

Consolidated Financial Results for the Nine-Month Period Ended December 31, 2024 [IFRS]

Tokyo, February 4, 2025 - Mitsui & Co., Ltd. announced its consolidated financial results for the nine-month period ended December 31, 2024, based on IFRS Accounting 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 Nine-Month Period Ended December 31, 2024
(from April 1, 2024 to December 31, 2024)

		Nine-month period ended December 31,			
		2024		2023	
			%		%
Revenue	Mn JPY	10,983,292	9.8	9,998,472	(9.4)
Profit before income taxes	Mn JPY	832,146	(10.9)	933,537	(12.3)
Profit for the period	Mn JPY	666,329	(10.3)	743,209	(13.8)
Profit for the period attributable to owners of the parent	Mn JPY	652,170	(10.2)	726,407	(13.6)
Comprehensive income for the period	Mn JPY	614,958	(45.0)	1,118,820	20.4
Earnings per share attributable to owners of the parent, basic	JPY	220.88		240.45	
Earnings per share attributable to owners of the parent, diluted	JPY	220.70		240.29	

Note: 1. 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. On July 1, 2024, the Company conducted a 2-for-1 share split. “Earnings per share attributable to owners of the parent, basic” and “Earnings per share attributable to owners of the parent, diluted” are calculated as if the share split occurred at the beginning of the previous fiscal year.

(2) Consolidated Financial Position Information

		December 31, 2024	March 31, 2024
Total assets	Mn JPY	17,364,949	16,899,502
Total equity	Mn JPY	7,774,229	7,769,943
Total equity attributable to owners of the parent	Mn JPY	7,550,940	7,541,848
Equity attributable to owners of the parent ratio	%	43.5	44.6

2. Dividend Information

		Year ended March 31,		Year ending March 31, 2025 (forecast)
		2025	2024	
Interim dividend per share	JPY	50	85	
Year-end dividend per share	JPY		85	50
Full-year dividend per share	JPY		170	100

Note: 1. Change from the latest released dividend forecast: None

2. On July 1, 2024, the Company conducted a 2-for-1 share split. Dividend information for the year ended March 31, 2024 is based on the number of shares before the share split. For the year ending March 31, 2025 (forecast), the full-year dividend per

share was 200 yen based on the number of shares before the share split, however it is 100 yen based on the number of shares after the share split.

3. Forecast of Consolidated Operating Results for the Year Ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

		Year ending March 31, 2025
Profit attributable to owners of the parent	Mn JPY	920,000
Earnings per share attributable to owners of the parent, basic	JPY	313.42

Note: 1. Change from the latest released earnings forecast: None

2. On July 1, 2024, the Company conducted a 2-for-1 share split. “Earnings per share attributable to owners of the parent, basic” included in the forecast of consolidated operating results is calculated based on the average number of shares after the share split.

4. Others

(1) Significant Changes in the Scope of Consolidation during the Period: None

(2) Changes in Accounting Policies and Accounting Estimates:

- (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 30 “4. Condensed Consolidated Financial Statements (7) Changes in Accounting Policies and Changes in Accounting Estimates.”

(3) Number of Shares Outstanding (Common Stock)

	December 31, 2024	March 31, 2024
Number of shares (including treasury stock)	2,969,306,972	3,027,178,336
Number of treasury stock	70,818,166	32,478,250

	Nine-month period ended December 31, 2024	Nine-month period ended December 31, 2023
Average number of shares	2,952,554,457	3,021,044,942

Note: On July 1, 2024, the Company conducted a 2-for-1 share split. Number of shares outstanding (common stock) is calculated as if the share split occurred at the beginning of the previous fiscal year.

Review of the Japanese-language originals of the attached condensed consolidated financial statements by certified public accountants or an audit firm: None

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 23.

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 February 4, 2025.

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

There has been no review made by certified public accountants or an audit firm regarding the Japanese-language original version of the condensed consolidated quarterly financial statements.

As used in this report, “Mitsui,” “Mitsui & Co.” and the “Company” are used to refer to Mitsui & Co., Ltd. (Mitsui Bussan Kabushiki Kaisha). The “Group” and the “Mitsui & Co. Group” are used to indicate Mitsui & Co., Ltd. and its consolidated subsidiaries, unless otherwise indicated.

(1) Operating Environment

In the nine-month period ended December 31, 2024, stagnation in the Chinese economy continued, but the US economy was strong, leading to a gradual recovery in the overall global economy.

In the US, labor supply and demand has been gradually easing, but the economy has remained strong as the increase in real wages continued and solid personal consumption provided support. Looking ahead, although there is a high level of uncertainty regarding the direction of policy, such as tariff hikes, the economy is expected to continue to expand steadily amid the Federal Reserve’s monetary easing. In Europe, overall, the economy has been moving towards a recovery. The German economy, which has traditionally been the driving force of the region, has been stagnating, mainly in the manufacturing sector, whereas countries in Southern Europe such as Spain have performed comparatively well. As the European Central Bank has been lowering interest rates, the economy is expected to recover gradually. In Japan, as corporate earnings have remained at high levels, employment and personal income continue to improve and consumer spending continues to recover, which is resulting in a gradual economic recovery. Looking ahead, the economy is expected to continue to recover gradually as consumer spending picks up due to the continuation of high wage increases since last year. In China, the economy has been sluggish due to weak consumption amid a continuing slump in the real estate market, however it may pick up based on the monetary easing measures and policies regarding the real estate market.

Looking ahead, supported by the US economy, the global economy is expected to continue to recover gradually. However, in addition to geopolitical risks such as those in the Middle East, there are concerns around the uncertainty surrounding the direction of the new US administration’s future policy, such as tariff hikes.

(2) Results of Operations

1) Analysis of Consolidated Income Statements

(Bn JPY)		Current period	Previous period	Change
Revenue		10,983.3	9,998.5	+984.8
Gross profit		945.4	984.4	(39.0)
Selling, general and administrative expenses		(662.1)	(586.3)	(75.8)
Other income (expenses)	Gain (loss) on securities and other investments—net	78.7	150.1	(71.4)
	Impairment reversal (loss) of fixed assets—net	(22.4)	(12.8)	(9.6)
	Gain (loss) on disposal or sales of fixed assets—net	50.2	15.1	+35.1
	Other income (expense) —net	(6.0)	(23.6)	+17.6
Finance income (costs)	Interest income	44.7	50.5	(5.8)
	Dividend income	152.1	95.8	+56.3
	Interest expense	(131.0)	(121.9)	(9.1)
Share of profit (loss) of investments accounted for using the equity method		382.6	382.1	+0.5
Income taxes		(165.8)	(190.3)	+24.5
Profit for the period		666.3	743.2	(76.9)
Profit for the period attributable to owners of the parent		652.2	726.4	(74.2)

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

Revenue

- Revenue for the nine-month period ended December 31, 2024 (“current period”) was 10,983.3 billion yen, an increase of 984.8 billion yen from 9,998.5 billion yen for the corresponding nine-month period of the previous year (“previous period”). The increase was mainly in the Energy and Chemicals segments.

Gross Profit

- Mainly the Mineral & Metal Resources and Energy segments recorded lower profit, while the Chemicals segment recorded higher profit.

Selling, General and Administrative Expenses

- The table below provides a breakdown.
- For the current period, an expense of 32.7 billion yen was recorded in personnel due to the amendment to the retirement benefit system.

	Bn JPY		
	Current period	Previous period	Change*
Personnel	(377.7)	(316.7)	(61.0)
Welfare	(12.3)	(11.8)	(0.5)
Travel	(25.9)	(24.1)	(1.8)
Entertainment	(6.0)	(5.5)	(0.5)
Communication	(52.5)	(45.5)	(7.0)
Rent	(13.0)	(10.4)	(2.6)
Depreciation	(44.1)	(35.9)	(8.2)
Fees and taxes	(11.0)	(9.9)	(1.1)
Loss allowance	(8.5)	(14.5)	+6.0
Others	(111.1)	(112.0)	+0.9
Total	<u>(662.1)</u>	<u>(586.3)</u>	<u>(75.8)</u>

* Negative amounts in the change column displayed in parentheses represent an increase in expenses.

Other Income (Expenses)

Gain (Loss) on Securities and Other Investments—Net

- For the current period, a securities related profit and loss was recorded mainly in the Machinery & Infrastructure segment.
- For the previous period, a gain on sale of securities was recorded mainly in the Machinery & Infrastructure segment and a valuation gain was recorded mainly in the Lifestyle segment.

Impairment Reversal (Loss) of Fixed Assets—Net

- For the current period, an impairment loss of a fixed asset was recorded mainly in the Chemicals segment.

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

- For the current and previous periods, gains on the sale of fixed assets were recorded mainly in the Innovation & Corporate Development segment.

Other Income (Expense)—Net

- For the current period, mainly the Energy segment recorded provisions and foreign exchange related profit and loss.
- For the previous period, in the Energy segment, while a profit in accordance with the sale of a business was recorded, a provision was recorded.

Finance Income (Costs)

Dividend Income

- Mainly the Energy segment recorded an increase, while the Mineral & Metal Resources segment recorded a decrease.

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

- Mainly the Mineral & Metal Resources segment recorded higher profit, while the Machinery & Infrastructure and Energy segments recorded lower profit.

Income Taxes

- Income taxes were 165.8 billion yen, a decrease of 24.5 billion yen from 190.3 billion yen for the previous period. The effective tax rate for the current period was 19.9%, a decrease of 0.5 points from 20.4% for the previous period.

Profit for the Period Attributable to Owners of the Parent

- As a result, profit for the period attributable to owners of the parent was 652.2 billion yen, a decrease of 74.2 billion yen from the previous period.

2) Operating Results by Operating Segment

The fluctuation analysis for the results by operating segment is as follows.

Note, "Others" includes income taxes, but generally, the impact of income taxes is not included in the explanations in the description column relating to each account title.

Mineral & Metal Resources

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	229.2	242.1	(12.9)	
Gross profit	209.7	259.9	(50.2)	<ul style="list-style-type: none"> Iron ore mining operations in Australia -32.8 (lower iron ore prices) Mitsui Resources -20.2 (lower metallurgical coal prices)
Profit (loss) of equity method investments	72.0	52.4	+19.6	<ul style="list-style-type: none"> Oriente Copper Netherlands^{*1} +21.2 (absence of impairment loss^{*2} recorded in previous period +12.2, absence of impact from new mining royalty in Chile recorded in previous period +6.3, other factors) Japan Collahuasi Resources^{*3} +4.2 (higher copper prices) Iron ore mining operations in Australia -3.5 (lower iron ore prices)
Dividend income	41.6	58.1	(16.5)	<ul style="list-style-type: none"> Decrease in dividends from Vale -17.2 (current period 19.3, previous period 36.5)
Selling, general and administrative expenses	(27.8)	(27.5)	(0.3)	
Others	(66.3)	(100.8)	+34.5	<ul style="list-style-type: none"> Higher profit from net interest income at iron ore mining operations in Australia +5.8

*1 An investment company in Inversiones Mineras Becrux, which invests in Anglo American Sur, a copper mining company in Chile.

*2 Recorded an equity method loss of 12.2 billion yen in the previous period due to a change in the properties of the ore and a revision in the production plan regarding Anglo American Sur.

*3 An investment company in Compañía Minera Doña Inés de Collahuasi, a copper mining company in Chile.

Energy

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	123.9	95.8	+28.1	
Gross profit	117.4	139.5	(22.1)	<ul style="list-style-type: none"> • Lower profit in LNG trading • Mitsui & Co. Energy Trading Singapore -5.5 (swing back from good performance in previous period) • MOEX North America -3.7 (lower profit due to sale of Kaikias field recorded in previous period) • Mitsui E&P Australia +16.5 (increase in volume, changes to sales prices)
Profit (loss) of equity method investments	40.6	53.7	(13.1)	<ul style="list-style-type: none"> • Lower profit in Japan Australia LNG (MIMI) (decrease in volume, lower gas prices) • ENEOS GLOBE -3.3 (absence of profit from sale of fixed assets recorded in previous period) • Energy related outside Japan-3.1 • Arctic LNG 2 project related (swing back from losses in previous period)
Dividend income	79.5	16.2	+63.3	• 4 LNG projects ^{*1} +63.3 (current period 79.1, previous period 15.8)
Selling, general and administrative expenses	(51.7)	(46.9)	(4.8)	
Others	(61.9)	(66.7)	+4.8	<ul style="list-style-type: none"> • Arctic LNG 2 project related • LNG related foreign exchange profit +7.8 • Energy related in Japan +3.6 • MyPower+0.6 (gain on sale of power generation assets recorded in current period +6.6, absence of gain on sale of power generation assets recorded in previous period -6.0) • Absence of gain on sale of Kaikias field recorded in previous period -15.1 (gain on sale -11.8, profit realized from foreign currency translation adjustments -3.3) • Mitsui Energy Development^{*2} -4.2 (reassessment of asset retirement obligations -7.5, absence of geothermal steam release related expenses recorded in previous period) • Energy related outside Japan -3.7 • Mitsui Energy Development^{*2} -3.2 (decrease of interest income)

*1 Sakhalin II, ADNOC LNG, Oman LNG, and QatarEnergy LNG N (3).

*2 Company name changed from Mitsui Oil Exploration, effective January 1, 2025.

Machinery & Infrastructure

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	186.0	210.2	(24.2)	
Gross profit	149.5	169.0	(19.5)	<ul style="list-style-type: none"> • BAF^{*1} becoming an equity method investee -27.6 • Lower profit in automotives related business in Latin America (foreign exchange) -4.3 • Higher profit in industrial and construction machinery in Latin America (good sales performance) +10.1 • Taylor & Martin (new acquisition)
Profit (loss) of equity method investments	168.1	183.0	(14.9)	<ul style="list-style-type: none"> • MBK USA Commercial Vehicles -12.5 (lower rental demand, increase in interest expense) • Lower profit in MPIC -7.7 (absence of one-time valuation gain^{*2} recorded in previous period -10.2, other factors) • Lower profit due to sale of International Power (Australia) Holdings in previous period^{*3} -4.5 • Penske Automotive Group -3.5 (increase in expenses) • Power generation in Thailand +6.7 (becoming partially operational, other factors) • Mainstream Renewable Power +5.9 (absence of fixed asset impairment loss^{*4} recorded in previous period +15.1, fixed asset impairment loss^{*5} recorded in current period -5.5, other factors) • FPSO +3.4 (MV32 and MV33 starting operations)
Dividend income	14.2	4.9	+9.3	<ul style="list-style-type: none"> • Increase in dividends from European automotives business
Selling, general and administrative expenses	(134.1)	(139.6)	+5.5	<ul style="list-style-type: none"> • BAF^{*1} becoming an equity method investee +23.9 • Provision for AKOFS, a subsea oil field equipment installation support vessel business^{*6} -5.0 • Taylor & Martin (new acquisition) • Industrial and construction machinery in Latin America -3.0

Others	(11.7)	(7.1)	(4.6)	<ul style="list-style-type: none"> • Absence of gain on sale of MRCE^{*7} recorded in previous period -64.4 • Absence of gain on sale of International Power (Australia) Holdings recorded in previous period -8.7 • Brazilian passenger railway -7.0 (fixed asset impairment loss^{*8} -3.4, other factors) • Industrial and construction machinery valuation loss -7.0 • Lower profit due to sale of Paiton^{*9} -6.0 • Absence of gain on sale of gas-fired power generation in Ontario, Canada recorded in previous period -4.6 • Loss on sale of automobiles dealership -4.3 • Absence of profit related to gain on sale of BAF^{*1} recorded in previous period -4.1 • Mainstream Renewable Power -3.0 (impairment loss recorded in current period^{*10} -15.9, absence of impairment loss recorded in previous period^{*11} +12.9) • Gain on sale of Paiton +54.5 • Profit related to sale of shares in VLI^{*12} +40.5 • Absence of fixed asset impairment loss for Brazilian passenger railway recorded in previous period^{*13} +9.8 • Absence of provision for closure of Hazelwood mine in Australia recorded in previous period^{*14} +5.7
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- *1 Absence of profit and loss in each accounting item due to Bussan Auto Finance becoming an equity method investee in the previous period.
- *2 Recorded 10.2 billion yen in the previous period due to a one-time valuation gain from the acquisition of shares in Metro Pacific Investments Corporation, an integrated infrastructure company in the Philippines, and other factors.
- *3 The sale was completed in the previous period. Lower profit compared to the previous period was due to no profit from operations being recorded in the current period.
- *4 Recorded an equity method loss of 15.1 billion yen in the previous period mainly due to an impairment of fixed assets related to projects in Chile.
- *5 Recorded an equity method loss of 5.5 billion yen in the current period, mainly due to reflecting the uncertainty in the business environment in Chile in light of the persistently lower than expected operational performance.
- *6 Recorded a provision in the current period of 5.0 billion yen due to a reassessment of the recoverability of long-term loan receivables related to some owned vessels.
- *7 Mitsui Rail Capital Europe.
- *8 Recorded a fixed asset impairment loss of 3.4 billion yen in the current period based on the latest estimation in the passenger railway business in Brazil.
- *9 Lower profit compared to the previous period was due to no profit from operations being recorded in the current period.
- *10 Recorded an impairment loss on securities of 15.9 billion yen in the current period, mainly due to the delay of new project development and the prioritization and focus of the development portfolio in response to the external business environment.
- *11 In the previous period, recorded an impairment loss on securities of 12.9 billion yen, mainly due to the delay of new project development and portfolio configuration amid rising interest rates and development costs.
- *12 Of our owned 20% of the outstanding shares in VLI, we recorded a gain on sale from the divestment of 10% of the outstanding shares, and a valuation gain on our remaining equity interest. This figure is the sum total of these two items.
- *13 In the previous period, a fixed asset impairment loss was recorded based on the latest estimation regarding the decrease in revenue and the increased discount rate.
- *14 In the previous period, an additional provision was recorded due to a revision in expenses related to the closure of the mine.

Chemicals

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	40.3	37.1	+3.2	
Gross profit	187.9	152.3	+35.6	<ul style="list-style-type: none"> • Novus International +5.5 (good sales performance) • MMTX +4.7 (higher sales prices, lower raw material prices) • Eu Yan Sang +3.3 (FVTPL related profit) • Mitsui AgriScience International +3.2 (higher demand for crop protection products in Europe)
Profit (loss) of equity method investments	20.2	20.3	(0.1)	<ul style="list-style-type: none"> • Hexagon Composites -4.6 (absence of valuation gain recorded in previous period due to one of Hexagon Composites' subsidiaries becoming an equity method investee, other factors)
Dividend income	3.2	3.0	+0.2	
Selling, general and administrative expenses	(120.3)	(113.6)	(6.7)	
Others	(50.7)	(24.9)	(25.8)	<ul style="list-style-type: none"> • Fixed asset impairment loss related to business outside Japan recorded by a business division -13.2 • Absence of gain on sale of Thorne HealthTech recorded in previous period -11.5

Iron & Steel Products

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	8.9	7.5	+1.4	
Gross profit	34.2	32.4	+1.8	<ul style="list-style-type: none"> • STATS +3.2 (consolidation in Q2 of previous fiscal year*, good performance in the Middle East)
Profit (loss) of equity method investments	15.7	14.6	+1.1	<ul style="list-style-type: none"> • Gestamp +5.1 (absence of impairment loss recorded in previous period +4.1)
Dividend income	3.3	2.7	+0.6	
Selling, general and administrative expenses	(27.1)	(23.8)	(3.3)	
Others	(17.2)	(18.4)	+1.2	

* Difference in profit contribution period led to higher profit after consolidation in Q2 of the previous fiscal year.

Lifestyle

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	32.3	85.5	(53.2)	
Gross profit	148.4	141.4	+7.0	<ul style="list-style-type: none"> ● BIGI HOLDINGS becoming a consolidated subsidiary +12.6 ● MITSUI & CO. COFFEE TRADING (BRAZIL) +4.7 (foreign exchange impact) ● Coffee trading -8.4 (foreign exchange impact, valuation loss on contracts)
Profit (loss) of equity method investments	46.7	45.1	+1.6	<ul style="list-style-type: none"> ● IHH Healthcare +7.8 (increase in number of patients, recorded deferred tax assets related to a subsidiary in Turkey) ● WILSEY FOODS -9.3 (absence of gain on sale of some businesses by Ventura Foods recorded in previous period)
Dividend income	5.7	7.0	(1.3)	
Selling, general and administrative expenses	(145.8)	(130.5)	(15.3)	<ul style="list-style-type: none"> ● BIGI HOLDINGS becoming a consolidated subsidiary -11.7
Others	(22.7)	22.5	(45.2)	<ul style="list-style-type: none"> ● Absence of valuation gain related to Aim Services* recorded in previous period -43.4 ● MITSUI & CO. COFFEE TRADING (BRAZIL) -3.8 (loss from foreign exchange hedging)

* Revaluation gain on previously held equity interest due to Aim Services being reclassified from an equity method investee to a consolidated subsidiary in the previous period.

Innovation & Corporate Development

(Bn JPY)	Current period	Previous period	Change	Description
Profit for the period attributable to owners of the parent	67.1	37.0	+30.1	
Gross profit	95.8	86.0	+9.8	
Profit (loss) of equity method investments	18.7	12.7	+6.0	
Dividend income	3.3	2.9	+0.4	
Selling, general and administrative expenses	(72.3)	(67.2)	(5.1)	
Others	21.6	2.6	+19.0	<ul style="list-style-type: none"> ● Gain on partial sale of a rental property in Japan +51.1 ● Gain on sale of land in Japan +3.2 ● Absence of valuation gain related to Altius Link* recorded in previous period -8.9 ● Absence of gain on sale of US real estate recorded in previous period -6.1 ● Absence of gain on partial sale of Hibiya Fort Tower recorded in previous period -5.7 ● US real estate business accounting changes -4.4 ● Lower profit in trading at business division within Mitsui & Co. HQ (foreign exchange factors)

* A valuation gain recorded in the previous period relating to Mitsui & Co.'s equity in Relia which occurred due to the business integration between KDDI Evolva and Relia.

(3) Financial Condition and Cash Flows

1) Financial Condition

(Bn JPY)	December 31, 2024	March 31, 2024	Change
Total assets	17,364.9	16,899.5	+465.4
Current assets	5,942.8	5,768.1	+174.7
Non-current assets	11,422.1	11,131.4	+290.7
Current liabilities	3,991.7	3,891.5	+100.2
Non-current liabilities	5,599.0	5,238.0	+361.0
<i>Net interest-bearing debt</i>	<i>3,480.1</i>	<i>3,398.1</i>	<i>+82.0</i>
Total equity attributable to owners of the parent	7,550.9	7,541.8	+9.1
Net debt-to-equity ratio (times)	0.46	0.45	+0.01

Assets

Current Assets:

(Bn JPY)	December 31, 2024	March 31, 2024	Change	Description
Current assets	5,942.8	5,768.1	+174.7	
Cash and cash equivalents	948.9	898.2	+50.7	
Trade and other receivables	2,369.1	2,216.7	+152.4	● Trade receivables +199.5 (EN, LI, MI)* Increase in trading volume
Other financial assets	915.3	1,140.1	(224.8)	● (EN, CH)* Decrease in accounts receivable-other ● (IC, Corporate)* Decrease in margin deposits
Inventories	1,075.2	965.7	+109.5	● (LI, EN, MM, IC)* Increase in inventories
Advance payments to suppliers	448.8	368.1	+80.7	● (MI)* Increase in trading volume
Income tax receivables	43.4	49.4	(6.0)	
Other current assets	142.2	129.8	+12.4	

* EN: Energy segment, LI: Lifestyle segment, MI: Machinery & Infrastructure segment, CH: Chemicals segment, IC: Innovation & Corporate Development segment, MM: Mineral & Metal Resources segment.

Non-current Assets:

(Bn JPY)	December 31, 2024	March 31, 2024	Change	Description
Non-current assets	11,422.1	11,131.4	+290.7	
Investments accounted for using the equity method	5,046.1	4,870.0	+176.1	<ul style="list-style-type: none"> ● Equity method investments profit +382.6 ● Foreign exchange fluctuations +125.7 ● Reinvestment in Eu Yan Sang +24.0 ● Increase of capital in Mitsui E&P Mozambique +22.9 ● US real estate +21.5 ● MTC Business Private +20.8 ● Dividends from equity accounted investees -315.5 ● Sale of Paiton -76.4 ● Partial sale of VLI -39.0 ● Decrease of capital in Mitsui Gás e Energia do Brasil's operating company -10.2
Other investments	2,188.3	2,319.9	(131.6)	<ul style="list-style-type: none"> ● Fair value of FVTOCI financial assets -174.8 ● Recruit Holdings -16.8 ● Alvotech convertible bonds -13.6 ● BIPROGY -11.2 ● VLI reclassification +53.0 ● Foreign exchange fluctuations +18.7
Trade and other receivables	334.0	286.6	+47.4	● (MI)* Loans becoming non-current assets
Other financial assets	256.0	210.8	+45.2	● (MI)* Foreign exchange fluctuations
Property, plant and equipment	2,575.5	2,401.5	+174.0	<ul style="list-style-type: none"> ● LNG vessels +56.0 ● Oil and gas projects +28.2 (incl. foreign exchange fluctuations +24.9) ● BIGI HOLDINGS becoming a subsidiary +23.5 ● Tatonka +21.0 ● Intercontinental Terminals Company +14.3 (incl. foreign exchange fluctuations +7.2) ● Iron ore mining operations in Australia +12.6 (incl. foreign exchange fluctuations -0.8) ● MyPower +12.4 (incl. foreign exchange fluctuations +2.2)
Investment property	253.9	282.3	(28.4)	<ul style="list-style-type: none"> ● Partial sale of a rental property in Japan ● US real estate +12.3
Intangible assets	482.9	458.2	+24.7	● Acquisition of Taylor & Martin +39.0
Deferred tax assets	107.3	108.1	(0.8)	
Other non-current assets	178.2	194.0	(15.8)	● Pension related assets

* MI: Machinery & Infrastructure segment.

Note: The assumptions for crude oil prices used in fair value measurements such as for LNG projects are determined based on current market conditions and the forecasts of several third-party organizations.

Specifically, the Company assumes Brent crude will rise from the recent price of USD75 per barrel to USD80 in the next few years, and then remain at the same level.

Liabilities

(Bn JPY)	December 31, 2024	March 31, 2024	Change	Description
Current liabilities	3,991.7	3,891.5	+100.2	
Short-term debt	240.1	244.0	(3.9)	
Current portion of long-term debt	636.5	723.1	(86.6)	
Trade and other payables	1,825.5	1,647.0	+178.5	• (EN, LI)* Increase in trade payables
Other financial liabilities	727.4	737.5	(10.1)	• (IC)*
Income tax payables	33.0	42.2	(9.2)	
Advances from customers	396.5	318.8	+77.7	• (MI)*
Provisions	67.5	123.8	(56.3)	• Asset retirement obligation related
Other current liabilities	65.2	55.2	+10.0	
Non-current liabilities	5,599.0	5,238.0	+361.0	
Long-term debt, less the current portion	4,108.1	3,809.0	+299.1	• Increase in LNG vessel lease liabilities
Other financial liabilities	399.6	341.9	+57.7	• Increase in derivative liabilities
Retirement benefit liabilities	42.3	43.9	(1.6)	
Provisions	284.6	261.6	+23.0	• Oil and gas projects
Deferred tax liabilities	719.1	745.8	(26.7)	
Other non-current liabilities	45.2	35.7	+9.5	

* EN: Energy segment, LI: Lifestyle segment, IC: Innovation & Corporate Development segment, MI: Machinery & Infrastructure segment.

Equity

(Bn JPY)	December 31, 2024	March 31, 2024	Change	Description
Common stock	343.4	343.1	+0.3	
Capital surplus	405.6	391.9	+13.7	
Retained earnings	5,761.6	5,551.7	+209.9	
Other components of equity	1,247.1	1,323.8	(76.7)	
<breakdown>				
Financial assets measured at FVTOCI	118.9	265.6	(146.7)	
Foreign currency translation adjustments	1,168.8	1,090.4	+78.4	<ul style="list-style-type: none"> • USD +55.1 (Dec-24 USD/JPY158.18, up from Mar-24 USD/JPY151.41) • AUD -5.1 (Dec-24 AUD/JPY98.50, down from Mar-24 AUD/JPY98.61)
Cash flow hedges	(40.6)	(32.1)	(8.5)	
Treasury stock	(206.8)	(68.6)	(138.2)	<ul style="list-style-type: none"> • Share repurchase -326.1 • Cancellation of treasury stock +185.9
Total equity attributable to owners of the parent	7,550.9	7,541.8	+9.1	
Non-controlling interests	223.3	228.1	(4.8)	

2) Cash Flows

(Bn JPY)	Current period	Previous period	Change
Cash flows from operating activities	773.3	681.6	+91.7
Cash flows from investing activities	(71.4)	(323.8)	+252.4
Free cash flow	701.9	357.8	+344.1
Cash flows from financing activities	(653.7)	(677.0)	+23.3
Effect of exchange rate changes on cash and cash equivalents	2.5	50.7	(48.2)
Change in cash and cash equivalents	50.7	(268.5)	+319.2

Cash Flows from Operating Activities

(Bn JPY)		Current period	Previous period	Change
Cash flows from operating activities	a	773.3	681.6	+91.7
Cash flows from change in working capital	b	(86.9)	(141.9)	+55.0
Repayments of lease liabilities	c	(66.7)	(54.4)	(12.3)
Core Operating Cash Flow	a-b+c	793.5	769.1	+24.4

• Cash flows from change in working capital (changes in operating assets and liabilities) was 86.9 billion yen of net cash outflow. Repayments of lease liabilities was 66.7 billion yen of net cash outflow. Core Operating Cash Flow, which equals cash flows from operating activities excluding changes in working capital and repayments of lease liabilities, amounted to 793.5 billion yen.

- Net cash inflow from dividend income, including dividends received from equity accounted investees, for the current period totaled 545.2 billion yen, an increase of 93.8 billion yen from 451.4 billion yen for the previous period.

- Depreciation and amortization for the current period was 234.5 billion yen, an increase of 25.6 billion yen from 208.9 billion yen for the previous period.

The following table shows the Core Operating Cash Flow by operating segment.

(Bn JPY)	Current period	Previous period	Change
Mineral & Metal Resources	284.8	311.3	(26.5)
Energy	277.8	168.1	+109.7
Machinery & Infrastructure	115.5	147.1	(31.6)
Chemicals	70.2	45.9	+24.3
Iron & Steel Products	4.4	3.8	+0.6
Lifestyle	28.8	49.6	(20.8)
Innovation & Corporate Development	18.6	25.2	(6.6)
All Other and Adjustments and Eliminations	(6.6)	18.1	(24.7)
Consolidated Total	793.5	769.1	+24.4

The following table shows depreciation and amortization by operating segment.

(Bn JPY)	Current period	Previous period	Change
Mineral & Metal Resources	54.8	48.2	+6.6
Energy	72.4	64.5	+7.9
Machinery & Infrastructure	25.1	22.8	+2.3
Chemicals	27.3	24.1	+3.2
Iron & Steel Products	2.3	1.8	+0.5
Lifestyle	26.4	21.2	+5.2
Innovation & Corporate Development	12.3	12.8	(0.5)
All Other and Adjustments and Eliminations	13.9	13.5	+0.4
Consolidated Total	234.5	208.9	+25.6

Cash Flows from Investing Activities

(Bn JPY)	Current period	Previous period	Description of current period
Cash flows from investing activities	(71.4)	(323.8)	
Net change in investments to equity accounted investees	27.2	(249.5)	
Cash outflow	(167.4)	(348.7)	<ul style="list-style-type: none"> • Eu Yan Sang -24.0 • Mitsui E&P Mozambique -22.9 • US real estate -21.5 • MTC Business Private -20.8
Cash inflow	194.7	99.2	<ul style="list-style-type: none"> • Paiton +110.0 • Partial sale of VLI +52.6 • Decrease of capital in Mitsui Gás e Energia do Brasil's operating company +10.2
Net change in other investments	93.4	(0.2)	
Cash outflow	(44.3)	(83.4)	
Cash inflow	137.7	83.2	<ul style="list-style-type: none"> • LNG related +31.2 • MyPower +20.6 • Recruit Holdings +16.0 • BIPROGY +11.2 • Alvotech convertible bonds +10.3
Net change in property, plant, and equipment	(240.3)	(183.4)	
Cash outflow	(253.1)	(222.3)	<ul style="list-style-type: none"> • Oil and gas projects -64.8 • Iron ore mining operations in Australia -48.0 • Power generation -25.1 • Interest in Tatonka -23.0 • Mitsui Resources -18.5 • Intercontinental Terminals Company -14.5
Cash inflow	12.8	39.0	
Net change in investment property	65.5	29.4	
Cash outflow	(12.3)	(4.8)	• US real estate -11.4
Cash inflow	77.7	34.3	• A rental property in Japan
Net change in loan receivables	19.7	20.1	• LNG related +21.8
Net change in time deposits	(0.7)	2.5	
Acquisition of subsidiaries or other businesses	(36.3)	(95.6)	• Taylor & Martin -36.3
Proceeds from sales of subsidiaries or other businesses	-	152.9	

Cash Flows from Financing Activities

(Bn JPY)	Current period	Previous period	Description of current period
Cash flows from financing activities	(653.7)	(677.0)	
Net change in short-term debt	(11.7)	9.9	
Net change in long-term debt	51.0	(262.1)	
(Proceeds from long-term debt)	842.5	741.1	
(Repayments of long-term debt)	(791.5)	(1,003.2)	
Repayments of lease liabilities	(66.7)	(54.4)	
Purchase and sales of treasury stock-net	(325.9)	(123.8)	
Dividends paid	(274.2)	(242.4)	
Transactions with non-controlling interest shareholders	(26.4)	(4.2)	

2. Management Policies

(1) Forecast for the Year Ending March 31, 2025

1) Forecast for the Year Ending March 31, 2025

<Forecast assumptions>	Q1-3 (Result)	Q4 (Forecast)	Revised Forecast (February 2025)	Previous Forecast (November 2024)
Average exchange rate (USD/JPY)	153.03	150.00	152.27	148.73
Crude oil price (JCC) (USD/bbl)	84	74	81	81
Consolidated oil price (USD/bbl)	87	82	86	86

(Bn JPY)	March 31, 2025 Revised forecast (February 2025)	March 31, 2025 Previous forecast (November 2024)	Change	Description
Gross profit	1,290.0	1,250.0	+40.0	Energy, Mineral & Metal Resources
Selling, general and administrative expenses	(880.0)	(860.0)	(20.0)	Foreign exchange
Gain (loss) on investments, fixed assets and other	170.0	190.0	(20.0)	Machinery & Infrastructure
Interest expenses	(110.0)	(100.0)	(10.0)	
Dividend income	180.0	170.0	+10.0	Energy
Profit (loss) of equity method investments	490.0	490.0	-	
Profit before income taxes	1,140.0	1,140.0	-	
Income taxes	(200.0)	(200.0)	-	
Non-controlling interests	(20.0)	(20.0)	-	
Profit for the year attributable to owners of the parent	920.0	920.0	-	

Depreciation and amortization	310.0	310.0	-	
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Core Operating Cash Flow	1,000.0	1,000.0	-	
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For further major assumptions in addition to crude oil prices and the USD/JPY exchange rate, please refer to “2) Key Commodity Prices and Other Parameters for the Year Ending March 31, 2025.”

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

(Bn JPY)	March 31, 2025 Revised forecast (February 2025)	March 31, 2025 Previous forecast (November 2024)	Change	Description
Mineral & Metal Resources	270.0	260.0	+10.0	Iron ore (AUD/USD foreign exchange)
Energy	180.0	180.0	-	
Machinery & Infrastructure	240.0	240.0	-	
Chemicals	70.0	70.0	-	
Iron & Steel Products	15.0	20.0	(5.0)	Market conditions
Lifestyle	60.0	65.0	(5.0)	Coffee trading
Innovation & Corporate Development	95.0	95.0	-	
All Other and Adjustments and Eliminations	(10.0)	(10.0)	-	
Consolidated Total	920.0	920.0	-	

The revised forecast for the Core Operating Cash Flow by operating segment compared to the previous forecast is as follows:

(Bn JPY)	March 31, 2025 Revised forecast (February 2025)	March 31, 2025 Previous forecast (November 2024)	Change	Description
Mineral & Metal Resources	340.0	320.0	+20.0	Iron ore (AUD/USD foreign exchange)
Energy	350.0	340.0	+10.0	LNG related
Machinery & Infrastructure	140.0	140.0	-	
Chemicals	85.0	80.0	+5.0	Good performance in production and trading
Iron & Steel Products	10.0	15.0	(5.0)	Market conditions
Lifestyle	30.0	40.0	(10.0)	Coffee trading
Innovation & Corporate Development	35.0	40.0	(5.0)	Various
All Other and Adjustments and Eliminations	10.0	25.0	(15.0)	Higher tax burden
Consolidated Total	1,000.0	1,000.0	-	

2) Key Commodity Prices and Other Parameters for the Year Ending March 31, 2025

The table below shows assumptions for key commodity prices and foreign exchange rates of the forecast for the year ending March 31, 2025. 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 FY March 2025 (announced May 2024)		FY March 2025 previous forecast (announced Nov 2024)	FY March 2025		FY March 2025 full-year forecast (avg. of Q1-3 and Q4)
				Q1-3 (result)	Q4 (assumption)	
Commodities	Crude oil/JCC	-	81	84	74	81
	Consolidated oil price ^{*1}	2.4 bn JPY (1USD/bbl)	86	87	82	86
	US gas ^{*2}	1.3 bn JPY (0.1USD/mmBtu)	2.29	2.22 ^{*3}	2.99	2.41
	Iron ore ^{*4}	2.7 bn JPY (1USD/ton)	*5	105 ^{*6}	*5	*5
	Metallurgical coal	0.3 bn JPY (1USD/ton)	*5	227 ^{*7}	*5	*5
	Copper ^{*8}	0.7 bn JPY (100USD/ton)	9,150	9,133 ^{*9}	9,178	9,144
Forex ^{*10}	USD	3.4 bn JPY (per 1 yen change)	148.73	153.03	150.00	152.27
	AUD	2.5 bn JPY (per 1 yen change)	98.40	100.91	95.00	99.43

*1 As the crude oil price affects our consolidated results with a time lag, the effect of crude oil prices on consolidated results is estimated as a consolidated oil price, which reflects this lag. For FY March 2025, we have assumed that there is a 4-6 month time lag for approx. 35%, a 1-3 month time lag for approx. 30%, an over 1-year time lag for approx. 30%, and no time lag for approx. 5%. The above sensitivities show the annual impact of changes in the consolidated oil price.

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

*3 The US gas figure for the FY March 2025 Q1-3 (result) is the Henry Hub Natural Gas Futures average daily prompt month closing price traded on NYMEX during January to September 2024.

*4 The effect of dividend income from Vale has not been included.

*5 Iron ore and metallurgical coal price assumptions are not disclosed.

*6 The iron ore figure for FY March 2025 Q1-3 (result) is the daily average (reference price) spot indicated price (Fe 62% CFR North China) recorded in several industry trade magazines from April to December 2024.

*7 The metallurgical coal figure for FY March 2025 Q1-3 (result) is the quarterly average price of representative coal brands in Japan (USD/MT).

*8 As the copper price affects our consolidated results with a 3-month time lag, the above sensitivities show the annual impact of a USD100/ton change in the average of the LME monthly average cash settlement prices for the period from January to December 2024.

*9 The copper figure for FY March 2025 Q1-3 (result) is the average of the LME monthly average cash settlement prices for the period from January to September 2024.

*10 The above sensitivities show the impact of currency fluctuations on reported profit of overseas affiliated companies denominated in their respective functional currencies and the impact of dividends received from major foreign investees. Depreciation of the yen has the effect of increasing profit through the conversion of profit (denominated in functional currencies) into yen. In the overseas affiliated companies where sales contracts are in USD, the impact of currency fluctuations between USD and the functional currency of AUD, and the impact of currency hedging, are not included.

(2) Profit Distribution Policy

Our profit distribution policy is as follows:

- In order to enhance corporate value and maximize shareholder value, we seek to maintain an optimal balance between meeting demand for capital in our core and growth areas through reinvestment of our retained earnings, and based on the level of stable cash generation – directly providing returns to shareholders by paying out cash dividends.
- In addition to the above, regarding share repurchases which are done to improve capital efficiency amongst other things, the amount and timing will be decided upon in a prompt and flexible manner taking into consideration the business environment. Such considerations include the balance between share repurchases and investments for growth, cash flow level after accounting for shareholder returns, interest-bearing debt levels, return on equity, and the share price level.

For the year ending March 31, 2025, based on the share repurchase announced in the timely disclosure on May 1, 2024, we repurchased 200 billion yen of shares between May 2, 2024 and September 20, 2024. On September 11, 2024, we announced an increase of the repurchase amount by up to 200 billion yen to 400 billion yen, and an extension of the repurchase period to February 28, 2025. All shares repurchased between May 2, 2024 and September 20, 2024, were cancelled on October 1, 2024 and it was decided that all shares that will have been additionally repurchased between September 21, 2024 and February 28, 2025 are to be cancelled. For details, please refer to the releases on our website “Notification of Share Repurchase and Cancellation of Treasury Stock” dated May 1, 2024 and ‘Notification of Partial Amendments to “Notification of Share Repurchase and Cancellation of Treasury Stock” and Cancellation of Treasury Stock’ dated September 11, 2024. Also, the repurchase cost between May 2, 2024 and January 31, 2025 was 367.5 billion yen.

Taking into consideration Core Operating Cash Flow and profit for the year attributable to owners of the parent, as well as the stability and continuity of dividend payments, the post-share split full-year dividend for the year ending March 31, 2025 is planned to be 100 yen per share (including the interim dividend of 50 yen), which is a pre-share split increase of 30 yen from the previous year. Furthermore, from the year ending March 31, 2025 to the year ending March 31, 2026, we have set a minimum dividend of 100 yen per share and we will maintain or increase the dividend level.

On May 2, 2023, we announced a shareholder returns policy (dividends and share repurchases) of around 37% of Core Operating Cash Flow over the three-year cumulative period for the current Medium-term Management Plan (from the year ended March 31, 2024 to the year ending March 31, 2026). Currently, we forecast shareholder returns as a percentage of Core Operating Cash Flow over a three-year cumulative basis for the current Medium-term Management Plan will exceed 45%.

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 important risks, uncertainties and other factors include, among others, (1) business investment risks, (2) geopolitical risks, (3) country risks, (4) risks regarding climate changes, (5) commodity market risks, (6) foreign currency risks, (7) stock price risks of listed stock Mitsui and its subsidiaries hold, (8) credit risks, (9) risks regarding fund procurement, (10) operational risks, (11) risks regarding employee's compliance with laws, regulations, and internal policies, (12) risks regarding information systems and information securities, (13) risks regarding the limitation of human capital, (14) risks regarding human rights, and (15) risks relating to natural disasters, terrorism, violent groups, and infectious diseases. 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 Semi-annual 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

(Mn JPY)

Assets		
	December 31, 2024	March 31, 2024
Current assets:		
Cash and cash equivalents	948,854	898,204
Trade and other receivables	2,369,079	2,216,735
Other financial assets	915,274	1,140,122
Inventories	1,075,240	965,721
Advance payments to suppliers	448,768	368,137
Income tax receivables	43,429	49,414
Other current assets	142,173	129,815
Total current assets	5,942,817	5,768,148
Non-current assets:		
Investments accounted for using the equity method	5,046,079	4,869,969
Other investments	2,188,254	2,319,900
Trade and other receivables	334,029	286,565
Other financial assets	256,005	210,794
Property, plant and equipment	2,575,462	2,401,492
Investment property	253,854	282,253
Intangible assets	482,910	458,246
Deferred tax assets	107,348	108,095
Other non-current assets	178,191	194,040
Total non-current assets	11,422,132	11,131,354
Total	17,364,949	16,899,502

(Mn JPY)

Liabilities and Equity		
	December 31, 2024	March 31, 2024
Current liabilities:		
Short-term debt	240,101	243,959
Current portion of long-term debt	636,497	723,084
Trade and other payables	1,825,536	1,647,029
Other financial liabilities	727,390	737,492
Income tax payables	32,983	42,177
Advances from customers	396,473	318,809
Provisions	67,534	123,830
Other current liabilities	65,202	55,158
Total current liabilities	3,991,716	3,891,538
Non-current liabilities:		
Long-term debt, less current portion	4,108,090	3,809,013
Other financial liabilities	399,628	341,913
Retirement benefit liabilities	42,314	43,936
Provisions	284,614	261,593
Deferred tax liabilities	719,126	745,845
Other non-current liabilities	45,232	35,721
Total non-current liabilities	5,599,004	5,238,021
Total liabilities	9,590,720	9,129,559
Equity:		
Common stock	343,442	343,062
Capital surplus	405,561	391,856
Retained earnings	5,761,610	5,551,736
Other components of equity	1,247,100	1,323,821
Treasury stock	(206,773)	(68,627)
Total equity attributable to owners of the parent	7,550,940	7,541,848
Non-controlling interests	223,289	228,095
Total equity	7,774,229	7,769,943
Total	17,364,949	16,899,502

(2) Condensed Consolidated Statements of Income and Comprehensive Income

Condensed Consolidated Statements of Income

(Mn JPY)

	Nine-month period ended December 31, 2024	Nine-month period ended December 31, 2023
Revenue	10,983,292	9,998,472
Cost	(10,037,934)	(9,014,059)
Gross profit	945,358	984,413
Other income (expenses):		
Selling, general and administrative expenses	(662,136)	(586,308)
Gain (loss) on securities and other investments-net	78,746	150,148
Impairment reversal (loss) of fixed assets-net	(22,423)	(12,763)
Gain (loss) on disposal or sales of fixed assets-net	50,204	15,100
Other income (expense)-net	(6,011)	(23,612)
Total other income (expenses)	(561,620)	(457,435)
Finance income (costs):		
Interest income	44,745	50,481
Dividend income	152,102	95,828
Interest expense	(131,040)	(121,874)
Total finance income (costs)	65,807	24,435
Share of profit (loss) of investments accounted for using the equity method	382,601	382,124
Profit before income taxes	832,146	933,537
Income taxes	(165,817)	(190,328)
Profit for the period	666,329	743,209
Profit for the period attributable to:		
Owners of the parent	652,170	726,407
Non-controlling interests	14,159	16,802

Condensed Consolidated Statements of Comprehensive Income

(Mn JPY)

	Nine-month period ended December 31, 2024	Nine-month period ended December 31, 2023
Profit for the period	666,329	743,209
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	(167,358)	129,902
Remeasurements of defined benefit plans	(10,149)	(347)
Share of other comprehensive income of investments accounted for using the equity method	(7,496)	(5,645)
Income tax relating to items not reclassified	56,828	(35,686)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	(23,866)	58,691
Cash flow hedges	(2,666)	(7,292)
Share of other comprehensive income of investments accounted for using the equity method	101,261	252,321
Income tax relating to items that may be reclassified	2,075	(16,333)
Total other comprehensive income	(51,371)	375,611
Comprehensive income for the period	614,958	1,118,820
Comprehensive income for the period attributable to:		
Owners of the parent	593,524	1,090,418
Non-controlling interests	21,434	28,402

(3) Condensed Consolidated Statements of Changes in Equity

(Mn JPY)

	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, 2023	342,560	381,869	4,840,510	868,963	(66,152)	6,367,750	197,398	6,565,148
Profit for the period			726,407			726,407	16,802	743,209
Other comprehensive income for the period				364,011		364,011	11,600	375,611
Comprehensive income for the period			726,407	364,011		1,090,418	28,402	1,118,820
Transaction with owners:								
Dividends paid to the owners of the parent			(242,368)			(242,368)		(242,368)
Dividends paid to non-controlling interest shareholders							(16,483)	(16,483)
Acquisition of treasury stock					(123,836)	(123,836)		(123,836)
Sales of treasury stock		(450)	(213)		663	0		0
Cancellation of treasury stock			(92,043)		92,043	-		-
Compensation costs related to share-based payment	502	5,422				5,924		5,924
Equity transactions with non-controlling interest shareholders		2,720		88		2,808	14,728	17,536
Transfer to retained earnings			8,784	(8,784)		-		-
Balance as at December 31, 2023	343,062	389,561	5,241,077	1,224,278	(97,282)	7,100,696	224,045	7,324,741

(Mn JPY)

	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, 2024	343,062	391,856	5,551,736	1,323,821	(68,627)	7,541,848	228,095	7,769,943
Profit for the period			652,170			652,170	14,159	666,329
Other comprehensive income for the period				(58,646)		(58,646)	7,275	(51,371)
Comprehensive income for the period			652,170	(58,646)		593,524	21,434	614,958
Transaction with owners:								
Dividends paid to the owners of the parent			(274,157)			(274,157)		(274,157)
Dividends paid to non-controlling interest shareholders							(25,008)	(25,008)
Acquisition of treasury stock					(326,086)	(326,086)		(326,086)
Sales of treasury stock		(842)	(648)		1,493	3		3
Cancellation of treasury stock			(185,874)		185,874	-		-
Compensation costs related to share-based payment	380	7,409			573	8,362		8,362
Equity transactions with non-controlling interest shareholders		7,138		308		7,446	(1,232)	6,214
Transfer to retained earnings			18,383	(18,383)		-		-
Balance as at December 31, 2024	343,442	405,561	5,761,610	1,247,100	(206,773)	7,550,940	223,289	7,774,229

(4) Condensed Consolidated Statements of Cash Flows

(Mn JPY)

	Nine-month period ended December 31, 2024	Nine-month period ended December 31, 2023
Operating activities:		
Profit for the period	666,329	743,209
Adjustments to reconcile profit for the period to cash flows from operating activities:		
Depreciation and amortization	234,497	208,937
Change in retirement benefit liabilities	32,873	(270)
Loss allowance	8,526	14,453
(Gain) loss on securities and other investments-net	(78,746)	(150,148)
Impairment (reversal) loss of fixed assets-net	22,423	12,763
(Gain) loss on disposal or sales of fixed assets-net	(50,204)	(15,100)
Interest income, dividend income and interest expense	(87,585)	(56,901)
Income taxes	165,817	190,328
Share of (profit) loss of investments accounted for using the equity method	(382,601)	(382,124)
Valuation (gain) loss related to contingent considerations and others	1,870	869
Changes in operating assets and liabilities:		
Change in trade and other receivables	(194,020)	(225,458)
Change in inventories	(80,364)	71,131
Change in trade and other payables	150,180	152,438
Change in advance payments to suppliers and advances from customers	276	(50,747)
Change in derivative assets and liabilities	(5,158)	(101,765)
Other-net	42,266	12,462
Interest received	48,590	77,256
Interest paid	(116,198)	(106,937)
Dividends received	545,189	451,387
Income taxes paid	(150,622)	(164,179)
Cash flows from operating activities	773,338	681,604
Investing activities:		
Change in time deposits	(685)	2,517
Investments in equity accounted investees	(167,419)	(348,676)
Proceeds from sales of investments in equity accounted investees	194,662	99,156
Purchase of other investments	(44,302)	(83,428)
Proceeds from sales and maturities of other investments	137,719	83,199
Increases in loan receivables	(23,648)	(13,492)
Collections of loan receivables	43,382	33,548
Purchases of property, plant and equipment	(253,085)	(222,343)
Proceeds from sales of property, plant and equipment	12,801	38,956
Purchases of investment property	(12,259)	(4,838)
Proceeds from sales of investment property	77,711	34,262
Acquisition of subsidiaries or other businesses	(36,293)	(95,605)
Proceeds from sales of subsidiaries or other businesses	-	152,919
Cash flows from investing activities	(71,416)	(323,825)
Financing activities:		
Change in short-term debt	(11,729)	9,929
Proceeds from long-term debt	842,513	741,060
Repayments of long-term debt	(791,467)	(1,003,197)
Repayments of lease liabilities	(66,688)	(54,433)
Purchases and sales of treasury stock	(325,859)	(123,811)
Dividends paid	(274,157)	(242,368)
Transactions with non-controlling interest shareholders	(26,351)	(4,153)
Cash flows from financing activities	(653,738)	(676,973)

(Mn JPY)

	Nine-month period ended December 31, 2024	Nine-month period ended December 31, 2023
Effect of exchange rate changes on cash and cash equivalents	2,466	50,674
Change in cash and cash equivalents	50,650	(268,520)
Cash and cash equivalents at beginning of period	898,204	1,390,130
Cash and cash equivalents at end of period	948,854	1,121,610

“Interest income, dividend income and interest expense”, “Interest received”, “Interest paid” and “Dividends received” in the condensed consolidated statements of cash flows include not only interest income, dividend income and interest expense that are included in “Finance income (costs)” in the condensed consolidated statements of income, but also interest income, dividend income and interest expense that are included in “Revenue” and “Cost” together with their related cash flows.

(5) Assumption for Going Concern: None

(6) Basis of Preparation of Condensed Consolidated Financial Statements

The accompanying condensed consolidated financial statements have been prepared in accordance with the Article 5-2 of the Tokyo Stock Exchange’s standard for preparation of quarterly financial statements (however, a part of the disclosures required under IAS 34 "Interim Financial Reporting" is omitted under the Article 5-5 of the standard).

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

1) Changes in Accounting Policies

Material accounting policies applied in the condensed consolidated financial statements for the period ended December 31, 2024 are the same as those applied in the consolidated financial statements of the previous fiscal year.

The Group applied the following new standards for the condensed consolidated financial statements from April 1, 2024. Impacts from the application of these on the condensed consolidated financial statements are immaterial.

IFRS	Title	Summaries
IAS 1	Presentation of Financial Statements (amended in October 2022)	Disclosures about liabilities with covenants
IAS 7 IFRS 7	Statement of Cash Flows (amended in May 2023) Financial Instruments: Disclosures (amended in May 2023)	Disclosures about supplier finance arrangements

2) Changes in Accounting Estimates

Material changes in accounting estimates in the condensed consolidated financial statements are as follows:

(Impairment losses for the Mainstream Renewable Energy business)

Shamrock Investment International, a subsidiary in the Machinery & Infrastructure Segment which invests in Mainstream renewable energy business, recognized an impairment loss of 21,400 million yen as the difference between the carrying amount accounted for using the equity method and the recoverable amount.

In the condensed consolidated statements of income, an impairment loss of 5,494 million yen for fixed assets and other assets is included in “Share of profit (loss) of investments accounted for using the equity method”. The impairment loss was mainly due to reflecting the uncertainty in the business environment in Chile in light of the persistently lower-than-expected operational performance. Additionally, an impairment loss of 15,906 million yen for investments accounted for using the equity method was recorded in “Gain (loss) on securities and other investments-net”. The impairment loss was mainly due to delays in new project development and the prioritization and focus of the development portfolio in response to the current external business environment.

(8) Segment Information

Nine-month period ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(Mn JPY)

	Mineral & Metal Resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel Products	Lifestyle	Innovation & Corporate Development	Total	All other	Adjustments and eliminations	Consolidated total
Revenue	1,490,046	2,986,568	1,062,062	2,251,956	490,529	2,494,928	205,951	10,982,040	1,252	-	10,983,292
Gross profit	209,715	117,436	149,459	187,926	34,195	148,431	95,806	942,968	2,962	(572)	945,358
Share of profit (loss) of investments accounted for using the equity method	71,983	40,588	168,110	20,240	15,738	46,741	18,725	382,125	(16)	492	382,601
Profit (loss) for the period attributable to owners of the parent	229,185	123,908	185,996	40,271	8,916	32,301	67,069	687,646	(35,233)	(243)	652,170
Core Operating Cash Flow	284,765	277,814	115,510	70,193	4,442	28,835	18,560	800,119	(12,558)	5,909	793,470
Total assets at December 31, 2024	3,001,320	3,636,081	3,957,756	2,118,717	801,538	3,062,796	1,844,278	18,422,486	9,210,226	(10,267,763)	17,364,949

Nine-month period ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(Mn JPY)

	Mineral & Metal Resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel Products	Lifestyle	Innovation & Corporate Development	Total	All other	Adjustments and eliminations	Consolidated total
Revenue	1,537,987	2,220,941	999,148	2,082,106	518,075	2,437,336	201,921	9,997,514	958	—	9,998,472
Gross profit	259,851	139,496	169,011	152,298	32,367	141,374	85,956	980,353	2,642	1,418	984,413
Share of profit (loss) of investments accounted for using the equity method	52,442	53,718	182,977	20,251	14,639	45,121	12,673	381,821	—	303	382,124
Profit for the period attributable to owners of the parent	242,093	95,779	210,173	37,088	7,505	85,487	36,957	715,082	5,100	6,225	726,407
Core Operating Cash Flow	311,277	168,119	147,141	45,851	3,847	49,590	25,200	751,025	453	17,632	769,110
Total assets at March 31, 2024	3,084,437	3,408,781	3,769,779	2,049,368	809,542	2,901,696	1,790,857	17,814,460	8,879,374	(9,794,332)	16,899,502

- Notes: 1. “All other” includes of the corporate staff unit which provides financing and operations services to the Group and affiliated companies. Total assets of “All others” at March 31, 2024 and December 31, 2024 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.
2. Transfers between reportable segments are made at cost plus a markup.
3. Profit (loss) for the period attributable to owners of the parent of “Adjustments and eliminations” includes income and expense items that are not allocated to specific reportable segments, and eliminations of intersegment transactions.
4. Core Operating Cash Flow is calculated by deducting the total of the “Changes in operating assets and liabilities” from the “Cash flows from operating activities”, and further deducting the “Repayments of lease liabilities” in the “Cash flows from financing activities” from it, in the condensed consolidated statements of cash flows.

(9) Impact of Amendment to Retirement Benefit System

On July 1, 2024, the Company amended part of the defined benefit pension plan into the defined contribution pension plan.

As a result of the partial settlement of the defined benefit pension plan, defined benefit obligation and plan assets decreased by 59,902 million yen and 70,363 million yen, respectively, and 10,461 million yen was recorded as “Selling, general and administrative expenses” in the condensed consolidated statements of income in the nine-month period ended December 31, 2024.

In addition, in connection with the partial transition to the defined contribution pension plan, the Company contributed 22,191 million yen to the plan in the nine-month period ended December 31, 2024, which was recorded as “Selling, general and administrative expenses” in the condensed consolidated statements of income, and “Other financial liabilities (current)” and “Other financial liabilities (non-current)” in the condensed consolidated financial position in the nine-month period ended December 31, 2024. The expenses will be paid in eight-year installments up until the fiscal year ending March 31, 2032 and the cash flow adjustment is included in “Change in retirement benefit liabilities” in the condensed consolidated statements of cash flows.

The expenses related to the amendment are included in the corporate staff unit.

(10) Impact of the Security Situation in Northern Mozambique on LNG Project

The Company participates in the Mozambique LNG Project through Mitsui E&P Mozambique Area 1, an equity accounted investee in the Energy Segment. In April 2021, all project personnel evacuated the project site due to the deteriorating security situation in northern Mozambique where the project site is located, and on April 26, 2021, the project operator, TotalEnergies of France, announced that it had declared force majeure under the joint operating agreement.

Progress has been seen in the restoration of order, stability and security in the region, and project partners are working with the government and relevant stakeholders for an early restart of the construction, while the exact restart date is still being reviewed.

The Company does not expect a significant impact on its consolidated financial position, operating results and cash flow at this stage.

(11) Impact of the Russia-Ukraine Situation on the Russian LNG Business

The Russian LNG business in which the Company, its subsidiary, and the equity accounted investee in the Energy segment have invested, financed and guaranteed, is affected by the Russia-Ukraine situation that has been ongoing since February 2022 and the resulting sanctions against Russia, and other factors. Based on factors such as discussions with each partner, the Company has evaluated its relevant assets and liabilities.

In relation to the investment in Sakhalin II project held by MIT SEL Investment, a subsidiary of the Company that invests in Sakhalin Energy LLC (“SELLC”), while acknowledging the decision on the new LLC member of SELLC confirmed by Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the situation still remains uncertain due to certain factors such as the SELLC’s Corporate Charter not being signed. Under this situation, the fair value of our investment in the Sakhalin II project is measured using the income approach by expected present value technique and the probability-weighted average considering a scenario where the continuous dividend income is expected from SELLC and other scenarios. As a result, fluctuation of fair value recognized in the current period is immaterial. The outstanding balances of “Other investments” in the condensed consolidated statement of financial position related to this project as of December 31, 2024 and March 31, 2024 were 61,970 million yen and 87,642 million yen, respectively. The fair value may increase or decrease due to further changes in situation hereafter.

In addition, with regards to the carrying amounts of the investments and loans to Japan Arctic LNG, an equity accounted investee that invests in and finances the Arctic LNG 2 project, and financial guarantees related to the business, the Company continues to take appropriate measures in compliance with laws and regulations cooperating with stakeholders in response to matters such as the announcement from the Office of Foreign Assets Control of the US Department of the Treasury, that Arctic LNG 2 has been designated as SDN (Specially Designated Nationals) on November 2, 2023 (US time), and that several specific stakeholders have also been designated as SDN subsequently. The Company reviewed the likelihood of performing guarantees considering the portion of liability based on the rights and obligations of Japan Arctic LNG and the Company under various agreements including the shareholders agreement and third-party agreements.

The balance of financial guarantees as contingent liabilities as of December 31, 2024 and March 31, 2024 were 156,140 million yen and 193,548 million yen, respectively, and the provision for loss on guarantees included in “Other financial liabilities” in the condensed consolidated statement of financial position were 67,152 million yen and 74,238 million yen, respectively. The gains and losses related to changes in the provision for loss on guarantees has been recorded in “Other income (expense)-net” in condensed consolidated statements of income. There is no outstanding balances of investments, loans and other financial assets related to the business as of December 31, 2024. The impact on “Profit for the Period” recognized in the condensed consolidated statements of income for the current period, excluding the gains and losses related to changes in the provision for loss on guarantees, were immaterial.

If changes occur hereafter in the international situation surrounding Russia including the Russia-Ukraine situation, the credit rating of the Russian Federation, the business environment by sanctions and other factors, or the Company's policies regarding Russian LNG business etc., these estimates may have a significant impact on the amounts of related financial guarantees and others, as well as on its liable amounts in the consolidated financial statements for the next fiscal year and thereafter. The Company will continue to take appropriate measures.