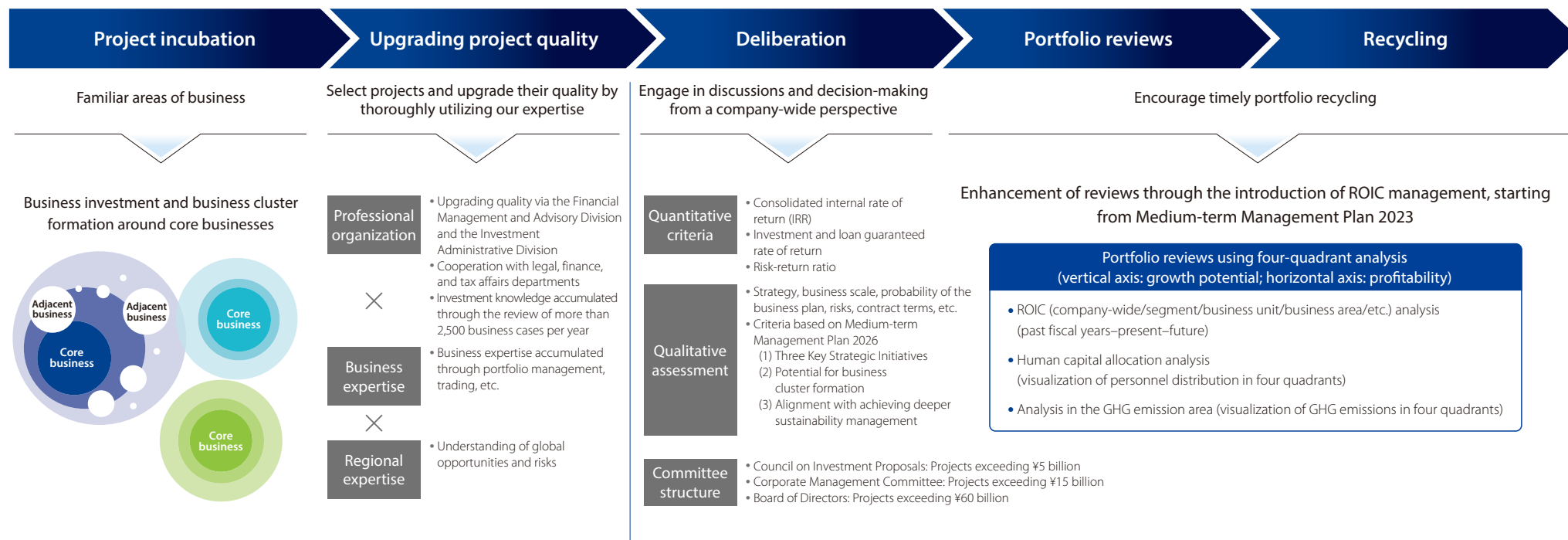


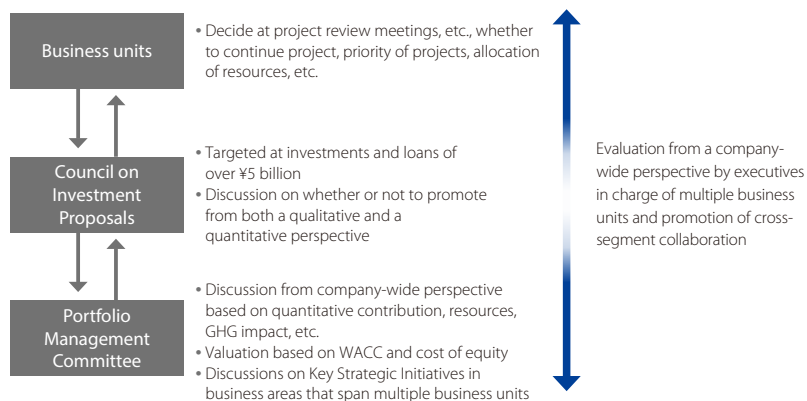
Portfolio Management

Portfolio management is a cornerstone of our management approach. We will continue to improve the quality of our business portfolio by enhancing upstream processes for incubating projects and upgrading their quality so as to select optimal opportunities, strengthening businesses in familiar areas and forming business clusters, as well as improving business portfolio reviews.

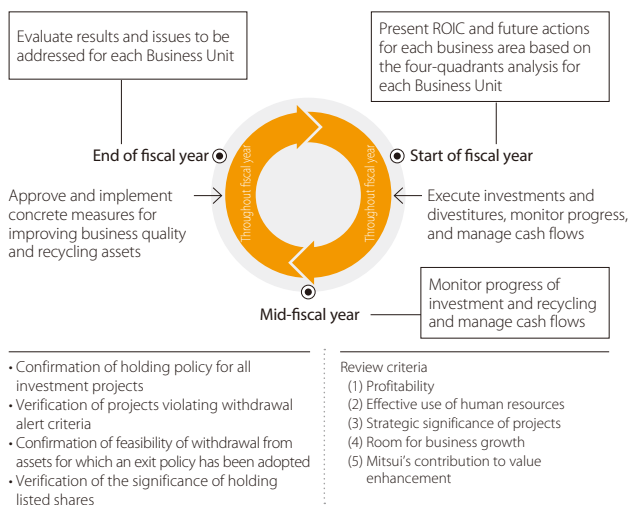


Selection of Investment Projects

We strive for selection of investment projects from a company-wide portfolio perspective through close collaboration between management, business units, and corporate functions



Improving the Quality of Our Business Portfolio



Continuing to improve the quality of our business portfolio through reviews of holding policies of all investment projects under way and reviews of progress in each business

Portfolio Review and Status of Asset Recycling (Example)

	FY March 2021	FY March 2022	FY March 2023
Number of projects reviewed	1,776	1,752	1,790
Total value of projects reviewed (¥ trillion)	6.4	7.4	8.9
Number of recycling measures implemented ¹	About 100	About 120	About 130
Number of listed stocks ² held	130	117	105
Cash inflow from asset recycling (¥ billion)	143.0	257.0	392.0

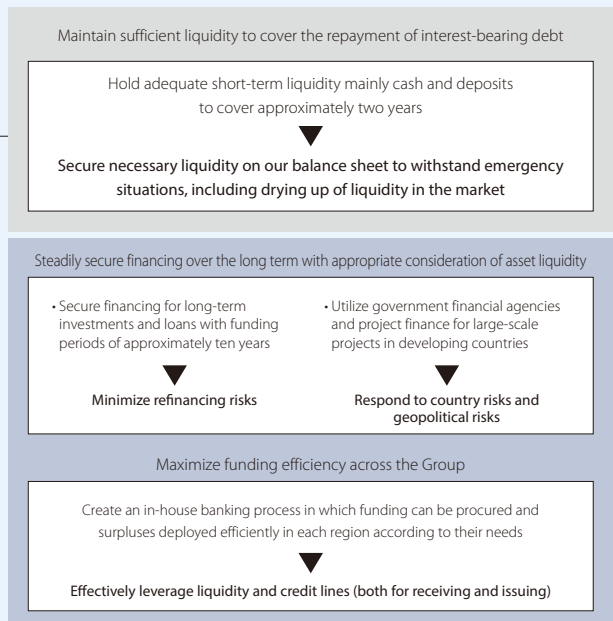
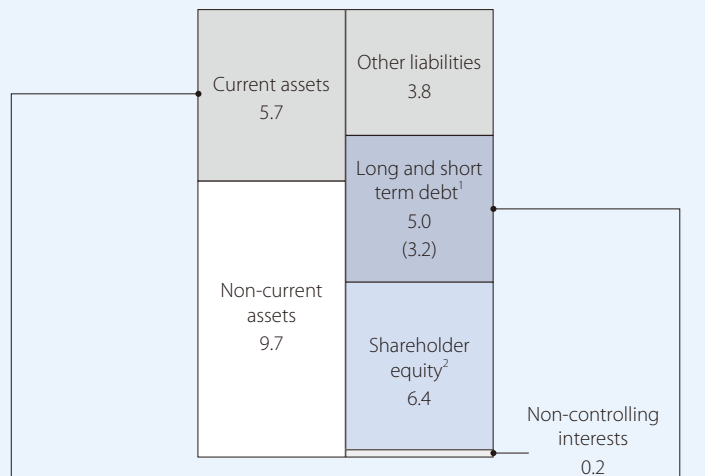
1. Including partial sale of shares, etc.
2. Investment stocks held for purposes other than pure investment

Financial Strategy

Basic Approach to Financial Strategy

We aim to ensure liquidity and maintain a healthy financial position.

Balance sheet (as of March 31, 2023) (¥ trillion)

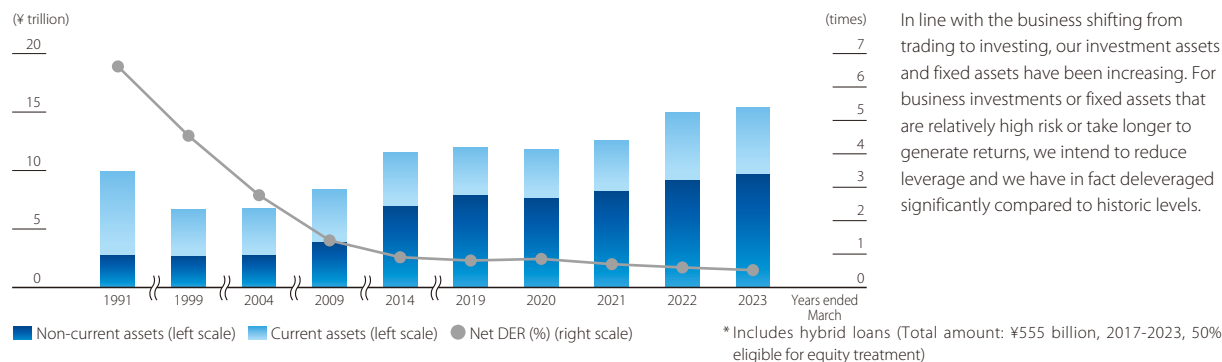


1. Figures in parentheses are net interest-bearing debt
 2. In this report, shareholder equity refers to total equity attributable to owners of the parent

Financial Strategy Focus Indicators

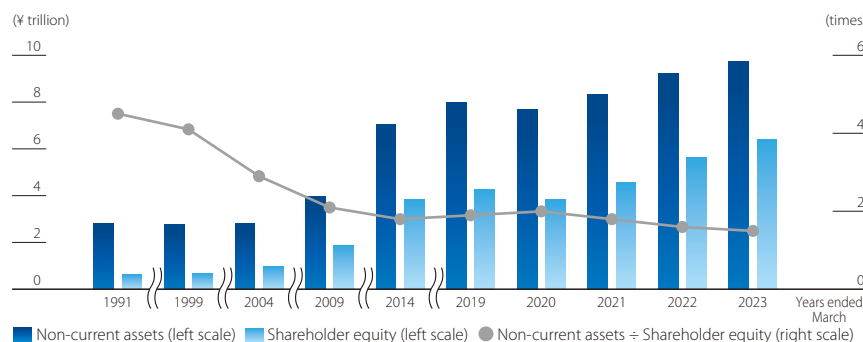
Mitsui allocates capital based on its cash flow allocation framework. The purpose of this framework is to drive the implementation of our growth strategy while maintaining and strengthening our financial foundation through the balanced allocation of cash, provided by operating cash flow and asset recycling to sustaining CAPEX, growth investment and shareholder returns. For all of the indicators we focus on when considering our financial strategy, our policy is to maintain appropriate levels based on our cash flow allocation framework.

Net DER*



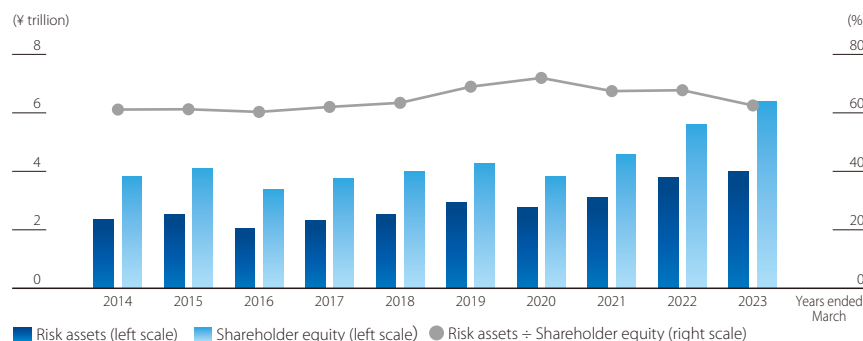
In line with the business shifting from trading to investing, our investment assets and fixed assets have been increasing. For business investments or fixed assets that are relatively high risk or take longer to generate returns, we intend to reduce leverage and we have in fact deleveraged significantly compared to historic levels.

Non-Current Assets and Shareholder Equity



When we look at the balance between our non-current assets, which are relatively high risk, and equity that ultimately must absorb the effects of this risk, we see continued gradual improvement. The difference between non-current assets and equity is mainly funded through interest-bearing debt, and if this expands, it reduces overall financial stability.

Risk Assets and Shareholder Equity



In addition to the risk amount carried by assets on the balance sheet, we assess and periodically monitor the amount of off-balance sheet risk, such as market risk and guarantees, using a set standard. Our risk exposure is held to a range of about 60%–70% of shareholder equity, and we periodically stress test our risk assets for various scenarios, verifying the impact on the risk assets to shareholder equity ratio.