Consolidated Financial Results for the Six-Month Period Ended September 30, 2019 [IFRS]

Tokyo, October 30, 2019 - Mitsui & Co., Ltd. announced its consolidated financial results for the six-month period ended September 30, 2019, based on International Financial Reporting Standards ("IFRS").

Mitsui & Co., Ltd. and subsidiaries
(Web Site : https://www.mitsui.com/jp/en/)

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1. Consolidated financial results

(1) Consolidated operating results information for the six-month period ended September 30, 2019
(from April 1, 2019 to September 30, 2019)

		Six-month period ended September 30,			
		2019	%	2018	%
Revenue	Millions of yen	3,411,236	6.2	3,213,342	34.2
Profit before income taxes	Millions of yen	318,926	0.9	316,105	1.3
Profit for the period	Millions of yen	250,859	6.5	235,556	△5.3
Profit for the period attributable to owners of the parent	Millions of yen	234,153	5.1	222,870	△6.5
Comprehensive income for the period	Millions of yen	12,031	△96.9	392,625	31.2
Earnings per share attributable to owners of the parent, basic	Yen	134.71		128.24	
Earnings per share attributable to owners of the parent, diluted	Yen	134.61		128.14	

Note:
Percentage figures for Revenue, Profit before income taxes, Profit for the period, Profit for the period attributable to owners of the parent, and Comprehensive income for the period represent changes from the previous year.

(2) Consolidated financial position information

		September 30, 2019	March 31, 2019
Total assets	Millions of yen	12,096,676	11,945,779
Total equity	Millions of yen	4,474,245	4,530,308
Total equity attributable to owners of the parent	Millions of yen	4,211,441	4,263,166
Equity attributable to owners of the parent ratio	%	34.8	35.7

2. Dividend information

		Year ended March 31,		Year ending March 31, 2020 (Forecast)
		2020	2019	
Interim dividend per share	Yen	40	40	
Year-end dividend per share	Yen		40	40
Annual dividend per share	Yen		80	80

Note :
Change from the latest released dividend forecast: None

3. Forecast of consolidated operating results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

		Year ending March 31, 2020
Profit attributable to owners of the parent	Millions of yen	450,000
Earnings per share attributable to owners of the parent, basic	Yen	258.85

Note :

Change from the latest released earnings forecast: None

4. Others

(1) Increase/decrease of important subsidiaries during the period : None

(2) Changes in accounting policies and accounting estimate :

(i) Changes in accounting policies required by IFRS Yes

(ii) Other changes None

(iii) Changes in accounting estimates Yes

Note :

For further details please refer to page 21 "4. Condensed Consolidated Financial Statements (6) Changes in Accounting Policies and Changes in Accounting Estimates".

(3) Number of shares :

	September 30, 2019	March 31, 2019
Number of shares of common stock issued, including treasury stock	1,742,684,906	1,742,345,627
Number of shares of treasury stock	4,038,859	4,271,539

	Six-month period ended September 30, 2019	Six-month period ended September 30, 2018
Average number of shares of common stock outstanding	1,738,240,957	1,737,930,577

This quarterly earnings report is not subject to quarterly review.

A Cautionary Note on Forward-Looking Statements:

This report contains forward-looking statements including those concerning future performance of Mitsui & Co., Ltd. ("Mitsui"), and those statements are based on Mitsui’s current assumptions, expectations and beliefs in light of the information currently possessed by it. Various factors may cause Mitsui’s actual results to be materially different from any future performance expressed or implied by these forward-looking statements.

Therefore, these statements do not constitute a guarantee by Mitsui that such future performance will be realized.

For cautionary notes with respect to forward-looking statements, please refer to the "Notice" section on page 14.

Supplementary materials and IR meetings on financial results:

Supplementary materials on financial results can be found on our web site.

We will hold an IR meeting on financial results for analysts and institutional investors on October 31, 2019.

Contents of the meeting (English and Japanese) will be posted on our web site immediately after the meeting.

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1. Qualitative Information

As of the date of disclosure of this quarterly earnings report, the review procedures for quarterly financial statements in accordance with the Financial Instruments and Exchange Act are in progress.

(1) Operating Environment

In the six-month period ended September 30, 2019, the global economy continued to exhibit slowing growth attributable to a more moderate tempo of economic expansion in the U.S. and ongoing economic deceleration in China.

In the U.S., although consumer spending continues to be resilient supported by a favorable environment for employment and employee income, the impact of trade friction between the U.S. and China has started to be noticeable particularly in the manufacturing sector, and the pace of economic expansion is expected to drop. Meanwhile a further weakening of growth is expected in Europe, which is shrouded in uncertainties such as a slowing of Germany's economy and the direction of Brexit. In Japan, concern dwells on further slowdown of the economy as exports continue to weaken as well as the outlook of downside performance triggered by the hike in consumption tax and the impact of typhoon damage. Among the emerging economies, China's economy is still expected to continue slowing partly due to the impact of trade friction with the U.S., although stimulus by its government is providing certain underlying support. A weakening of growth is expected for both Brazil and Russia in conjunction with slowdowns in exports and production.

Overall, one can see growing signs of stagnation throughout the global economy, and careful attention should be given to future developments of such issues as the direction of the U.S.-China trade negotiations and the policy trends of major countries.

(2) Results of Operations

1) Analysis of Consolidated Income Statements

(Billions of Yen)		Current Period	Previous Period	Change
Revenue		3,411.2	3,213.3	+197.9
Gross profit		428.2	423.7	+4.5
Selling, general and administrative expenses		(281.8)	(274.4)	(7.4)
Other Income (Expenses)	Gain (Loss) on Securities and Other Investments—Net	5.7	1.2	+4.5
	Impairment Reversal (Loss) of Fixed Assets—Net	(2.6)	(1.4)	(1.2)
	Gain (Loss) on Disposal or Sales of Fixed Assets—Net	4.8	5.3	(0.5)
	Other Income (Expense)—Net	10.1	(5.3)	+15.4
	Reversal of Provision Related to Multigrain Business	-	11.1	(11.1)
Finance Income (Costs)	Interest Income	23.0	21.7	+1.3
	Dividend Income	42.3	49.1	(6.8)
	Interest Expense	(46.9)	(39.6)	(7.3)
Share of Profit (Loss) of Investments Accounted for Using the Equity Method		136.1	124.7	+11.4
Income Taxes		(68.1)	(80.5)	+12.4
Profit for the Period		250.9	235.6	+15.3
Profit for the Period Attributable to Owners of the Parent		234.2	222.9	+11.3

* May not match with the total of items due to rounding off. The same shall apply hereafter.

Revenue

Revenue for the six-month period ended September 30, 2019 (“current period”) was ¥3,411.2 billion, an increase of ¥197.9 billion from the corresponding six-month period of the previous year (“previous period”).

Gross Profit

Mainly the Mineral & Metal Resources Segment and the Energy Segment reported an increase, while the Innovation & Corporate Development Segment, Chemicals Segment and the Lifestyle Segment recorded a decline.

Other Income (Expenses)

Gain (Loss) on Disposal or Sales of Fixed Assets—Net

For the previous period, a gain on disposal of fixed assets was recorded in the Iron & Steel Products Segment.

Other Income (Expense)—Net

For the current period, the Innovation & Corporate Development Segment recorded a valuation profit on a derivative in relation to a put option of an investment.

Reversal of Provision Related to Multigrain Business

For the previous period, the Lifestyle Segment recorded a gain on the reversal of the provision for the withdrawal from business.

Finance Income (Costs)

Dividend Income

Mainly the Energy Segment recorded an increase, while the Mineral & Metal Resources Segment recorded a decline.

Share of Profit (Loss) of Investments Accounted for Using the Equity Method

Mainly the Energy Segment, the Machinery & Infrastructure Segment and the Mineral & Metal Resources Segment recorded an increase.

Income Taxes

Income taxes for the current period were ¥68.1 billion, a decline of ¥12.4 billion from ¥80.5 billion for the previous period mainly due to that there was a ¥11.0 billion decline in tax burden in relation to income taxes recognized as other comprehensive income corresponding to sales of financial assets measured at FVTOCI, including the share of Recruit Holdings Co., Ltd. The effective tax rate for the current period was 21.3%, a decline of 4.2 points from 25.5% for the previous period mainly due to a decrease in the ratio of income tax effect against share of profit of investments accounted for using the equity method.

Profit for the Period Attributable to Owners of the Parent

Profit for the period attributable to owners of the parent was ¥234.2 billion, an increase of ¥11.3 billion from the previous period.

2) Operating Results by Operating Segment

The real estate business and the materials business, which were part of the Lifestyle Segment, were transferred to the Innovation & Corporate Development Segment and Chemicals Segment, respectively, effective April 1, 2019. In accordance with the aforementioned changes, the operating segment information for the previous period has been restated to conform to the current period presentation.

Iron & Steel Products Segment

(Billions of Yen)	Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent	2.7	7.9	(5.2)
Gross profit	12.6	13.8	(1.2)
Profit (loss) of equity method investments	6.5	11.5	(5.0)
Dividend income	1.1	1.1	0.0
Selling, general and administrative expenses	(13.6)	(15.0)	+1.4
Others	(3.9)	(3.5)	(0.4)

・ Others include the following factor:

- For the previous period, a one-time gain of ¥5.9 billion was recorded due to the sale of land of an affiliated company.

Mineral & Metal Resources Segment

(Billions of Yen)	Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent	101.9	89.1	+12.8
Gross profit	124.8	90.6	+34.2
Profit (loss) of equity method investments	32.7	29.7	+3.0
Dividend income	5.0	14.9	(9.9)
Selling, general and administrative expenses	(16.2)	(16.6)	+0.4
Others	(44.4)	(29.5)	(14.9)

・Gross profit increased mainly due to the following factor:

- Iron ore mining operations in Australia reported an increase of ¥41.6 billion mainly due to higher iron ore sales prices.

・ Profit (loss) of equity method investments increased mainly due to the following factor:

- Robe River Mining Co. Pty. Ltd reported an increase of ¥8.2 billion due to higher iron ore sales prices.

・ Dividend income decreased mainly due to the following factor:

- Dividend income reported a decrease of ¥9.9 billion mainly due to decreased dividend income from Vale.

・In addition to the above, the following factor also affected the result:

- For the current period, iron ore mining operations in Australia reported a decrease of profit amounting to ¥17.4 billion mainly due to the increase of income tax caused by gross profit increase.

Machinery & Infrastructure Segment

(Billions of Yen)		Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent		36.0	37.1	(1.1)
	Gross profit	63.6	62.6	+1.0
	Profit (loss) of equity method investments	46.8	43.6	+3.2
	Dividend income	3.0	3.0	0.0
	Selling, general and administrative expenses	(64.2)	(62.6)	(1.6)
	Others	(13.2)	(9.5)	(3.7)

・Profit (loss) of equity method investments increased mainly due to the following factors:
  - For the current period, investments in gas distribution companies in Brazil reported an increase of ¥3.0 billion reflecting the refund of service tax payments through arbitrations.
  - For the previous period, deferred tax assets were recorded at an equity accounted investee due to the change of the investment structure in the IPP business.

・In addition to the above, the following factor also affected results:
  - For the previous period, deferred tax assets were recorded at a holding company due to the change of the investment structure in the IPP business.

Chemicals Segment

(Billions of Yen)		Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent		4.7	16.4	(11.7)
	Gross profit	61.0	74.4	(13.4)
	Profit (loss) of equity method investments	6.8	8.0	(1.2)
	Dividend income	1.6	1.7	(0.1)
	Selling, general and administrative expenses	(52.2)	(53.1)	+0.9
	Others	(12.5)	(14.6)	+2.1

・Gross profit declined mainly due to the following factors:
  - A decline of ¥3.8 billion was recorded mainly due to the price drops of main products in Novus International, Inc.

Energy Segment

(Billions of Yen)	Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent	65.6	36.6	+29.0
Gross profit	75.4	71.1	+4.3
Profit (loss) of equity method investments	26.0	16.0	+10.0
Dividend income	25.9	23.0	+2.9
Selling, general and administrative expenses	(22.5)	(23.8)	+1.3
Others	(39.2)	(49.7)	+10.5

・Gross profit increased mainly due to the following factors:
- Mitsui Oil Exploration Co., Ltd. reported an increase of ¥4.9 billion mainly due to increase in production and decrease in costs.
- Mitsui & Co. Energy Trading Singapore Pte. Ltd. reported an increase of ¥4.5 billion mainly due to good performance in the oil trading business.
- Mitsui E&P Australia Pty. Ltd. reported a decrease of ¥7.5 billion mainly due to decrease in oil production.
- AWE Pty Ltd. reported a decrease of ¥3.2 billion mainly due to increase in depreciation costs.

・Profit of equity method investment increased mainly due to the following factor:
- Mitsui E&P Mozambique Area 1 Limited reported an increase of ¥11.3 billion mainly due to the recognition of deferred tax assets in accordance with the Final Investment Decision for the project.

・Dividends from six LNG projects (Sakhalin II, Qatargas 1, Abu Dhabi, Oman, Qatargas 3 and Equatorial Guinea) were ¥24.4 billion in total, an increase of ¥1.9 billion from the previous period.

Lifestyle Segment

(Billions of Yen)	Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent	16.9	20.0	(3.1)
Gross profit	67.2	68.5	(1.3)
Profit (loss) of equity method investments	10.3	11.2	(0.9)
Dividend income	2.4	2.0	+0.4
Selling, general and administrative expenses	(73.0)	(66.1)	(6.9)
Others	10.0	4.4	+5.6

・Gross profit declined mainly due to the following factor:
- For the current period, suspension of drug development in the drug development fund invested through MBK Pharma Partnering Inc. recorded a ¥3.2 billion loss in the valuation of fair value.

・In addition to the above, the following factors also affected results:
- For the current period, there was a ¥12.5 billion decline in tax burden in relation to income taxes recognized as other comprehensive income corresponding to sales of financial assets measured at FVTOCI, including the share of Recruit Holdings Co., Ltd.
- For the previous period, Multigrain Trading AG recorded a gain of ¥11.6 billion on reversal of the provision for the withdrawal from business.

Innovation & Corporate Development Segment

(Billions of Yen)	Current Period	Previous Period	Change
Profit for the period attributable to owners of the parent	1.6	9.3	(7.7)
Gross profit	23.4	41.8	(18.4)
Profit (loss) of equity method investments	7.1	5.8	+1.3
Dividend income	2.6	2.7	(0.1)
Selling, general and administrative expenses	(32.3)	(32.0)	(0.3)
Others	0.8	(9.0)	+9.8

・Gross profit declined mainly due to the following factors:
- For the previous period, a ¥3.8 billion gain was recorded due to the valuation of fair value on shares in Hutchison China MediTech Ltd., while for the current period, a ¥7.1 billion loss was recorded due to the valuation of fair value on shares.
- A decline of ¥5.4 billion was recorded mainly due to the gain on the valuation and sales of the shares in Mercari, Inc., for the previous period.

・In addition to the above, the following factors also affected results:
- For the current period, a valuation profit on the derivative of ¥4.1 billion was recorded in relation to a put option of an investment.
- A ¥3.5 billion profit was recorded mainly due to the increase of deferred tax assets related to the loss of valuation of fair value on shares in Hutchison China Meditech, Ltd.

(3) **Financial Condition and Cash Flows**

1) Financial Condition

(Billions of yen)	September 30, 2019	March 31, 2019	Change
Total Assets	12,096.7	11,945.8	+150.9
Current Assets	4,027.7	3,996.3	+31.4
Non-current Assets	8,069.0	7,949.5	+119.5
Current Liabilities	2,577.2	2,740.3	(163.1)
Non-current Liabilities	5,045.2	4,675.2	+370.0
Net Interest-bearing Debt (*)	*3,472.7*	*3,592.0*	*(119.3)*
Total Equity Attributable to Owners of the Parent	4,211.4	4,263.2	(51.8)
Net Debt-to-Equity Ratio (times)	0.82	0.84	(0.02)

(*)Since the current period, Interest-bearing debt is calculated by excluding lease liability from short-term debt and long-term debt. As a result of this change, the Net Interest-bearing Debt at March 31, 2019 has been restated.

Assets

Current Assets:

- Cash and cash equivalents increased by ¥196.9 billion.
- Trade and other receivables declined by ¥181.7 billion, mainly due to a decline in trading volume in the Chemicals Segment, the Lifestyle Segment, and the Energy Segment.
- Other financial assets increased by ¥40.1 billion, mainly due to increase in trading volume of derivative trading in the Innovation & Corporate Development Segment and the Energy Segment.

Non-current Assets:

- Investments accounted for using the equity method declined by ¥9.6 billion, mainly due to the following factors:
  - A decline of ¥106.1 billion resulting from foreign currency exchange fluctuations;
  - An increase of ¥44.6 billion due to correction of Mitsui E&P Mozambique Area 1 Limited’s company category to investments accounted for using the equity method and investment;
  - An increase due to an acquisition of shares in Arctic LNG 2 Project in Russia through Japan Arctic LNG B.V.;
  - An increase of ¥16.9 billion due to an investment in Minh Phu Seafood Joint Stock Company, a shrimp producer and processor in Vietnam; and
  - An increase of ¥136.1 billion corresponding to the profit of equity method investments for the current period, despite a decline of ¥98.8 billion due to dividends received from equity accounted investees.
- Other investments declined by ¥136.1 billion, mainly due to the following factors:
  - Fair value on financial assets measured at FVTOCI and FVTPL declined by ¥57.8 billion and ¥12.9 billion, respectively;
  - A decline of ¥45.9 billion mainly due to a partial sale of investment in Recruit Holdings Co., Ltd.; and
  - A decline of ¥13.9 billion resulting from foreign currency exchange fluctuations.

- Property, plant and equipment increased by ¥201.4 billion, mainly due to the following factors:
  - An increase of ¥257.6 billion corresponding to adoption of IFRS 16 "Leases";
  - A decline of ¥38.5 billion due to correction of Mitsui E&P Mozambique Area 1 Limited's company category to investments accounted for using the equity method; and
  - A decline of ¥14.6 billion (including foreign exchange transaction loss of ¥22.8 billion) at iron ore mining operations in Australia.
- Intangible assets increased by ¥63.8 billion, mainly due to an increase of ¥68.4 billion for the Brazilian rail business restructuring.

Liabilities

Current Liabilities:

- Short-term debt increased by ¥88.6 billion. Meanwhile, the current portion of long-term debt declined by ¥114.8 billion, mainly due to repayment of debt, despite the increase of reclassification to current maturities.
- Trade and other payables declined by ¥142.1 billion, corresponding to the decline in trade and other receivables.

Non-current Liabilities:

- Long-term debt, less the current portion, increased by ¥389.6 billion, mainly due to adoption of IFRS 16 "Leases".

Total Equity Attributable to Owners of the Parent

- Retained earnings increased by ¥189.8 billion.
- Other components of equity declined by ¥258.4 billion, mainly due to the following factors:
  - Financial assets measured at FVTOCI declined by ¥74.3 billion; and
  - Foreign currency translation adjustments declined by ¥155.8 billion, mainly reflecting the appreciation of the Japanese yen against the Australian dollar, U.S. dollar, and Brazilian real.

2) Cash Flows

(Billions of yen)	Current Period	Previous Period	Change
Cash flows from operating activities	326.7	161.7	+165.0
Cash flows from investing activities	(127.5)	(248.0)	+120.5
Free cash flow	199.2	(86.3)	+285.5
Cash flows from financing activities	14.6	(67.2)	+81.8
Effect of exchange rate changes on cash and cash equivalents etc.	(16.9)	18.2	(35.1)
Change in cash and cash equivalents	196.9	(135.3)	+332.2

Cash Flows from Operating Activities

(Billions of Yen)		Current Period	Previous Period	Change
Cash flows from operating activities	a	326.7	161.7	+165.0
Cash flows from change in working capital	b	(19.7)	(154.7)	+135.0
Core operating cash flow	a-b	346.4	316.4	+30.0

- Net cash from an increase or a decrease in working capital, or changes in operating assets and liabilities for the current period was ¥19.7 billion of net cash outflow. Core operating cash flow, cash flows from operating activities without the net cash flow from an increase or a decrease in working capital, for the current period amounted to ¥346.4 billion.
  - Net cash inflow from dividend income, including dividends received from equity accounted investees, for the current period totaled ¥148.0 billion, a decline of ¥16.5 billion from ¥164.5 billion for the previous period.
  - Depreciation and amortization for the current period was ¥119.5 billion, an increase of ¥31.7 billion from ¥87.8 billion for the previous period.

The following table shows core operating cash flow by operating segment.

(Billions of Yen)	Current Period	Previous Period	Change
Iron & Steel Products	(0.2)	(2.4)	+2.2
Mineral & Metal Resources	120.2	94.6	+25.6
Machinery & Infrastructure	41.4	31.4	+10.0
Chemicals	14.6	31.0	(16.4)
Energy	123.2	108.0	+15.2
Lifestyle	11.2	13.4	(2.2)
Innovation & Corporate Development	(3.4)	9.6	(13.0)
All Other and Adjustments and Eliminations	39.4	30.8	+8.6
Consolidated Total	346.4	316.4	+30.0

Cash Flows from Investing Activities

- Net cash outflows that corresponded to investments in equity accounted investees (net of sales of investments in equity accounted investees) were ¥52.4 billion, mainly due to the following factors:
  - An acquisition of shares in Arctic LNG 2 Project in Russia through Japan Arctic LNG B.V.; and
  - An investment in Minh Phu Seafood Joint Stock Company, a shrimp producer and processor in Vietnam, for ¥16.9 billion.
- Net cash inflows that corresponded to other investments (net of sales and maturities of other investments) were ¥45.8 billion, mainly due to a partial sale of investment in Recruit Holdings Co., Ltd., for ¥44.8 billion.
- Net cash outflows that corresponded to an increase in loan receivables (net of collections of loan receivables) were ¥5.9 billion, mainly due to the execution of loans to the IPP project in the Middle East for ¥14.3 billion.
- Net cash outflows that corresponded to purchases of property, plant, and equipment (net of sales of those assets) were ¥116.9 billion, mainly due to the following factors:
  - An expenditure for the oil and gas projects other than the U.S. shale gas and oil projects for a total of ¥40.9 billion; and
  - An expenditure for iron ore mining operations in Australia for ¥17.0 billion.

Cash Flows from Financing Activities

- Net cash inflows from net change in short-term debt were ¥98.3 billion and net cash outflows from net change in long-term debt were ¥10.3 billion.
- The cash outflow from payments of cash dividends was ¥69.5 billion.

2. Management Policies

(1) Result (*) and Forecast for Investment and Loan Plan

We implemented investments and loans of approximately ¥160.0 billion for core areas (including the overlap with growth areas of ¥10.0 billion) and approximately ¥60.0 billion for growth areas (including the overlap with core areas of ¥10.0 billion). In addition, we made investment and loans of approximately ¥10.0 billion for other areas. The resulting sum of investments and loans for the current period was approximately ¥220.0 billion. On the other hand, we collected approximately ¥90.0 billion through disposal of assets and investments.

To realize "stronger focus on cash flow management; strengthen financial base," which is one of the key initiatives of the Medium-term Management Plan, we will achieve positive free cash flow after shareholder returns during the Medium-term Management Plan by maintaining strict investment discipline based on our cash flow management policies.

* Excludes changes in time deposits and cash flows of some lease transactions, which had previously been recorded as working capital.

(2) Forecasts for the Year Ending March 31, 2020

1) Revised forecasts for the year ending March 31, 2020

<Assumption>	1st Half (Actual)	2nd Half (Forecast)	Revised Forecast	Original Forecast
Exchange rate (JPY/USD)	108.67	106	107.34	110
Crude oil (JCC)	$69/bbl	$66/bbl	$68/bbl	$67/bbl
Consolidated oil price	$69/bbl	$67/bbl	$68/bbl	$67/bbl

(Billions of yen)

	March 31, 2020 Revised forecast	March 31, 2020 Original forecast	Change	Description
Gross profit	860.0	890.0	(30.0)	FVTPL losses, deceleration of chemical and lifestyle trading businesses
Selling, general and administrative expenses	(570.0)	(580.0)	10.0	Miscellaneous
Gain on investments, fixed assets and other	30.0	30.0	0.0	
Interest expenses	(50.0)	(50.0)	0.0	
Dividend income	90.0	80.0	10.0	Mineral & Metal Resources and the Energy
Profit (loss) of equity method investments	270.0	260.0	10.0	
Profit before income taxes	630.0	630.0	0.0	
Income taxes	(150.0)	(140.0)	(10.0)	
Non-controlling Interests	(30.0)	(40.0)	10.0	
Profit for the year attributable to owners of the parent	450.0	450.0	0.0	
Depreciation and amortization	250.0	250.0	0.0	
Core operating cash flow	640.0	640.0	0.0	

We assume foreign exchange rates for the six-month period ending March 31, 2020 (2nd half) will be ¥106/US$, ¥72/AU$ and ¥27/BRL, while average foreign exchange rates for the six-month period ended September 30, 2019 (1st half) were ¥108.67/US$, ¥74.75/AU$ and ¥27.35/BRL. Also, we assume the annual average crude oil price applicable to our financial results for the year ending March 31, 2020 will be US$68/barrel, up US$1 from the original assumption, based on the assumption that the crude oil price (JCC) will average US$66/barrel throughout the six-month period ending March 31, 2020.

The revised forecast for profit for the year attributable to owners of the parent by operating segment compared to the original forecast is as follows:

(Billions of Yen)	Year ending March 31, 2020 Revised Forecast	Year ending March 31, 2020 Original Forecast	Change	Description
Iron & Steel Products	10.0	15.0	(5.0)	Lower steel prices in U.S.
Mineral & Metal Resources	180.0	165.0	+15.0	Good condition in iron ore mining operations in Australia
Machinery & Infrastructure	90.0	90.0	0.0	
Chemicals	20.0	30.0	(10.0)	Deceleration of trading businesses, lower methionine price
Energy	105.0	90.0	+15.0	Good condition in crude oil and LNG trading
Lifestyle	30.0	40.0	(10.0)	FVTPL losses, deceleration of business of grain, sugar, and salmon in Chile
Innovation & Corporate Development	15.0	20.0	(5.0)	FVTPL losses
All Other and Adjustments and Eliminations	0	0.0	0.0	
Consolidated Total	450.0	450.0	0.0	

The revised forecast for core operating cash flow by operating segment compared to the original forecast is as follows:

(Billions of Yen)	Year ending March 31, 2020 Revised Forecast	Year ending March 31, 2020 Original Forecast	Change	Description
Iron & Steel Products	5.0	10.0	(5.0)	Lower steel prices in U.S.
Mineral & Metal Resources	220.0	190.0	+30.0	Good condition in iron ore mining operations in Australia
Machinery & Infrastructure	95.0	105.0	(10.0)	Accumulation of one-time effects of small items
Chemicals	40.0	50.0	(10.0)	Deceleration of trading businesses, lower methionine price
Energy	220.0	210.0	+10.0	Good condition in crude oil and LNG trading
Lifestyle	30.0	40.0	(10.0)	FVTPL losses, deceleration of business of grain, sugar, and salmon in Chile
Innovation & Corporate Development	10.0	15.0	(5.0)	FVTPL losses
All Other and Adjustments and Eliminations	20.0	20.0	0.0	
Consolidated Total	640.0	640.0	0.0	

2) Key commodity prices and other parameters for the year ending March 31, 2020

The table below shows assumptions for key commodity prices and foreign exchange rates for the forecast for the year ending March 31, 2020. The effects of movements on each commodity price and foreign exchange rates on profit for the year attributable to owners of the parent are included in the table.

Impact on profit for the year attributable to owners of the parent for the Year ending March 31, 2020 (Announced in April 2019)				Original Forecast (Announced in April 2019)		March 2020			Revised Forecast (Announced in October 2019)
						1st Half (Result)	2nd Half (Assumption)		
Commodity	Crude Oil/JCC		ー	67		69	66		68
	Consolidated Oil Price(*1)		¥3.1 bn (US$1/bbl)	67		69	67		68
	U.S. Natural Gas(*2)		¥0.7 bn (US$0.1/mmBtu)	3.00(*3)		2.69(*4)	2.67(*3)		2.68
	Iron Ore(*5)		¥2.1 bn (US$1/ton)	(*6)		101.0(*7)	(*6)		(*6)
	Coal	Coking	¥0.5 bn (US$1/ton)	(*6)	→	193.0(*8)	(*6)	→	(*6)
		Thermal	¥0.1 bn (US$1/ton)	(*6)		95.0(*8)	(*6)		(*6)
	Copper(*9)		¥0.7 bn (US$100/ton)	6,600		6,167(*10)	5,600		5,884
Forex (*11)	USD		¥2.7 bn (¥1/USD)	110		108.67	106		107.34
	AUD		¥1.9 bn (¥1/AUD)	77		74.75	72		73.37
	BRL		¥0.3 bn (¥1/BRL)	28		27.35	27		27.18

(*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 FY Mar/2020 we have assumed that there is a 4-6 month lag for approx. 50%, a 1-3 month lag for approx. 40%, and no lag for approx. 10%. The above sensitivities show annual impact of changes in consolidated oil price.

(*2) As Mitsui has very limited exposure to U.S. natural gas sold at Henry Hub (HH), the above sensitivities show annual impact of changes in the weighted average sale price.

(*3) HH price of US$3.00/mmBtu is assumed for sale prices linked to the HH price for FY Mar/2020 business plan, and US$2.67/mmBtu for FY Mar/2020 2nd half.

(*4) U.S. Gas figures for FY Mar/2020 1st half (result) are the Henry Hub Natural Gas Futures average daily prompt month closing prices traded on NYMEX during January 2019 to June 2019.

(*5) The effect of dividend income from Vale has not been included.

(*6) Iron ore and coal price assumptions are not disclosed.

(*7) Iron ore results figures for FY Mar/2020 1st half (result) are the daily average (reference price) spot indicated price (Fe 62% CFR North China) recorded in several industry trade magazines from April 2019 to September 2019.

(*8) Coal results figures for FY Mar/2020 1st half (result) are the quarterly average prices of representative coal brands in Japan(US$/MT)

(*9)As the copper price affects our consolidated results with a 3-month time lag, the above sensitivities show the annual impact of US$100/ton change in averages of the LME monthly average cash settlement prices for the period March to December 2019.

(*10)Copper results figures for FY Mar/2020 1st half (result) are the averages of the LME monthly average cash settlement prices for the period January 2019 to June 2019 respectively.

(*11)Impact of currency fluctuations on reported profit for the year of overseas subsidiaries denominated in their respective functional currencies. Depreciation of the yen has the effect of increasing profit for the year through the conversion of profit (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.

(3) Profit Distribution Policy

Our profit distribution policy has been resolved as follows at the board of directors through discussion in which external directors were also involved:

- In order to increase corporate value and maximize shareholder value, we seek to maintain an optimal balance between (a) meeting investment demand in our core and growth areas through re-investments of our retained earnings, and (b) directly providing returns to shareholders by paying out cash dividends.
- In addition to the above, in relation to share buyback toward improving capital efficiency, we judge that such decision made by the board of directors in a prompt and flexible manner as needed concerning its timing and amount, while taking into consideration of the business environment such as, future investment activity trends, free cash flow and interest-bearing debt levels, and return on equity, continues to contribute to enhancement of corporate value.

For the period of the Medium-term Management Plan, we have established a target minimum annual dividend amount of ¥100 billion, based on our assessment of achievable stable core operating cash flow, with the aim of ensuring a certain level of return to shareholders regardless of changes in the external environment. While our principal intention is to steadily increase dividends through improvements in corporate performance, we will also consider flexible ways to address shareholder compensation, provided that sufficient retained earnings is secured for future business development.

Taking into consideration of core operating cash flow and profit for the year attributable to owners of the parent as well as stability and continuity of the amount of dividend, for six-month period ended September 30, 2019, we have decided to pay an interim dividend of ¥40 per share, the same amount as the corresponding six-month period of the previous year. For the year ending March 31, 2020, we currently envisage an annual dividend of ¥80 per share (including the interim dividend of ¥40 per share), the same amount as the year ended March 31, 2019.

3. Other Information

Notice:

This flash report contains forward-looking statements about Mitsui and its consolidated subsidiaries. These forward -looking statements are based on Mitsui's current assumptions, expectations and beliefs in light of the information currently possessed by it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Mitsui's actual consolidated financial position, consolidated operating results or consolidated cash flows to be materially different from any future consolidated financial position, consolidated operating results or consolidated cash flows expressed or implied by these forward-looking statements.

These risks, uncertainties and other factors include, among others, (1)risks of changes in global macroeconomic factors, (2)market of risks of 1)commodity market risk, 2)foreign currency risk, 3)interest rate risk, 4)stock price risk, 5)risks regarding pension cost and defined benefit obligations, (3)credit risks, (4)risks regarding impairment loss on fixed assets, (5)risks regarding fund procurement, (6)risks regarding deferred tax assets, (7)concentrated risk exposures, (8)business investment risk, (9)risks regarding exploration, development and production of mineral resources and oil and gas, (10)risks due to competition, (11)risk regarding limitation of resources on business, (12) environmental risks, (13)risks associated with laws and regulations, (14)risks regarding employee's compliance

with laws, regulations, and internal policies, (15)risks regarding internal control, (16)risks regarding climate changes and natural disasters, (17)risks regarding information systems and information securities, (18)risks relating to terrorists and violent groups. For further information on the above, please refer to Mitsui's Annual Securities Report.
Forward-looking statements may be included in Mitsui's Annual Securities Report and Quarterly Securities Reports or in its other disclosure documents, press releases or website disclosures. Mitsui undertakes no obligation to publicly update or revise any forward-looking statements.

4. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statements of Financial Position

(Millions of Yen)

Assets		
	September 30, 2019	March 31, 2019
Current Assets:		
Cash and cash equivalents	¥ 1,153,025	¥ 956,107
Trade and other receivables	1,622,522	1,804,227
Other financial assets	294,585	254,507
Inventories	640,929	607,675
Advance payments to suppliers	190,483	219,849
Other current assets	126,139	153,957
Total current assets	4,027,683	3,996,322
Non-current Assets:		
Investments accounted for using the equity method	2,966,081	2,975,674
Other investments	1,811,537	1,947,565
Trade and other receivables	446,516	458,809
Other financial assets	163,624	154,886
Property, plant and equipment	2,146,766	1,945,381
Investment property	203,883	203,102
Intangible assets	237,934	174,085
Deferred tax assets	37,279	40,763
Other non-current assets	55,373	49,192
Total non-current assets	8,068,993	7,949,457
Total	¥ 12,096,676	¥ 11,945,779

(Millions of Yen)

Liabilities and Equity		
	September 30, 2019	March 31, 2019
Current Liabilities:		
Short-term debt	¥ 425,565	¥ 337,028
Current portion of long-term debt	364,632	479,390
Trade and other payables	1,180,179	1,322,274
Other financial liabilities	318,930	278,472
Income tax payables	65,631	47,197
Advances from customers	162,982	201,444
Provisions	24,615	34,458
Other current liabilities	34,704	40,012
Total current liabilities	2,577,238	2,740,275
Non-current Liabilities:		
Long-term debt, less current portion	4,198,717	3,809,057
Other financial liabilities	77,287	72,095
Retirement benefit liabilities	56,996	57,203
Provisions	212,594	212,396
Deferred tax liabilities	468,793	499,756
Other non-current liabilities	30,806	24,689
Total non-current liabilities	5,045,193	4,675,196
Total liabilities	7,622,431	7,415,471
Equity:		
Common stock	341,776	341,482
Capital surplus	403,509	387,335
Retained earnings	3,268,463	3,078,655
Other components of equity	204,854	463,270
Treasury stock	(7,161)	(7,576)
Total equity attributable to owners of the parent	4,211,441	4,263,166
Non-controlling interests	262,804	267,142
Total equity	4,474,245	4,530,308
Total	¥ 12,096,676	¥ 11,945,779

(2) Condensed Consolidated Statements of Income and Comprehensive Income

Condensed Consolidated Statements of Income

(Millions of Yen)

	Six-month period ended September 30, 2019	Six-month period ended September 30, 2018
Revenue	¥ 3,411,236	¥ 3,213,342
Cost	(2,983,047)	(2,789,627)
Gross Profit	428,189	423,715
Other Income (Expenses):		
Selling, general and administrative expenses	(281,776)	(274,353)
Gain (loss) on securities and other investments－net	5,655	1,227
Impairment reversal (loss) of fixed assets－net	(2,596)	(1,392)
Gain (loss) on disposal or sales of fixed assets－net	4,815	5,262
Reversal of provision related to Multigrain business	-	11,083
Other income (expense) －net	10,120	(5,330)
Total other income (expenses)	(263,782)	(263,503)
Finance Income (Costs):		
Interest income	23,043	21,716
Dividend income	42,259	49,115
Interest expense	(46,882)	(39,595)
Total finance income (costs)	18,420	31,236
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	136,099	124,657
Profit before Income Taxes	318,926	316,105
Income Taxes	(68,067)	(80,549)
Profit for the Period	¥ 250,859	¥ 235,556
Profit for the Period Attributable to:		
Owners of the parent	¥ 234,153	¥ 222,870
Non-controlling interests	16,706	12,686

Condensed Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Six-month period ended September 30, 2019	Six-month period ended September 30, 2018
Profit for the Period	¥ 250,859	¥ 235,556
Other Comprehensive Income:		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	(58,137)	175,092
Remeasurements of defined benefit plans	(170)	1,030
Share of other comprehensive income of investments accounted for using the equity method	(753)	(185)
Income tax relating to items not reclassified	14,978	(56,850)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	(62,741)	(25,126)
Cash flow hedges	(3,424)	(1,797)
Share of other comprehensive income of investments accounted for using the equity method	(134,175)	64,721
Income tax relating to items that may be reclassified	5,594	184
Total other comprehensive income	(238,828)	157,069
Comprehensive Income for the Period	¥ 12,031	¥ 392,625
Comprehensive Income for the Period Attributable to:		
Owners of the parent	¥ 6,931	¥ 377,809
Non-controlling interests	5,100	14,816

(3) Condensed Consolidated Statements of Changes in Equity

(Millions of Yen)

	Attributable to owners of the parent						Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings	Other Components of Equity	Treasury Stock	Total		
Balance as at April 1, 2018	¥ 341,482	¥ 386,165	¥ 2,903,432	¥ 448,035	¥ (104,399)	¥ 3,974,715	¥ 243,408	¥ 4,218,123
Cumulative effect of changes in accounting policies			(3,535)			(3,535)		(3,535)
Balance as at April 1, 2018 after changes in accounting policies	341,482	386,165	2,899,897	448,035	(104,399)	3,971,180	243,408	4,214,588
Profit for the period			222,870			222,870	12,686	235,556
Other comprehensive income for the period				154,939		154,939	2,130	157,069
Comprehensive income for the period			222,870	154,939		377,809	14,816	392,625
Transaction with owners:								
Dividends paid to the owners of the parent			(69,516)			(69,516)		(69,516)
Dividends paid to non-controlling interest shareholders							(10,005)	(10,005)
Acquisition of treasury stock					(8)	(8)		(8)
Sales of treasury stock		(100)	(141)		256	15		15
Cancellation of treasury stock			(96,467)		96,467	−		−
Compensation costs related to stock options		231				231		231
Equity transactions with non-controlling interest shareholders		598		(211)		387	14,500	14,887
Transfer to retained earnings			11,394	(11,394)		−		−
Balance as at September 30, 2018	¥ 341,482	¥ 386,894	¥ 2,968,037	¥ 591,369	¥ (7,684)	¥ 4,280,098	¥ 262,719	¥ 4,542,817

(Millions of Yen)

	Attributable to owners of the parent						Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings	Other Components of Equity	Treasury Stock	Total		
Balance as at April 1, 2019	¥ 341,482	¥ 387,335	¥ 3,078,655	¥ 463,270	¥ (7,576)	¥ 4,263,166	¥ 267,142	¥ 4,530,308
Cumulative effect of changes in accounting policies			(5,306)			(5,306)		(5,306)
Balance as at April 1, 2019 after changes in accounting policies	341,482	387,335	3,073,349	463,270	(7,576)	4,257,860	267,142	4,525,002
Profit for the period			234,153			234,153	16,706	250,859
Other comprehensive income for the period				(227,222)		(227,222)	(11,606)	(238,828)
Comprehensive income for the period			234,153	(227,222)		6,931	5,100	12,031
Transaction with owners:								
Dividends paid to the owners of the parent			(69,524)			(69,524)		(69,524)
Dividends paid to non-controlling interest shareholders							(8,826)	(8,826)
Acquisition of treasury stock					(6)	(6)		(6)
Sales of treasury stock		(133)	(287)		421	1		1
Compensation costs related to stock option		23				23		23
Compensation costs related to share performance-linked restricted stock	294	(294)				−		−
Equity transactions with non-controlling interest shareholders		16,578		(422)		16,156	(612)	15,544
Transfer to retained earnings			30,772	(30,772)		−		−
Balance as at September 30, 2019	¥ 341,776	¥ 403,509	¥ 3,268,463	¥ 204,854	¥ (7,161)	¥ 4,211,441	¥ 262,804	¥ 4,474,245

(4) Condensed Consolidated Statements of Cash Flows

(Millions of Yen)

	Six-month period ended September 30, 2019	Six-month period ended September 30, 2018
Operating Activities:		
Profit for the period	¥ 250,859	¥ 235,556
Adjustments to reconcile profit for the period to cash flows		
from operating activities:		
Depreciation and amortization	119,484	87,830
Change in retirement benefit liabilities	931	924
Loss allowance	6,350	4,816
Reversal of provision related to Multigrain business	-	(11,083)
(Gain) loss on securities and other investments—net	(5,655)	(1,227)
Impairment (reversal) loss of fixed assets—net	2,596	1,392
(Gain) loss on disposal or sales of fixed assets—net	(4,815)	(5,262)
Finance (income) costs	(32,401)	(29,376)
Income taxes	68,067	80,549
Share of (profit) loss of investments accounted for using the equity method	(136,099)	(124,657)
Valuation gain (loss) related to contingent considerations and others	(1,854)	5,802
Changes in operating assets and liabilities:		
Change in trade and other receivables	190,676	(53,714)
Change in inventories	(40,862)	(53,076)
Change in trade and other payables	(154,456)	32,367
Other—net	(15,100)	(80,322)
Interest received	39,715	17,379
Interest paid	(50,695)	(41,374)
Dividends received	147,975	164,505
Income taxes paid	(58,039)	(69,372)
Cash flows from operating activities	326,677	161,657
Investing Activities:		
Net change in time deposits	2,110	(5,940)
Net change in investments in equity accounted investees	(52,405)	(86,870)
Net change in other investments	45,782	(15,421)
Net change in loan receivables	(5,873)	(23,647)
Net change in property, plant and equipment	(116,927)	(104,564)
Net change in investment property	(189)	(11,555)
Cash flows from investing activities	(127,502)	(247,997)
Financing Activities:		
Net change in short-term debt	98,314	16,680
Net change in long-term debt	(10,283)	(13,298)
Purchases and sales of treasury stock	(5)	(8)
Dividends paid	(69,524)	(69,516)
Transactions with non-controlling interest shareholders	(3,876)	(1,105)
Cash flows from financing activities	14,626	(67,247)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(16,883)	18,301
Change in Cash and Cash Equivalents	196,918	(135,286)
Cash and Cash Equivalents at Beginning of Period	956,107	1,131,380
Cash and Cash Equivalents at End of Period	¥ 1,153,025	¥ 996,094

(5) Assumption for Going Concern: None

(6) Changes in Accounting Policies and Changes in Accounting Estimates

1) Changes in Accounting Policies

Significant accounting policies applied in the Condensed Consolidated Financial Statements for the period ended September 30, 2019 are the same as those applied in the Consolidated Financial Statements of the previous fiscal year except for the following.

The companies applied the following new standards for Condensed Consolidated Financial Statements from April 1, 2019.

IFRS	Title	Summaries
IFRS 16	Leases	Fundamental amendment of accounting for lease transactions

In adopting IFRS 16, the companies recognized lease liabilities in relation to leases as a lessee, which had previously been classified as operating leases under the principles of IAS 17 "Leases". These liabilities are measured at the present value discounted using the group's incremental borrowing rate as of April 1, 2019, and are presented as "long-term debt" (including current portion). The associated rights-of-use assets are measured either at the carrying amount as if the Standard had been applied since the commencement date or at the amount equal to the lease liability, and are presented as "Property, plant and equipment".
In transitioning to IFRS 16, the practical expedient was chosen, the companies have adopted this standard to contracts that were previously identified as leases under the principles of IAS 17 and IFRIC 4 "Determining whether an Arrangement Contains a Lease" (hereinafter referred to as "IFRIC 4") without reassessing whether a contract is, or contains, a lease at the date of initial application. The companies have not adopted this standard to contracts that were not previously identified as containing a lease under the principles of IAS 17 and IFRIC 4.
After the date of initial application, if a contract is, or contains, a lease, leases are recognized as a lease liability and a corresponding right-of-use asset at the date at which the asset is available for use by the companies. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to interest expense over the lease term at a constant rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Lease term includes periods of an option to extend the lease if the lessee is reasonably certain to exercise that option and an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Note that short-term leases and leases for which the underlying asset is of low value apply exemption rules of the standards, and recognize the lease payments associated with those leases as an expense mainly on straight-line basis over the lease term.
The cumulative effects due to the application of this standard were recognized on the commencement date of adoption in accordance with the transitional arrangements, the retrospective restatement of prior periods have not been applied.
"Long-term debt" (including current portion) and "Property, plant and equipment" newly recognized at the date of initial application in the Condensed Consolidated Statement of financial position were JPY 272,321 million and JPY 257,624 million, respectively.
In applying IFRS 16 for the first time, the companies have used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the reliance on assessment of whether leases are onerous applying IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" immediately before the date of initial application as an alternative to performing an impairment review
- the accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

2) Changes in Accounting Estimates

The significant changes in accounting estimates in the Condensed Consolidated Financial Statements are as follows:

(Recoverability of Deferred Tax Assets in the joint venture)
The Company, together with its business partners, has made a final investment decision on the Mozambique LNG project through Mitsui E&P Mozambique Area 1 Limited, its joint venture in the Energy Segment which owns an interest in the LNG project.
Due to this final investment decision, the joint venture recognized deferred tax assets mainly for the exploration expenses occurred in prior years, and gain of ¥13,158 million have been recognized in “Share of Profit (Loss) of Investments Accounted for Using the Equity Method”.

(7) Segment Information

Six-month period ended September 30, 2019 (from April 1, 2019 to September 30, 2019)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development	Total	Others / Adjustments and Eliminations	Consolidated Total
Revenue	117,867	549,654	424,685	774,816	446,455	1,013,199	83,233	3,409,909	1,327	3,411,236
Gross Profit	12,601	124,751	63,582	61,025	75,449	67,160	23,368	427,936	253	428,189
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	6,495	32,706	46,801	6,771	26,034	10,298	7,122	136,227	(128)	136,099
Profit for the Period Attributable to Owners of the parent	2,742	101,884	36,013	4,745	65,571	16,941	1,645	229,541	4,612	234,153
Core Operating Cash Flow	(208)	120,219	41,421	14,607	123,201	11,211	(3,379)	307,072	39,347	346,419
Total Assets at September 30, 2019	556,224	2,134,901	2,463,552	1,246,822	2,551,202	2,038,083	1,025,181	12,015,965	80,711	12,096,676

Six-month period ended September 30, 2018 (from April 1, 2018 to September 30, 2018) (As restated)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development	Total	Others / Adjustments and Eliminations	Consolidated Total
Revenue	98,516	501,040	340,210	847,007	335,725	986,385	102,056	3,210,939	2,403	3,213,342
Gross Profit	13,826	90,581	62,617	74,413	71,076	68,468	41,756	422,737	978	423,715
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	11,479	29,669	43,588	8,048	16,004	11,218	5,844	125,850	(1,193)	124,657
Profit for the Period Attributable to Owners of the parent	7,928	89,065	37,113	16,438	36,619	20,008	9,339	216,510	6,360	222,870
Core Operating Cash Flow	(2,406)	94,596	31,384	31,004	107,992	13,431	9,630	285,631	30,771	316,402
Total Assets at March 31, 2019	606,557	2,222,894	2,450,551	1,337,737	2,425,363	2,006,139	971,833	12,021,074	(75,295)	11,945,779

Notes:1. “Others / Adjustments and Eliminations” includes of the Corporate Staff Unit which provides financing services and operations services to the companies and affiliated companies. Total assets of “Others / Adjustments and Eliminations” at March 31, 2019 and September 30, 2019 includes cash, cash equivalents and time deposits related to financing activities, and assets of the Corporate Staff Unit and certain subsidiaries related to the above services amounting to ¥ 7,044,713 million and ¥ 7,006,178 million, respectively.

2. Transfers between reportable segments are made at cost plus a markup.
3. Profit for the Period Attributable to Owners of the parent of “Others /Adjustments and Eliminations” includes income and expense items that are not allocated to specific reportable segments, and eliminations of intersegment transactions.
4. Total assets of “Others / Adjustments and Eliminations” at March 31, 2019 and September 30, 2019 includes elimination of receivables and payables between segments amounting to ¥ 7,120,008 million and ¥ 6,925,467 million, respectively.
5. Core Operating Cash Flow is calculated by eliminating the sum of the “Changes in Operating Assets and Liabilities” from “Cash Flows from Operating Activities” as presented in the Condensed Consolidated Statements of Cash Flows.
6. Due to the organizational restructuring with the aim of further strengthening of business, materials business and real estate business which were formerly included in "Lifestyle" segment are included in "Chemicals" segment and "Innovation & Corporate Development" segment respectively, since the three-month period ended June 30, 2019. In accordance with these changes, the segment information for the six-month period ended September 30, 2018 has been restated to conform to the current period presentation.

(8) The Fire Incident of Intercontinental Terminals Company LLC

On March 17, 2019 (US time) a fire began at the Deer Park tank terminal, of Intercontinental Terminals Company LLC ("ITC"), a wholly owned U.S. subsidiary of Mitsui & Co., Ltd. The Deer Park tank terminal is located in the outskirts of Houston, Texas. The fire completely destroyed, or partially damaged, 15 out of 242 tanks and its surrounding facilities, and was completely extinguished by March 22, 2019 (US time). ITC has resumed operation after discussions with relevant authorities. The cause of the fire is still under investigation.

The outstanding balance of provision related to this incident is ¥14,924 million for the year ended March 31, 2019. Most of the related costs have been paid out in the six-month period ended September 30, 2019, and the outstanding balance of provision as of September 30, 2019 is immaterial. Further, although ITC recognized additional costs related to this incident in the six-month period ended September 30, 2019, together with insurance benefits that were also booked, the net amount is immaterial.

There are multiple lawsuits that have been brought against ITC in relation to this incident. These lawsuits are at the early stages and the ultimate outcome of these lawsuits is not expected to have significant impact on our consolidated financial position, operating results and cash flow.