

# CEO Message

By providing *real solutions* to social issues,  
we will dramatically enhance our  
business foundation toward 2030

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## CEO Message

### Could you tell us about Mitsui's corporate culture and your vision for the Company's organizational structure?

Mitsui's corporate culture is built on the concept of "*Challenge and Innovation*" and *open-mindedness*. We foster this culture by developing unique professional talent. Our vision for the organizational structure is one that enables these individuals to collaborate across internal boundaries and for the entire organization to deliver *real solutions* to global social issues.

The unique strengths our employees develop as professionals are rooted in specific industries, as well as various business functions such as trading, logistics, and finance. We operate a wide range of businesses globally, offering ample opportunities to gain deep insights into specific products, regions, and functions. Through diverse work experiences, employees first build a core specialization. By adding new specializations to that foundation, they can possess multiple areas of expertise and apply each at a higher level. We have many such multi-faceted business professionals at our Company. We aim to continue contributing to social development by embodying our corporate culture through these versatile professionals.

### What kind of leadership do you believe is required of Mitsui's CEO?

Given the many variables and high uncertainty in the current business environment, I believe leadership that brings out the organization's resilience is extremely important. To achieve this, it is crucial to manage the Company by securing a wide range of management options, thoroughly executing each practical task in close collaboration with the front lines and then taking timely action. Furthermore, I want us to enhance corporate value by demonstrating both *practical thinking* – putting ourselves in our customers' shoes – and *execution* – translating that thinking into long-term value creation.

### What do you emphasize in terms of developing leaders?

The future becomes clear only when we diligently address current challenges. Therefore, it is important for leaders to perfect their current work. They should then formulate their own future outlook, consider what should be done now and in the future to make things happen, and then take action.

To foster such leaders, it is essential to have them directly tackle challenges that are fundamental, difficult, and complex. If leaders

step up to difficult tasks, others will emulate their behavior and proactively take on challenging issues, elevating the organization's overall level. We aim to cultivate many such leaders.

### Where do you believe Mitsui's competitiveness lies?

Mitsui's competitiveness lies in its ability to build complex projects across various business domains, and to broadly engage in and complete multi-functional trading businesses that create added value





## CEO Message



and serve our customers. We also believe it is crucial to constantly update our functional axes, such as finance, marketing, and digital, to provide *real solutions* to social issues. These capabilities remain constant regardless of changes in products, regions, or times, forming the core of our competitiveness. By effectively utilizing these functional axes, our network capabilities, and broad trading capabilities, we can gain deep insights into individual projects that Mitsui should pursue within the value chain, enabling us to build a unique and highly profitable portfolio.

We believe our role for customers and partners is to provide

cross-industry solutions and to create added value by jointly developing and executing valuable solutions. To that end, it is also management's responsibility to nurture many dedicated professionals who possess strong aspirations and the ability to achieve results through cross-industry collaboration, and to have them engage in work with customers and partners.

Some of the projects we pursue take many years to materialize. Our ability to generate added value as an organization continuously through a deep talent pool of professionals is also one of our strengths.

### Could you tell us about the progress over the first two years of Medium-term Management Plan (MTMP) 2026 and the key initiatives for the final year?

We feel confident that we have largely completed many of the foundational projects to strengthen our earnings base toward 2030 during the first two years of the current Medium-term Management Plan (MTMP).

In the final year, we will steadily complete key projects across the three Key Strategic Initiatives of Industrial Business Solutions, Global Energy Transition, and Wellness Ecosystem Creation. Simultaneously, we will work on business seeds, ongoing projects, and key projects in the pipeline that will form the foundation for action plans in the subsequent fiscal years, connecting them to a concrete future vision.

### How do you evaluate progress made in enhancing base profit?

At the time of the current MTMP's announcement, we set a target to enhance our annual base profit by 170 billion yen by the end of the MTMP. Base profit excludes factors such as one-time items, and commodity prices and exchange rates are adjusted to the assumptions for FY March 2026. As of the end of the second year of the MTMP, we were able to achieve an increase of 120 billion yen compared to FY March 2023. While some businesses are struggling due to macro-environmental changes, which were more impactful than anticipated, the strengthening of existing businesses and the exiting from loss-making businesses are proceeding steadily, and overall, we believe we are on track.

We will continue to advance improvement measures and enhance our responsiveness for challenging businesses, and persistently push ahead with each measure to achieve the target in the final year of the MTMP.

## CEO Message



### Could you tell us about investments for growth and your vision for the Company's earnings base?

During the current MTMP period, we plan to make over 2.3 trillion yen in investments for growth. We are making steady progress while carefully balancing developed and emerging economies and being mindful of timelines. Businesses with middle risk and middle return, such as those related to chemicals, wellness, and food, will start contributing to earnings early. Businesses such as those related to metal resources, energy, and infrastructure, will enhance our long-term earnings base. The combination of these two types of businesses will enable us to gain greater upside potential as we expand our reach and build greater resilience through enhanced competitiveness.

Our highest level of earnings was achieved in FY March 2023, when Core Operating Cash Flow (COCF) was 1,205.5 billion yen and profit was 1,130.6 billion yen. In the process of achieving this profit level exceeding 1 trillion yen, as an organization we learned how to effectively capture upside opportunities including commodities and improve company-wide integrated risk management functions. We intend to focus on advanced risk management to further boost our earnings base in the future.

Our portfolio is further strengthened by investments for growth, and our portfolio management capabilities have improved through the accumulation of a proven track record. Through these efforts, we will build a business foundation that can continuously generate profit levels well in excess of 1 trillion yen toward 2030. In terms of the global benchmark currency, the US dollar, we envision the ability to achieve a level of 10 billion US dollars in COCF. We aim to achieve sustainable growth and dramatically enhance our business foundation by providing *real solutions* to increasingly complex social issues, such as providing scarce resources and materials, mobility, and infrastructure, ensuring both a stable energy supply and a transition to new energy sources, and improving the quality of healthcare and wellness.

### What are the challenges in expanding the earnings base?

In order to maximize the results of investments for growth and expand the earnings base, we believe it is necessary to fully leverage human resources and deploy them flexibly. At the same time, by further promoting reskilling for each employee, we need to build an organizational structure that can manage more high-quality assets with the same number of people.

Furthermore, we view the intensifying competition for talent acquisition across the globe as a risk and will continue to make further corporate efforts to constantly acquire excellent talent.

### What measures do you believe are necessary to continuously improve ROE?

To improve ROE, I believe it is essential to thoroughly enhance the profitability of existing businesses through our *middle game* initiatives. Additionally, we need to further raise our expectations for return from new businesses, carefully select investments, build a track record, and improve our bottom line. We also believe it is important to push ahead with each business with a lean and highly skilled team, and build a structure that can manage more high-quality assets without expanding the organization. These measures will increase our return level.

Through capital allocation, management will continue to allocate capital in a balanced manner to both investments for growth and enhanced shareholder returns, aiming to improve capital efficiency and increase ROE.

We have achieved COCF in the 1 trillion yen range for four consecutive fiscal years, demonstrating our strong cash flow. As a result, we have raised the forecast for shareholder returns as a percentage of COCF for the current MTMP period to the 50% level. In addition to our cash flow track record, with a clear path to

## CEO Message

significantly grow our earnings base we plan to continue our progressive dividend policy beyond the current MTMP. We will also make agile decisions regarding share repurchases, comprehensively considering the business environment, including the balance with investments for growth, and also share price levels.

### Could you tell us about changes to the composition of the Board of Directors? Also, what discussions are taking place to improve the Board's effectiveness?

In June 2024, we reduced the number of directors from 15 to 12 and changed the ratio of Internal to External Directors from 60/40 to 50/50.

We feel that this change has led to more substantive, strategic, and in-depth discussions.

To further enhance the effectiveness of the Board of Directors in the future, we intend to further refine how we share information with directors on a regular basis and dedicate sufficient time to strategy discussions during Board meetings, thereby enabling deeper discussions.

## To our shareholders and investors

Mitsui operates a portfolio composed of businesses that demonstrate sustainable performance over the long-term and are growth-oriented, and we have built a solid track record. We aim to achieve results at an even higher level.

By expanding our businesses globally and accumulating high-quality assets while diversifying risk, we will continuously build a robust portfolio that combines high profitability, growth, and resilience. We will provide *real solutions* to global social challenges and firmly capture earnings alongside the growth of the global economy. We will continue to target increasing shareholder returns over the long term and manage the Company to meet the expectations of our shareholders and investors and achieve a higher market valuation. We ask for your continued support.

