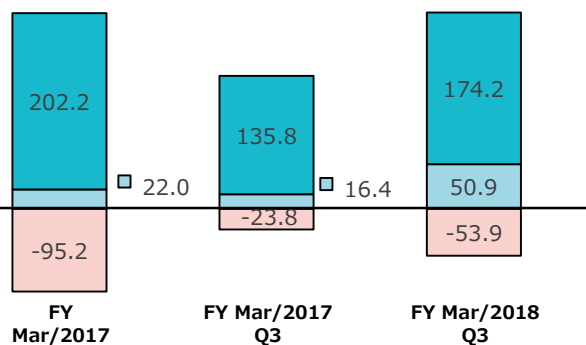
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/2018 full-year forecast	Progress*2	FY Mar/2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>100.0</b>	<b>229.3</b>	<b>+129.3</b>	<b>270.0</b>	<b>85%</b>	<b>250.0</b>	
Gross profit	109.0	161.6	+52.6				↑ Australian coal (increase in coal prices) ↑ Australian iron ore (increase in iron ore prices)
Profit (Loss) from equity investments	36.3	48.5	+12.2				↑ Oriente/AAS (impairment reversal, etc.), RRMC (increase in iron ore prices), copper business (increase in copper prices)
Dividend income	1.1	9.0	+7.9				
Selling, general and administrative expenses	-23.5	-24.3	-0.8				
Others	-22.9	34.5	+57.4				↑ Valuation gain on Valepar restructuring ↓ Absence of Sims valuation gain in prev. period.
<b>Core operating cash flow</b>	<b>135.8</b>	<b>174.2</b>	<b>+38.4</b>	<b>235.0</b>	<b>74%</b>	<b>210.0</b>	
<b>Total assets</b>	<b>1,962.2*1</b>	<b>2,186.8</b>	<b>+224.6</b>				

\*1. End March 2017

\*2. % progress against revised full-year forecast

### Cash flow

- Core operating CF
- Investment CF (IN)
- Investment CF (OUT)



Main investments and recycling  
 FY Mar/2018 H3: (IN) SUMIC loans collected +19.4  
 (OUT) Australian iron ore business -10.9,  
 Australian coal business -10.9

### Results of main affiliated companies

	Company name	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	FY Mar/2017 Full year
Consolidated	Australian iron ore business*3	70.3	81.8	+11.5	102.9
	Australian coal business*3	17.4	37.6	+20.2	34.3
Equity method	Valepar	17.0	9.4	-7.6	19.0
	Oriente Copper Netherlands	-2.9	2.7	+5.6	-8.6
	Mitsui Bussan Copper Investment & Co., Ltd.	-8.0	-4.0	+4.0	-8.9
	Japan Collahuasi Resources	1.8	3.2	+1.4	3.3
	Inner Mongolia Erdos EJM Manganese Alloys Co., Ltd.	3.2	3.8	+0.6	4.6

\*3. A portion of profit/loss was accounted for by the equity method

# Energy

PAT downward revision mainly due to revision to US tax code  
CF revised upward mainly due to cost reduction/volume increase, and higher LNG dividend

(Unit: ¥billion)

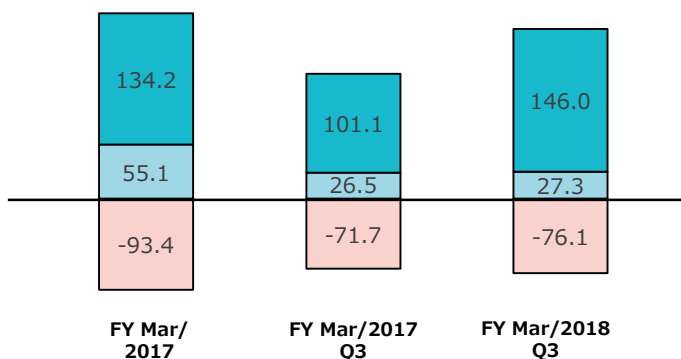
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/2018 full-year forecast	Progress*2	FY Mar/2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>23.6</b>	<b>35.0</b>	<b>+11.4</b>	<b>45.0</b>	<b>78%</b>	<b>55.0</b>	
Gross profit	43.4	68.1	+24.7				↑MEPUSA/MEPTX/MEPAU (increase in gas and oil prices)
Profit (Loss) from equity investments	10.1	16.8	+6.7				
Dividend income	27.3	44.3	+17.0				↑Six LNG projects
Selling, general and administrative expenses	-31.5	-31.8	-0.3				
Others	-25.7	-62.4	-36.7				↓US tax code revisions
<b>Core Operating Cash Flow</b>	<b>101.1</b>	<b>146.0</b>	<b>+44.9</b>	<b>175.0</b>	<b>83%</b>	<b>150.0</b>	
<b>Total assets</b>	<b>1,905.3*1</b>	<b>1,957.9</b>	<b>+52.6</b>				

\*1. End March 2017

\*2. % progress against revised full-year forecast

## Cash flow

■ Core operating CF  
■ Investment CF (IN)  
■ Investment CF (OUT)



Main investments and recycling  
FY Mar/2018 Q3: (IN) Marcellus partial sale +15.8  
(OUT) Oil and gas development (non-shale) -58.5  
US Cameron LNG -12.7

## Results of main affiliated companies

	Company name	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	FY Mar/2017 Full year
Consolidated	Mitsui Oil Exploration Co., Ltd.*3	5.1	6.2	+1.1	6.7
	Mitsui E&P Australia	2.3	4.5	+2.2	1.7
	Mitsui E&P Middle East	0.6	2.9	+2.3	2.5
	Mitsui E&P USA	-5.2	4.9	+10.1	-5.1
	MEP Texas Holdings	0.2	3.6	+3.4	0.9
	Mitsui E&P Mozambique Area 1	-2.5	-2.0	+0.5	-3.1
	Mitsui & Co. Energy Trading Singapore	-0.2	-3.2	-3.0	1.2
Equity method	Japan Australia LNG (MIMI)*4	-	-	-	-

\*3. A portion of profit/loss was accounted for by the equity method

\*4. Results not disclosed due to non-disclosure agreement

# Machinery & Infrastructure

Cash flow revised up from increase in dividend from equity method affiliates; PAT unchanged

(Unit: ¥billion)

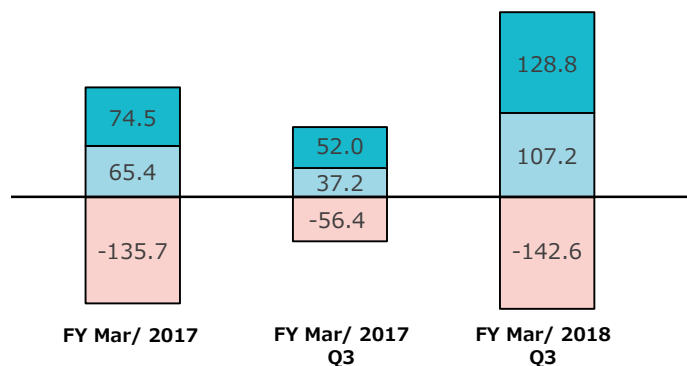
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/ 2018 full-year forecast	Progress*2	FY Mar/ 2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>51.9</b>	<b>79.0</b>	<b>+27.1</b>	<b>90.0</b>	<b>88%</b>	<b>90.0</b>	
Gross profit	84.5	91.9	+7.4				↑MPS (Increased volumes)
Profit (Loss) from equity investments	60.5	80.7	+20.2				↑IPP business (recycling, etc.) ↓Latin America finance provision
Dividend income	2.4	2.7	+0.3				
Selling, General and Administrative expenses	-85.2	-90.5	-5.3				
Others	-10.3	-5.8	+4.5				↑Gain on reversal of undistributed tax effect
<b>Core Operating Cash Flow</b>	<b>52.0</b>	<b>128.8</b>	<b>+76.8</b>	<b>160.0</b>	<b>81%</b>	<b>150.0</b>	
<b>Total assets</b>	<b>2,238.1*1</b>	<b>2,293.5</b>	<b>+55.4</b>				

\*1. End March 2017

\*2. % progress against revised full-year forecast

## Cash flow

- Core operating CF
- Investment CF (IN)
- Investment CF (OUT)



### Main investments and recycling

FY Mar. 2018 Q3: (IN) IPP business +28.0, UK hydroelectric operator +18.4  
(OUT) Increased stake in PTL -48.3,  
Offshore energy business -13.4, Ghanaian FPSO

## Results of main affiliated companies

	Company name	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	FY Mar/ 2017 Full year
Consolidated	Mitsui & Co. Plant Systems, Ltd.	0.9	3.1	+2.2	1.9
	Mitsui Rail Capital, LLC*3	2.7	3.5	+0.8	3.3
Equity method	IPP business companies	14.4	38.4	+24.0	8.6
	FPSO/FSO lease business companies	5.5	8.0	+2.5	7.8
	Gas supply business	6.7	5.4	-1.3	8.9
	Penske Automotive Group	4.7	8.0	+3.3	6.3
	Truck lease/rental business companies	1.5	3.2	+1.7	2.2
	Asia automotive (manufacture, wholesale) businesses	6.0	5.7	-0.3	7.5
	VLI	2.2	2.0	-0.2	2.2

\*3. A portion of profit/loss was accounted for by the equity method

# Chemicals PAT revised up on revisions to US tax code; CF unchanged

(Unit: ¥billion)

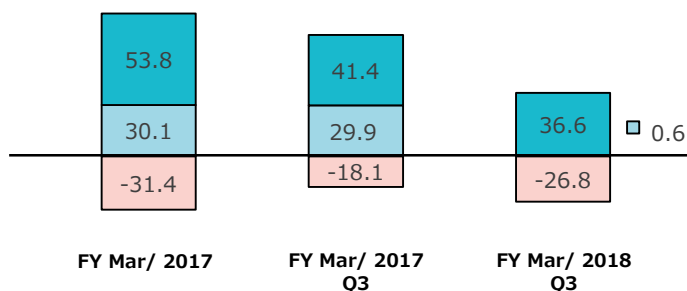
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/ 2018 full-year forecast	Progress*2	FY Mar/2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>24.6</b>	<b>27.5</b>	<b>+2.9</b>	<b>35.0</b>	<b>79%</b>	<b>30.0</b>	
Gross profit	109.5	104.1	-5.4				↓ Novus (decline in methionine price)
Profit (Loss) from equity investments	2.1	7.8	+5.7				↑ Methanol business (price increase)
Dividend income	1.7	1.9	+0.2				
Selling, General and Administrative expenses	-69.2	-73.0	-3.8				
Others	-19.5	-13.3	+6.2				↑ US tax code revision
<b>Core Operating Cash Flow</b>	<b>41.4</b>	<b>36.6</b>	<b>-4.8</b>	<b>50.0</b>	<b>73%</b>	<b>50.0</b>	
<b>Total assets</b>	<b>1,175.2*1</b>	<b>1,212.2</b>	<b>+37.0</b>				

\*1. End March 2017

\*2. % progress against revised full-year forecast

## Cash flow

- Core operating CF
- Investment CF (IN)
- Investment CF (OUT)



Main investments and recycling  
 FY Mar/ 2018 Q3: (OUT) US terminal business, Sulphur and sulfuric acid business in Europe; Soda Aromatic tender offer

## Results of main affiliated companies

	Company name	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	FY Mar/ 2017 Full year
Consolidated	MMTX	0.5	2.4	+1.9	1.7
	Intercontinental Terminals Company	3.6	12.0	+8.4	4.8
	Mitsui & Co. Plastics Ltd.	2.3	3.0	+0.7	3.2
	Novus International	8.1	0.2	-7.9	8.7
	Mitsui AgriScience (EU/ Americas)	1.1	0.9	-0.2	1.6
Equity method	Japan-Arabia Methanol Co	0.5	2.1	+1.6	0.9

# Iron & Steel Products

PAT and cash flow revised upward mainly due to valuation gain on Gestamp-related derivatives

(Unit ¥billion)

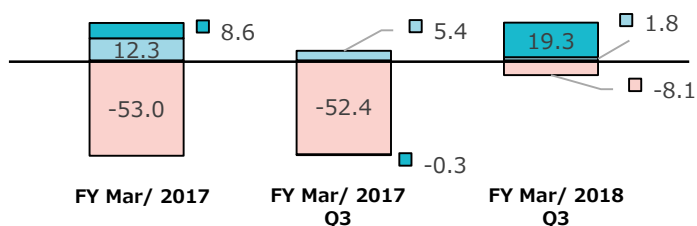
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/ 2018 full year forecast	Progress*2	FY Mar/2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>4.5</b>	<b>22.1</b>	<b>+17.6</b>	<b>25.0</b>	<b>88%</b>	<b>15.0</b>	
Gross profit	25.3	33.3	+8.0				↑ Market recovery, volumes up
Profit (Loss) from equity investments	7.9	10.0	+2.1				↑ Gestamp companies
Dividend income	2.5	2.2	-0.3				
Selling, General and Administrative expenses	-25.4	-24.2	+1.2				
Others	-5.8	0.8	+6.6				↑ Valuation gain on Gestamp-related derivatives
<b>Core Operating Cash Flow</b>	<b>-0.3</b>	<b>19.3</b>	<b>+19.6</b>	<b>25.0</b>	<b>77%</b>	<b>15.0</b>	
<b>Total assets</b>	<b>612.6*1</b>	<b>667.3</b>	<b>+54.7</b>				

\*1. End March 2017

\*2. % progress against revised full-year forecast

## Cash flow

- Core operating CF
- Investment CF (IN)
- Investment CF (OUT)



Main investments and recycling  
FY Mar/2018 Q3: (OUT) Gestamp

## Results of main affiliated companies

	Company name	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	FY Mar/2017 Full year
Consolidated	Mitsui & Co. Steel Ltd.	2.6	5.0	+2.4	3.7
	CHAMPION CINCO PIPE & SUPPLY*3	-5.3	1.1	+6.4	-5.2
Equity method	Gestamp companies	0.0	2.8	+2.8	0.6
	Game Changer Holdings	2.5	4.0	+1.5	3.6

\*3. In FY March/2017 a loss of ¥3.5bn was recorded due to reversal of a single company deferred tax asset (DTA). There is no effect on the Iron & Steel Products segment from rebooking of the DTA.

# Lifestyle

PAT revised upward mainly due to gain on reversal of undistributed tax effect of MBKHP; CF unchanged

(Unit ¥billion)

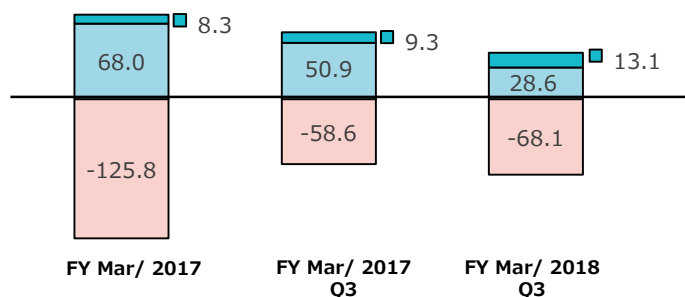
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/2018 full-year forecast	Progress*2	FY Mar/2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>27.3</b>	<b>-26.7</b>	<b>-54.0</b>	<b>-20.0</b>	-	<b>-30.0</b>	
Gross profit	104.4	107.1	+2.7				↑ Xingu (drought in previous period) ↓ Multigrain (poor performance in origination business)
Profit (Loss) from equity investments	19.1	18.3	-0.8				↓ Ventura (poor performance)
Dividend income	4.1	4.0	-0.1				
Selling, General and Administrative expenses	-103.3	-112.5	-9.2				
Others	3.0	-43.6	-46.6				↓ Multigrain-related losses, partial sale of IHH shares in previous period, Xingu impairment loss; ↑ sale of domestic building
<b>Core Operating Cash Flow</b>	<b>9.3</b>	<b>13.1</b>	<b>+3.8</b>	<b>10.0</b>	<b>131%</b>	<b>10.0</b>	
<b>Total assets</b>	<b>1,723.4*1</b>	<b>1,954.2</b>	<b>+230.8</b>				

\*1. End March 2017

\*2. % progress against revised full-year forecast

## Cash flow

■ Core operating CF  
■ Investment CF (IN)  
■ Investment CF (OUT)



Main investments and recycling  
FY Mar/2018 Q3: (IN) Sale of domestic building +10.5  
(OUT) R-Pharm -22.0, US healthcare staffing business-13.3, US senior living business

## Results of main affiliated companies

	Company name	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	FY Mar/ 2017 Full year
Consolidated	Multigrain Trading	1.4	-46.1	-47.5	-1.2
	Mitsui Norin Co., Ltd.	0.0	2.9	+2.9	-2.0
	Domestic food & retail management business	3.1	5.3	+2.2	4.0
	Mitsui & Co. Real Estate Ltd.	0.8	2.9	+2.1	2.4
Equity method	Mitsui Sugar Co., Ltd.	4.5	2.5	-2.0	5.1
	WILSEY FOODS	3.0	3.4	+0.4	3.5
	MBK Healthcare Partners *3	17.5	1.3	-16.2	17.3
	Panasonic Healthcare Holdings*4	-	-	-	-
	Aim Services Co. Ltd.	1.6	1.9	+0.3	1.9

# Innovation & Corporate Development

PAT revised down mainly due to ICT-business related impairment losses; CF unchanged

(Unit: ¥billion)

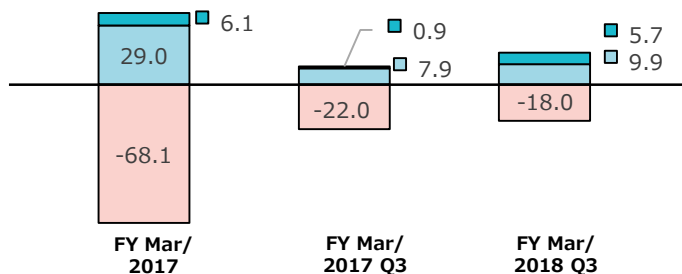
Results	FY Mar/2017 Q3	FY Mar/2018 Q3	Change	Revised FY Mar/ 2018 full-year forecast	Progress*2	FY Mar/2018 Previous forecast	Contributing factors
<b>Q3 profit</b>	<b>6.9</b>	<b>5.3</b>	<b>-1.6</b>	<b>5.0</b>	<b>106%</b>	<b>10.0</b>	
Gross profit	30.4	41.5	+11.1				↑ China pharma co. FVTPL, Improvement in FX gains/losses (correspond to decline in Others) ↓ Emerging market mobile phone business FVTPL
Profit (Loss) from equity investments	2.9	6.4	+3.5				
Dividend income	3.1	2.6	-0.5				
Selling, General and Administrative expenses	-37.2	-37.8	-0.6				
Others	7.7	-7.4	-15.1				↓ Decline in FX gains/losses (correspond to improvement in Gross Profit), impairment loss ↑ Sale of warehouse in Japan
<b>Core Operating Cash Flow</b>	<b>0.9</b>	<b>5.7</b>	<b>+4.8</b>	<b>5.0</b>	<b>114%</b>	<b>5.0</b>	
<b>Total assets</b>	<b>611.4*1</b>	<b>645.7</b>	<b>+34.3</b>				

\*1. End March 2017

\*2. % progress against revised full year forecast

## Cash flow

- Core operating CF
- Investment CF (IN)
- Investment CF (OUT)



Main investments and recycling  
 FY Mar/2018 Q3: (IN) Sale of warehouse in Japan  
 (OUT) CIM Group -10.1

## Results of main affiliated companies

	Company name	FY Mar/ 2017 Q3	FY Mar/ 2018 Q3	Change	FY Mar/ 2017 Full year
Consolidated	Mitsui Knowledge Industry	0.6	0.9	+0.3	1.3
	Mitsui Bussan Commodities	0.7	0.0	-0.7	0.8
	Mitsui & Co. Global Logistics, Ltd.	1.9	2.0	+0.1	1.9
	Mitsui & Co. Asset Management Holdings	0.3	1.4	+1.1	1.7
Equity method	Asia Pacific Mobile	-0.9	-4.4	-3.5	-2.6
	QVC Japan*3	-	-	-	4.4
	JA Mitsui Lease	2.4	2.9	+0.5	3.3

\*3. Results not disclosed due to non-disclosure agreement



360° business innovation.



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