



CHALLENGE & INNOVATION

Financial Performance and Sustainability

Annual Report 2013

Year ended March 2013



©Woodside

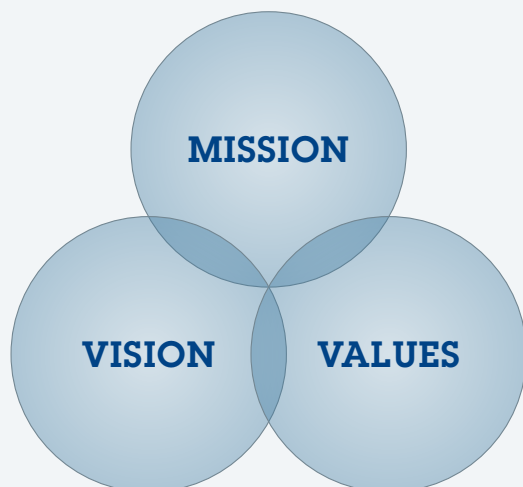


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mitsui & co., ltd.

Mitsui's Management Philosophy



Mitsui has formulated its management philosophy of “**Mission**, **Vision** and **Values**” based on values and ideals, such as “Challenge and Innovation,” “Focus on Human Resources” and “Open-Mindedness,” built up through its long history and tradition. Mitsui’s management objective is to increase corporate value in a sustainable manner by meeting the expectations and trust of all of its stakeholders, including shareholders, business partners, employees, consumers and regional communities, through officers and employees sharing the management philosophy, and by pursuing corporate social responsibility oriented management.

MISSION Mitsui's Mission

Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled.

VISION Mitsui's Vision

Aim to become a global business enabler that can meet the needs of our customers throughout the world.

VALUES Mitsui's Values

- ☐ Build trust with fairness and humility.
- ☐ Aspire to set high standards and to contribute to society.
- ☐ Embrace the challenge of continuous innovation.
- ☐ Foster a culture of open-mindedness.
- ☐ Strive to develop others and oneself to achieve full potential.

The status of the Company's inclusion in the SRI Index

Socially responsible investment (SRI) involves the selection of investment targets through the evaluation of corporations based on financial analyses and investment standards, as well as on how well they fulfill their social and environmental responsibilities. We have been selected for inclusion in two global SRI indexes—the FTSE4Good Global Index and the Dow Jones Sustainability World Index (DJSI World). In addition, we are certified as one of the bronze class rated companies by RobecoSAM, which assesses and rates outstanding companies in terms of ESG (Environmental, Social and Governance) performance (as of March 31, 2013).

United Nations Global Compact

In October 2004, we pledged our support for the Global Compact, which is a set of autonomous principles for action championed by the United Nations. Subsequently, we have been striving to implement and promote compliance with the principles in the four areas of human rights, labor standards, environment and anti-corruption.



Structure of this *Annual Report 2013*

1

Creating new value by pursuing businesses that meet society's needs of the times

2

Creating value through dynamic evolution of our business model by swiftly identifying the changing needs of the times and resolutely pursuing diverse business with various capabilities

3

Aiming to be a leading global business enabler, through *Yoi-Shigoto* (good quality work) with an emphasis on "quality of work" and "quality of profit," as we work toward the realization of the Long-term Management Vision

4

We aim to demonstrate "Mitsui's CSR" by continuously providing value to society through our core businesses and social contribution.

Developing human resources and building and improving corporate governance and internal control structures will provide the platform for such activities.

Editorial Policy

Mitsui issues its *Annual Report* as a comprehensive report to convey messages from management and to report on management strategies, key initiatives and business activities, as well as to explain how "Mitsui's corporate social responsibility (CSR)" provides value to society through the Company's core businesses, to all stakeholders. We hope this report will help explain the sustainable growth potential of our business activities, which are carried out with firm resolve and in the spirit of "Challenge and Innovation."

Please refer to our *Annual Securities Report* and other Mitsui publications for more detailed financial and other information about Mitsui. (Please refer to "**Detailed Reports Issued by Mitsui**" on the next page for more information.)

A Cautionary Note on Forward-Looking Statements

This Annual Report contains statements (including figures) regarding Mitsui & Co., Ltd. ("Mitsui," "Mitsui & Co.," "Company")'s corporate strategies, objectives and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui's management but should not be relied on solely in making investment and other decisions. You should be aware that a number of important risk factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These include, but are not limited to: (i) changes in economic conditions that may lead to unforeseen developments in markets for products handled by Mitsui, (ii) fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions, (iii) adverse political developments that may create unavoidable delays or postponement of transactions and projects, (iv) changes in laws, regulations or policies in any of the countries where Mitsui conducts its operations that may affect Mitsui's ability to fulfill its commitments, and (v) significant changes in the competitive environment. In the course of its operations, Mitsui adopts measures to control these and other types of risks, but this does not constitute a guarantee that such measures will be effective.

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CHALLENGE AND INNOVATION 2014



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Detailed Reports Issued by Mitsui

> Financial Information

Annual Securities Report

The *Annual Securities Report* is prepared pursuant to Article 24, Section 1 of the Financial Instruments and Exchange Act and is required to be submitted to the Kanto Finance Bureau. Please refer to this report for more detailed financial information. It is issued in late June of each year.

Download from

<http://www.mitsui.com/jp/en/ir/library/securities/>

> CSR-related Information

Sustainability Report

“Special Feature,” “Growth Strategy by Business” and “Sustainability” of the *Annual Report 2013* outlines the Company's business activities and activities directed toward corporate social responsibility. The *Sustainability Report* provides a comprehensive update on our latest activities and is issued in August of each year.

Download from

<http://www.mitsui.com/jp/en/csr/csrreport/>

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> Mineral & Metal Resources and Energy-related Information

Production & Reserve Report

This detailed document provides an overview of our mineral & metal resources and energy businesses, including production volumes and reserves, and contains supplemental information related to supply and demand. The *Production & Reserve Report* is issued in September of each year.



Download from

<http://www.mitsui.com/jp/en/ir/library/supplementation/>

Corporate Brochure

The *Corporate Brochure* is issued in eight languages. Japanese, English, Chinese, Spanish, Russian, French, Arabic and Portuguese



e-book

http://www.mitsui.com/jp/en/company/ebook/brochure_main/



Download from

<http://www.mitsui.com/jp/en/company/brochure/>



Mitsui's Various Capabilities
and Value Creation Strength

“Challenge and Innovation”

Creating new value by pursuing businesses
that meet society's needs of the times

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	006 Operations That Realize Synergies across Product Lines <small>(Comprehensive Business Engineering Capabilities)</small>
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Mitsui's history of dynamic and flexible evolution of businesses

137
years since
establishment*



The merger contract signing ceremony

Continuous Dynamic Evolution

* In 1876, the former Mitsui & Co., Ltd. was established. Legally speaking, there has been no continuation between the former Mitsui & Co., Ltd. and the current Mitsui & Co., Ltd.

Demonstrating Our Comprehensive Strengths

Number of business units
having business with Vale

7

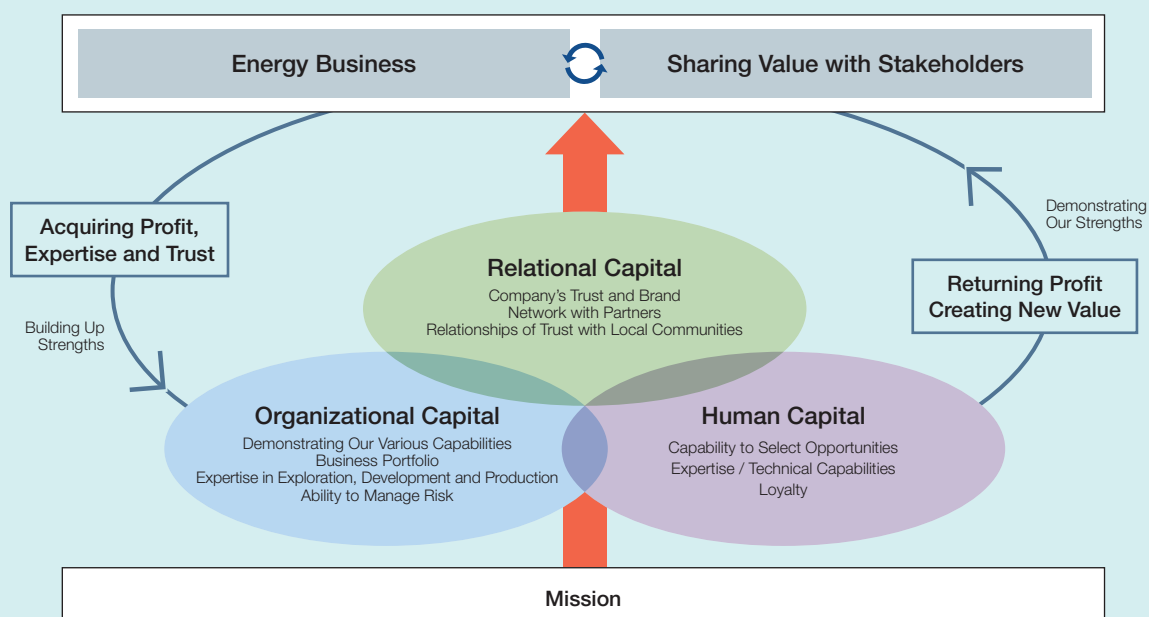


Phosphate rock project (Peru)

business units

Mechanism for Creating Value

Using the energy business as an example, this section explains Mitsui's mechanism for creating value by leveraging our various capabilities.



Mitsui's History—Dynamic Evolution

One of our strengths is to promote dynamic and flexible evolution of business models through the reevaluation of our role and function in addressing the needs of the times.

The period starting from 1876

Japan's first general trading company (*sogo shosha*)—
contributed to the modernization of the Japanese economy

In 1876, the former Mitsui & Co., Ltd.* was established as Japan's first general trading company (*sogo shosha*).

➤ **Evolved from a governmental agency to a commercially independent trading company**

- ❑ Exported rice as well as coal from the government-owned Miike coal mine
- ❑ Shifted from acting as a governmental agency to being a commercially independent trading company with the acquisition of ownership interest in the Miike coal mine



Takashi Masuda, the first president of the former Mitsui & Co., Ltd.*

➤ **Established Japan's cotton spinning industry**

- ❑ Imported spinning machinery
- ❑ Imported raw cotton from China, India and the United States
- ❑ Provided commercial support to Sakichi Toyoda, whose family is known as the founders of TOYOTA MOTOR CORPORATION



Platt spinning machinery

➤ **Promoted expansion of export businesses**

- ❑ Exported to frontier markets, such as Latin America, the Middle East, Africa and Russia

➤ **Helped establish and develop Japan's heavy industries**

- ❑ Established and/or made investments at an early stage in companies including Toray Industries, Inc., Nippon Otis Elevator Company, Nippon Flour Mills Co., Ltd. and Taiheiyo Cement Corporation

The post-World War II period and the 1950s

Contributed to the recovery of the post-World War II Japanese economy

In 1947, along with the disbanding of the prewar *zaibatsu* (business conglomerates), the former Mitsui & Co., Ltd.* was dissolved into more than 200 companies, including Daiichi Bussan Co., Ltd., a predecessor of today's Mitsui.

➤ **Daiichi Bussan imported daily necessities into postwar Japan and promoted exports as postwar controls were lifted.**

In 1959, Daiichi Bussan integrated with other trading companies, changing its name to Mitsui & Co., Ltd.



The merger contract signing ceremony

* Legally speaking, there has been no continuation between the former Mitsui & Co., Ltd. and the current Mitsui & Co., Ltd.

The period from the 1960s to the 1970s

A driving force for high economic growth

➤ **In view of Japan's high dependence on overseas sources of raw materials, Mitsui invested in the development of its own sources of raw materials and energy fuels with the aim of ensuring a stable supply of key materials to Japan.**

In 1963, participated in the development of the Moura coal mine in Australia (currently the Dawson coal mine)

In 1965, participated in the Robe River iron ore development in Australia

In 1971, signed a basic contract for development of an LNG facility on Das Island in Abu Dhabi



The Abu Dhabi LNG project (UAE)

➤ **Further strengthened its capabilities and diversified its functions to meet the changing needs of the times**

- ❑ Contributed to the computerization of Japan through Nippon Remington Univac Kaisha, Ltd. (currently Nihon Unisys, Ltd.), established with Remington Univac, Inc., the manufacturer of the first computer to be imported into Japan in the postwar period, the UNIVAC 120

The period from the 1980s to the 1990s

Challenge of responding to new trends, dealing with rapid structural change of society

➤ **Entered high-value-added sectors, including semiconductors**

➤ **Moved ahead with investments in downstream industries, such as apparel and restaurant chains, as well as the implementation of new business models**

- ❑ Provided supply chain management for the Ito-Yokado Group (currently Seven & i Holdings Co., Ltd.)

➤ **Further strengthened functions, including IT (information technology), FT (financial technology) and LT (logistics technology), to respond to the rapid structural and social changes taking place**

➤ **Implemented major overseas projects and investments**

In 1985, participated in the Western Australia LNG project

In 1989, participated in the Qatar LNG project

In 1994, established P.T. Paiton Energy, an electric power company in Indonesia

In 1994, signed development contracts for the Sakhalin II petroleum and natural gas projects



The Paiton coal-fired power plant (Indonesia)



Sakhalin II project (Russia)
©Sakhalin Energy Investment Company Ltd.

The 2000s

Becoming a global business enabler

- Sharing common values: *Yoi-Shigoto* (good quality work)
- Developing a strategic business portfolio through new investments and strategic divestiture and recycling of assets

In 2003, purchased ownership interest in Valepar S.A., the holding company of Vale S.A., the Brazilian diversified resource development company

In 2007, sold stake in Sesa Goa Limited, India's iron ore company

In 2007, acquired Steel Technologies, Inc., a U.S. steel processing service center

➤ Implementing a global strategy

- ❑ Expanding global initiatives with strategic partners, such as Vale and Petroleo Brasileiro S.A. in Brazil and Gazprom in Russia
- ❑ Promoting globalization of human resources



Vale's Carajas iron ore mine (Brazil)

Today

Dynamic evolution as a 21st century global business enabler

- Long-term Management Vision (announced in March 2009)
- Reinforcement of earnings base by demonstrating business engineering capabilities

- ❑ Further expand into upstream business; capture growth in emerging economies and global industrial requirements; and enhance partnership strategy

In 2010, decided to participate in the Marcellus shale gas production development project in the United States

In 2010, participated in the Caserones copper and molybdenum deposit development project in Chile

In 2010, participated in a phosphate rock project being promoted by Vale S.A. in Peru

In 2010, acquired an interest in natural-gas-fired power stations in Mexico

In 2010, formed a joint venture for chlor-alkali business in Texas (United States) with major U.S. chemical company The Dow Chemical Company

In 2011, made an equity investment in the Asian healthcare group Integrated Healthcare Holdings Sdn. Bhd. (currently IHH Healthcare Bhd.)

In 2011, made Multigrain AG (currently Xingu Agri AG and Multi-grain Trading AG), the operator of a grain distribution and agricultural production business in Brazil, a wholly owned subsidiary

In 2012, discovered one of the world's largest gas resources at an offshore exploration project in Mozambique (participated in the project since 2008)

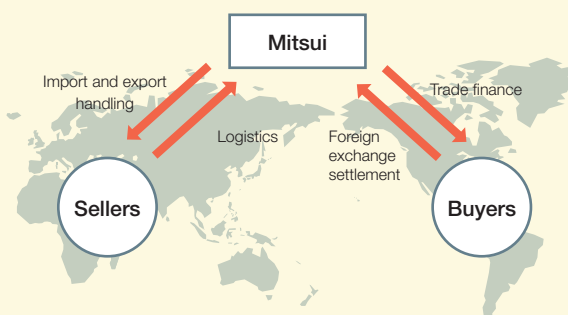
In 2012, established a strategic alliance with Codelco (Chile) and participated in a joint venture to jointly hold shares of Anglo American Sur S.A.

Mitsui's Business Model

Operating on a global stage in a changing environment, we continue to constantly create value. In the process of handling a range of different types of products and services in various industries, our business model has also been changing and developing.

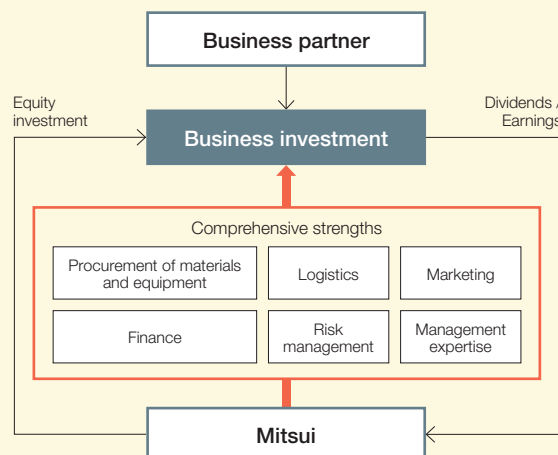
Fundamental Business Model: Trading

Our fundamental role is as an intermediary for exports, imports and domestic commercial transactions. We provide services required for smooth commercial transactions, including the gathering and dissemination of information, logistics (import and export procedures, building optimal logistics, etc.), and financial functions (credit management, foreign exchange, etc.).



Another Business Model: Business Investment

Business investment has become an important business model for today's Mitsui. We contribute to the enhancement of business value by investing in business areas where future growth is expected, proposing solutions for business management, and through peripheral businesses and trading that utilize Mitsui's comprehensive strengths.

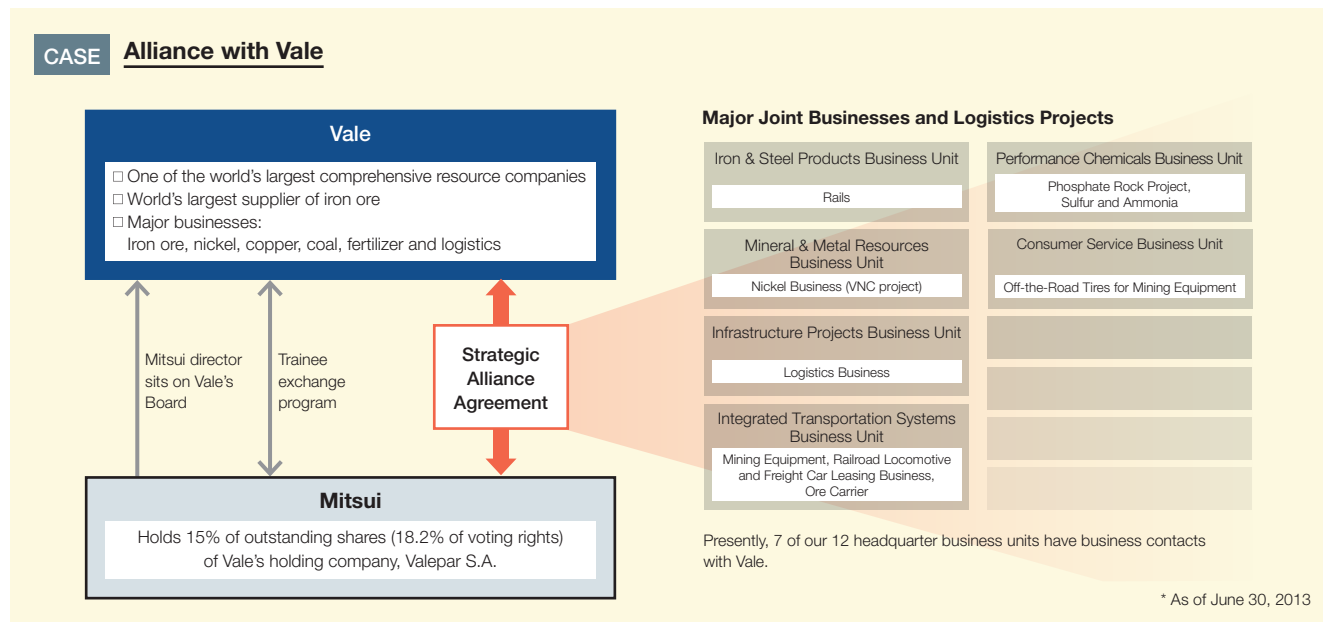


Operations That Realize Synergies across Product Lines

(Comprehensive Business Engineering Capabilities)

We have included the “Reinforcement of our earnings base by demonstrating comprehensive business engineering capabilities” as one of the key initiatives in our Medium-term Management Plan. By leveraging that strength, we aim to provide “value” to our business quickly and with a high-value-added component through activities that cut across the business unit organization.

We engage in a variety of multilayered activities with Vale S.A. (“Vale”), of Brazil, spanning management, business and human resources. Touching on the history of our relationship with Vale, the following provides an example of our comprehensive strengths.



Strategic Alliance Agreement with Vale, Demonstrating Our Comprehensive Strengths

We are involved in the management of the world's largest supplier of iron ore, Vale, as one of its controlling shareholders. As a business partner, we form joint ventures; supply Vale with machinery, supplies and materials; and distribute commodities produced by Vale. This close relationship began in full in 2001 with the two companies' joint management of the Brazilian mineral resources company Caemi Mineração e Metalurgia S.A. Building on this, the two companies agreed to expand their cooperation companywide and concluded a Strategic Alliance Agreement. We have been working to demonstrate our business engineering capabilities through activities that cut across business units and have built a structure that aims to create integrated businesses.

Joint business projects to date have included the VNC nickel project and a phosphate rock business, in Peru, as well as logistics projects, including railways and mining equipment and vehicle leasing. Currently, 7 of our 12 headquarter business units have business contacts with Vale.

Participating in Phosphate Rock Project in Peru

We continue to deploy our full capabilities for the further growth of Vale.

In March 2010, along with The Mosaic Company, one of the world's leading producers and marketers of concentrated phosphate and potash crop nutrients, we agreed to participate in a phosphate rock project being promoted by Vale in Peru, and this project is now making progress toward full operation. By participating in this business, our Performance Chemicals Business Unit, which has expertise in fertilizers, and our Mineral & Metal Resources Business Unit, which has extensive experience in mineral resource investment, worked as an integrated team. We will realize our synergy to increase the value

of the business and also will be involved with sales of products, utilizing our many years of experience and industry knowledge in the area of fertilizers.



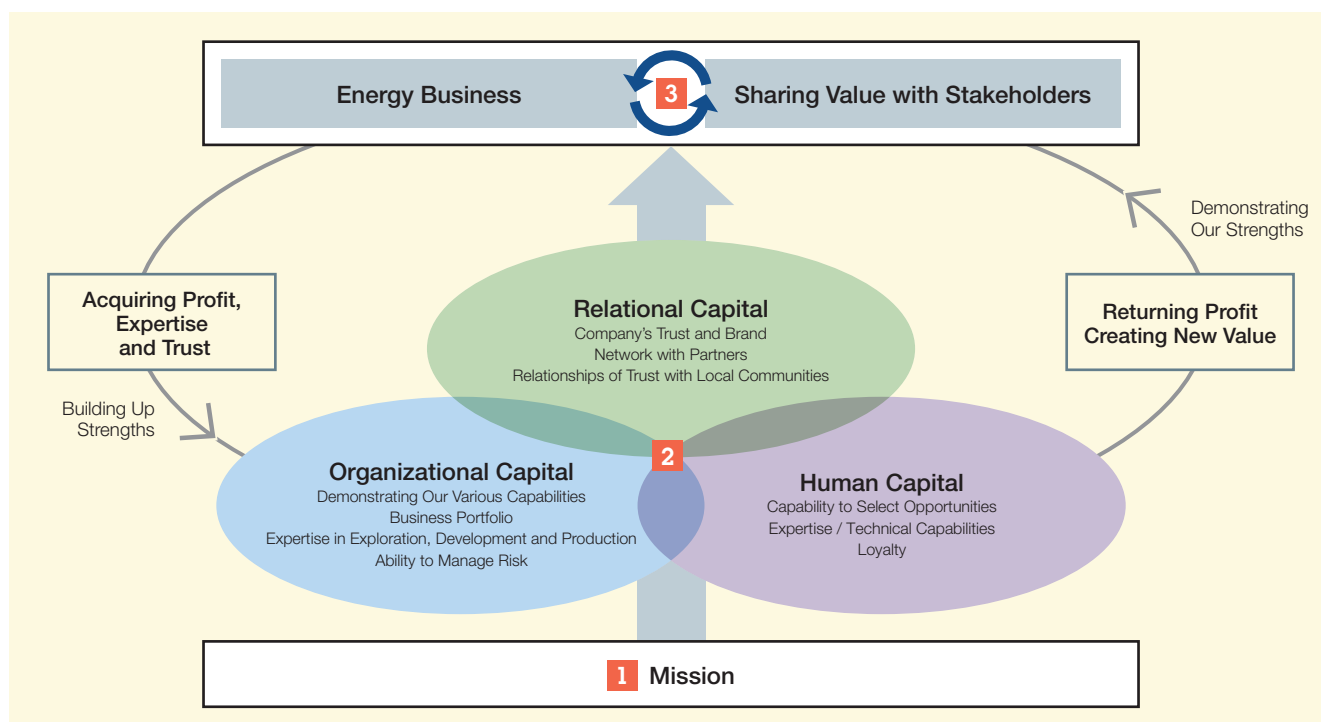
Phosphate rock project (Peru)

Personnel Exchanges to Strengthen the Partnership

Along with Vale, we are working in the area of human resources to further strengthen our relationship of trust that has developed over many years. This effort began with the launch of a trainee exchange program in 2003. As of June 2013, 119 employees from Vale and 109 from Mitsui have participated in this program. An event to commemorate the 10th anniversary of the program was held in 2013, bringing together the presidents and senior managers of both companies and past participants of the program, thereby reaffirming the cordial relationship that the program has created. The 8-to-11 week course provides an ideal forum for the mutual understanding of the two companies' businesses, as well as of Japanese and Brazilian culture and business practices, and serves to further strengthen this relationship.

Mechanism for Creating Value—Energy Business

Using the energy business as an example, this section explains Mitsui's mechanism for creating value by leveraging our various capabilities.



1 Mission—To Secure Energy Resources and Create New Value

Mitsui's mission in the area of energy is to work with stakeholders to secure stable energy resources while at the same time creating new value through the business and providing returns to stakeholders and society.

2 Strengths Built Up in Our Organization

Relational Capital

Forming relationships of trust based on track record

In order to continuously pursue businesses, it is important to build relationships based on good track record and to demonstrate that we are a company that can be trusted.

We have built favorable relations over many years with our stakeholders—customers, host countries, operators, business partners, shareholders and financial institutions, and employees—and the ability to use this network is our major strength in securing business opportunities.

In carrying out joint businesses, our primary emphasis is on sharing value with stakeholders and building long-term relationships of trust.

Organizational Capital

Deriving strength from synergies based on collaboration with other business units

In addition to having a diversified business portfolio, expertise and ability to manage risk built up through business activities, it is important to demonstrate Mitsui's various capabilities by working across business units to meet the changing needs of society.

By using shale gas in the United States as the starting point for a gas value chain, we are able to work with other business units in such areas as related chemicals, plants, steel products and ships to pursue business opportunities that go beyond upstream resource development. We are also able to contribute to the comprehensive development of host countries by building infrastructure, developing human resources and creating jobs.

Human Capital

Cultivating highly skilled and loyal personnel

"People," making up a skilled and dedicated team, are the source of Mitsui's competitive strength. People are what constitute the capability to select opportunities, expertise, technical capabilities and network with partners that are needed to seize business opportunities.

We place a particular emphasis on hiring top-tier human resources on a global basis. Creating a comfortable working environment makes it possible for individuals to acquire skills over the long term, which also brings expertise to the organization. "People" are the most important strength for the creation of a positive work cycle.

3 Value Creation Cycle

Relationships of trust with stakeholders are indispensable for the utilization of these strengths to continue to carry out our mission. By returning the profit gained through businesses to the business itself as well as to stakeholders, including customers, host countries, business partners, shareholders and employees, we aim to create a positive cycle that is based on sustainable and trustworthy relationships and which will lead to the acquisition of further business opportunities.

Please refer to pages 029 to 031 and 060 to 065 for more information regarding the specific activities in the energy business.

“Comprehensive Strengths and Progressive Business Model”

Creating value through dynamic evolution of our business model by swiftly identifying the changing needs of the times and resolutely pursuing diverse business with various capabilities

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		2. Food Resources Business
		3. Medical and Healthcare Business

CEO Message and Interview

Our theme for the current year

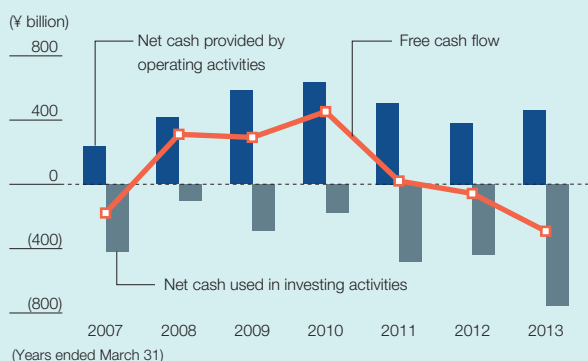
Agility

Representative Director,
President and Chief
Executive Officer,
Masami Iijima



In today's world, the pace of change is accelerating, with a corresponding increase in uncertainty. This makes it even harder to predict the future, and even more important that we move with speed and agility.

Cash Flows



Interview with the CFO

While making active investments and loans, we will simultaneously deploy our financial strategy that targets positive free cash flow.



Representative Director,
Senior Executive Managing Officer,
Chief Financial Officer
Joji Okada

SPECIAL FEATURE

"Mitsui's Challenge and Innovation" in Projects

ENERGY BUSINESS



Comprehensive
strengths
×
Natural gas



FOOD RESOURCES BUSINESS



Stable supply
×
Food resources



MEDICAL AND HEALTHCARE BUSINESS



Emerging
countries
×
Healthcare



Message from the CEO

To All of Our Stakeholders

Resolutely pursuing diverse business that creates new value

Our mission is to create value through the dynamic evolution of our business model by swiftly identifying the changing needs of the times and resolutely pursuing diverse business with our various capabilities.

In the year ended March 31, 2013, the first year under our two-year Medium-term Management Plan “Challenge and Innovation 2014: Creating the Future through Dynamic Evolution,” we fell short of our initial targeted net income because of a large drop in commodity prices as a result of the slowdown in growth of emerging economies; however, despite this adverse operating environment, we made solid progress in establishing a firm foothold toward strengthening our future earnings base.

In the year ending March 31, 2014, the final year under the Medium-term Management Plan, we will continue to evolve our portfolio management in order to further strengthen our earnings base through such measures as enhancing the quality of existing businesses, leveraging our comprehensive business engineering capabilities, making selective acquisition of new assets to drive future growth and undertaking strategic divestiture of assets.

With the expected development in emerging economies and growth in the United States, we see the global economy continuing to show gradual growth. However, the world today is increasing its speed of change, and likewise uncertainty in our operating environment is increasing. We believe that in this age of unpredictable, drastic changes, agility is essential, and that is why we have designated “agility” as our theme for the current year.

All of Mitsui's executives and employees will continue to work as one again this year to create value through the dynamic evolution of our business model by swiftly identifying the changing needs of the times and resolutely pursuing diverse business with our various capabilities.

August 2013

Representative Director,
President and Chief Executive Officer

Masami Iijima



Interview with the CEO

➤ Review of the Year Ended March 31, 2013

Q1

Please give us an overview of the year ended March 31, 2013, the first year under the Medium-term Management Plan.

We basically achieved our full-year forecast. We made solid progress in establishing a firm foothold for the future.

In light of the increasingly adverse operating environment we faced in the year ended March 31, 2013, which included the fiscal crisis in Europe, slower economic growth in China and other emerging markets, and a drop in prices for iron ore and other resources, in November 2012 we lowered our forecast for full-year net income to ¥310 billion, from the initially planned ¥400 billion. Going into the second half, we saw some progress in addressing the fiscal crisis in Europe and the “fiscal cliff” issue in the United States, leading to a recovery in the U.S. economy, as well as improvement in indicators

suggesting a bottoming out in the Japanese economy. Although gradual, the global economy entered a trend of recovery.

Given this environment, net income for the year ended March 31, 2013, declined ¥126.6 billion from the previous year, to ¥307.9 billion. In addition to large drops in iron ore and coal prices, this decrease was mainly because of valuation losses on listed securities and long-lived assets and sluggish trading businesses because of weak markets. At the same time, profit was boosted by sales of securities and increased equity production volumes in Mineral & Metal Resources and Energy, and we were able to basically achieve our revised net income forecast. Despite the adverse operating environment we faced during the year, we made solid progress in establishing a firm foothold for the future. I expect some of the results of these efforts to appear in the year ending March 31, 2014.

Q2

What progress has been made under the investment and loan plan toward the strengthening of the earnings base?

Investments and loans during the year ended March 31, 2013, totaled ¥960 billion, as we proactively invested in quality projects to strengthen our future earnings base. In the Metals



Codelco Chairman Gerardo Jofré Miranda (right) and Mitsui President and CEO Masami Iijima. In August 2012, we entered into a comprehensive strategic alliance with Codelco.

business area, we invested ¥370 billion for projects, including the expansion of our iron ore business in Australia and the acquisition of copper mining assets in Chile, and, in the Energy business area, we expanded existing oil and gas assets, including shale oil and gas, and newly acquired interests in North Sea oil fields, with outlays totaling ¥335 billion. Investments in the Machinery & Infrastructure business area included rolling stock for leasing, FPSO (offshore oil and gas floating production, storage, and offloading system), and wind and solar power generation in Canada. We expect these projects to contribute to our business results from the year ending March 31, 2014 and onwards.

We also proactively divested assets. With capital redemption at Sakhalin II, the collection of ship-related loans and proactive sales of securities, we collected ¥220 billion, surpassing our initial plan of ¥160 billion and resulting in net cash outlays of ¥740 billion.

We proactively invested in upstream assets of various business areas and steadily expanded our earnings base.



Interview with the CEO

In recent years, our earnings base has been steadily expanding, as we have been proactively investing in areas other than Metals and Energy, and especially in upstream assets that will drive our future growth. In the power generation business, including projects in development or under construction, our equity portion of power generation capacity reached 6,200MW as of the end of June 2013. In the agricultural area, we are engaged in fertilizer businesses, including phosphate rock and ammonia, which helps to strengthen

the cooperation between food product and food resource areas and the agrochemical area. We are also strengthening our global grain supply network through our involvement in production and collection in some of the major grain producing countries, such as the United States, Brazil, Russia and Australia. In the medical and healthcare business, we are expanding in hospital and peripheral businesses, building on our core investment in IHH Healthcare, Asia's largest hospital group.

Q3

Please tell us about Mitsui's activities in Companywide strategic countries, including the newly added Mozambique and Myanmar.

In Mozambique, we are participating in the development of a large-scale gas field. In December 2012, an order was placed for the FEED (Front-End Engineering and Design) process for a natural gas liquefaction plant and subsea natural gas production facility. This gas field has one of the world's largest volumes of estimated recoverable resources, and we are making steady progress toward the commencement of commercial LNG production in 2018. In Myanmar, we have opened a local office in the capital of Nay Pyi Taw. We have begun exporting rice produced in Myanmar, and we are working on the formation of energy-related projects.

In addition to Mozambique, Myanmar and our six other Companywide strategic countries, we recognize the need to focus on the United States, where the shale gas revolution is providing a spark for related businesses. Opportunities

We are making steady progress with projects in Mozambique and Myanmar.

centered around shale gas are not limited to upstream development and LNG exports; we are proactively developing an entire value chain that includes the manufacturing and sales of such chemical products as methanol and alpha olefins, tank terminals for chemical products, pipelines and other gas infrastructure, and steel products, including drilling and line pipes.

➤ Outlook for the Year Ending March 31, 2014

Q4

What is your outlook for the year ending March 31, 2014?

We are setting profit targets that reflect the current level of commodity markets.

We are planning for net income of ¥370 billion in the year ending March 31, 2014. Chinese demand has supported high iron ore and energy prices in past years, but current commodity markets are being affected by the transition of the Chinese economy from high growth to stable growth. Going

forward, we need to be fully vigilant regarding volatility in commodity markets, and we expect prices for mineral and metal resources and energy to be somewhat weaker than in the year ended March 31, 2013. On the other hand, we see a favorable effect of the yen's depreciation as well as an increase in our equity production volumes. We are also expecting a recovery in earnings from trading in chemicals as well as in iron and steel products, an area that underperformed in the year ended March 31, 2013. Our net income forecast of ¥370 billion reflects such current commodity markets and supply-demand balances.

Q5

Please tell us about Mitsui's investment and loan plan for the year ending March 31, 2014.

In the year ending March 31, 2014, we intend to make investments and loans totaling roughly ¥1 trillion for businesses that will drive our future growth. Such businesses include the expansion of existing projects and new acquisitions in the Metals and Energy business areas for commodities, such as iron ore, copper, and oil and gas, and power and other infrastructure businesses mainly in emerging markets as well as chemical manufacturing and sales businesses utilizing shale gas from the United States. This amount is significantly larger than the ¥600 billion set in the Medium-term Management Plan, in part because the weaker yen inflates yen-denominated investment amounts, but there are a number of opportunities that can drive our future growth, and we need to make investment decisions while those opportunities are available. We will strive to develop these projects so they produce solid results, some of them as early as in the year ending March 31, 2014.

On the other hand, we plan ¥170 billion of cash inflow from asset divestitures, and combined with cash flow from operating activities, we expect free cash flow to be negative again in the year ending March 31, 2014, as was also the case in the year ended March 31, 2013. We believe we need to maintain investments at a level where free cash flow will be

We plan to make investments and loans totaling roughly ¥1 trillion by carefully selecting quality projects that will drive future growth.

positive in the period covered by the next Medium-term Management Plan, so in addition to enhancing the quality of past investments, we will continue to create a structure for short- and medium-term asset divestitures.

As part of this effort, we carried out a reorganization effective April 1, 2013, in which some of the staff from corporate divisions, such as accounting, investment management and risk management, as well as administrative staff of the business units, were reassigned to form the Business Supporting Units. This unit is located close to and will work more closely with the business units, while at the same time it will share the Companywide portfolio strategy with the management and will engage in careful selection of new investment projects and enhancement of the quality of our existing investments.

Business plan for the year ending March 31, 2014 (announced in May 2013)

► Quantitative Summary

We are forecasting consolidated net income of ¥370 billion for the year ending March 31, 2014.

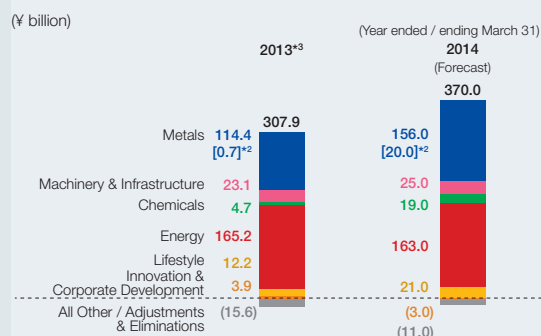
We expect an increase in sales volume and the effects of yen depreciation to lead to increased profit in the Mineral & Metal Resources and Energy segments, despite a year-on-year drop in prices for resources, including crude oil, iron ore and coal. We project improved profitability in the Chemicals Segment as a result of recovery in underperforming trading business and the absence of the previous year's impairment losses on investments, and in the Iron & Steel Products Segment as a result of the absence of the previous year's exchange rate loss. We also expect increased profit in the Machinery & Infrastructure and Lifestyle segments due to business improvements and economic recovery.

► Investment and Loan Plan

Judging that there are many investment opportunities for reinforcing our earnings base, including the development of quality upstream assets and infrastructure projects, particularly in emerging markets, under our investment and loan plan for the year ending March 31, 2014, we expect outlays to reach a total of ¥1 trillion. Of this amount, we project outlays of ¥280 billion in the Metals business area, mainly for the expansion of iron ore and other existing businesses; ¥280 billion in the Machinery & Infrastructure business area, mainly for power generation projects in emerging countries; ¥40 billion in the Chemicals business area for projects, including building a gas value chain that leverages U.S. shale gas; ¥320 billion in the Energy business area, primarily for the acquisition of Italian onshore oil field assets and projects related to North American shale gas and oil; ¥50 billion in the Lifestyle business area; and ¥30.0 billion in the Innovation & Corporate Development business area.

At the same time, we expect to recover roughly ¥170 billion from asset divestitures. As a result, investment activities are set to use net cash of ¥830 billion.

Net Income (Loss) by Business Area (reference*1)



*1. Global results/forecasts by business area, including all overseas operations

*2. Iron & Steel Products Segment in square brackets.

*3. Restated to conform with reorganization of business units as of April 1, 2013.

Business Area	(Year ended / ending March 31)	
	2013 (Results)	2014 (Plan)
Metals	370.0	280.0
Machinery & Infrastructure	145.0	280.0
Chemicals	20.0	40.0
Energy	335.0	320.0
Lifestyle	65.0	50.0
Innovation & Corporate Development	25.0	30.0
Gross Investments and Loans	960.0	1,000.0
Divestiture	(220.0)	(170.0)
Net Cash Outflow	740.0	830.0




Could you please provide more detail regarding Mitsui's investment policy in the areas of Metals and Energy?

In the Metals and Energy business areas, we believe we will be able to minimize the impact of price declines with increases in our equity production volumes. However, this does not mean that we can just randomly pursue volume; the quality of assets is critically important. Mitsui holds many interests that are highly cost-competitive, and it works to maintain those interests' strong resilience when prices decline. Therefore, when investing in these areas, we first look to invest in the expansion of these existing, quality projects. The importance of the Metals and Energy business areas as two pillars supporting Mitsui's profit remains unchanged under the current and next Medium-term

Management Plans. Although we will continue to pursue expansion in iron ore in line with China's demand, I expect the investment amounts going forward to decrease relative to the amounts in the past.

On the other hand, LNG projects in Mozambique and Australia and shale gas projects in the United States present the potential for us to demonstrate our various capabilities across the entire value chain, including power generation, gas pipelines, chemical production and supply of drilling pipes. These are also important activities in terms of protecting Japan's energy security, and we will continue to invest in these areas.

A photograph of the Mitsui CEO, a middle-aged man with dark hair, wearing a blue pinstripe suit and a blue tie. He is seated at a dark wooden table, gesturing with his hands as he speaks. The background is a light-colored wall with a subtle pattern.

We will continue to respond to the needs of the times by investing in the Metals and Energy business areas with emphasis on the quality of assets.

➤ Returns to Shareholders

Q7

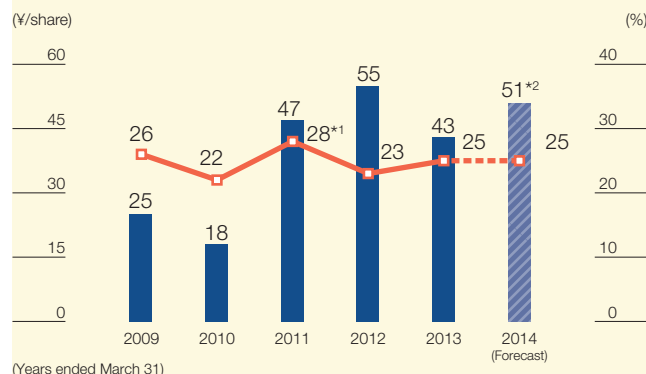
What is Mitsui's fundamental policy regarding returns to shareholders?

We enhance corporate value through reinvestment in strategic and growth areas, and we provide direct returns to shareholders through dividends.

To enhance corporate value and increase shareholder value, our fundamental policy is to respond to abundant investment demand by reinvesting retained earnings in strategic and growth areas while also directly returning a portion of earnings to shareholders in the form of dividends.

We will continue to consider the allocation of profit going forward, taking into account the operating environment, future trends in investment activities, free cash flow and interest-bearing debt levels and return on shareholders' equity.

Annual Dividend per Share / Consolidated Dividend Payout Ratio



■ Annual dividend per share — Consolidated dividend payout ratio (Right scale)

*1. Dividend payout ratio was 23% when calculated based on net income of ¥367.9 billion, which excludes the impact of recognized subsequent events related to the settlement regarding the oil spill incident in the Gulf of Mexico.

*2. Dividend forecast for the year ending March 2014 is calculated based on our financial outlook (¥370.0 billion), with the target dividend payout ratio of a minimum of 25%.

Interview with the CEO

➤ Medium-to-Long-Term Vision

Q8

What role do you see Mitsui playing in the world in the future?

I believe Mitsui's mission is to swiftly identify the changing needs of the times and of society and to return value to society by contributing to the "development of nations," the "development of human resources" and the "creation of a better future" through the creation of new businesses and industries. Going forward, the global economy will grow in line with population growth, and connections between countries, companies and people will move forward on a global scale. At the same time, it is certain that those relationships will become even closer, making it extremely important to secure and provide the food and water and stable energy supplies that people need in their daily lives in order to achieve "a connected and prosperous world." In emerging markets, providing basic services like healthcare and education and building infrastructure platforms for power generation, transportation and telecommunications, as well as developing

Our mission is to contribute to the "development of nations," the "development of human resources" and the "creation of a better future."

human resources that support those activities, have become pressing issues. By using our comprehensive strengths, we will address these various needs while, at the same time, contributing to the "development of nations," the "development of human resources" and the "creation of a better future," and this development represents the business model for the creation of value to which we aspire.

For example, we are currently developing a large gas field in Mozambique, but at the same time we are focusing on building essential social infrastructure, developing human resources and creating jobs.

Having been born in Japan and raised around the world, I consider it important for Mitsui to bring overseas vitality to Japan and enhance the competitiveness of domestic industries in order to contribute to Japan's revitalization. Along with our domestic offices, the Domestic Business Development Department, which we established two years ago to support reconstruction following the Great East Japan Earthquake, is taking the lead in identifying projects that will contribute to domestic revitalization, not only in areas affected by the earthquake but all across Japan. I hope that supporting the overseas expansion of technologically advanced

Japanese companies, anticipating future possibilities being created by deregulation, and utilizing our experience developed overseas in such areas as agriculture and healthcare will enhance the competitiveness of domestic industries and lead to further economic development for Japan. We have also established the Business Innovation Department to promote the creation of next-generation businesses at the Companywide level. I also hope this department will function as antennae for the creation of new industries and new markets.



What do you see as being important for Mitsui in order to perform this role?

Management emphasis on comprehensive strengths and progressive business models

Since its foundation, Mitsui has constantly evolved with flexible business models in response to the changing needs of the times. This flexibility is itself part of Mitsui's strengths, and I believe that not changing, or even changing too slowly, raises the risk of degeneration over time.

At the same time, the world today is changing at a rapid pace with increasing uncertainty, and I tell our employees that in order to seize business opportunities in drastically changing times it is important that they flexibly evolve their business formats and address change with agility. This does not simply mean the pursuit of speed. I want each employee to collect information first hand, use their imagination to anticipate change, prepare for the various events they envision, and demonstrate Mitsui's comprehensive strengths to both make and implement decisions with agility.

In addition to addressing the pace of change, we must also address the diversification of needs. Needs around the world are diversifying, and we must collect the strengths from our wide range of businesses to meet the needs that are

present today. For example, when we pursue an energy project, we must take the big-picture approach of an entire value chain incorporating related businesses, such as chemicals and power generation, and demonstrate our various capabilities by organically integrating these businesses.

To meet society's diverse needs, we will demonstrate our various capabilities to work on various businesses while constantly evolving our business models in anticipation of changes in those needs. This is how we will pursue "comprehensive strengths and progressive business models" going forward.

Development with an emphasis on "people"

To support "comprehensive strengths and progressive business models," nothing is more important than "people." It is not easy to predict the future during times of increased uncertainty in the external environment. This makes it even more important that we develop human resources who are able to take a global perspective and create added value on their own. We recognize that we need to develop as many leaders as possible who are able to aggregate collective wisdom across the organization and strengthen bonds

I believe there are three important factors: “management emphasis on comprehensive strengths and progressive business models,” “human resource development” and “*Yoi-Shigoto* (good quality work).”



between people to demonstrate our various capabilities. Another thing I want in these individuals is a balance of general knowledge, specialist skills, ethics, ambition, humility and gratitude, and hard work.

People are a trading company's most important asset. By developing human resources and treating people well, I am confident we will be able to create businesses suited to the times and the business environment, and that our company will steadily evolve. Our most important task is to transmit this “development” to the next generation.

As we evolve, our pursuit of “*Yoi-Shigoto*” remains unchanged

Even as we constantly evolve, there is one thing that cannot change. That is the pursuit of “*Yoi-Shigoto* (good quality work),” playing a useful role around the world.

The former Mitsui* was founded in 1876 to meet the needs of Japan as an emerging nation of trade and commerce, with a strong sense of the “development of nations,” the “development of human resources” and the “creation of a better future.” We think about what kind of work is required in response to the needs of the times, and we continue our “challenge and innovation”; this is how I believe the present Mitsui was created.

Going forward, Mitsui will pursue work that benefits society, work that is appreciated by customers and work that gives employees a sense of purpose and satisfaction. The concept of CSR (Corporate Social Responsibility) management, which runs through everything we do, is something that will not change.

* Legally speaking, there has been no continuation between the former Mitsui & Co., Ltd. and the current Mitsui & Co., Ltd.

➤ In Conclusion

Q10

Do you have any closing comments for stakeholders?

We strive to achieve “a connected and prosperous world.”

Under the Long-term Management Vision announced in 2009, we have formulated the “Challenge and Innovation 2012” and “Challenge and Innovation 2014” Medium-term Management Plans as our compass for the direction in which we want to evolve by 2019. These plans are rooted in

a constant awareness of *Yoi-Shigoto* and attention to “quality of work” and “quality of profit.”

We intend to pursue “challenge and innovation” with a sense of alertness regarding changes in the operating environment and discipline regarding our work, and we will agilely seize business opportunities to revitalize Japan's economy and achieve “a connected and prosperous world.” In this pursuit, I ask for the continued support of shareholders and all other stakeholders.

Interview with the CFO



Representative Director,
Senior Executive Managing Officer,
Chief Financial Officer

Joji Okada

August 2013

Q1

Please summarize Mitsui's business results for the year ended March 31, 2013.

We faced a severe operating environment during the first half of the year ended March 31, 2013. In addition to the effect of the European fiscal crisis, a slowdown in economic growth in China and other emerging economies through the summer led to a drop in the commodity markets, including iron ore.

From the middle of the fiscal year, the global economy turned toward a trend of gradual recovery, with a steady recovery in the United States and an increase in economic indicators showing a bottoming out of the Japanese economy. Under such circumstances, we recorded net income of ¥307.9 billion, a ¥126.6 billion decline from the previous fiscal year's ¥434.5 billion, but in line with our revised forecast of ¥310.0 billion announced at the time of releasing our second quarter results. Despite the difficult fiscal year, I believe a foundation is gradually taking shape to support our earnings base going forward.

Q2

Given the Company's active investment, what is Mitsui's current financial situation?

In terms of shareholders' equity, as a result of the depreciation of the Japanese yen and rising stock prices, foreign currency translation adjustments and unrealized holding gains and losses on available-for-sale securities improved ¥285.6 billion and ¥45.3 billion, respectively.

Adding these to the ¥216.7 billion increase in retained earnings, shareholders' equity increased by ¥540.5 billion from the previous

**While making active investments and loans,
we will simultaneously deploy our financial
strategy that targets positive free cash flow.**

fiscal year-end, to ¥3,181.8 billion. Net interest-bearing debt (interest-bearing debt minus cash and cash equivalents and time deposits) increased by ¥696.6 billion, to ¥2,839.4 billion, resulting in a 0.08-point rise in the net DER, to 0.89 times, as of March 31, 2013. We had envisaged a net DER of roughly 0.7 times during the period of the Medium-term Management Plan, but it rose to a slightly higher level than initially planned due to the increasing cash outflow for investments and loans. Also, we have seen a decline in ROE and some may say that we should have even higher financial leverage, but we believe that for a company like Mitsui, which invests large amounts of risk money, the maintenance of shareholders' equity to absorb risk is an important management issue. We forecast the net DER to rise somewhat further, if investments and loans proceed in line with our plan in the current fiscal year, but we intend to maintain financial strength with the net DER at roughly the level of 1 times. As of March 31, 2013, we had cash on hand of ¥1,430 billion on a consolidated basis.

The main purposes for these funds are to act as reserve capital as part of business continuity planning and as a buffer against expanding business risks. Furthermore, the funds also enable us to maintain sufficient liquidity to flexibly carry out large-scale investments and loans.

Q3

What kind of potential risks do you foresee?

To begin with, the outlook for the commodity markets is an important factor. We are particularly watching trends in the Chinese economy, which has a significant impact on these markets. China is shifting its priority from the rapid growth of its economy to the sustainability of growth, so for the time being we do not expect the explosive growth

as seen in the past. While its pace will slow, the growth in absolute terms will remain quite large. We forecast iron ore prices staying at their current level with some minor fluctuations.

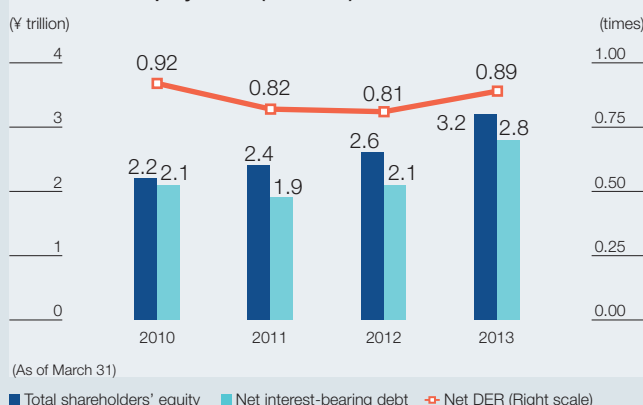
Our investment plan for the Mineral & Metal Resources Business Unit in the current fiscal year focuses on expansion of the existing mines, which are highly cost-competitive. If iron ore prices fall, marginal producers will cease their production. Subsequently, prices should gradually rise as supplies tighten. We consider ourselves to be in a very strong position within this cycle.

With regard to crude oil, while geopolitical risks remain on the one hand, crude oil imports by the United States are decreasing as the shale revolution gains momentum. Although it is extremely difficult to forecast crude oil prices, one of the scenarios is that oil-producing nations will adjust production volumes when prices fall as seen in the past, and thus we do not anticipate large drops in market prices from deterioration in the supply-demand balance.

Trends in financial markets are another factor. In Japan, as a result of the significant easing of monetary policy by the Bank of Japan, rapid depreciation of the Japanese yen as well as rising stock prices are being observed, but it has also caused volatility in long-term Japanese yen interest rates. In the United States, there is concern about a gradual scaling back of the third round of quantitative easing (QE3) accompanying solid economic growth, and this is an upside factor in long-term U.S. dollar interest rates. However, central banks in Japan and the United States still seem to need more time before making the decision to raise short-term interest rates, and, if the global economy expands with interest rate rises, we believe the higher interest expenses will be offset over the medium-to-long term by increases in gross profit, dividend income and equity in earnings of associated companies.

Of course, we acknowledge the necessity to maintain adequate balance in our debt structure by carefully monitoring the market environment.

Total Shareholders' Equity / Net Interest-bearing Debt / Net Debt-to-Equity Ratio (Net DER)



Credit Ratings

Rating Agency	Rating (Outlook in Parentheses)	
Moody's	Short-term	P-1
	Long-term	A2 (Stable)
Standard & Poor's	Short-term	A-1
	Long-term	A+ (Stable)
Rating and Investment Information (R&I)	Short-term	a-1+
	Long-term	AA- (Stable)

(As of March 31, 2013)

Another issue is that the difference between the Japanese yen and the U.S. dollar real interest rates has a significant influence on the exchange rate, and it will be necessary to monitor exchange rate fluctuations. The fiscal crisis in Europe is also a concern. Measures to alleviate the crisis have shown some progress, but they still have not reached a fundamental solution. We should be prepared for continued instability in European financial markets for some time.

Q4

What is your financial strategy going forward?

Achieving a positive free cash flow is our main issue. In the current fiscal year, we plan to invest ¥1,000 billion and divest ¥170 billion of assets, meaning a net outflow of ¥830 billion from investing activities if all goes according to plan. Reflecting our plan for active investments and loans, net cash used in investing activities exceeds positive cash flow from operating activities and consequently free cash flow is expected to be negative in the current fiscal year. We are earnestly working to implement a new financial strategy with a view toward achieving a positive free cash flow under the next Medium-term Management Plan.

To achieve this goal, we aim to reinforce our earnings base by steadily realizing returns from existing investments and to accelerate strategic asset divestiture to gain cash inflow. Our divestment means not only exiting from loss-making business but also exiting from the businesses that are currently generating cash flow but are no longer aligned with the business model being pursued by each of the business units. We intend to reallocate such cash to those businesses that can become the core of our business model in the future. This is what we mean by "strategic."

Of course, it is also important to curtail cash outflows by diligently evaluating investment opportunities in the pipeline and maintaining investment discipline.

Q5

Total assets are growing. Will this trend continue going forward?

We sense that we are nearing a limit. We think the total asset level of ¥10 trillion to ¥12 trillion set out in the Medium-term Management Plan is appropriate. However, due to the increase in the number of large-scale investments and loans, total assets have already exceeded ¥10 trillion as of March 31, 2013. When we consider the resources necessary to run a business, such as people, tangible assets and capital, we need to be mindful of the number of available project managers who have the required skillset.

Q6

Along with the headquarter business units, you have also realigned the organizational structure of corporate staff divisions. What is the objective of this realignment?

We have streamlined our operating divisions by reducing the number of headquarter business units to 12 from 15. With the increases in speed of change in our operating environment as well as complexity of projects, our new structure has enhanced our ability to achieve wide-ranging synergies across product categories, making it possible to demonstrate comprehensive strengths more effectively. To grow in times of drastic change, corporate staff divisions need to do more than just provide the "support" that has been their role in the past. We believe they need to pursue "challenge and innovation" together with the business units, and accordingly we have partly reorganized the corporate staff divisions, which were originally organized according to each function, as Business Supporting Units.

In the past, after business units negotiated a project, they would bring it to corporate staff divisions for consideration prior to making

Funding Strategies for Supporting Investment

Mitsui has set the "reinforcement of the earnings base by demonstrating business engineering capabilities" as one of the key initiatives in the Medium-term Management Plan. Specifically, it is actively making large-scale investments and loans and developing its business, giving priority to expanding upstream projects and capturing the growth in emerging economies and global industrial requirements. Consequently, from a foreign exchange risk control perspective, funding needs for foreign currencies, particularly emerging countries' currencies, and securing stable, long-term funds to preserve financial strength have become key issues.

Unlike the U.S. dollar, the Australian dollar and similar currencies, the Brazilian real and other emerging countries' currencies are difficult to trade outside those countries. By utilizing derivative transactions provided by leading financial institutions, which have advanced hedge schemes, it is possible to hedge foreign exchange risk and achieve the same effect as actually raising funds in emerging countries' currencies.

On the other hand, as part of efforts to secure long-term funds, in February 2013 Mitsui issued 20-year domestic straight bonds. As investors who are able to buy 20-year industrial bonds are limited,

the investment, but such a slow process can result in lost opportunities. Since the reorganization, corporate staff divisions provide support through risk analysis when the project is initially being considered. Of course, they are ready to act resolutely to stop a project if it is necessary, and they will also provide full support to the business units in the management of affiliated companies after an investment is made. We would like to accumulate quality assets with such a team-oriented culture while maintaining a healthy sense of alertness.

Q7

What is the state of progress regarding the introduction of the IFRS (International Financial Reporting Standards)?

We have not made any decisions at this time but are working toward the adoption of the IFRS. This does not simply mean adopting the standards; we are also revising financial reporting processes, adopting a bottom-up method as a new financial reporting system. Up to now, when affiliated companies have prepared financial statements using accounting standards that differ from those of the parent company (Mitsui & Co., Ltd.), in principle the parent company has made the necessary adjustments for consolidation.

Although it would have been preferable for such adjustments to be made by an organization closer to the affiliated company that better understands the situation at the company, it has been difficult to secure human resources outside the United States who are sufficiently familiar with the complex and wide-ranging U.S. accounting standards.

The introduction of the IFRS, which have already been adopted by more than 100 countries, will resolve this issue. We are distributing new global group-based accounting manuals to each affiliated company and introducing a bottom-up method where consolidation adjustments are done by organizations closer to the entity involved. Through these efforts, we expect to achieve more efficient and more accurate consolidated financial reporting operations. In addition, the

standardization of accounting standards will allow easier comparative evaluations of business results across affiliated companies, and we hope this will have a significant effect in strengthening consolidated management, including providing greater motivation on-site.

At this stage, we are investigating new frameworks for disclosure other than the financial statements, including MD&A, adjustment methods to make previous years' figures consistent, and new approaches to management indicators, performance measures, and shareholder return.

Q8

Please explain the progress, the challenges and your policy regarding CFO staff development?

We introduced what we call the "CFO Human Resources Development Program" in 2009 with the aim of training next-generation CFO-type leaders, and to date 128 persons have participated. In the current fiscal year, we revised the Career Development Program for new graduates, reducing the length of the program from nine years to six.

The importance of affiliated companies is increasing in line with their increasing share of Mitsui's consolidated net income. The key factor for achieving our growth strategy through business investment is talented people who are equipped with managerial capabilities required for CEO and CFO. It is difficult to manage a company without these two skillsets, and it is very important for a CFO to be able to approach issues from a big-picture perspective.

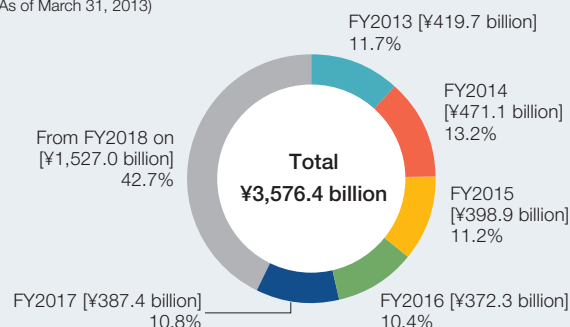
We assign employees to affiliated companies as early as possible in their career to have them gain a variety of experiences. I believe this structure makes it possible to continuously produce talented people who can manage Mitsui and its affiliated companies by formulating financial strategy.

issuance volume of such bonds is normally small. However, based on a high credit rating from rating agencies and a well-timed entry onto the market, we managed to issue the bonds under favorable conditions for both investors and Mitsui as the issuing body. In addition to funding by corporate bonds, we have borrowings from Japanese and overseas financial institutions, which we have established good relationships with over a long period. As a result, we have secured stable and long-term funds as shown in the graph to the right.

We will continue to implement funding strategies that can contribute to an increase in Mitsui's corporate value.

Repayment of Long-term Debt by Fiscal Year

(As of March 31, 2013)



Overview of Financial Results (Year Ended March 31, 2013)

➤➤ Net income* declined on a fall in commodity prices, but the revised forecast was basically achieved

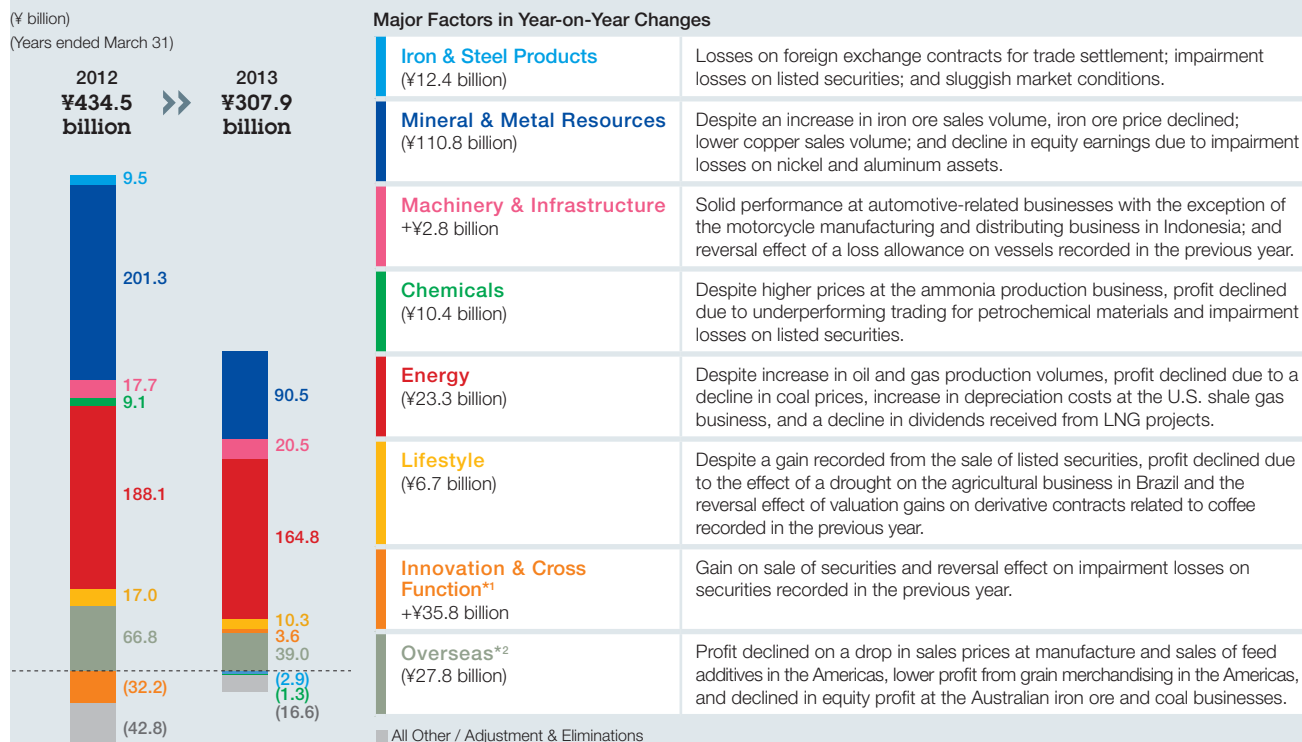
Net Income / ROE



Net income for the year ended March 31, 2013 was ¥307.9 billion, a decline of ¥126.6 billion from the previous year. The main factors behind this decline were large drops in prices for iron ore and coal, impairment losses on listed securities and long-lived assets, and sluggish market conditions. However, due to positive factors, including sales of securities and increased equity production volumes for Mineral & Metal Resources and Energy, we basically achieved our net income forecast of ¥310.0 billion as revised in November 2012. In addition, return on equity (ROE) was 10.6%.

* For the purposes of this report, "net income" refers to consolidated net income attributable to Mitsui & Co., Ltd.

Net Income (Loss) by Operating Segment



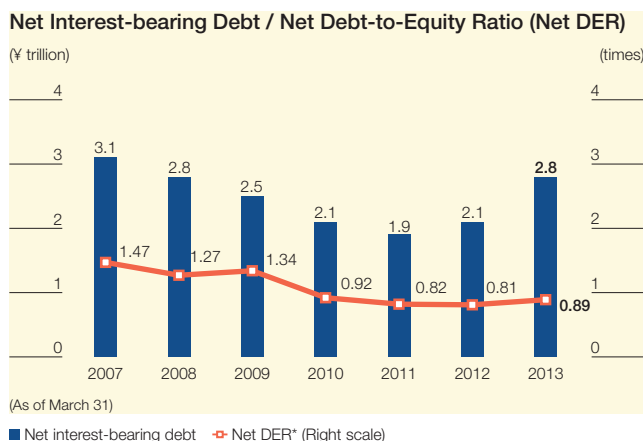
Investments and Loans

Business Area	(Years ended March 31)		Major Projects in 2013
	2012	2013	
Metals	650.0	370.0	Acquisition of an equity in copper business (Chile) with Codelco, Expansion of iron ore production capacity (Australia), Caserones copper mine development (Chile)
Machinery & Infrastructure		145.0	Rolling stock leasing, FPSO leasing (Brazil), Renewable energy IPP (Canada)
Chemicals		20.0	Expansion of tank terminal (U.S.A.)
Energy		335.0	Shale gas and oil development (U.S.A.), Browse LNG (capital increase in JAL-MIMI, Australia), Expansion of crude oil and gas and coal operations, Acquisition of North Sea oil and gas field interests
Lifestyle		65.0	Acquisition of senior living facilities (U.S.A.), Grain merchandising (Russia)
Innovation & Corporate Development ^{*1}		25.0	Private equity-sponsored loans
Gross Investments and Loans	650.0	960.0	
Divestiture	(210.0)	(220.0)	Capital redemption at Sakhalin II (Russia), Sales of securities, Loan collection from ship-owning company
Net Cash Outflow	440.0	740.0	

*1. The name of the operating segment was changed to Innovation & Corporate Development due to the reorganization of business units as of April 1, 2013.

*2. Includes the three overseas segments: the Americas; Europe, the Middle East and Africa; and Asia Pacific.

➤ Maintaining a strong financial position



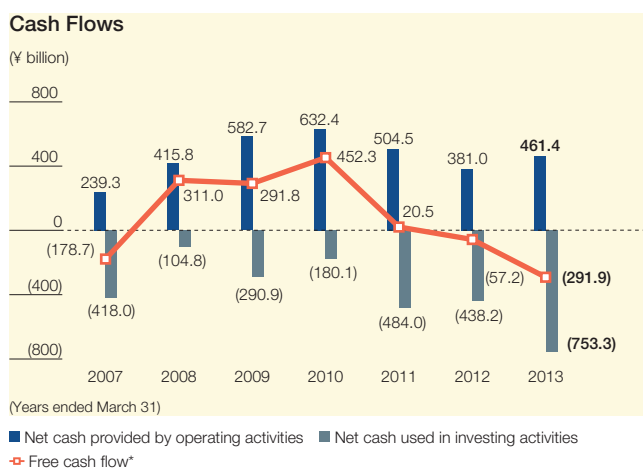
As a result of new investments and expansion projects carried out during the year, total assets as of March 31, 2013, were ¥10.3 trillion, a ¥1.3 trillion increase from March 31, 2012.

Net interest-bearing debt was ¥2.8 trillion, an increase of ¥0.7 trillion, attributable to an increased investment. Shareholders' equity was ¥3.2 trillion, an increase of ¥0.6 trillion, reflecting an increase in retained earnings, the yen's depreciation and higher stock prices.

As a result, the net debt-to-equity ratio (net DER) as of March 31, 2013, was 0.89 times, 0.08 point higher compared with the previous fiscal year-end. Nevertheless, this still indicates a strong financial position, with a financial structure that maintains liquidity and allows for flexible investment in quality projects.

* Net DER = Net interest-bearing debt ÷ Total shareholders' equity
 Net interest-bearing debt = Interest-bearing debt - (Cash and cash equivalents + Time deposits)

➤ Negative free cash flow reflects proactive investment in quality assets

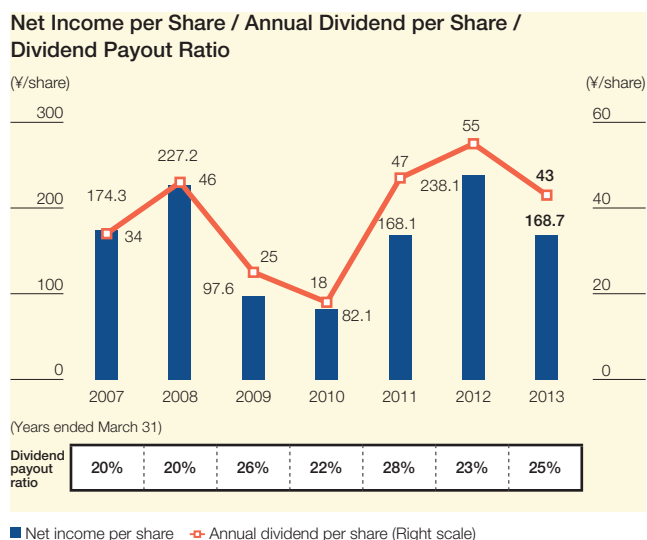
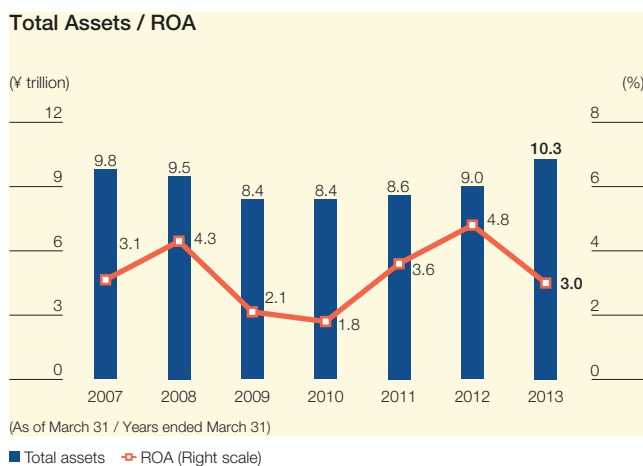


Net cash provided by operating activities during the year ended March 31, 2013 was ¥461.4 billion. Compared with the previous year, net cash provided by operating activities increased ¥80.4 billion, attributable to declines of ¥93.8 billion in operating income and ¥49.9 billion in dividend income being more than offset by a ¥209.0 billion improvement in net cash flow from increases and decreases in working capital.

Net cash used in investing activities was ¥753.3 billion. Despite aggressive asset divestitures that exceeded our initial plan, proactive investment in quality projects to strengthen our earnings base resulted in an increase in net cash used in investing activities of ¥315.1 billion.

As a result, free cash flow was a net outflow of ¥291.9 billion.

* Free cash flow = Net cash provided by operating activities + Net cash used in investing activities



Please refer to pages 112 and 113 for 10-year financial data.

Progress of the Medium-term Management Plan

CHALLENGE AND INNOVATION 2014

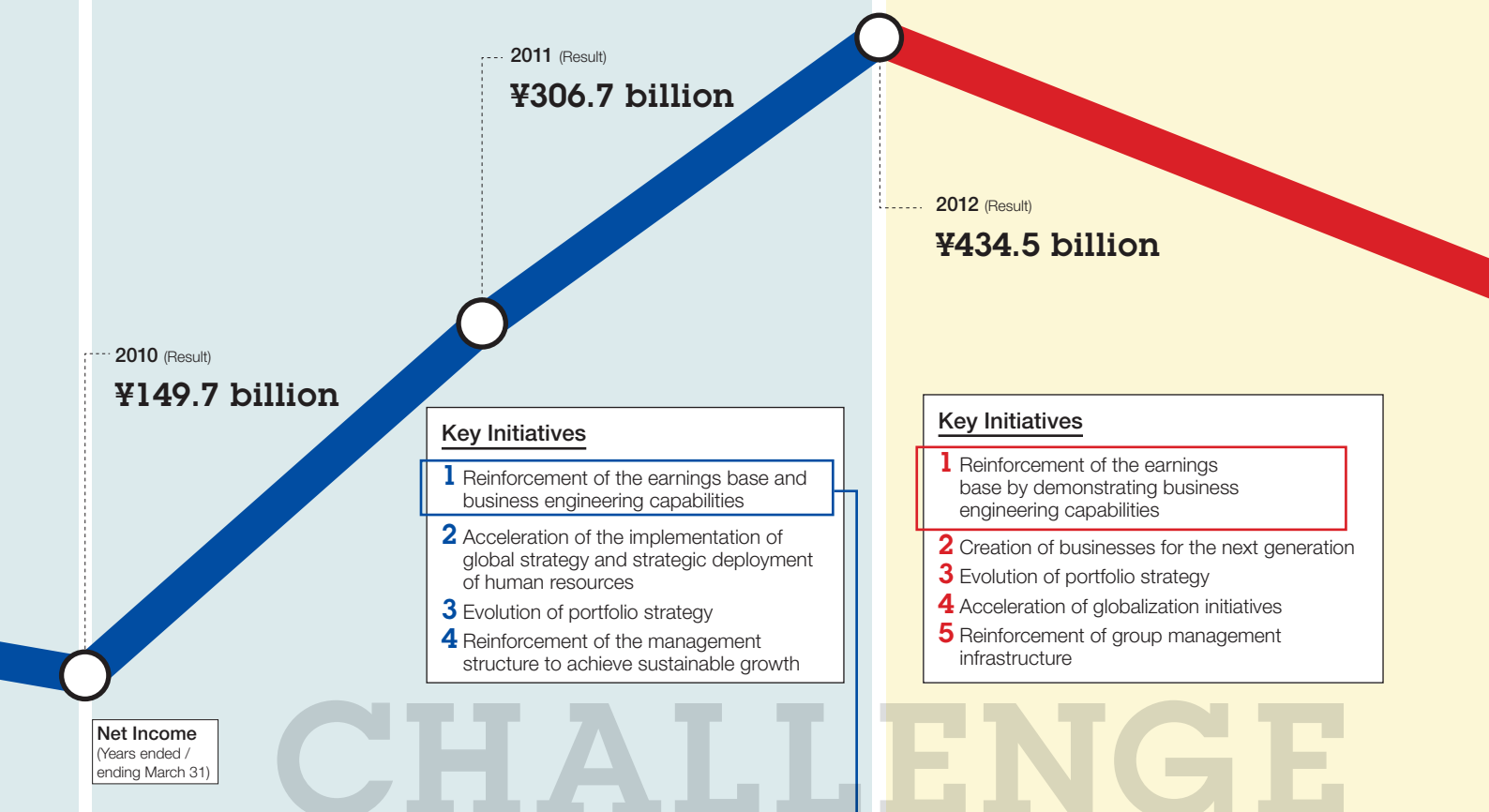
Medium-term Management Plans toward Realization of the Long-term Management Vision

CHALLENGE AND INNOVATION 2012

Stronger Mitsui, more distinctive and respected Mitsui

CHALLENGE AND INNOVATION 2014

Creating the Future through Dynamic Evolution



Major achievements to reinforce our earnings base

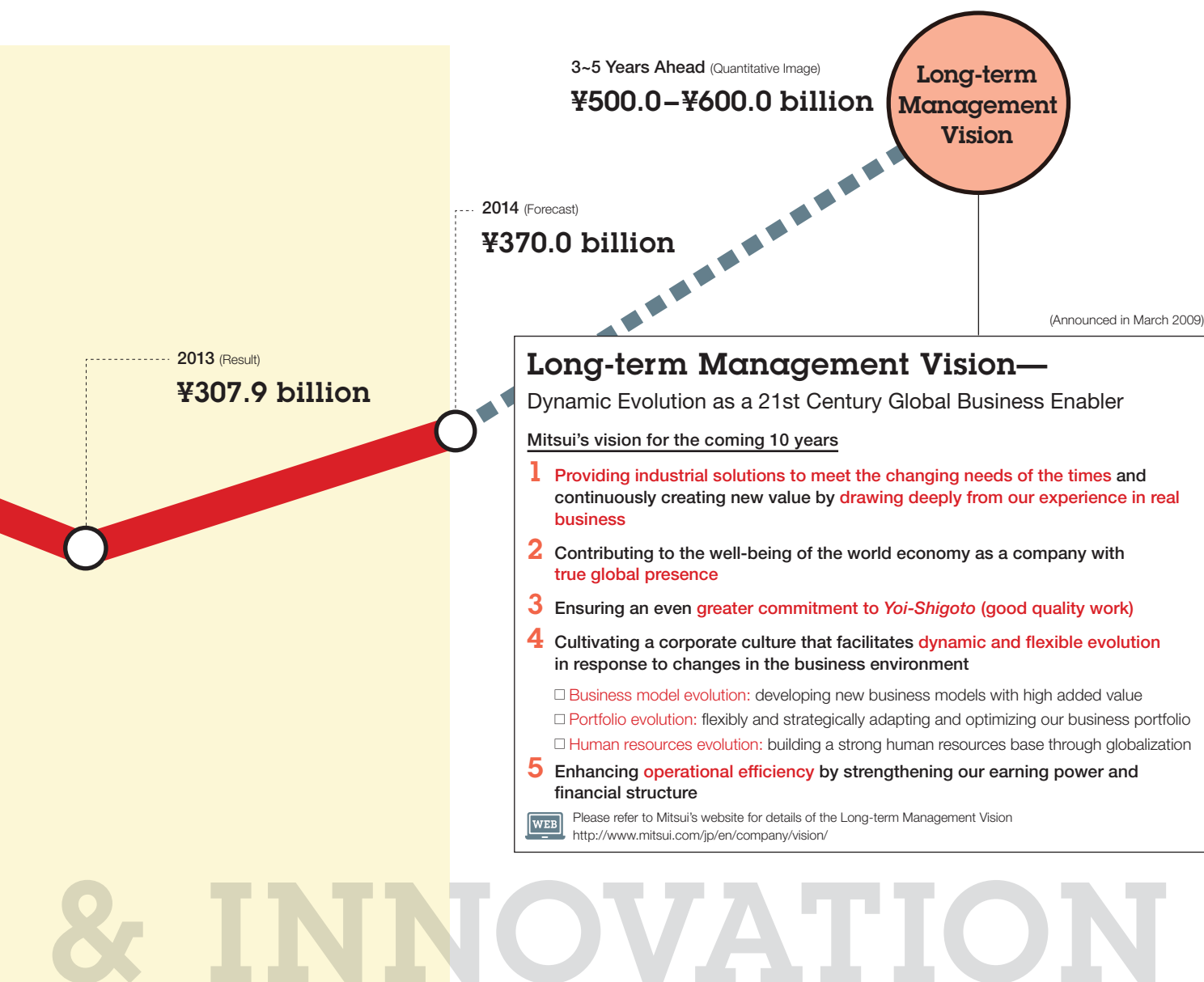
CHALLENGE AND INNOVATION 2012

Increase equity production and reserves in Mineral Resources and Energy areas

- Constant increase in equity production and reserves of oil and gas
 - Increased natural gas/oil condensate production in Thailand and acquired U.S. shale gas/oil assets
 - Successfully discovered a substantial gas reservoir in Mozambique
- Expansion in Australian iron ore production capacity

Reinforce earnings base in areas other than Mineral Resources and Energy

- Participated in phosphate rock project being promoted by Vale in Peru
- Participated in The Dow Chemical's U.S. chlor-alkali project and Brazilian biopolymer manufacturing
- Made former Multigrain AG, which is engaged in agricultural production and grain origination in Brazil, a wholly owned subsidiary
- Acquired 30% stake in IHH Healthcare ("IHH"), Asia's largest hospital group
- Acquired Portek International, port development and operation of container terminal business



Long-term Management Vision—

Dynamic Evolution as a 21st Century Global Business Enabler

Mitsui's vision for the coming 10 years

- 1 Providing industrial solutions to meet the changing needs of the times and continuously creating new value by drawing deeply from our experience in real business
- 2 Contributing to the well-being of the world economy as a company with true global presence
- 3 Ensuring an even greater commitment to *Yoi-Shigoto* (good quality work)
- 4 Cultivating a corporate culture that facilitates dynamic and flexible evolution in response to changes in the business environment
 - Business model evolution: developing new business models with high added value
 - Portfolio evolution: flexibly and strategically adapting and optimizing our business portfolio
 - Human resources evolution: building a strong human resources base through globalization
- 5 Enhancing operational efficiency by strengthening our earning power and financial structure



Please refer to Mitsui's website for details of the Long-term Management Vision
<http://www.mitsui.com/jp/en/company/vision/>

& INNOVATION

Major progress to reinforce our earnings base

CHALLENGE AND INNOVATION 2014

Further expand into upstream businesses

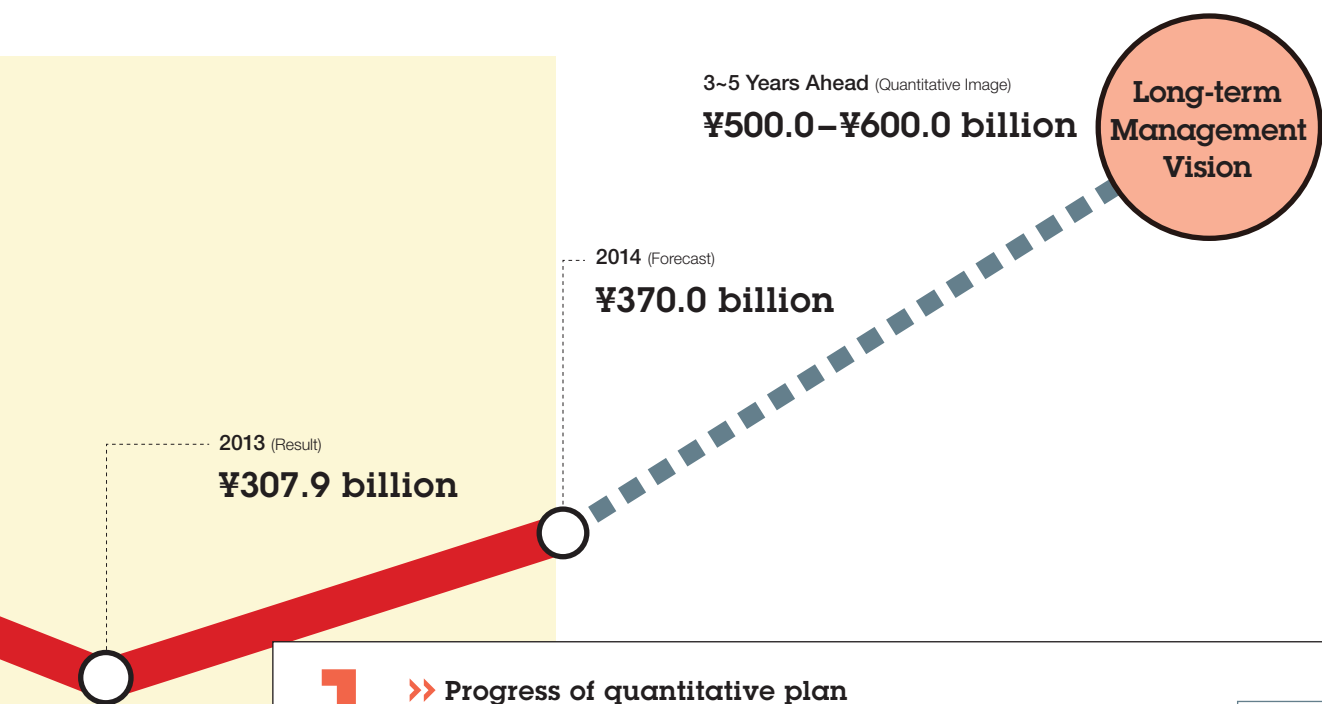
- Acquired an equity in copper business in Chile together with Codelco and concluded strategic alliance
- Expanded iron ore port capacity of Robe joint venture in Australia
- Acquired oil and gas interests in U.K. North Sea and in Italy
- Invested in and concluded strategic alliance with operator of a Russia-based grain business, Sodrugestvo

Reinforce initiatives in the natural gas value chain

- Pursued LNG development in Mozambique and plans for LNG exports using U.S. shale gas
- Developed value chain to convert U.S. shale gas to chemical products

Capture growth in emerging economies and global industrial requirements

- Reported earnings contribution from new IPP business
- Expanded hospital and related businesses with IHH as a platform



1 >> Progress of quantitative plan

(Years ended March 31)	Medium-term Management Plan (Announced in May 2012)		2013 (Results)	2014 (Forecast)
	2013 (Forecast)	2014 (Forecast)		
Net income (¥ billion)	400.0	450.0	307.9	370.0
ROE (%)	14.3	14.5	10.6	—
Total assets (¥ trillion)	9.6	10.0	10.3	—
Total shareholders' equity (¥ trillion)	2.9	3.3	3.2	—
Net interest-bearing debt (¥ trillion)	2.3	2.3	2.8	—
Net DER (times)	0.78	0.70	0.89	—

With a slowdown in the global economy accompanied by declines in commodity prices, net income in the year ended March 31, 2013, fell short of the target set in the Medium-term Management Plan. We are forecasting a ¥62.1 billion increase in net income, to ¥370.0 billion, for the year ending March 31, 2014.

Policy for second year under the Medium-term Management Plan and strategy going forward

Further strengthen the earnings base and realize return from investments

We recognize that there continue to be favorable opportunities for business investment to strengthen the future earnings base, and during the year ending March 31, 2014, the second year under the Medium-term Management Plan, we will proactively invest in carefully selected, quality projects. In addition to selecting projects from the investment stage, we will also work to enhance the quality of and realize return from existing projects to build up steady cash inflows. To facilitate this, we have reorganized certain corporate staff divisions and the business unit structure, created the Business Supporting Units, and integrated business units and corporate staff divisions, thereby creating a structure to select new investment projects and enhance the quality of existing businesses. We will work to strengthen the earnings base while realizing return from investments, with the objective of achieving a stable, positive free cash flow under the next Medium-term Management Plan and building a solid platform for generating cash.

2

» Progress under key initiatives

1 Reinforcement of earnings base by demonstrating business engineering capabilities

Further expansion into upstream businesses

- Acquired an equity in copper business in Chile together with Codelco, expanded port capacity of Robe joint venture in Australia
- Acquired oil and gas interests in U.K. North Sea and in Italy
- Invested in and concluded strategic alliance with Russian grain origination operator, Sodrugestvo, etc.

Reinforcement of initiatives in the natural gas value chain

- Pursued LNG development in Mozambique and plans for LNG exports using U.S. shale gas
- Developed value chain to convert U.S. shale gas to chemical products

Enhancement of partnership strategy

- Concluded strategic alliance with Codelco, aiming multi-lateral new businesses

Capture the growth in emerging economies and global industrial requirement

- Earnings contribution from new IPP business
- Expanded hospital and related businesses with IHH as a platform

Provide distinctive functional capabilities and strengthen corporate development activities to create new businesses

- Investment in Spanish company Gestamp Automoción's operations in Americas – foundation for new business platform
- Established Innovation & Corporate Development business unit

2 Creating businesses for the next generation

- Exploring new businesses eyeing future deregulation and industrial transformation

3 Evolution of portfolio strategy

- Continuous improvement of asset quality, strategic asset divestiture

4 Acceleration of globalization initiatives

- Strengthening ties with prominent local companies, opening offices in frontier regions

5 Reinforcement of group management infrastructure

- Restructured internally, with 15 business units reorganized into 12 and corporate staff divisions realigned

3

» Major progress in investments and loans

During the year ended March 31, 2013, Mitsui made a ¥232.6 billion investment for the joint ownership with Codelco of 29.5% of the shares of Anglo American Sur, resulting in a significant increase versus the plan for investments and loans in the Metals area. On the other hand, with capital redemption at Sakhalin II and sales of listed securities, asset divestiture was also larger than planned. As a result, the increase in net cash outlays versus the Medium-term Management Plan was held to ¥100 billion.

We have determined that there are many investment opportunities to strengthen our earnings base, primarily for the development of quality upstream interests and for infrastructure in emerging markets, and we are forecasting total investments and loans of ¥1 trillion for the year ending March 31, 2014 (please refer to page 105 for details).

(Years ended March 31)		Announced in May 2013		Medium-term Management Plan (Announced in May 2012)	
		2013 (Results)	2014 (Forecast)	2013 (At the time)	2014 (At the time)
Business Area					
Metals		370	280	200	600
Machinery & Infrastructure		145	280	200	
Chemicals		20	40	50	
Energy		335	320	250	
Lifestyle		65	50	50	
Innovation & Corporate Development		25	30	50	
Gross Cash Outflow		960	1,000	800	600
Divestiture		(220)	(170)	(160)	(140)
Net Cash Outflow		740	830	640	460

(¥ billion)

SPECIAL FEATURE

Mitsui's CHALLENGE AND INNOVATION in Projects

This section introduces projects where progress is expected under our Medium-term Management Plan “Challenge and Innovation 2014” and examples of social responsibility* initiatives implemented through our business activities.

* To fulfill our corporate social responsibility through our business activities, we are focusing on the four ISO 26000 core subjects of human rights, the environment, consumer issues, and community involvement and development. (For details, please see page 097.)



ENERGY BUSINESS

Harnessing Our Comprehensive Strengths to
Expand the Value Chain in Natural Gas Business

Energy Segment, Energy Business Unit I

×

Chemicals Segment, Basic Chemicals Business Unit



FOOD RESOURCES BUSINESS

Securing Access to Food Production Areas,
Contributing to Stable Supplies of Safe, Reliable Food

Lifestyle Segment, Food Resources Business Unit



MEDICAL AND HEALTHCARE BUSINESS

Aiming to Enhance Quality of Life (QOL)
of Each Person in Asia

Lifestyle Segment, Consumer Service Business Unit

> PROJECT

ENERGY BUSINESS

Harnessing Our Comprehensive Strengths to Expand the Value Chain in Natural Gas Business

Mitsui has stakes in oil and gas fields worldwide. Aiming to expand and strengthen this portfolio further, we are participating in a wide variety of projects from the exploration phase. In Mozambique, where we have discovered one of the world's largest gas fields, we are undertaking front-end engineering and design (FEED) work targeting LNG production start-up in 2018.

Further, in our shale gas business in the United States, we are leveraging our competitive upstream position and utilizing our comprehensive strengths to establish a liquefaction business and a chemicals business, thereby expanding our value chain.

Business Strategy for Developing Oil and Natural Gas Resources

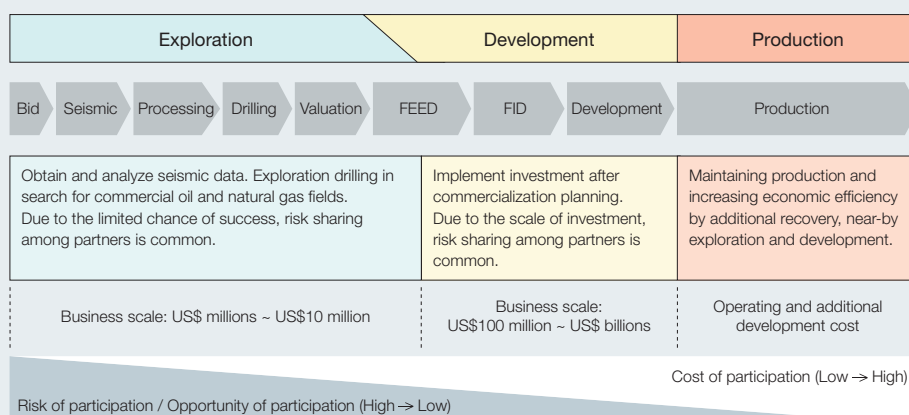
In accordance with its basic business strategy for developing oil and natural gas resources, Mitsui is optimizing its asset portfolio by emphasizing a balance among regions, products, developmental phases and business partners. As well as developing existing businesses in Southeast Asia, Oceania, the Middle East, North America and Europe, we have pioneered new regions and taken part in exploration projects proactively. In particular, in light of the rise in crude oil prices and increasing competition to acquire energy resources in recent years, we have participated in projects from the exploration phase, thereby reducing the costs of acquiring additional reserves. Also, it has enabled us to diversify business risk by building a well-balanced portfolio comprising exploration, development and production.

* For details of Mitsui's assets, please see page 065.

Natural Gas Development Project off Mozambique Progressing

One recent example of such exploration success is the discovery of a significant gas field off the coast of Mozambique. In 2008, Mitsui's subsidiary Mitsui E&P Mozambique Area 1 Limited acquired a 20% equity interest in the offshore Area 1 exploration block from its operator Anadarko Petroleum Corporation. To facilitate our participation in the project and mitigate exploration risk, we used a governmental

Flow of oil and natural gas exploration, development and production



PROJECT 1: ENERGY BUSINESS

system in Japan under which Japan Oil, Gas and Metals National Corporation (JOGMEC) provided 75% of the equity capital funding.

The block is one of the largest gas reserves in the world, with estimated recoverable resources of over 35 to 65 trillion cubic feet as of the end of July 2013. Exploration work is continuing in the block, which is believed to still hold enormous additional resources of crude oil and gas.

As the first phase of commercial gas operations, plans call for annual LNG production of 10 million tons per year. In December 2012, we have awarded FEED contracts for LNG plant construction and offshore installations. Mitsui will continue evaluations with a view to making a final investment decision in 2014 and starting up production in 2018. Marketing activities are also well under way, and through the stable supply of LNG from this project, we will contribute to the energy security of Japan and other Asian countries. ➤ **Photo A**

Our U.S. Shale Gas Value Chain

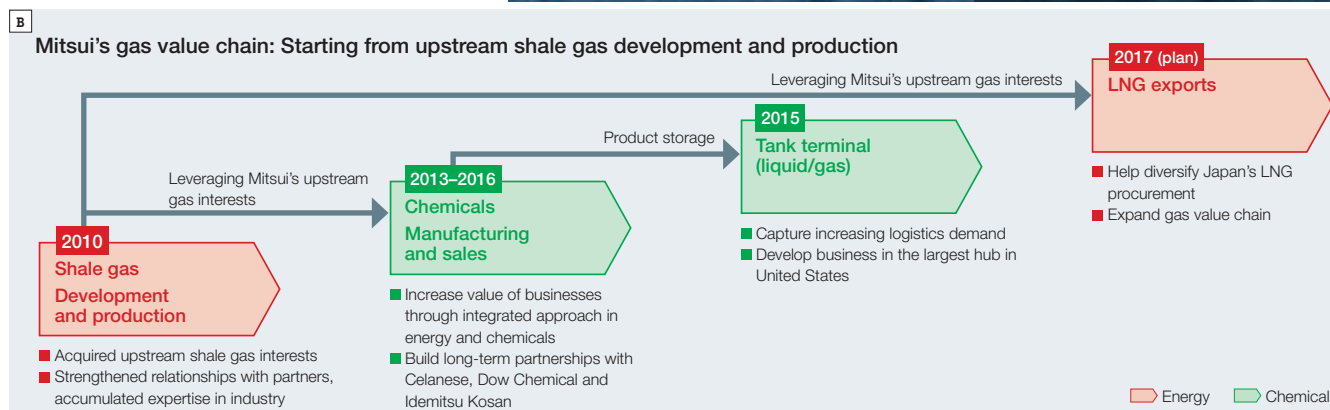
Today, the shale revolution in the United States is receiving extensive media coverage; however, our participation in the country's upstream shale gas business dates back to 2010. At the time, in view of diversifying our energy sources and creating a stable supply of energy based on a global scale, we set our eyes on shale gas in the United States, which was moving toward full-fledged commercialization ahead of the rest of the world. Ultimately, we acquired a 15.5% equity interest in a highly competitive shale gas project that Anadarko Petroleum Corporation was developing in Pennsylvania's Marcellus shale gas area. Likely to drill several thousands of wells over the coming 20 to 30 years, this long-term project promises to stay in production for approximately 60 years.

In recent years, as gas supplies within the United States have become abundant due to the shale revolution, companies have begun considering changing over existing or planned LNG import terminals to export terminals, and the potential of LNG exports are fast approaching reality. In this context, Mitsui judged that the Cameron terminal in Louisiana operated by Semptra Energy is a promising project, and following joint deliberations in 2012, in May 2013 we concluded a natural gas liquefaction tolling agreement and a joint venture

agreement with the company, under which Mitsui will acquire 16.6% equity interest in the project. This project is expected to export 12 million tons of LNG per year, of which Mitsui will receive 4 million tons annually. Assuming the United States government approves natural gas exports from the project to countries with which it has not concluded free trade agreements (FTAs), we are targeting a final investment decision in 2014 and LNG production in the second half of 2017. Mitsui's LNG exports from the United States will expand the value chain of Mitsui's shale gas business and contribute to the diversification of Japan's energy procurement.

Moreover, in Houston, Texas, we are advancing a methanol project that uses natural gases, including shale gas, as raw materials. Through a 50-50 investment with our partner Celanese Corporation, we are building one of the world's largest methanol manufacturing plants, with a production capacity of 1.3 million tons per year, aiming to expand our value chain from natural gas into chemicals. We plan to make full use of Celanese's existing infrastructure, which will allow us to curb construction costs and at the same time start up the operations as early as in 2015.

In these ways, by using the abundant shale gas resources of the United States as a base and leveraging our comprehensive strengths, we will provide stable supplies of clean energy and chemicals that are essential to a wide variety of industries and help create a richer, sustainable society. ➤ **Chart B**



Sustainable Energy Business

Creating new possibilities for new resources



Initiatives for Consumer Issues

Working toward achieving stable supply of energy and chemical products

Currently, natural gas, as an environmentally friendly fossil energy, offers great potential in the shift toward a sustainable society. The United States has succeeded in shale gas development that provides stable supply, is price competitive, and fulfills not only domestic but overseas demand via export. In order to extract more shale gas and provide a stable supply of clean energy to the world, Mitsui is working to expand the number of extraction sites together with its partner Anadarko Petroleum Corporation. Meanwhile, in the Chemicals business area, Mitsui is contributing to the chemicals industry by promoting methanol production through the effective use of natural gas. Mitsui is exploring every way possible to add value to natural gas and is expanding the value chain to chemical products, including methanol and products essential to everyday life, such as plastic products, adhesives, crop protection chemicals and medical supplies, among others.



Initiatives for the Environment

Drilling for shale gas using environmentally friendly methods

The U.S. has a long history of involvement in the oil industry and a large accumulation of technologies. It was also one of the first

countries in the world to achieve the development of shale gas. Shale gas is extracted using a method known as hydraulic fracturing, whereby a large volume of water is pumped thousands of meters below ground to the shale stratum to obtain gas by creating fissures in the stratum. In the project undertaken at Marcellus, Pennsylvania, 15,000 tons of water have been used for each well. Mitsui and Anadarko Petroleum Corporation obtain water from large nearby rivers and recycle this water repeatedly, thus preventing water pollution and the depletion of water resources. ➤ Photo C



Initiatives for Community Relations and Development

Building positive relationships with local communities

In regions like Pennsylvania that are booming with the shale gas rush, a great many new employment opportunities have been created. Expansion of employment is also expected in such areas as Texas and Louisiana where new chemical product plants that use natural gas are planned. The operator Anadarko Petroleum Corporation promotes the employment of local residents and also holds events, including briefings regarding environmental considerations, striving to develop positive relationships with the local community, including land owners. The company works hard to ensure a correct understanding of shale development among as many people as possible, explaining aspects of the work, including the fact that "a low concentration of chemicals does become mixed in with the water used for hydraulic fracturing, but those chemicals are the same as those used in daily life." ➤ Photo D



Initiatives for Human Rights

Striving to ensure safe operations for the sake of employees and local communities

Mitsui selects its partners from the perspective that safe operations are a major prerequisite for doing business. To ensure the safety of operators, Anadarko Petroleum Corporation has set safety standards stricter than those prescribed nationally and also creates and analyzes "near miss reports," implementing the PDCA cycle to improve its level of safety management. In addition, Celanese Corporation, which is currently constructing the methanol plant in Clear Lake, Texas, and planning to begin operations in 2015, has built a culture of safety with the motto "KeepSafe," under which "all coworkers are encouraged to see themselves as leaders in driving safe behaviors. Safety is at the core of everything at Celanese. They take their responsibility to protect their employees, their worldwide communities, equipment and facilities very seriously. To recognize their continued efforts, the company also received the American Chemistry Council's Responsible Care® Sustained Excellence Award. In the future, Mitsui will continue to work together with partners that can share its strong sense to strive to solve the important issues and to develop businesses that contribute to the creation of a better society.



Utilizing water repeatedly, removing any impurities at treatment facilities
©Anadarko Petroleum Corporation



Holding briefing on environmental considerations for local residents
©Anadarko Petroleum Corporation



PROJECT

FOOD RESOURCES BUSINESS

Securing Access to Food Production Areas, Contributing to Stable Supplies of Safe, Reliable Food

According to United Nations' prospects, the world's population is expected to rise from 7.2 billion in 2013 to 9.6 billion in 2050. In line with population growth, the need to secure food resources and stable food supplies is becoming more pressing as the gap widens between the supply capabilities of unevenly distributed food production areas and continuously growing demand for food. Through initiatives in the world's major food production areas, Mitsui provides stable supplies of safe, reliable food to Japan as well as other countries in Asia, the Middle East and Africa.

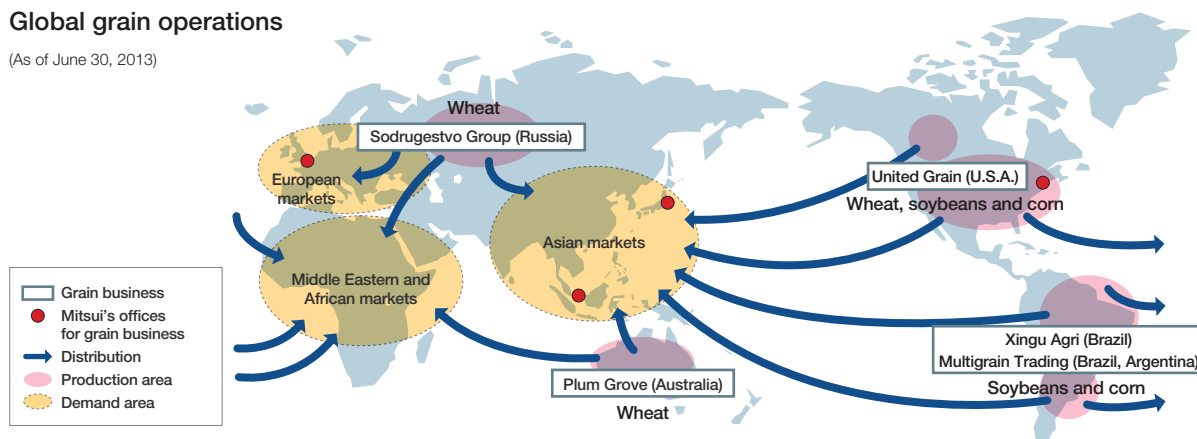
Securing Diverse Supply Sources to Cater to Global Grain Demand

Grain demand is burgeoning worldwide. Demand for food grain is increasing due to population growth and growth of emerging economies. Moreover, better and more varied diets are increasing the consumption of livestock products, spurring demand for feed grain. In addition, demand for grain as a raw material for bioethanol is likely to rise. To cater to this growing demand, securing stable supply sources in production areas with export capabilities is critical. Therefore, Mitsui has gained access to diverse production areas.

Mitsui's major grain businesses are in the United States, where its wholly owned subsidiary United Grain Corporation is engaged in grain origination and export operations for wheat, corn and soybeans, and in Brazil, where its wholly owned subsidiary Xingu Agri AG and Multigrain Trading AG (formerly Multigrain AG, Switzerland) are engaged in grain production, origination and sales operations mainly for soybeans. Further, Mitsui acquired a 10% stake in Sodrugestvo Group S.A., operator of a Russia-based grain business, in October 2012, and also acquired a 25% interest in the Australian grain accumulator Plum Grove Pty Ltd in December 2012. Through such initiatives in the world's major production areas, we are

Global grain operations

(As of June 30, 2013)



strengthening our ability to market products catering to the demand in Asia, the Middle East and Africa. ➤ **Photo A**

Contributing to Supply of Safe, Reliable Food through Agricultural Production

Through Xingu Agri AG, Mitsui has been developing agricultural production in Brazil since 2007. Its subsidiary AGRÍCOLA XINGU S.A. owns approximately 120,000 hectares of farmland, where soybeans, cotton and corn are produced. By engaging in agricultural production, we are able to access information on production areas and maintain traceability, thereby contributing to the supply of safe, reliable food. AGRÍCOLA XINGU S.A. produces non-genetically modified soybeans. As the production of genetically modified grains increases worldwide, we are catering to growing demand for non-genetically modified soybeans in Japan and other markets.

In another initiative, Mitsui concluded an agreement with major agricultural producer SLC AGRÍCOLA S.A. (Brazil) in July 2013 to establish a joint venture company for agricultural operations that will produce soybeans, cotton and corn. Through this partnership with SLC AGRÍCOLA S.A., which has abundant experience and expertise in the management of large-scale farms, we will leverage Brazil's capacity to increase food production to expand agricultural production operations and strengthen our system for providing stable supplies of safe, reliable grain to Japan, elsewhere Asia and other markets.

Sugar Production in Thailand Supporting Japan's No. 1 Sugar Brand

Steadily growing sugar consumption centered on emerging countries and a rapidly rising demand for bioethanol are putting the world's sugar supply capabilities under pressure. Meanwhile, the three major sugar-exporting countries, Brazil, Thailand and Australia, account for approximately 70% of the world's sugar trade. Thus, sugar is a scarce food resource in terms of exporting capability.

For 50 years, Mitsui has been developing sugar production businesses with Mitsui Sugar Co., Ltd. in Thailand, which is the world's second largest sugar-exporting country situated in the center of the demand region, Asia. Utilizing our expertise and knowledge accumulated through the management of The Kumphawapi Sugar Co., Ltd. and Kaset Phol Sugar Limited, in February 2013, we invested in Khonburi Sugar Public Company Limited, with the aim to increase stable raw material sources and strengthen our sugar businesses further. Through these businesses, and in partnership with Mitsui Sugar Co., Ltd., we will increase sales of Japan's most popular sugar brand, the SPOON brand, while catering to growing demand for sugar in Asia.

Rice Operations in Myanmar

In a new initiative, we are developing a rice business in Myanmar, one of our strategic countries. With the expectation that geographical advantages give the country the potential to become a food supply base for Asia, we are conducting a feasibility study with a view to establishing commercial operations through the construction of a large-scale rice-milling and processing plant with Myanmar Agribusiness Public Corporation ("MAPCO"), a private-sector company established to promote the development of agriculture in Myanmar. We plan to provide technical cooperation by introducing Japan's outstanding rice-milling and agricultural production technologies and to sell the rice produced in Myanmar in Southeast Asia, Africa and other regions.

In response to the 2011 resumption of commercial exports of rice produced in Myanmar, Mitsui began exports to Singapore and Mozambique in 2012. Also, we resumed imports of Myanmar's rice to Japan for the first time in 45 years in May 2013.

Through such initiatives, Mitsui aims to respond to growing demand for rice as the world's population rises and contribute to Myanmar's economic development by increasing rice exports.

➤ **Photo B**



Plant and grain export port facilities, Sodrugestvo Group S.A. (Russia)



Rice paddy in suburbs of Yangon (Myanmar)

Sustainable Food Resources Business

Connecting the agriculture and livestock industries with meals



Initiatives for Consumer Issues

Building a value chain for the agriculture and livestock industries with the combined primary/secondary/tertiary industries

Currently, around 1.9 million tons of chicken is consumed in Japan a year. Around one-half is imported, with the remainder produced domestically. PRIFOODS CO., LTD. ("Prifoods") is based in Aomori Prefecture, Japan, which is one of the leading agricultural and livestock producing areas retaining Hachinohe Feed Complex. Prifoods handles around 9% of all chicken produced in Japan. The company contributes to the development of regional industries by adopting the consumer's perspective to work in a unified manner across the primary industry of raising chickens, the secondary industry of processed food production and the tertiary industry of sales. The Misawa Midori no Sato Plant—Prifoods' main processing plant—has established facilities and systems to enable safe and secure food processing, and is also striving to gain FSSC 22000 certification, a standard for food safety established by the Global Food Safety Initiative.



Initiatives for Community Relations and Development

Creating added value in local communities

Although the impact of the Great East Japan Earthquake still lingers, Prifoods put priority on the positive attitude of people in the Tohoku region so construction was started as planned in November 2011 on the Prifoods Misawa Midori no Sato Plant, and operations commenced in August 2012. By producing and processing in the region, it becomes possible to increase added value in the area and to invigorate the local economy. Furthermore, Prifoods also contributes to the stimulation of local culture, literature and sports through its

support of activities, including the Aomori Nebuta Festival, one of the three great festivals of the Tohoku region, the Yuki no Machi Fantasy Literature Prize and Cheers Cup Aomori Prefecture Girls and Boys Wrestling Tournament.



Initiatives for the Environment

Aiming for zero waste from value chains

In order to promote environmentally friendly manufacturing, Prifoods has obtained ISO 14001 certification at its Tokyo Head Office and has deployed similar environmental management systems at each of its other location. In addition, at its Misawa Midori no Sato Plant, Prifoods uses boilers that run on gas instead of heavy oil, striving to switch to energies that emit low levels of CO₂ and air pollutants. Prifoods is taking proactive steps to reduce the amount of waste it produces to zero. For the 80 thousand tons of poultry manure generated each year, Prifoods has, for example, commoditized it as fertilizer and has utilized charcoal created from the poultry manure as a snow-melting agent. Mitsui is also developing a biomass business (power generation and fuel supply) in the Metals business area using the poultry manure from Prifoods.

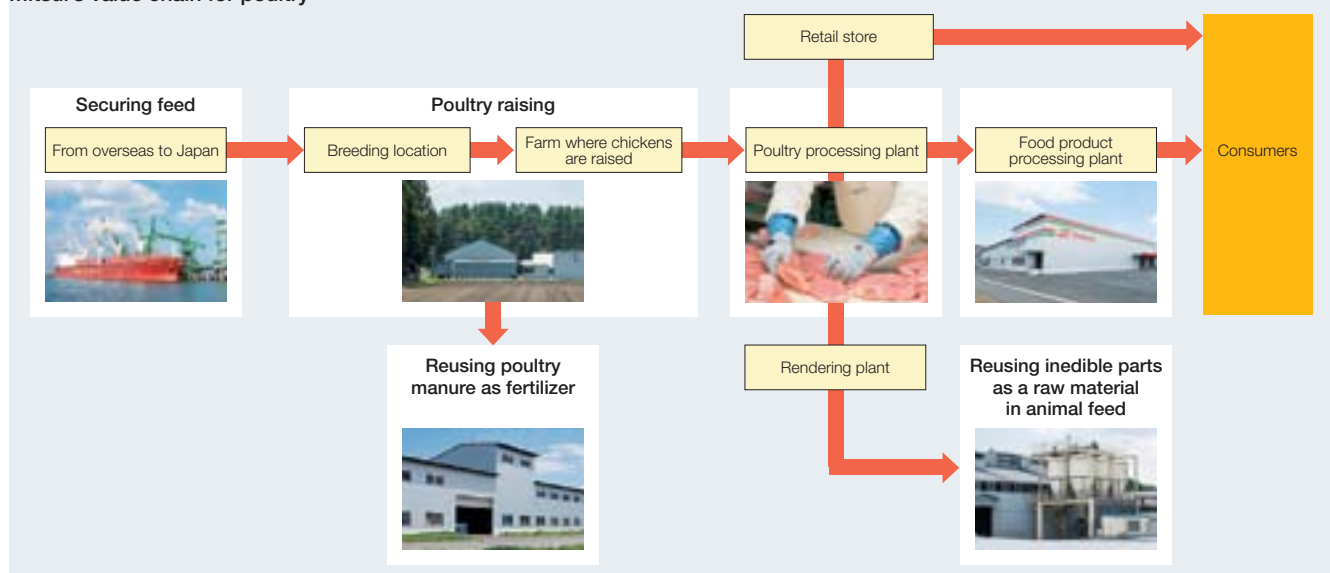


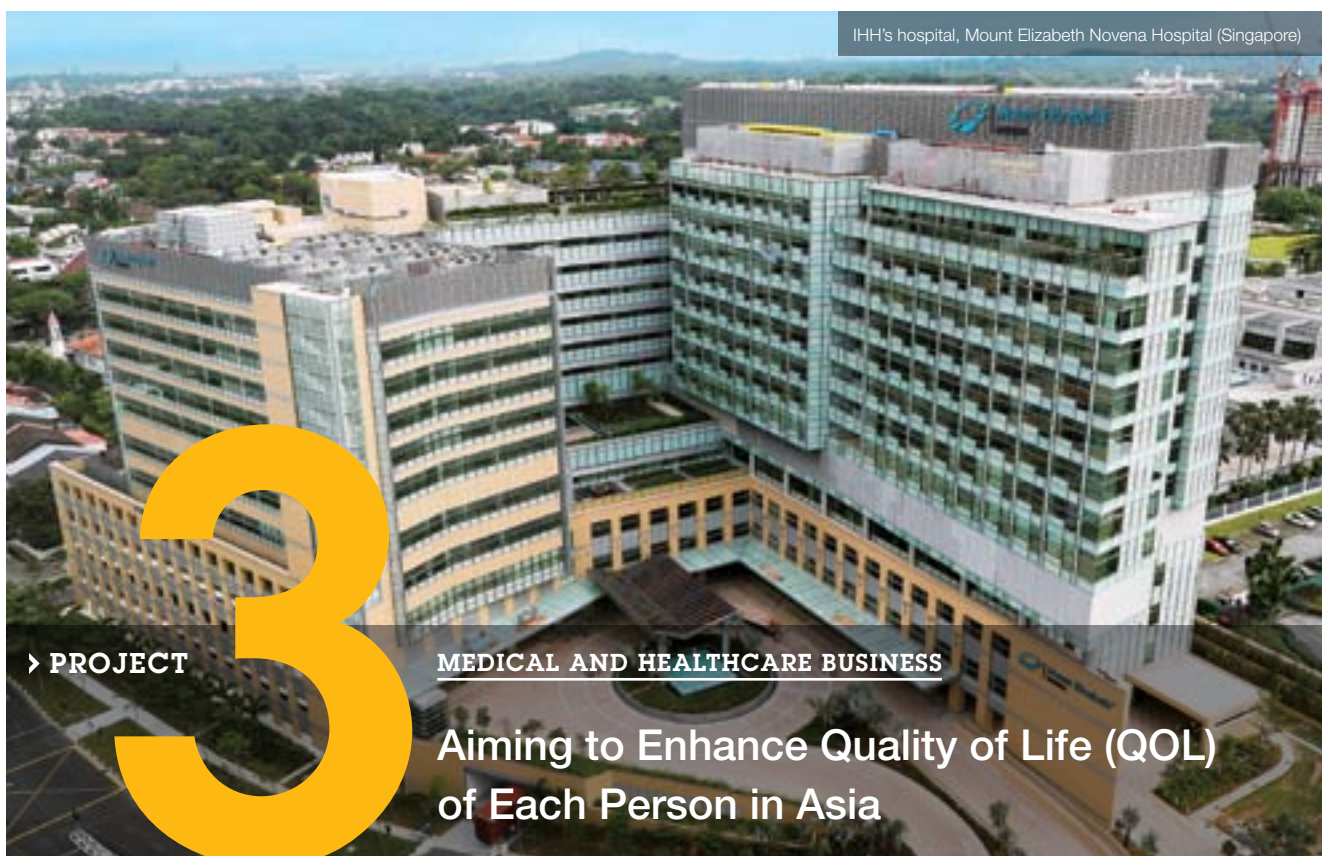
Initiatives for Human Rights

Promoting employment of personnel from a wide range of regions

Promoting flexible employment that adapts to social and regional situations is part of efforts targeted at diversity. Prifoods implements ongoing employment of a variety of personnel, including people who retire early from the nearby Japan Self-Defense Forces, mothers who finished child-raising, and trainees from China and Vietnam. Prifoods' Michinoku Ninohe Office was praised for developing a disability-friendly workplace environment and was praised for its employment of people with disabilities. This office went on to receive a certificate of merit for outstanding establishments for employing persons with disabilities from the Minister of Health, Labour and Welfare.

Mitsui's value chain for poultry





In the burgeoning Asian region, the development of hospital infrastructure and improvements in the quality of healthcare services are becoming pressing issues, on the backdrop of the growing population and changes in lifestyles due to economic development as well as the aging of the population.

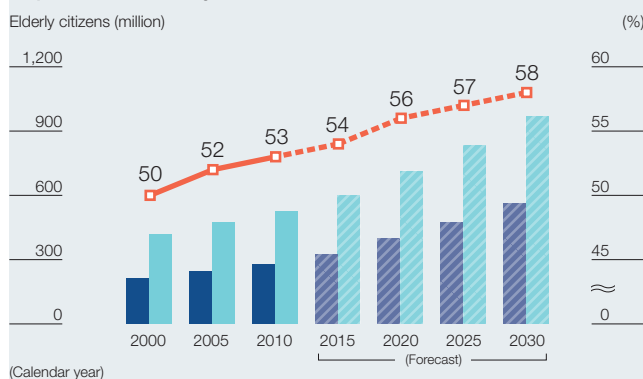
Mitsui will provide support to achieve a better healthcare environment to meet the growing demand for healthcare services, while at the same time capturing economic growth in emerging countries.

Catering to Diversifying Medical Needs in Asia

Requirements for medical healthcare evolve along with economic development and changes in lifestyle. Minimizing the risk of suffering from infectious diseases is still an important issue in developing nations, while developed nations confront such challenges as the increased number of people with chronic diseases, such as diabetes, cardiovascular disease and cancer, as well as mental health diseases. Japan is the only Asian country among the seven major drug

innovation countries in the world. Furthermore, Japanese medical equipment manufacturers possess state-of-the-art technology that supports advanced medical treatment around the world. Mitsui contributes to the improvement of the quality of life (QOL) of each person in Asia, recognizing that each country and region faces its unique set of problems. Mitsui also creates a medical healthcare value chain by making full use of its global comprehensive strengths and integrating medical treatment, medicine and healthcare ICT in order to meet current and future challenges in each region.

Population of Elderly Citizens*1 in Asia*2



■ Elderly citizens (Asia) ■ Elderly citizens (World)

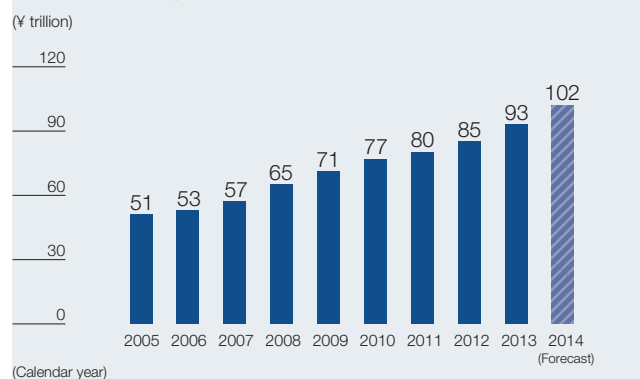
— Elderly citizens ratio (Asia) (Right scale)

Source: World Health Organization (WHO), *Population Prospects 2009*

*1. Over the age of 65

*2. 11 countries: India, China, Singapore, Japan, Malaysia, South Korea, Indonesia, Thailand, the Philippines, Taiwan and Vietnam

Total Medical Expenses in Asia*2



Source: Business Monitor International, *Health Expenditure Indicators, Historical Data and Forecast***

Strategies in Medical and Healthcare Business

Medical and healthcare business is one of Mitsui's key business fields. Emphasis is placed on two focus areas of "pharmaceuticals" and "healthcare." With over 40 years' experience serving the pharmaceutical industry in the CMO (Contact Manufacturing Organization) business, Mitsui has entered into the Chinese pharmaceutical market through MicroBiopharm Japan Co., Ltd. (80% shareholding) and has also participating in the hospital business in Asia through its relationship with Parkway Group in Singapore, a member of the IHH Healthcare Bhd. ("IHH") hospital group.

Initiatives Centered on IHH

Asia's demand for medical and healthcare services is expected to grow due to population growth and changes in lifestyles as a result of economic development as well as the aging of the population. Given these changes in the healthcare environment, in May 2011, Mitsui acquired a 30%* interest in IHH, Asia's largest hospital group. IHH owns Singapore's leading hospital group and Malaysia's second-largest hospital group, and in January 2012, it acquired a 60% interest in Acibadem Saglik Yatirimlari Holding ("Acibadem"), the leading private healthcare group in Turkey, allowing the company to extend its operating base into the Middle East. In July 2012, IHH was listed on Malaysian and Singaporean stock exchanges with a view to continuing its growth, and it is planning to add a further 3,700 new beds over the next five years. ➤ **Photos A and B**

* Mitsui's shareholding in IHH is 20.3% as of April 30, 2013.

Building a Healthcare Network by Utilizing Mitsui's Comprehensive Strengths

Mitsui is engaged in growth strategies for the hospital business in Asia centered on IHH, and furthermore it intends to contribute to the internationalization of the domestic medical industry as well as the improvement of community healthcare in Japan. Mitsui will support the improvement of the healthcare environment in Japan through

utilizing healthcare information technology and developing peripheral medical services. Such initiatives include: the development of a healthcare business platform at HOKENDOHJINSHA Inc. (medical information services and IT contents business) and AIM SERVICES CO., LTD. (contract food services for hospitals); and collaboration with SOGO MEDICAL CO., LTD. (support for hospital management and dispensing pharmacy business).



Sustainable Medical Healthcare Business

Quality of Life important to everyone



Initiatives for Community Relations and Development

Extending advanced Japanese medical technology throughout Asia

Current trends in developing Asian nations closely resemble the past experiences of Japan. In Asian countries, the occurrence of acute illnesses, such as infectious diseases, is decreasing while chronic diseases requiring continuous treatment are increasing, along with the acceleration of population growth, demographical aging and changes in lifestyles as a result of economic development. As these changes are progressing more quickly than they did in Japan, people are faced with increasing problems of shortage in medical institutions and imbalance of medical care quality in each region. Mitsui is supporting the operations of IHH—the largest healthcare group in Asia, operating around 30 hospitals—by introducing advanced Japanese medical technology and assisting its geographical expansion of its medical institution network. IHH also supports human resource development of medical professionals by operating



IMU contributes to the enhancement of medical healthcare infrastructure in the local community by cultivating medical professionals



HOKENDOHJINSHA Inc. operates a call center for physical and mental health consultation

a medical university in Malaysia and providing a scholarship to the National University of Singapore, which has the country's only faculty of medicine. ▶ Photo C



Initiatives for Human Rights

Providing advanced medical treatment for intractable diseases

Congenital biliary atresia is one example of an intractable disease in children. It affects approximately one out of every 10,000 births, and can be effectively treated through liver transplant. Various Asian countries, including Singapore, Malaysia and Thailand, offer “Medical Tourism” to people with ailments, including intractable diseases, who are seeking advanced medical treatment. Mitsui will collaborate with Dr. Koichi Tanaka—a global authority on living-donor liver transplant surgery—in opening a clinic specializing in liver diseases and living-donor liver transplants at Mount Elizabeth Novena Hospital in Singapore, which is run by IHH.



Initiatives for the Environment

Creating an environmentally friendly value chain

Mitsui also places strong emphasis on reducing the environmental burden throughout its value chain in order to create a sustainable society. Mount Elizabeth Novena Hospital in Singapore has implemented initiatives including the management of air-conditioning efficiency in operating rooms and intensive-care units, as well as the introduction of IT to reduce the amount of paper usage, and the efficient use of water. Through these efforts the hospital has received the Green Mark Platinum Award, the highest recognition given by the Singapore Building and Construction Authority (BCA). MicroBiopharm Japan Co., Ltd.—a Mitsui subsidiary that manufactures pharmaceuticals (APIs and intermediates)—generates environmentally friendly wastes through its use of biological fermentation technology. It is also working to reduce energy consumption through, for example, the introduction of highly fuel-efficient equipment.



Initiatives for Consumer Issues

Supporting the improvement of QOL through the management of both physical and mental healthcare

In recent years, mental healthcare and the prevention of lifestyle-related diseases have become key issues in Japan. At the call center of HOKENDOHJINSHA Inc.—the publisher of *Katei no Igaku* (Dictionary of Medical Science for the Home)—medical professionals with scientific expertise give consultation service to people who are faced with these issues. This company was established based on the principle of trying to help people who do not have access to the right medical healthcare information by providing evidenced information on illnesses. Mitsui identified itself with this principle and supports the activities of HOKENDOHJINSHA Inc. In addition, Mitsui coordinates with medical institutions and nursing homes, working to enhance businesses that support the improvement of people's quality of life.

▶ Photo D

Aiming to be a leading company in each of our business areas

Aiming to be a leading global business enabler, through *Yoi-Shigoto* (good quality work) with an emphasis on “quality of work” and “quality of profit,” as we work toward the realization of the Long-term Management Vision

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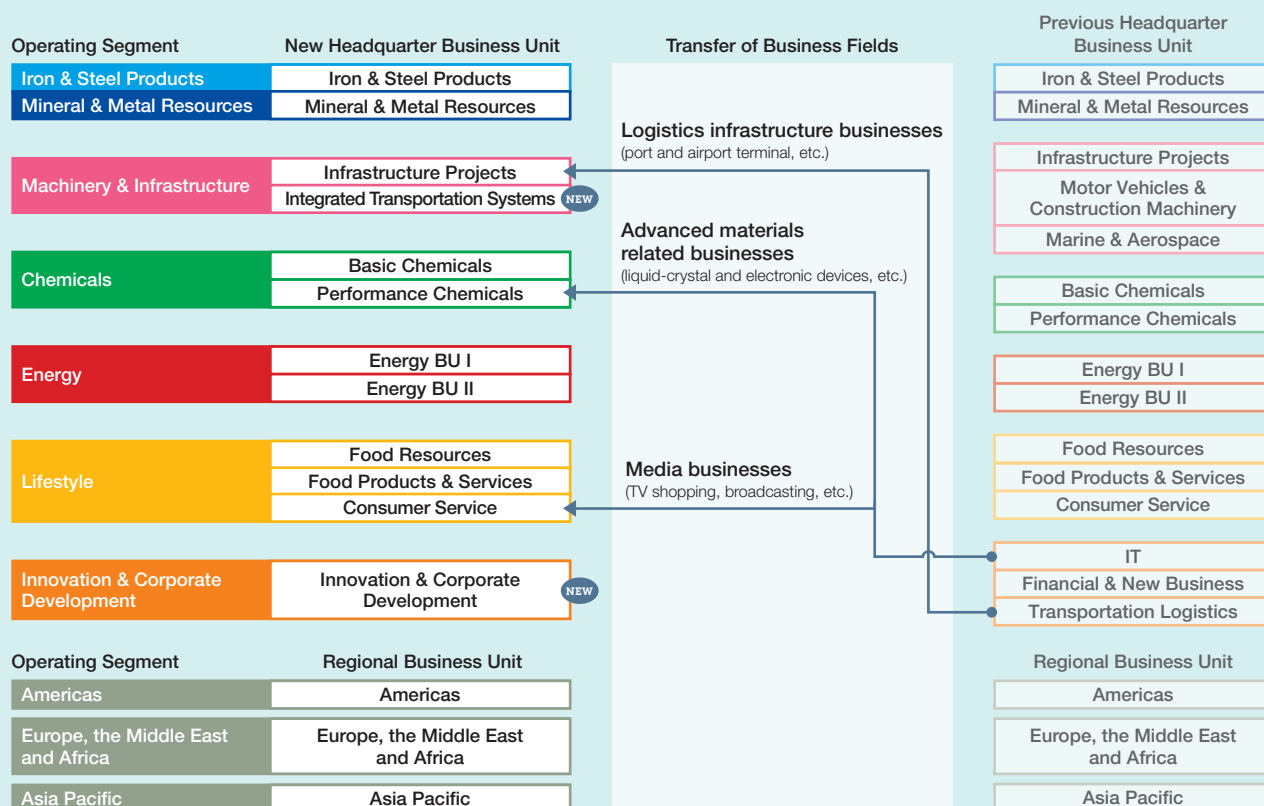
Reorganization of Business Units

15 → 12

Headquarter Business Units

As of April 1, 2013, our existing structure of 15 headquarter business units was realigned to 12 units through reconsidering and merging parts of the existing business fields among units. Business fields were consolidated to create a structure that allowed us to apply our comprehensive business engineering capabilities more flexibly and effectively and to achieve wide-ranging synergies across product lines.

- **Establishment of Integrated Transportation Systems Business Unit**
- **Establishment of Innovation & Corporate Development Business Unit**
(provide cross-organizational functional capabilities, contribute to creating new business for the next generation)
- **Integration and transfer of business fields**
(Infrastructure Projects, Performance Chemicals and Consumer Service)



Operating Segment	Year Ended March 31, 2013 (Results)				Year Ending March 31, 2014 (Forecast)
	Net Income (Loss)	Total Assets	Investments in and Advances to Associated Companies	Property Leased to Others and Property and Equipment	Net Income (Loss)
Iron & Steel Products	(2.9)	508.6	31.0	14.7	13.0
Mineral & Metal Resources	90.5	1,578.9	844.5	340.1	107.0
Machinery & Infrastructure	16.9	1,584.0	459.6	216.0	22.0
Chemicals	(1.5)	723.4	84.1	70.3	12.0
Energy	164.8	1,940.4	279.5	768.6	160.0
Lifestyle	13.0	1,350.3	230.3	205.8	16.0
Innovation & Corporate Development	4.7	655.4	138.9	51.5	(3.0)
Americas	12.4	501.5	49.5	96.7	17.0
Europe, the Middle East and Africa	(0.9)	114.0	13.1	11.8	3.0
Asia Pacific	27.5	321.9	177.2	3.4	33.0
All Other / Adjustments and Eliminations	(16.6)	1,046.2	17.6	122.0	(10.0)
Consolidated Total	307.9	10,324.6	2,325.3	1,900.9	370.0

* Figures have been restated to conform with the reorganization of business units as of April 1, 2013. For data by operating segment, please refer to page 114.

Iron & Steel Products Segment

Business Area:
Metals

Iron & Steel Products Business Unit

Executive Managing Officer, Chief Operating Officer of Iron & Steel Products Business Unit
Motomu Takahashi



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit operates globally in the core business segments of infrastructure, energy and automobiles through alliances with leading domestic and overseas steel manufacturers, including Nippon Steel & Sumitomo Metal Corporation and JFE Steel Corporation in Japan; Nucor Corporation and United States Steel Corporation in the United States; and in Asia, Baosteel Group in China and China Steel Corporation in Taiwan. Our partnerships with these leading global companies are the source of our competitiveness.

We are pursuing the challenge of building a new earnings base in overseas steel materials markets, including in rapidly growing emerging markets, through both logistics and trading and business investment, to establish positions within these markets. In the mature domestic market, we are bolstering our sales strength, mainly through subsidiary Mitsui & Co. Steel Ltd., while at the same time displaying our presence as a leading, proactive player in the industry's realignment.

We will further strengthen our functions across the value chain in a variety of business segments, and, by cooperating with other business units, we will utilize Mitsui's comprehensive strengths with the aim of becoming a leading company in the global steel materials market.

Main Strategies

- ▶ Invest in and realize returns in core business areas: automobiles, energy and infrastructure
- ▶ Strengthen relationships with major steelmakers and undertake business investment so as to increase earnings from global trading activities by utilizing common business platforms
- ▶ Rebuild business strength in Japan through reorganization of distribution network



Steel service center of Steel Technologies Inc. (United States), which operates 25 facilities in North America (as of March 31, 2013)

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Acquisition of additional Yamato Kogyo Co., Ltd. shares **▶ P.041**
- Stake in Americas business of Spanish company that is one of world's largest automotive components suppliers **▶ P.041**

As of or for the Years Ended / Ending March 31	2012	2013	(¥ billion)
			2014 (Forecast)
Net Income (Loss)	9.5	(2.9)	13.0
Total Assets	523.9	510.6	—

Business Activities

- **Energy:** Procurement and supply of steel for energy industry; and investment in manufacturing, processing and logistics businesses
- **Infrastructure and construction:** Procurement and supply of steel for infrastructure and construction industries; investment in electric arc furnaces and processing businesses
- **Automotive:** Procurement and supply of steel for automotive industry and related business investments
- **Domestic:** Procurement, processing and sales of steel materials in Japan

Market Outlook

Overseas, there is concern that the surplus production capacity of steelmakers in China and other parts of East Asia will cause oversupply and lead to a gap between supply and demand. In the long term, however, demand is likely to increase as the Americas and Asia drive global economic recovery. Meanwhile, in Japan's mature market, business conditions are becoming increasingly challenging due to intensified competition in the steel materials distribution area as a result of declining domestic demand and integration in the steel industry.

Business Overview

► Energy

In the field of energy, which is showing significant growth, we are expanding sales of plate products in Asia, primarily through the steel sales company Regency Steel Asia Pte Ltd. (92.5% shareholding, Singapore), and supplying line pipes to INPEX Corporation for an LNG project in Australia. In addition to capturing the growing demand for steel materials in energy-related areas, including shale gas development, LNG projects and renewable energies, we are strengthening our relationships with leading partners.

► Infrastructure and Construction

We have expanded our operating base in the infrastructure and construction area in Japan and overseas with the additional acquisition of shares of Yamato Kogyo Co., Ltd. ("Yamato Kogyo," 6.56% shareholding, Japan); the development of electric furnace and rolling businesses, mainly in Asia; and the establishment of a service center for steel construction materials in Russia. Further, by utilizing Mitsui's comprehensive strengths, we are increasing sales of rails and other high-value-added steel materials in Russia, Brazil and Australia. Going forward, we will address growing demand for steel materials in emerging markets.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Acquisition of additional Yamato Kogyo Co., Ltd. shares

Mitsui acquired additional shares of one of Japan's largest independent electric-arc-furnace steelmakers, Yamato Kogyo, increasing its ownership share from 1.96% to 6.56%. Yamato Kogyo has businesses in the United States, Thailand and South Korea and is developing new businesses in the Middle East aggressively.

Mitsui and Yamato Kogyo have built a strong, longstanding partnership over many years. As well as supplying steel raw materials and facilitating steel products sales through its trading business, in 1992 Mitsui took a 20% stake in a joint venture with Yamato Kogyo—Siam Yamato Steel Co., Ltd.—for the manufacture and sale of large steel products in Thailand. This additional investment will strengthen existing bases in Japan and overseas, expand and improve foundations for new overseas businesses, and bolster strategic initiatives.

► Automotive

We worked to capture demand in emerging markets, where future growth is anticipated, by taking a 30% shareholding in the North and South American operations of Spain's Gestamp Automoción, S.A. ("Gestamp"), one of the world's largest manufacturers of pressed automotive components; a joint venture with the Mahindra Group (India) and Sanyo Special Steel Co., Ltd. (Japan), to establish the specialty steel manufacturing and sales company Mahindra Sanyo Special Steel Pvt. Ltd. ("MSSSPL") (20% shareholding, India); and equity participations in service centers in Russia and emerging markets in Central and South America. We are also addressing the wide-ranging needs of China's automotive industry with major Chinese steelmaker Baosteel Group, and, since signing a comprehensive agreement in 1992, we have built a relationship of comprehensive cooperation that includes a network of Bao-Mit steel processing service centers (14 locations as of March 31, 2013).



Specialty steel production line at MSSSPL (India)

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Stake in Americas business of Spanish company that is one of world's largest automotive components suppliers

Mitsui acquired a 30% stake in the Americas business of Gestamp, one of the world's largest manufacturers of automotive components. Mitsui invested approximately €300 million (approximately ¥38 billion) in the company. One of the world's biggest automotive parts

manufacturers in terms of sales, Gestamp manufactures such automotive components as body-in-white and chassis and boasts world-class technology, including hot stamping technology for press working sheet metal at high temperatures.

Gestamp has 14 plants in the United States, Mexico, Brazil and Argentina—countries that are expected to see stepped-up automotive manufacturing. Viewing Gestamp as a core business in its






Hot stamping has high potential for automobile weight reduction that leads to reduced GHG emissions.

automotive value chain, Mitsui will supply steel, logistics, finance and new materials to heighten Gestamp's business value. Moreover, through participation in the company's Americas business, we will contribute to the reduction of environmental burden by enabling the creation of more compact vehicles.

Domestic

Along with strengthening our domestic sales capabilities with Mitsui & Co. Steel Ltd. (100% shareholding) as our core company, we are proactively involved in the realignment of the steel industry, and we have begun considering a merger between Mitsui & Co. Steel Ltd.'s domestic steel material and scrap metal businesses and Metal One Structural Steel & Resource Corporation, with a target date of April 1, 2014. At the same time, we are working to adequately address the domestic manufacturing sector's shift to Asia.

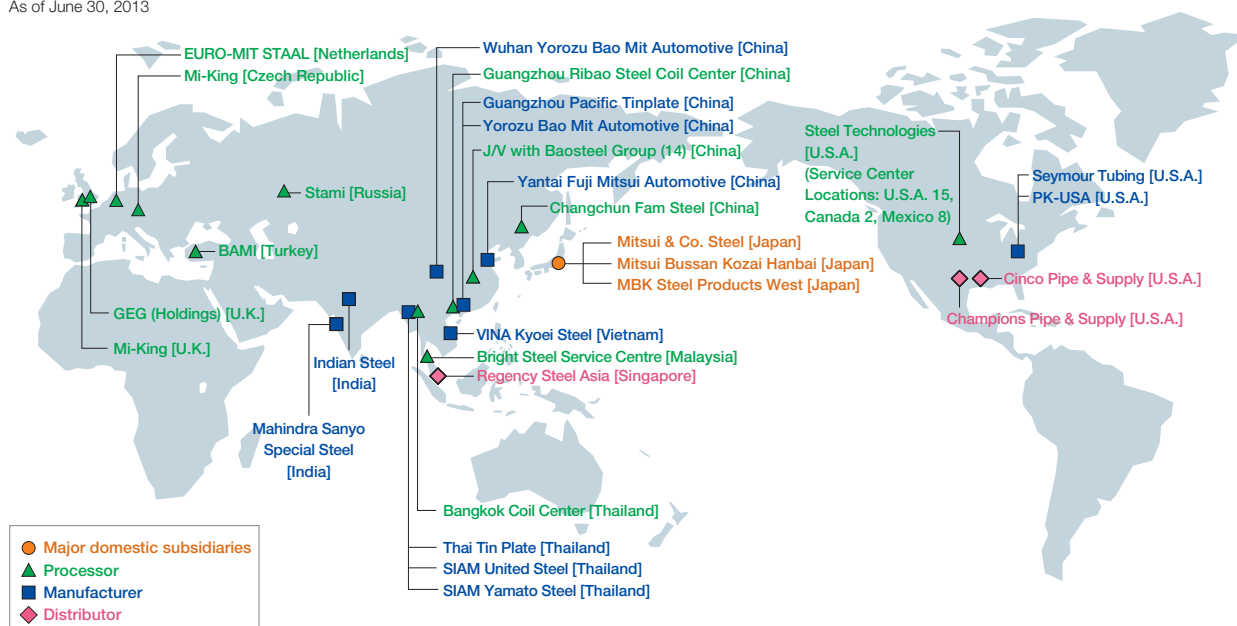
CSR Topics

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 The environment	Reduce load on environment	<input type="checkbox"/> Supplied materials for renewable energy field; provided high tensile strength steel plates and aluminum plates that help reduce automobile weight (>Above); and sold rails for railway development projects to reduce CO ₂ emissions in emerging countries significantly
 Consumer issues	Contribute to stable energy supplies	<input type="checkbox"/> Provided timely supplies of construction steel for LNG projects in Australia
 Community involvement and development	Undertake social investment in emerging countries	<input type="checkbox"/> Contributed to stable supply of construction steel through operation of electric arc furnaces and a steel processing center in emerging countries (India, Thailand and Russia)

Operational Data

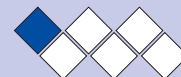
Major Investments in Iron & Steel Products Business

As of June 30, 2013



Mineral & Metal Resources Segment

Business Area:
Metals



Mineral & Metal Resources Business Unit

Managing Officer, Chief Operating Officer of Mineral & Metal Resources Business Unit

Yukio Takebe



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit is making a meaningful global contribution to the development of a recycling-oriented society by securing and providing a stable supply of quality aboveground and underground mineral and metal resources.

With regard to underground resources, our strength is in the solid earnings generated from quality iron ore, coal, aluminum, nickel and other assets built up over many years, and we are making investments to expand existing interests and acquire new interests for further continuous development. In the year ended March 2013, we made major investments to acquire new copper interests in Chile and expand our iron ore interests in Australia. Currently, the global mining industry is being pressured by higher costs for materials, equipment and labor in areas with a high degree of technological difficulty. Therefore, for the time being, we will emphasize reaping the benefits of our major investments in assets to date, including copper and nickel. At the same time, we will strategically acquire new interests in manganese and other steel alloy materials and in rare metals.

Concerning aboveground resources, we are addressing the economic growth and increasing environmental problems in China and other emerging markets by focusing on environmental solutions businesses, mainly in the disposal and recycling of ferrous and non-ferrous metals, including those from discarded household appliances and automobiles, with a view toward the eventual arrival of an age of large-scale metal recycling. We are also developing a business in rechargeable battery materials in the area of renewable energy.

By utilizing our networks and strong relationships of trust with our customers, we aim to provide a stable supply of various commodities through these businesses as well as through the supply and demand adjustment functions of logistics and trading.

Our business unit will continue to play a role that only Mitsui can play—to enhance the value of the Mitsui brand and pursue the challenge of playing a unique role in society.

Main Strategies

- ▶ **Underground resources:** Selectively participate in quality new projects while focusing on expanding and enhancing existing businesses; acquire large-scale competitive resources (iron ore, copper, nickel, etc.); and strengthen logistics functions
- ▶ **Aboveground resources:** Strengthen scrap business and recycling activities for non-ferrous metal commodities and discarded household appliances and automobiles
- ▶ **Use of comprehensive strengths:** Build diverse, new businesses with strategic partners, including Vale, Codelco and EPMC

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Investment to expand iron ore shipping port through Robe River joint venture in Australia **▶ P.044**
- Acquired 7% interest in BHP Iron Ore Jimblebar in Australia **▶ P.044**
- Formation of strategic alliance with Chile's Codelco and investment to hold Anglo American Sur S.A. shares jointly **▶ P.045**



Growth Strategy by Business

Iron ore joint ventures (Australia) with BHP Billiton have been developing their mines and infrastructure to expand shipping capacity.

As of or for the Years Ended / Ending March 31	2012	2013	(¥ billion)
			2014 (Forecast)
Net Income	201.3	90.5	107.0
Total Assets	1,121.7	1,577.0	—

Business Activities

- Investment and trading related to such iron and steel raw materials as iron ore, metal scrap and ferroalloys
- Investment and trading related to such non-ferrous metals as copper, nickel and aluminum
- Metal recycling and environmental solutions business

Market Outlook

Reflecting China's gradually decelerating economy, crude steel production growth in China is softening and demand for iron ore has slackened. In the medium-to-long term, however, overall demand for iron ore and other mineral and metal resources is likely to trend upward as China's inland regions develop infrastructure and other emerging economies grow.

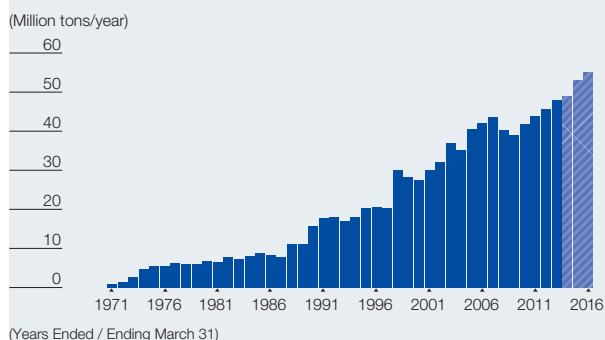
Business Overview

Iron Ore

We have been involved in a variety of development-and-import projects since the 1960s. Today, we have established our standing as a world-class iron ore supplier by developing businesses with the world's three major iron ore suppliers—Vale S.A. ("Vale," Brazil), Rio Tinto (Australia and the United Kingdom) and BHP Billiton (Australia and the United Kingdom)—to accumulate competitive, quality iron ore assets. In Australia, we run cost-competitive iron ore assets through Robe River Iron Associates ("Robe River joint venture," 33% participation by Mitsui), a joint venture with Rio Tinto, and joint ventures with BHP Billiton (7% participation by Mitsui). Further, after taking a stake in an iron ore company in Brazil in the 1970s, we continued investing and indirectly acquired 5% share of Vale in 2003, the world's largest producer of iron ore. Through lateral initiatives transcending business unit boundaries, we are building an organization that is able to leverage Mitsui's comprehensive strengths to create and integrate diverse businesses. We continue to invest in these businesses to increase our iron ore mine production and port shipping capacities while working to acquire new assets, and we will continue contributing to the long-term stable supply of iron ore worldwide.

Forecast equity share of output ▶ P.046

Equity Share of Shipments



* Figures for the year ending March 31, 2014, onward are based on the Company's forecast announced in May 2013.

Achievements under the Medium-term Management Plan

"Challenge and Innovation 2014"

Investment to expand iron ore shipping port through Robe River joint venture in Australia

Mitsui has approved an investment to expand the iron ore export capacity of the Cape Lambert shipping port in Western Australia by

70 million tons per year, to 209 million tons per year, through the Robe River joint venture, which Mitsui, Rio Tinto and Nippon Steel & Sumitomo Metal Corporation manage jointly. The first ore shipment is scheduled in the first half of calendar year 2015. Mitsui expects to investment approximately A\$1.5 billion (¥124 billion).



Robe River joint venture's Cape Lambert iron ore port facility is expanding its capacity to 209 million tons per year. The first shipment is scheduled in the first half of calendar year 2015. (Australia)

Acquired 7% interest in BHP Iron Ore Jimblebar in Australia

Mitsui has agreed, along with ITOCHU Corporation, to acquire an interest in BHP Iron Ore (Jimblebar) Pty. Ltd. (7% shareholding by Mitsui), which is developing the Jimblebar iron ore mine ("Jimblebar") in Western Australia, part of the iron ore business of BHP Billiton. Jimblebar, a large prospective deposit, is now under construction and will be a large-scale mining operation, with an initial production capacity of 35 million tons per annum and embedded options for expansion to 55 million tons per annum. Mitsui's investment amount is approximately US\$0.7 billion (¥66.5 billion).

Ferrous Raw Materials and Recycling Solutions

We are strengthening our scrap and metal recycling business, working through Mitsui & Co. Steel Ltd. (100% shareholding, Japan), MITSUI BUSSAN METALS CO., LTD. (100% shareholding, Japan) and Sims Metal Management Ltd. (17.7% shareholding, Australia) in the pursuit of industrial solutions to environmental issues. We are also building an environmental solutions business, beginning with the recycling of discarded household appliances, and developing high-value-added services and businesses across the value chain, from resource development to processing, sales and collection.

Chinese Projects

We have investments in Inner Mongolia Erdos Electrical Power & Metallurgical Company Limited ("EPMC," 25% shareholding, China), which is engaged in coal, power generation, ferroalloy and chemical businesses in the Inner Mongolia Autonomous Region of China; in Inner Mongolia Erdos EJM Manganese Alloy Co., Limited (24.5% shareholding, China), which is producing silicon manganese; and in the aluminum rolling company Ruyuan Dongyangguang Fine Foil Co., Ltd. (20% shareholding, China). By investing in these companies, we have paid attention to China's booming demand in the metal resources domain. Also, by supporting the diversification of these Chinese partners' activity, we have provided Mitsui's comprehensive strengths and are gaining the profits resulting from Chinese market growth.



EPMC's power generation business using its rich coal resources (China)

Base Metals (Copper)

Mitsui's copper assets include the joint venture with Corporación Nacional del Cobre de Chile ("Codelco"), the national copper company of Chile, which participates in Anglo American Sur S.A. ("Anglo Sur," 9.5% shareholding by Mitsui, Chile), a world-class copper



Caserones copper mine in Chile, located at an elevation of approximately 4,000m (Chile)

operation unit; the Collahuasi copper mine in Chile (7.43% shareholding); and the Caserones copper mine in Chile (25% shareholding), where production of copper concentrates is scheduled to commence in the fourth quarter of 2013. In addition to enhancing existing businesses and developing the Caserones mine, we are strengthening our relationships with comprehensive strategic partners, such as Codelco, to build a range of new businesses and acquire quality new assets.

Forecast equity share of output **P.046**

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Formation of strategic alliance with Chile's Codelco and investment to hold Anglo American Sur S.A. shares jointly

Through a joint venture established with Codelco, Mitsui has acquired 9.5% of the shares of Anglo Sur, which operates a world-class copper mine. As part of this share acquisition, Mitsui concluded a strategic alliance agreement with Codelco and agreed to extend a US\$900 million loan to Codelco, with a 20-year loan period. In addition to jointly advancing mineral and metal resources businesses and related businesses, Mitsui will offtake 29.5% of the copper that Anglo Sur produces, all of which Mitsui has the right to sell.


Through this strategic alliance with Codelco, Mitsui intends to provide stable supplies of copper to Japan and other countries in Asia—which accounts for the largest share of worldwide copper demand—while contributing to the development and growth of Chile.

New Metals and Aluminum (Nickel, Rare Metals, Aluminum)

Two new nickel projects are progressing steadily. One is the Vale New Caledonia Project (6.9% shareholding, New Caledonia), and the other is the Taganito HPAL Project (15% shareholding, the Philippines), which is scheduled to commence production in autumn 2013. Through these projects, we aim to increase our quality assets with strategic partners, including Vale and Sumitomo Metal Mining Co., Ltd. We are also accelerating our work in the field of rechargeable battery materials for smart communities, which we see leading to the creation of next-generation businesses.

In addition to improving the quality of our aluminum assets—the Alunorte refinery (alumina) and the Albras smelter (aluminum) in Brazil—we are pursuing new projects and trading businesses across our wide range of business areas, from bauxite to aluminum downstream products, thereby enhancing existing sales of equity alumina and aluminum.

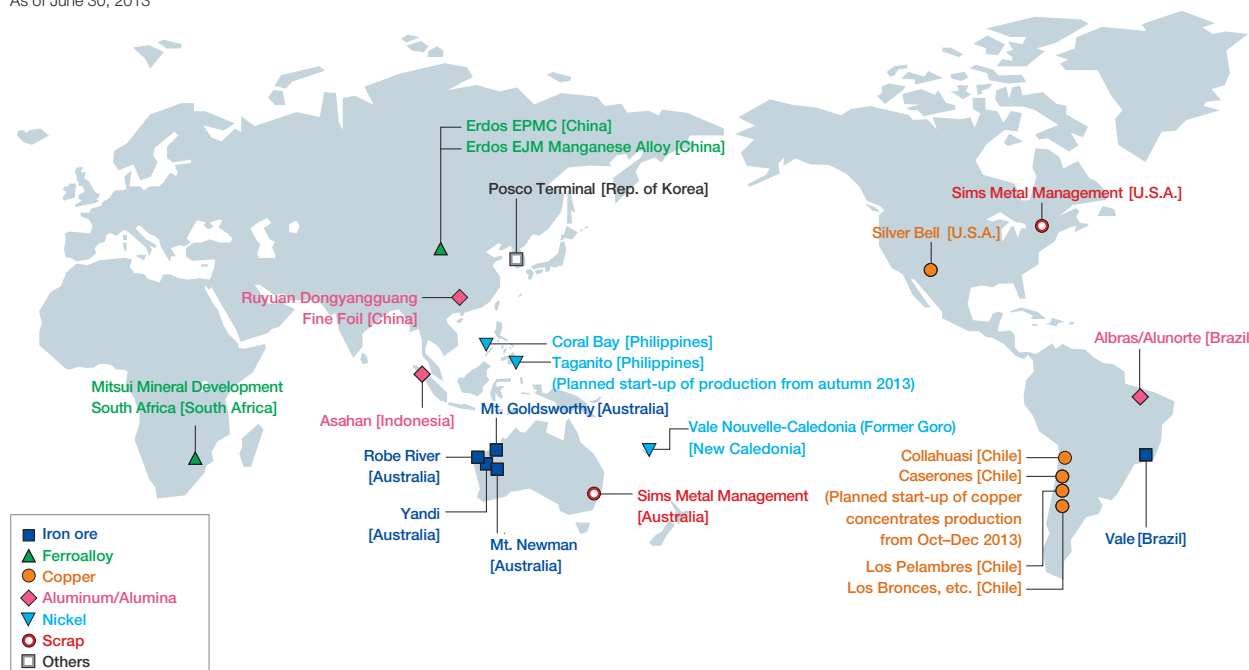
CSR Topics

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
	Provide industrial solutions aimed at realizing low-carbon society	<ul style="list-style-type: none"> Accepted and advanced the project of the Ministry of the Environment "Small Waste Electrical and Electronic Equipment Recycling System Construction" in 2013 Advanced biomass power generation business using poultry manure as fuel (earthquake restoration support) P.034 Began project for conversion of palm kernel shells (PKSs) into biomass fuel Advanced business for processing waste materials from closed 7-Eleven stores through KYOEI STEEL LTD. and KYOEI Recycling Co., Ltd.
	Use sustainable resources	<ul style="list-style-type: none"> Promoted the creation of a scheme for extracting and collecting heavy rare earths from iron ore residue in collaboration with Shin-Etsu Chemical Co., Ltd.

Operational Data

Major Projects in Mineral & Metal Resources Business

As of June 30, 2013



Projects in Iron Ore and Copper Mining

Iron Ore Projects

Project or Company	Country	Production*1 (million tons)	Mitsui's Ownership
Joint venture with Rio Tinto Robe River Iron Associates	Australia	61 [20.2]	33%
Valepar (Vale)	Brazil	309*2 [15.5]	15% (Vale 5%)
Joint ventures with BHP Billiton Mt. Newman J/V Yandi J/V Mt. Goldsworthy J/V	Australia	178 [12.5]	7%

*1. Production in the year ended March 2013: Upper figures show total production; lower figures in brackets show Mitsui's share

*2. Iron ore production in calendar year 2012, excluding pellets

Copper Projects

Project	Country	Products	Production*1 (thousand tons)	Mitsui's Ownership
Collahuasi	Chile	Copper concentrate (Molybdenum concentrate) / Copper cathode	282 [21.0]	7.43%
Los Bronces, etc.	Chile	Copper concentrate (Molybdenum concentrate) / Copper cathode	419 [7.8]	9.5%*2
Silver Bell	U.S.A.	Copper cathode	21 [5.2]	25%
Los Pelambres	Chile	Copper concentrate (Molybdenum concentrate)	404 [5.1]	1.25%
Caserones*3	Chile	Copper concentrate (Molybdenum concentrate) / Copper cathode	180*4 [45]	25%

*1. Production in the year ended March 2013: Upper figures show total production; lower figures in brackets show Mitsui's share

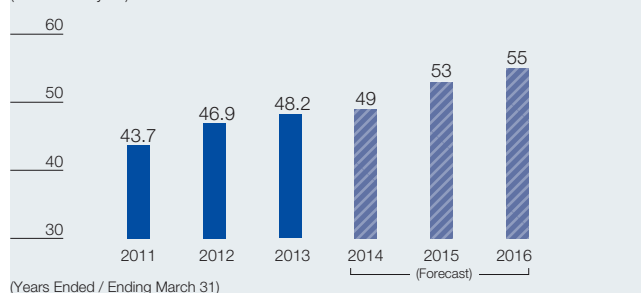
*2. Indirect share through Acrux; 9.50% shareholding from November 2012

*3. Scheduled start-up of copper concentrate on October–December 2013

*4. Average annual projected production for the first 10 years.

Iron Ore: Forecast Equity Share of Output
(Announced in May 2013)

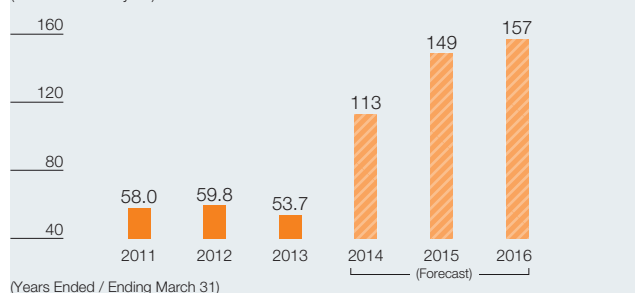
(Million tons/year)



* Including 5% equity share of Vale S.A.

Copper: Forecast Equity Share of Output
(Announced in May 2013)

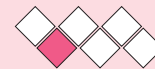
(Thousand tons/year)



* Including 5% equity share of Vale S.A.

Machinery & Infrastructure Segment

Business Area:
Machinery &
Infrastructure



Infrastructure Projects Business Unit

Executive Managing Officer, Chief Operating Officer of Infrastructure Projects Business Unit

Takeshi Kanamori



CHIEF OPERATING OFFICER'S STATEMENT

One of the business unit's missions is to build the infrastructure needed for social and economic development and the creation of a favorable global environment, and, to achieve this, we own and operate infrastructure business assets around the world. Our strengths for achieving this mission lie in our project development and management capabilities, which involve carefully examining and analyzing the risks involved in highly complex projects as well as coordinating the interests of all parties involved through negotiations with customers, business partners, government bodies, financial institutions, local communities and other stakeholders.

By strengthening our structure for operating and maintaining our business assets, we not only make steady contributions to earnings, we also gain expertise in operations and management that creates synergies with our project development and management capabilities. This, in turn, leads to the fulfillment of our other mission of developing and realizing new projects by pursuing challenges in new, unknown business areas in addition to our existing business areas.

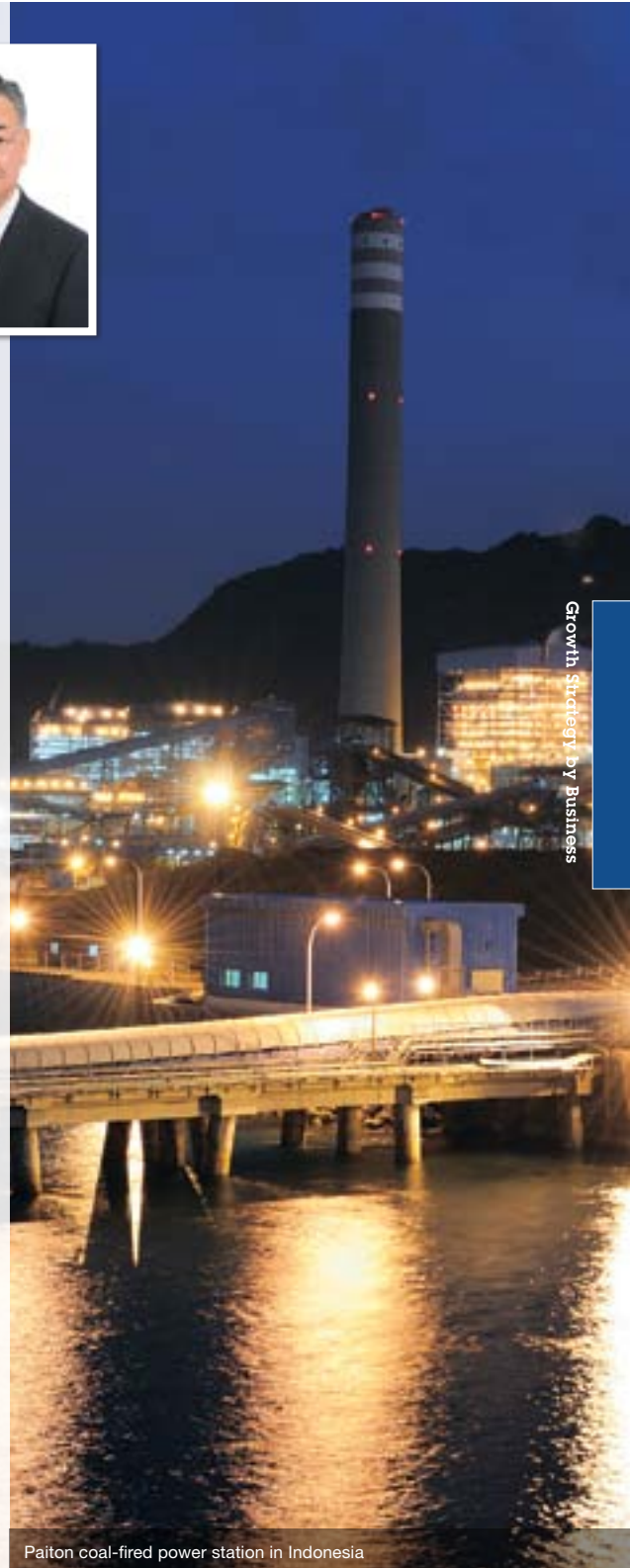
The key to accomplishing these missions is, of course, human resources. By developing and retaining human resources who are capable business managers and skilled in project management as a result of handling critical situations in frontline locations, we are capturing robust demand for infrastructure and acquiring quality assets, primarily in emerging markets.

Main Strategies

- ▶ **Electric Power and Renewable Energy:** Build up quality assets with strategic partners and improve our portfolio through asset recycling
- ▶ **Water Supply:** Build new businesses in addition to existing businesses in Mexico, China and Thailand
- ▶ **Energy and Basic Industry:** Expand marine energy business and gas distribution business and build a North American gas value chain with the Energy and Chemicals segments
- ▶ **Infrastructure Project Development:** Implement infrastructure projects, including logistics and social infrastructure and infrastructure for a low-carbon society, to contribute to development of emerging markets

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Investment in renewable energy power generation projects in Canada ▶ P.048
- Investment in Jirau run-of-the-river hydropower project in Brazil ▶ P.048
- Investment in Mexico's largest natural gas distribution company ▶ P.049
- Investment in ultra-deepwater FPSO chartering project for Petrobras's Iracema Norte pre-salt oil field offshore Brazil ▶ P.049



Growth Strategy by Business

Paiton coal-fired power station in Indonesia

As of or for the Years Ended / Ending March 31	2012*2	2013*2	(¥ billion)
			2014 (Forecast)
Net Income*1	17.7	20.5	22.0
Total Assets*1	1,340.7	1,526.7	—

*1. Figures for this segment

*2. Figures before reorganization of business units on April 1, 2013

Business Activities

- Electric power and renewable energy business: Various types of power plants (thermal, hydro, wind, solar thermal, photovoltaic) and power transmission and substation facilities
- Water supply business: Water supply and sewerage facilities; and seawater desalination plants and wastewater processing facilities
- Energy and basic industry business: Energy-related infrastructure (upstream development, gas distribution and transport, LNG terminals) and hydrocarbon plants
- Infrastructure project development business: Logistics and social infrastructure, such as ports and cargo terminals, and low-carbon-society infrastructure

Market Outlook

Demand for infrastructure development in relation to water, electricity and other forms of energy is strong, particularly in emerging countries, where economies and populations are growing markedly. Further, efforts to create a low-carbon society are leading to an increased emphasis on renewable energies.

Business Overview

We are taking the lead in building the infrastructure required for social and economic development and the creation of a better global environment.

► Electric Power and Renewable Energy

Our overseas power generation business, with strategic partners that include GDF Suez S.A., has a wide-ranging portfolio with businesses in Europe, the Middle East, Africa, Asia, Oceania and the Americas, and our equity portion of power generation capacity totaled 6.2GW at the end of June 2013. One of our medium-to-long-term goals is to further increase this to 10–12GW, and we will continue to develop quality assets and build a superior business portfolio. We are also following the ongoing shift toward renewable energies (RE) and plan to have RE, excluding hydropower, account for roughly 10% of our business's power generation capacity. Specifically, we are working in the area of concentrated RE (wind power, photovoltaic power and solar thermal power) in developed markets with established legal systems and without overdependence on public subsidy systems.

Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Investment in renewable energy power generation projects in Canada

Mitsui assumed a 30% stake in renewable energy power generation projects that GDF Suez Canada Inc., a subsidiary of GDF Suez S.A., is developing and operating in Canada. An independent power producer (IPP), GDF Suez Canada Inc. has 10 wind farms, with a total generation capacity of 660MW, and 2 solar photovoltaic power plants, with a total generation capacity of 20MW. These projects, some of which are under construction, contribute or will contribute to power-supply stability, energy saving and environmental improvement throughout Canada.



Harrow wind power station (Canada)

Investment in Jirau run-of-the-river hydropower project in Brazil

Mitsui agreed with GDF Suez Energy Latin America Participações Ltda., a subsidiary of GDF Suez S.A., to take a 20% stake in a run-of-the-river hydropower project in Brazil. This IPP project will construct and operate the Jirau Hydropower Plant, located on the Madeira River in the State of Rondônia, in northern Brazil. A total generation capacity of 3,750 megawatts will make the hydropower plant the fourth largest in the country. As well as incorporating environmentally friendly run-of-the-river hydropower, which uses natural river flow to generate power, the project will take care to preserve the area's biodiversity when building and operating the power plant by replanting existing vegetation and installing fish ladders.

► Water Supply

In addition to strengthening our business base with Mexican water treatment and engineering company ATLATEC, S.A. de C.V. (“ATLATEC,” 85% shareholding), Galaxy NewSpring Pte. Ltd. (50% shareholding by Mitsui), a joint venture with Hyflux Ltd. that runs a Chinese water business, and water supply company Thai Tap Water Supply Public Co., Ltd. (26% shareholding by Mitsui), in Thailand, we are developing businesses through new participations in Europe, the Americas, Asia and the Middle East.

► Energy and Basic Industry

With solid demand for energy and given the diversification of sources for resource and fuel procurement, including deep-sea oil and gas, shale gas and biofuels, we are pursuing energy infrastructure businesses related to marine energy, gas distribution and LNG terminals, with a geographic focus on the Americas and Asia.



FPSO for Tupi area of Brazilian offshore pre-salt oil field

Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Investment in Mexico's largest natural gas distribution company

Mitsui has begun participating in natural gas distribution in Mexico by acquiring 15% of the shares of Gas Natural Mexico, S.A. de C.V. The largest natural gas distribution company in Mexico in terms of market share, customer numbers and gas distribution volume, this company supplies gas to roughly 1.3 million customers. Currently engaged in various natural gas related projects in Mexico, including an LNG receiving terminal at Manzanillo on the Pacific coast and six gas-fired power plants, Mitsui aims to expand its involvement in energy-related projects in the country.



Gas distribution facility of Gas Natural Mexico, S.A. de C.V. (Mexico)




Investment in ultra-deepwater FPSO chartering project for Petrobras's Iracema Norte pre-salt oil field offshore Brazil

Mitsui took a 27.5% equity interest in a long-term charter project that MODEC, Inc. is advancing to provide a floating production, storage, and offloading (FPSO) system for the Petrobras's Iracema Norte pre-salt oil field offshore Brazil. With a 20-year charter period, the FPSO system will begin operating at the oil field from the fourth quarter of 2015.

Infrastructure Project Development

With continuing abundant demand, especially in emerging markets, for airports, ports, roads and other infrastructure, we are promoting projects that will contribute to these markets' development. As part of such activities, Mitsui acquired Portek International Private Limited (90% shareholding), of Singapore, which operates port infrastructure businesses, mainly in the emerging markets of Asia and Africa, in 2011. Through our participation in smart city development, we are also working to commercialize infrastructure for a low-carbon society.

CSR Topics

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 The environment	Use sustainable resources	<input type="checkbox"/> Began building mega-solar power generation plant with SoftBank Group in Yonago, Tottori Prefecture
 Consumer issues	Secure and utilize water resources	<input type="checkbox"/> Began commercial operation of El Ahogado wastewater treatment plant in Mexico > Below
 Community involvement and development	Undertake social investment	<input type="checkbox"/> Invested in and improved operational efficiency of port infrastructure, supporting economic growth of emerging countries

Operational start-up at wastewater treatment plant in Mexico

Through one of Mexico's leading water and wastewater engineering companies, ATLATEC, Mitsui is engaged in the design, construction and operation of commercial wastewater treatment plants and sewage treatment plants. ATLATEC is participating in 22 water projects inside and outside Mexico, including some that are under construction. Moreover, it has a roughly 70% share of the sewage treatment business for Mexico's local governments on a facility capacity basis. In May 2012, ATLATEC began commercial operation of the El Ahogado wastewater treatment plant in Guadalajara, which has a daily treatment capacity of 190 thousand cubic meters.

As population growth and urbanization continue, the uneven distribution of water resources and water contamination are becoming increasingly serious problems. Recycling and efficiently using limited water resources is a shared task for the people of the world. Mitsui is contributing to solutions for the world's water-related problems through ATLATEC in Mexico, water supply operations in Thailand, and water supply and sewage treatment operations in China.



El Ahogado wastewater treatment plant (Mexico)

Integrated Transportation Systems Business Unit

Managing Officer, Chief Operating Officer of Integrated Transportation Systems Business Unit

Tatsuo Yasunaga



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit covers a wide range of business segments, from automobiles, construction equipment, industrial machinery, ships, aircraft, railways and other machinery to transportation systems.

Our unit's strength stems from our having established a presence in a variety of industries—based on networks and strong relationships of trust with customers and partners in Japan and overseas—by providing a wide range of highly refined functions, including assembly, manufacturing, trading, logistics, wholesale and retail sales, leasing, geographic expertise, financing and business management.

With an organization that integrates land, sea and air, our unit aims to build a resilient portfolio that can withstand environmental changes; to strengthen our dealer, logistics, and leasing and financing businesses through selection and concentration; and to jointly utilize functions across business segments and further refine our business model, thereby making a stable earnings contribution to the non-resource side of Mitsui's business as a unit with a presence and sense of identity.

To achieve further growth, we will pursue the challenge of creating new businesses by utilizing Mitsui's comprehensive strengths to bolster and grow each value chain to create synergies with existing businesses, invest management resources in emerging markets where future growth is expected, and anticipate new businesses and business formats.

Main Strategies

- ▶ **Automotive:** Strengthen value chain of Toyota-related business and develop businesses with strategic partners, including Penske Automotive Group, Inc. of the United States
- ▶ **Mining and Construction Machinery:** Strengthen Komatsu's-related business and build leasing business
- ▶ **Shipping:** Improve earnings of commercial vessel business and increase earnings of LNG carrier and vessel-owning businesses
- ▶ **Aerospace:** Build aircraft leasing business, engine development business and helicopter business
- ▶ **Transportation:** Improve earnings of railway rolling stock leasing business and promote selective transportation infrastructure projects



KOMATSU's super-large driverless dump truck at iron ore mine in Australia
©Rio Tinto

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Strengthening of production facilities for forged aluminum components for automotive suspension systems in the United States
- Start-up of Toyota-brand automobile production in Russia's Far East ▶ **P.051**
- Participation in mining equipment leasing company in Australia
- Strategic alliance in aircraft engine development with General Electric Company, of the United States ▶ **P.051**

(¥ billion)			
As of or for the Years Ended / Ending March 31	2012*2	2013*2	2014 (Forecast)
Net Income*1	17.7	20.5	22.0
Total Assets*1	1,340.7	1,526.7	—

*1. Figures for this segment

*2. Figures before reorganization of business units on April 1, 2013

Business Activities

- **Automotive:** Assembly, manufacture, import and export of motor vehicles, motorcycles and related components; logistics services for automotive components; and import and wholesale distributors, dealerships and sales finance
- **Mining and construction machinery:** Export, purchase and sale, servicing, and leasing of industrial machinery, including mining and construction machinery, manufacturing equipment and machine tools
- **Shipping:** Purchase and sale, ownership and operation, and leasing and financing of general commercial vessels; ship management services; intermediary services for chartered vessels and purchase and sale of secondhand vessels; and purchase and sale of equipment for vessels
- **Aerospace:** Purchase and sale and sales intermediation of aircraft, helicopters, aircraft engines and defense-related equipment; and leasing and financing of aircraft and aircraft engines
- **Transportation:** Purchase and sale of rolling stock, railway facilities and systems; and leasing of railway rolling stock

Market Outlook

In the automotive business, we expect demand for motor vehicles will remain solid in emerging economies and pick up in North America. The mining and construction machinery business is likely to benefit from firm demand, centered on resource-rich countries and emerging economies. Although the shipping business is unlikely to see near-term recovery in the overall shipping market, the LNG carrier market is expected to remain favorable for the time being as LNG production rises. The aerospace business continues to face challenging business conditions, which are likely to increase demand for leasing and financing. As for the transportation business, emerging countries' economic growth will probably create stronger demand for passenger and freight transportation systems.

Business Overview

► Automotive

Along with striving to strengthen the value chain of our core business with the Toyota Motor Group, we are developing businesses with other strategic partners, including Penske Automotive Group, Inc. (17.2% shareholding), and working to establish market-based businesses globally to incorporate the growth of emerging markets into Mitsui's growth strategy. We are also building and strengthening our value chain that extends from manufacturers to end users, covering manufacturing and assembly, logistics, wholesale and retail sales, and sales finance.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Start-up of Toyota-brand automobile production in Russia's Far East

In February 2013, with technical assistance from TOYOTA MOTOR CORPORATION, Sollers-Bussan, LLC (50% shareholding), a joint venture between Mitsui and the major Russian car manufacturer OJSC Sollers, began production of the Toyota Land Cruiser Prado in Vladivostok, in Russia's Far East. Accounting for sales of 2.94 million vehicles in 2012, Russia's automotive market is the second largest in Europe after Germany's and promises to continue growing. Through this project, Mitsui aims to contribute to the development of the Russian automotive industry and the local economy while expanding its automotive business in Russia.



Assembly line at Sollers-Bussan, LLC (Russia)

Strategic alliance in aircraft engine development with General Electric Company, of the United States

Mitsui has become a key strategic partner in General Electric Company's development of a new engine, the GE9X, for the next generation of Boeing's wide-body aircraft (B777X). By assuming part of the development cost, Mitsui will mitigate General Electric Company's development and sales risk.

In addition to receiving earnings proportionate to engine and component sales, Mitsui will help promote sales by providing consultancy services to Japanese aerospace companies and purchasing engines for leasing.



GE9X Engine under development
©General Electric Company

► Mining and Construction Machinery

We will strive to strengthen and expand the value chain of our business with Komatsu Ltd. and bolster the earnings bases of our businesses in the Americas, Australia and Russia, where demand for mining machinery for resource development is growing. We are also developing a leasing business for mining equipment in Australia and are working to increase earnings. We will also strengthen our business base in the machine tool category in the Americas, Asia and Japan.

► Shipping

We plan to expand our investment in the vessel-owning business while strengthening our purchase and sale of new commercial vessels. We will also reinforce the LNG carrier business base as a source of stable future earnings for the long term. In addition, with high growth anticipated in emerging markets, we will pursue new businesses while supporting the global expansion of Japanese shipyards and shipowners.

In addition to our existing businesses related to aircraft for Japanese airlines and in indirect leasing and financing, we aim to build up our aircraft engine development and proprietary leasing businesses to establish an aircraft value chain alongside our cargo aircraft repair business. We will also continue to strengthen our helicopter business, where we see increased use in the future by media and hospitals as well as government agencies.

By defining our core value as “Creation and provision of transportation capacity,” in addition to our existing railway rolling stock leasing business in the United States, Brazil, Europe and Russia, we will pursue railway operator business as well as the development and implementation of transportation infrastructure projects.

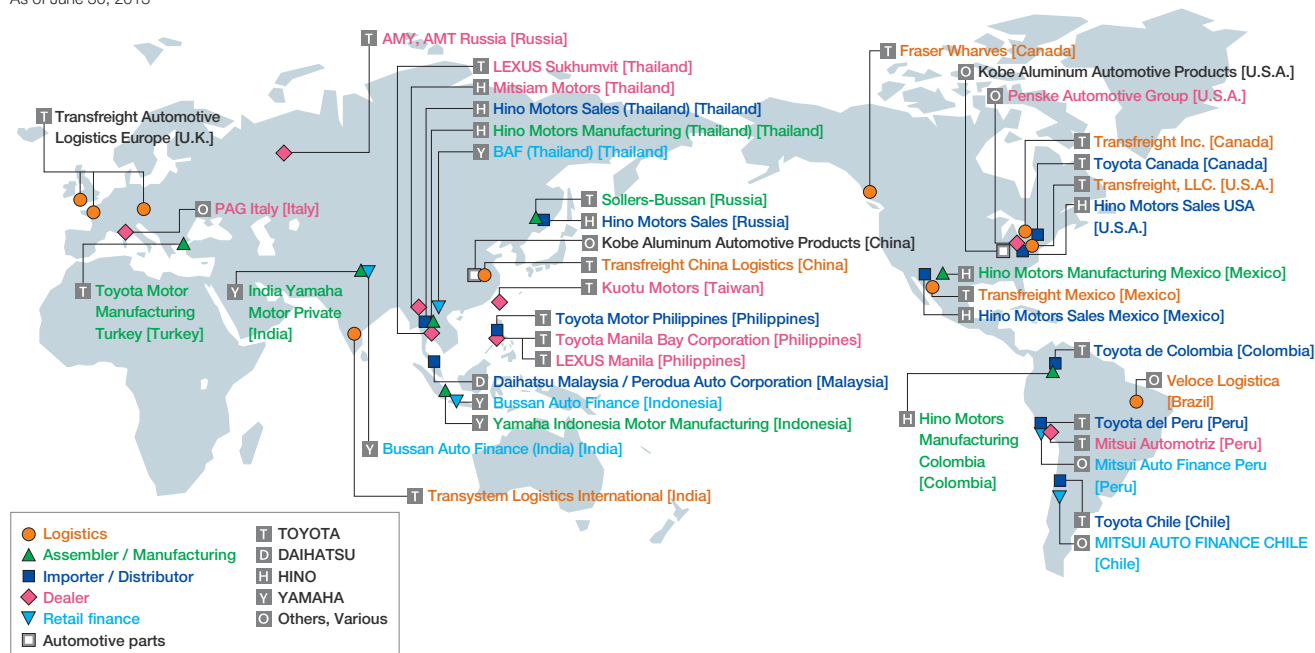


Rolling stock leasing business in Brazil (approximately 7,000 freight cars)

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 The environment	Respond to environmental issues	<input type="checkbox"/> Contributed to reduction of gas emissions by promoting modal shift through rail transportation infrastructure business
 Consumer issues	Contribute to stable supply of clean energy	<input type="checkbox"/> Provided stable supply of LNG through operation of LNG carriers
 Community involvement and development	Improve convenience of life in emerging countries	<input type="checkbox"/> Provided transportation through sales of motor vehicles and motorcycles and sales finance in emerging countries

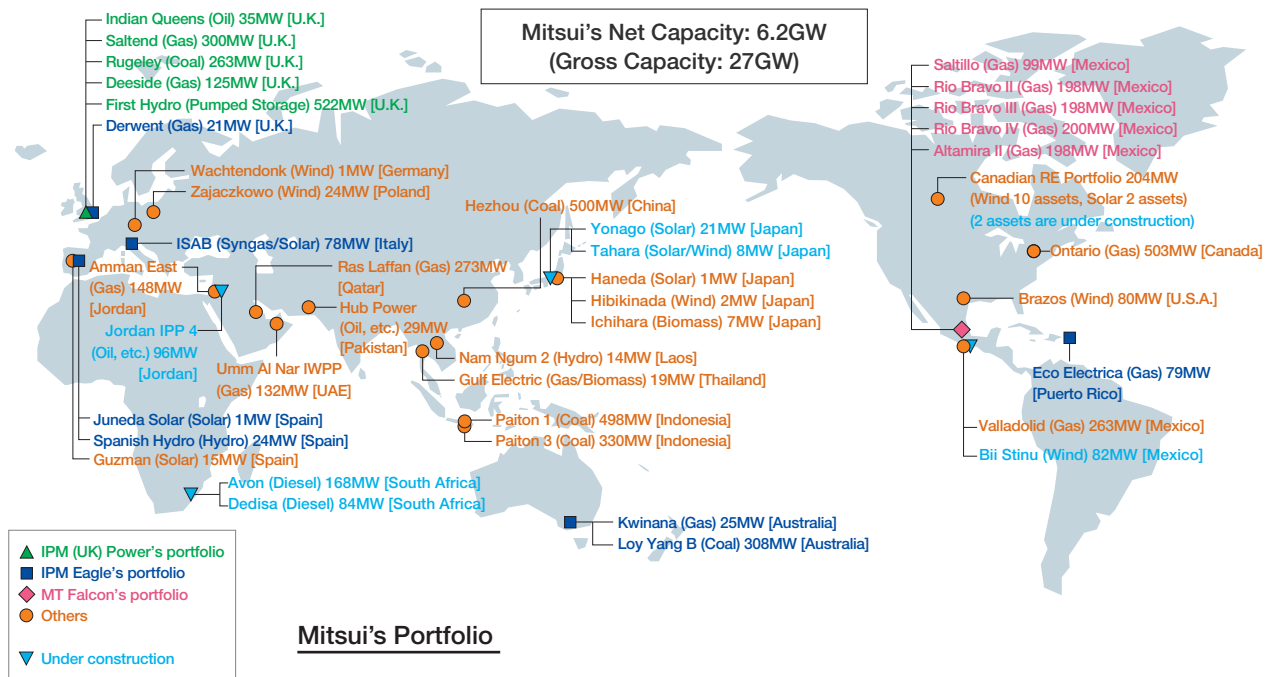
Portfolio of Automotive-related Business

As of June 30, 2013

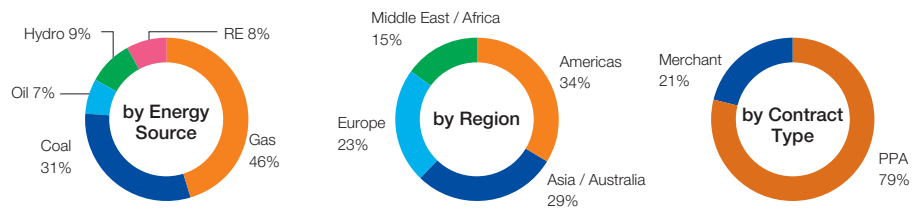


Portfolio of Independent Power Producer (IPP) Business

As of June 30, 2013

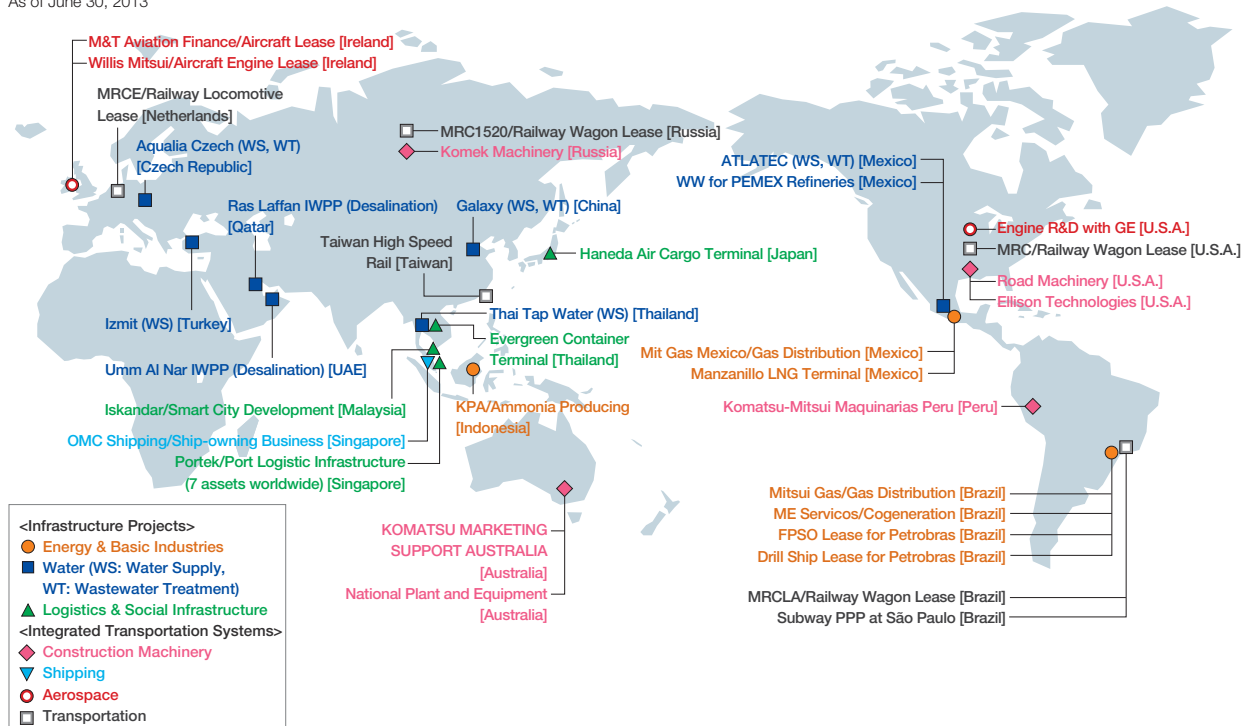


Mitsui's Portfolio



Other Major Machinery & Infrastructure Business

As of June 30, 2013



Chemicals Segment

Business Area:
Chemicals

Basic Chemicals Business Unit

Managing Officer, Chief Operating Officer of Basic Chemicals Business Unit

Kazuya Okamura



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit operates globally through both trading and business investment in the chemicals industry, which is evolving on a daily basis in the face of growing global demand. Working with the Performance Chemicals Business Unit, we represent Mitsui's broad commitment to the chemicals industry and hope to contribute to the creation of future value by transcending the boundaries of individual corporate business segments and industries.

In the trading business, we operate an extensive global network to accurately meet customers' constantly changing needs. Along with providing a high level of customer satisfaction, this network functions as antennae with which to closely follow trends in chemical markets and customer needs, adding strength to our unit by enhancing our ability to pursue business investment.

Our business investment is based on strong partnerships with customers built through the trading business. We are actively engaged in securing a wide range of chemical materials, including shale gas and biomass; in handling green chemicals in response to the recent rise in global awareness of the environment, renewable energies and healthcare; and in supporting the overseas use of technologically advanced products from Japanese chemical manufacturers. Through this business investment, we are pursuing the challenge of creating a locally produced, locally consumed business model with the sale of these manufactured products.

With this structure, trading creates business investment, with the aim of generating synergies that lead to the further strengthening of our logistics function.

Main Strategies

- Invest in businesses with emphasis on securing diversified competitive feedstock for chemicals, promoting green chemicals, rolling out chemical products based on Japan's superior technology, and advancing the tank terminal business as proactive initiatives
- Focus on areas where Mitsui can leverage its capabilities to cater to customer needs in trading business
- Generate earnings by seizing opportunities to invest in businesses through trading business and opportunities to expand Mitsui's trading through marketing products of investee businesses

Salt field business of Shark Bay Salt Pty. Ltd. (Australia)

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Agreement to participate with Celanese Corporation in methanol production business in Texas, the United States ➤ **P.055**
- Basic agreement with Idemitsu Kosan Co., Ltd. to commence study on alpha olefins production and sale in the United States ➤ **P.055**
- Agreement with Solazyme, Inc. to jointly develop high-value tailored algal oils in the United States ➤ **P.056**

		(¥ billion)		
As of or for the Years Ended / Ending March 31		2012*	2013*	2014 (Forecast)
Net Income (Loss)	Segment	9.1	(1.3)	12.0
	Business Unit	2.7	(6.1)	—
Total Assets	Segment	685.9	703.5	—
	Business Unit	364.1	374.1	—

* Figures before reorganization of business units on April 1, 2013

Businesses Activities

- Methanol and olefins business: Methanol, its derivatives and olefins
- Aromatics and industrial chemicals business: Raw materials for basic aromatic chemicals, polyester, phenol, acetone, bisphenol, nylon and acrylic
- Chlor-alkali business: Salt, caustic, PVC resin raw materials and urethane raw materials
- Green-specialty chemicals business: Green chemicals, detergent intermediates, specialty chemicals and pharmaceutical raw materials

Market Outlook

In the petrochemicals market, structural change is accelerating. Factors driving this change include the reform of sales organizations or large-scale business reorganizations in many international chemicals companies, a significant rise in demand in Asia centered on China, the emergence of petrochemicals from the Middle East that take advantage of inexpensive natural resources, and the expanding production of shale gas in North America. Overall, demand is likely to be firm due to the high growth of emerging economies, primarily in Asia. Also, the shift of industry toward the environment and healthcare areas is progressing.

Business Overview

We conduct our trading business to reflect customer needs and structural changes in markets worldwide to capture demand growth. Also, we use the trading business to pursue a partnership strategy through which we invest in businesses in accordance with our proactive initiatives.

➤ Methanol and Olefins

We secure competitive chemical raw materials, based on which we operate a global manufacturing and sales business. We take advantage of a customer base and global sales network formed through our trading business to further strengthen it and invest in businesses with partners.

We support the continuous growth of our customers' businesses by providing stable, long-term supplies of methanol. Therefore, we aim to invest in businesses to secure competitive gas in the three base regions of Europe, the United States and Asia and to become a leading global player. During the current fiscal year, we will focus on making steady progress at our joint venture methanol production business with Celanese Corporation, of the United States.

In the olefin business—in accordance with an intensified partnership strategy based on the exploitation of such differentiated logistics capabilities as our dedicated carrier fleet—we are exploring overseas business development with manufacturers, mainly in Japan, who have superior technology.

Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Agreement to participate with Celanese Corporation in methanol production business in Texas, the United States

Mitsui and major U.S. chemical company Celanese Corporation have signed an agreement to establish a joint venture to manufacture methanol. Mitsui and Celanese Corporation will build a large-scale plant with an annual production capacity of 1.3 million tons, with Mitsui to sell most of its share of the output in the United States.

Moreover, by linking this initiative to its existing shale gas related businesses in the United States, Mitsui will create a gas value chain spanning all stages, from natural gas to chemical products. Methanol is used as a basic raw material in a wide range of industries, including the manufacture of adhesives, synthetic resins, ethylene and propylene. Accordingly, demand for methanol is expected to grow steadily.

Basic agreement with Idemitsu Kosan Co., Ltd. to commence study on alpha olefins production and sale in the United States

Mitsui has concluded a basic agreement with Idemitsu Kosan Co., Ltd., of Japan, to begin examining a business for the production and sale of alpha olefins in the United States. Furthermore, Mitsui and Idemitsu Kosan Co., Ltd. have reached a basic agreement with The Dow Chemical Company concerning the procurement of feedstock for this business and the sale of a part of its output.

Alpha olefins are used as additives in polyethylene and other synthetic resins and are widely used in products ranging from detergents to high-performance lubricants and paper-making chemicals. Worldwide demand for these chemicals is expected to rise steadily. By steadily expanding this business, Mitsui and Idemitsu Kosan Co., Ltd. will contribute to the growth of industries using alpha olefins.

➤ Aromatics and Industrial Chemicals

Aiming to capture growth in the global market, particularly in China, we invest in businesses and operate a trading business, with polyester chain and phenolic chain chemicals as our main product lineups. We aim to expand our trading business using the quality relationships and our position as a leading industry player that we have built over the years. We will also move forward with projects for which investments have already been decided to quickly reap the benefits of those projects.

► Chlor-Alkali

We are further strengthening our global trading network, which extends from a salt field business and a chlor-alkali business to trading for caustic soda, EDC & VCM (PVC intermediates) and isocyanates (MDI, TDI), and will continue to invest in businesses that enable us to capitalize on our capabilities. In particular, in the current fiscal year we will focus on ensuring the steady implementation of work to expand our salt field business in Australia and moving forward steadily with existing investment projects in North America with The Dow Chemical Company ("Dow") for a chlor-alkali business and an EDC production business.



Construction site of chlor-alkali plant (United States)

► Green-Specialty Chemicals

To cater to growing awareness of the environment, renewable energy and healthcare, we invest in business projects mainly in the biochemicals and green chemicals area. We are also working toward the development of a business for consumer chemicals, including detergent raw materials, and aim to contribute to the pharmaceutical sector in Asia and South America, which are undergoing high population and economic growth. In the current fiscal year, we will also give priority to making steady progress in our existing investment project with Dow in Brazil for biochemical manufacturing and sales

and our new investment project with the Thai Oil Group in Thailand for LAB (Linear Alkyl Benzene) manufacturing and sales. Also, with respect to a business for the production and sale of alpha olefins in North America, for which we have concluded a basic agreement with Idemitsu Kosan Co., Ltd., we will advance discussions aimed at beginning production in 2016.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Agreement with Solazyme, Inc. to jointly develop high-value tailored algal oils in the United States



Based on an agreement with Solazyme, Inc., of the United States, for the joint development of high-value tailored algal oils, we aim to provide stable supplies of these oils by establishing technology that uses algae as a raw material to manufacture selectively only the oils and fats required. To create a sustainable society, Mitsui is building a green chemicals value chain comprising such biomass resources as sugar, oils and fats that have low environmental burdens. We believe the development initiative with Solazyme, Inc. will contribute to the establishment of this value chain by providing a foundation for exploring the manufacture of chemical products and high-value-added oils and fats for commercial applications.



Developing algae for production of high valued oils (United States)

CSR Topics

Basic Chemicals Business Unit / Performance Chemicals Business Unit

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 The environment	Use sustainable resources	<input type="checkbox"/> Advanced biochemical business that uses sugarcane as raw material in Brazil ► Below
 Consumer issues	Contribute to stable food supply	<input type="checkbox"/> Expanded businesses for fertilizer raw materials, feed additives and agrochemicals with view to increasing food production and realizing stable supplies

Advancing a biochemical venture in Brazil that uses sugarcane as a raw material

Generally, chemical products have used such fossil resources as oil and gas as basic materials. However, Mitsui is developing chemical products that minimize burden on the environment by exploiting renewable plant-derived biomass resources. For example, in Brazil we are working with Dow to establish an integrated business system that encompasses the operation of plantations for sugarcane—so we can extract sugar for use as a biomass resource—through to the production of biochemical products. To this end, the joint venture is preparing for the 2014 start-up of a plant that will produce 240,000 kiloliters of bioethanol a year.



Harvest of sugarcane at related biochemical venture (Brazil)

Performance Chemicals Business Unit

Managing Officer, Chief Operating Officer of Performance Chemicals Business Unit

Toru Suzuki



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit draws on Mitsui's comprehensive strengths and the "power of chemicals" to work with partners to address diverse industrial needs.

Our strength stems from the deep relationships of trust with a large number of customers and partners built over many years of doing business together as well as from our wide range of business fields that give us contact points with a variety of industries. We are utilizing this strength to continuously pursue the challenge of taking the lead in creating next-generation businesses.

Our main business segments are agricultural chemicals, performance materials and advanced materials. Our efforts in agricultural chemicals are focused on increasing food production and providing a stable supply of food. In performance materials and advanced materials, we are working to develop a global logistics business for high-value-added materials while also acquiring assets to support and strengthen that business. Specifically, we are securing interests in fertilizer resources, bolstering our sales base for fertilizers and agricultural chemicals, pursuing a manufacturing business for cutting-edge performance materials based on advanced Japanese technology and competitive resources from overseas, and strengthening our unit's own global sales network.

Going forward, demand for important resources, including food, energy and minerals, is expected to grow, while at the same time environmental issues require urgent solutions. We believe the chemicals industry is in a position to provide solutions to these global issues.

Our business unit seeks to address trends in next-generation businesses in growth industries and to work with other business units to deploy Mitsui's comprehensive strengths as we steadily pursue these businesses.

Main Strategies

- ▶ **Agricultural Chemicals:** Concentrate allocation of management resources, secure and expand upstream fertilizer resources, and strengthen profitability
- ▶ **Performance Materials:** Strengthen foundations of global network and advance businesses for production of performance materials
- ▶ **Advanced Materials:** Aim to create next-generation businesses and build systems able to generate stable future earnings

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Participation in high-performance polyethylene resin manufacturing and sales venture in Singapore

▶ P.058



Growth Strategy by Business

Phosphate rock project (Peru)

		(¥ billion)		
As of or for the Years Ended / Ending March 31		2012*	2013*	2014 (Forecast)
Net Income (Loss)	Segment	9.1	(1.3)	12.0
	Business Unit	6.4	4.8	—
Total Assets	Segment	685.9	703.5	—
	Business Unit	321.8	329.4	—

* Figures before reorganization of business units on April 1, 2013

Business Activities

- Agricultural chemicals business: Fertilizer raw materials, fertilizers, agrochemicals, agrochemical intermediates and feed additives
- Performance materials business: Synthetic resin, synthetic rubber, catalysts and additives and inorganic chemicals
- Advanced materials business: Materials for liquid crystal displays, materials for semiconductors and circuit boards, and materials related to solar power generation

Market Outlook

In the agricultural chemicals area, demand for fertilizer raw materials indispensable for improving farming productivity is expected to rise as global population growth heightens the need for increased food production. As for performance materials and advanced materials, the market for automotive components—the mainstay industrial application for our products—is trending steadily centered on North America. Further, although the markets for electronic domestic appliances, liquid crystal displays and solar cell panels are flat, this business unit is seeing growth in markets for materials procurement related to such electronic devices as smartphones and tablet terminals.

Business Overview

We will allocate management resources with an emphasis on agricultural chemicals, with the aim of strengthening earnings foundations by securing and expanding upstream fertilizer resources and rolling out downstream products, such as agrochemicals and feed additives. At the same time, we will work to capture growth in the global market, centered on China and the rest of Asia, for performance materials and advanced materials as a platform for a materials business that supports manufacturing.

➤ Agricultural Chemicals

With global population growth and economic development expected to pressure food supplies in the future, we are developing various businesses to contribute to increased food production. Our 25% equity participation in a phosphate rock development project in Peru is one example of how we are investing in upstream fertilizer raw materials to expand our fertilizer business. We will receive 25% of the phosphate rock shipped from this project and sell it mainly in Asia, including Japan. We also engage in business investment and operate a global logistics business for fertilizer raw materials and fertilizer products, agrochemicals and feed additives. In addition, we are building a global logistics network for ammonia and sulfur for customers in a variety of industries in Japan and overseas. Through both business investment and logistics, we aim to provide solutions from the point of view of the industry to address various issues related to increased production and stable supplies of food.



Spraying of agricultural chemicals at vegetable producer (Netherlands)

➤ Performance Materials

We handle a wide range of products, mainly in the areas of synthetic resins, rubber and inorganic chemical products. We are strengthening our sales network through overseas offices and associated companies in Japan and overseas while at the same time building joint businesses with domestic and overseas partner companies. We also operate a global logistics business for the flexible supply of functional materials to support craftsmanship, primarily in the areas of automobiles, office equipment and home appliances, and are developing new, next-generation businesses as well.

Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Participation in high-performance polyethylene resin manufacturing and sales venture in Singapore

Mitsui has concluded an agreement with Prime Polymer Co., Ltd., of Japan, to establish a joint venture in Singapore for the manufacture and sale of Evolve™, a high-performance, linear low density polyethylene resin. Boasting excellent hardness and impact strength, Evolve™ is ideal for beverage bottles and high-performance packaging used in everyday life. Until now, Mitsui has only manufactured this product in Japan. The establishment of a manufacturing base in Singapore with an annual production capacity of 300,000 tons will enable us to capture demand in Asia's market, which is seeing conspicuous growth.

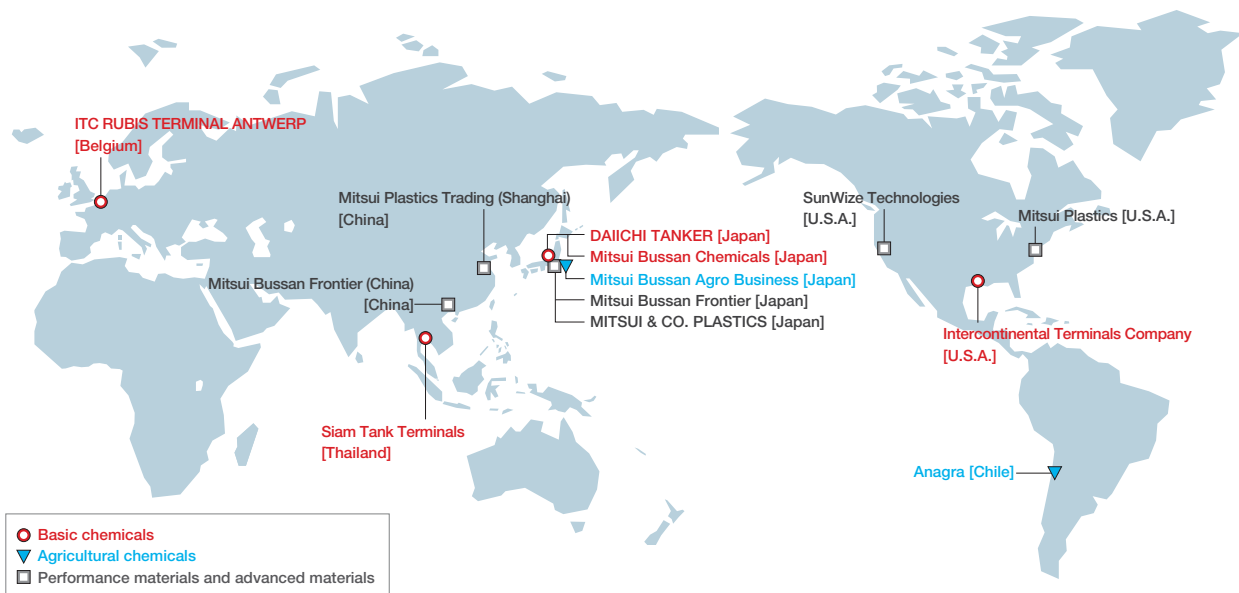
➤ Advanced Materials

We operate businesses for both material and component logistics, as well as procurement and logistics, in the areas of electronics and LCDs, including smartphones, and new, environmentally friendly energies, mainly solar batteries and rechargeable batteries. We support craftsmanship in the drastically changing electronics industry and contribute to the development of peripheral industries. We work with our associated companies in Japan and overseas to develop new products and businesses.

Operational Data

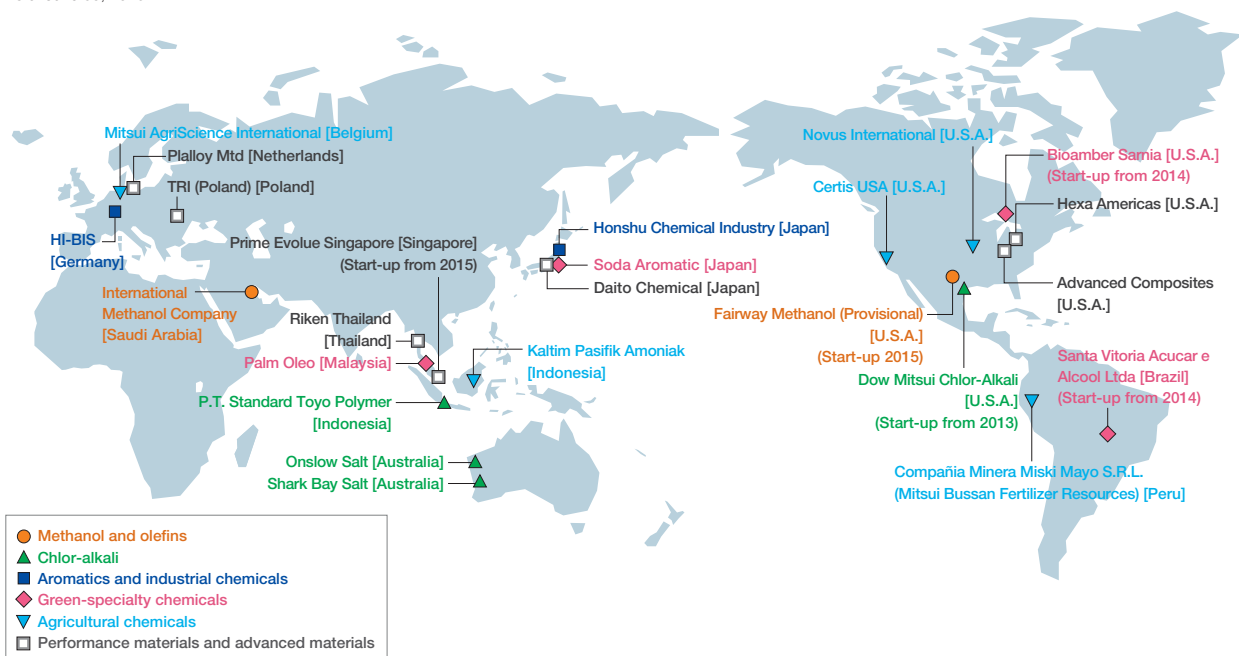
Major Investments in Trading Business in Chemicals Business

As of June 30, 2013



Major Investments in Manufacturing Business in Chemicals Business

As of June 30, 2013





Energy Business Unit I

Executive Managing Officer, Chief Operating Officer of Energy Business Unit I

HiroYuki Kato



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit handles energy resources, including oil, gas, coal and nuclear fuel. Securing these resources, which are essential for Japan, is our unit's most important task.

We participate in upstream businesses around the world, but the acquisition of resources entails many technological and geographical difficulties, and competition is intensifying. Given this environment, we are working to increase our reserves and production volumes with balanced participation in exploration, development, and production. The most important aspect of our business, in my view, is to share value and build relationships of trust with our business partners.

We also play an important role in distribution and logistics to deliver these resources in the most efficient way possible. In the previous fiscal year, we moved our downstream business center, which handles crude oil logistics and trading, to Singapore to maximize our capability for meeting robust demand in Asia.

I also consider it important that we look at our business across Mitsui's entire value chain, rather than simply operating businesses within our unit. For example, the exploration project off the coast of Mozambique led to the discovery of a major gas field, and this is being handled by Energy Business Unit II, which is responsible for LNG development. We have also participated from the development stage in shale gas projects in the United States, and we are using this raw material gas to develop other projects, such as LNG exports from North America and methanol production.

I consider it important to continuously refine the functions required in the upstream, midstream and downstream segments of our business.

Main Strategies

- Expand and enhance upstream energy resource portfolio
- Leverage U.S. shale gas business to develop businesses in cooperation with other business units in such areas as chemicals, infrastructure, ships and steel products for the energy industry
- Enhance trading capabilities in oil, coal and nuclear fuels



Britannia gas/condensate field offshore platform (North Sea)
©Britannia Operator Limited

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Acquisition of interests in North Sea oil and gas fields from BP p.l.c. ➤ **P.061**
- Additional development in shale oil and gas production project in Texas, United States
- Acquisition of part of Total S.A.'s interest in onshore oil field in Italy ➤ **P.061**
- Commencement of production in new area at Australian Kestrel coal mine ➤ **P.062**

As of or for the Years Ended / Ending March 31	(¥ billion)		
	2012	2013	2014 (Forecast)
Net Income*	188.1	164.8	160.0
Total Assets*	1,750.5	1,940.4	—

* Figures for this segment

Business Activities

- Exploration, development and production of oil and gas, coal and other energy resources
- Trading and marketing of oil and gas, petroleum products, coal, uranium and other energy resources
- Refining of oil and marketing of gasoline, LPG and other petroleum products in Japan

Market Outlook

Oil and coal prices are likely to remain stable due to solid demand stemming from a continuing recovery in the business climate worldwide. The business unit should be able to source sufficient supplies of LNG, mainly from Qatar, to meet the continued strong demand due to Asia's economic recovery and the rising use of LNG as a substitute for nuclear power following the Great East Japan Earthquake. In the medium-to-long term, LNG demand is projected to trend upward as China, India and emerging economies in Southeast Asia lead growth and LNG becomes favored as a cleaner source of energy.

Business Overview

We participate in a global, comprehensive energy business spanning a wide range of business sectors, with operations from resource exploration, development and production to energy trading and logistics as well as an environmental business, for such products as oil and natural gas, coal and nuclear fuel.

► Exploration, Development and Production of Oil and Natural Gas

In addition to pursuing opportunities for the expansion of our existing businesses in Southeast Asia, Oceania, the Middle East, North America and Europe, we are continuously seeking new robust upstream resource business opportunities, including unconventional resources like shale gas and oil and early stage participation from exploration. Through these activities, we intend to build a sizable business portfolio that is balanced in terms of geography, products, development phases and partners. We will also utilize Mitsui's comprehensive strengths to build a gas value chain by leveraging our U.S. shale gas business in such areas as chemicals, liquefaction facilities and other plants, steel products for drilling and ships.

Major Subsidiaries	Major Regions	Major Partners	Main Production Businesses
Mitsui Oil Exploration	Southeast Asia	Chevron	Oil and gas fields in Gulf of Thailand
Mitsui E&P Australia	Oceania	Woodside	Enfield oil field, Vincent oil field (Australia)
Mitsui E&P Middle East	Middle East	Occidental	Blocks 9 & 27 oil fields (Oman)
Mitsui E&P USA	North America	Anadarko	Marcellus Shale (U.S.A.)
Mitsui E&P Texas	North America	Anadarko	Eagle Ford Shale (U.S.A.)
Mitsui E&P UK	Europe	Chevron, Conoco Phillips	Alba/Britannia oil and gas fields (North Sea, U.K.)

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Acquisition of interests in North Sea oil and gas fields from BP p.l.c.

In December 2012, Mitsui E&P UK Limited, in which Mitsui and Mitsui Oil Exploration Co., Ltd. (73.35% shareholding) hold joint

stakes, acquired a 13.30% interest in the Alba oil field and an 8.97% interest in the Britannia gas and condensate field in the North Sea from British oil major BP p.l.c. Both fields, located approximately 200km northeast of Aberdeen, Scotland, have continued stable and safe operations since commencing production in 1994 and 1998, respectively. Mitsui intends to maximize the value of the fields in collaboration with their operators and expand its energy business in this region.



Alba oil field offshore platform (North Sea)

Acquisition of part of Total S.A.'s interest in onshore oil field in Italy

March 2013 saw Mitsui reach an agreement to acquire from Total S.A. of France, a 25% interest in the Tempa Rossa onshore oil field, located in a hilly area of the southern Italian state Basilicata. The field's original oil in place is estimated to be between 6 billion and 10 billion barrels, making it the largest proved and undeveloped onshore oil field in Western Europe. Plans call for beginning the production of crude oil and LPG in 2016, with estimates putting peak daily production at approximately 50,000 barrels of crude oil and 240 metric tons of LPG. This project promises to become a core asset in Mitsui's energy business in Europe given that it is expected to continue production for more than 50 years. Further, improvements in the crude oil recovery rate could increase recoverable reserves, which means the volume of crude oil and LPG that can be extracted economically from the original oil in place.

► Oil Trading and Marketing

To strengthen our activities in Asia, where demand is expected to grow, we have moved our base of operations from Japan to Singapore, and we plan to conduct our crude oil and petroleum product trading primarily through Mitsui & Co. Energy Trading Singapore Pte. Ltd. (100% shareholding), which was established in 2010. With upstream production projects acquired in Europe in recent years as a foothold, we are working to expand the business in the global market.

► Coal

We are endeavoring to strengthen our earnings base in Australia by expanding currently producing coal mines and commercializing undeveloped areas we own through equity participations via our Australian consolidated subsidiary Mitsui Coal Holdings Pty. Ltd. and equity-method associated company BHP Billiton Mitsui Coal Pty. Ltd. At the same time, we intend to diversify geographically and are pursuing new, quality upstream resource assets around the world. We are also strengthening our marketing capabilities with a focus on the Asian market.

Company	Coal Mine	Mitsui's Ownership	Operating Company
MCH	Dawson	49%	Anglo American
MCH	German Creek	30%	Anglo American
MCH	Moranbah North	4.75%	Anglo American
MCH	Drayton	3.83%	Anglo American
MCH	Kestrel	20%	Rio Tinto
MCH	Bengalla	10%	Rio Tinto
BMC	Poitrel	20%	BHP Billiton
BMC	South Walker Creek	20%	BHP Billiton

MCH: Mitsui Coal Holdings Pty. Ltd.

BMC: BHP Billiton Mitsui Coal Pty. Ltd.

Achievements under Medium-term Management Plan “Challenge and Innovation 2014”

Commencement of production in new area at Australian Kestrel coal mine

In July 2013, the Kestrel coal mine in Queensland, Australia, which is jointly owned by Mitsui and the Anglo-Australian mineral mining major Rio Tinto Limited, began production at a new mining area that has been developed adjacent to its existing mining area.

The Kestrel coal mine commenced operation in 1992 and at present it produces approximately 4 million tons per annum (Mtpa) of high-quality coking coal. With the start-up of production in the new mining area, the average production for the entire mine over the remaining 20-year operating period is estimated to be approximately 5.7 Mtpa.





Kestrel coal mine longwall mining equipment (Australia)

► Nuclear Fuels

Considering the long-term need for nuclear power generation, we continue to engage in upstream resource investment and logistics to contribute to the stable supply of nuclear fuels.

CSR Topics

Energy Business Unit I / Energy Business Unit II

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 The environment	Respond to environmental issues	<input type="checkbox"/> Began world's first demonstration for the process of oxyfuel technology and carbon capture and storage (CCS) at power generation plant through Callide Oxyfuel Project ► Below <input type="checkbox"/> Pursued sustainable resource use through examination of biofuels and hydrogen businesses <input type="checkbox"/> Implemented examination of business related to emissions trading
 Consumer issues	Supply safe, stable energy	<input type="checkbox"/> Contributed to stable energy supply by operating LNG projects and advancing shale gas and oil development and production projects <input type="checkbox"/> Implemented safe, stable supply and transport of crude oil, petroleum products, LNG and other energy sources

Oxyfuel project aiming to realize zero-emissions power generation

Aiming to realize zero-emissions power generation at coal-fired power stations, the Callide Oxyfuel Project—a public-and-private-sector initiative involving Japan and Australia in which Mitsui is participating—is proceeding, with a demonstration of a promising process at the Callide A Power Station in Queensland, Australia. The project began the world's first demonstration of the oxyfuel combustion process at a coal-fired power station in March 2012. In December of the same year, the project began a carbon capture demonstration at the power plant. In the integrated carbon capture and storage process, coal is combusted in oxygen, known as the oxyfuel process, and the emitted CO₂ is compressed, liquefied, collected and stored underground. If this process is verified, introducing it into existing and new coal-fired power stations promises to help curb global warming.



Callide A Power Station (Australia)

Energy Business Unit II

Managing Officer, Chief Operating Officer of Energy Business Unit II

Yasushi Yoshikai



CHIEF OPERATING OFFICER'S STATEMENT

Demand for natural gas—an abundant, environmentally friendly resource—is growing in both developed and emerging markets. The shale revolution in North America has drastically increased the volume of supplies, and today natural gas is being used in a wide range of areas in addition to electric power generation and urban gas, including for transportation and as a raw material for gas chemicals. In particular, accompanying rapid economic growth in Asia, demand for natural gas is growing significantly in that region, and this will increase the importance of LNG as a means of transporting natural gas.

Given this situation, we are looking beyond the eight LNG projects in which we have participated to date and have begun work on three new large-scale projects. Following the discovery of one of the world's largest gas fields off the coast of Mozambique, we are working on the basic design for the development of an LNG with the aim of commencing production in 2018. We have also made a decision to participate in the Cameron LNG project in the United States, and we are working to begin production in 2017. In Australia, we are working on the optimization of the LNG development plan at the Browse gas and condensate fields.

To further enhance the value of these natural gas businesses, we are laying the groundwork for future growth by strengthening our gas distribution and logistics function, developing a global LNG trading business, and examining new, value-added ways of commercializing natural gas, including GTL*.

At the same time, we are taking a long-term view and developing green fuels as next-generation energies and constructing models for hydrogen transport and storage.

* Gas to Liquid: Applying chemosynthesis to natural gas to obtain diesel oil, kerosene and other petroleum products.

Main Strategies

- Secure stable operation and expansion of existing LNG business
- Expand and optimize LNG portfolio by commercializing new LNG projects in Mozambique, the United States and Australia
- Strengthen LNG logistics function and engage in midstream and downstream gas business

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Awarding of basic engineering and design contracts for natural gas development project in Mozambique **➤ P.064**
- Agreements for natural gas liquefaction tolling and joint venture for LNG export project in the United States **➤ P.064**
- Participation in Browse LNG Project in Australia **➤ P.064**



North West Shelf LNG Project—The Goodwyn A platform located about 135km northwest of Karratha
©Woodside

As of or for the Years Ended / Ending March 31	2012	2013	(¥ billion)
			2014 (Forecast)
Net Income*	188.1	164.8	160.0
Total Assets*	1,750.5	1,940.4	—

* Figures for this segment

Business Activities

- Development and production of natural gas and LNG
- Import and international trading of LNG
- Development of new gas commercialization technologies, such as compressed natural gas (CNG)
- Development of new energy and environmental businesses

Market Outlook

Oil and coal prices are likely to remain stable due to solid demand stemming from a continuing recovery in the business climate worldwide. The business unit should be able to source sufficient supplies of LNG, mainly from Qatar, to meet the continued strong demand due to Asia's economic recovery and the rising use of LNG as a substitute for nuclear power following the Great East Japan Earthquake. In the medium-to-long term, LNG demand is projected to trend upward as China, India and emerging economies in Southeast Asia lead growth and LNG becomes favored as a cleaner source of energy.

Business Overview

We participate in a global, comprehensive energy business spanning a wide range of business sectors, with operations from resource exploration, development and production to energy trading and logistics as well as an environmental business, for such products as oil and natural gas, coal and nuclear fuel.

► Natural Gas and LNG

Mitsui has equity participations in the following eight currently producing LNG projects:

Project	Location	Annual LNG Production Capacity (million tons)	Mitsui's Ownership
Abu Dhabi LNG	Abu Dhabi, UAE	5.6	15.0%
Qatargas 1 LNG	Qatar	9.6	7.5%
Qatargas 3 LNG	Qatar	7.8	1.5%
Oman LNG	Oman	7.1	2.8%
Equatorial Guinea LNG	Equatorial Guinea	3.7	8.5%
Sakhalin II LNG	Sakhalin, Russia	9.6	12.5%
Northwest Shelf LNG	Australia	16.3	8.3%
Tangguh LNG	Indonesia	7.6	2.3%

In addition to securing a stable earnings base through these existing businesses, we are utilizing Mitsui's comprehensive strengths to develop new LNG and natural gas businesses, including a major gas field discovered off the coast of Mozambique and the upstream shale interest owned by Energy Business Unit I in the United States. We are also strengthening our LNG and natural gas sales capabilities in the global market and developing new unconventional ways to commercialize natural gas in addition to LNG.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Awarding of basic engineering and design contracts for natural gas development project in Mozambique

In December 2012, Mitsui and its joint venture partners in Mozambique's Rovuma Offshore Area 1—where one of the world's largest gas fields has been discovered—were awarded basic engineering and design contracts for the construction of an onshore LNG plant and offshore production facilities. The first stage of the development project aims to achieve annual production capacity of 10 million tons. Mitsui will continue evaluations with a view to making a final investment decision in 2014 and starting up production in 2018. Through

the stable supply of LNG from this project, we will contribute to the energy security of Japan and other Asian countries.



Flow test in Mozambique offshore gas field

Agreements for natural gas liquefaction tolling and joint venture for LNG export project in the United States

In May 2013, Mitsui concluded a joint venture agreement for the construction and operation of natural gas liquefaction facilities and a liquefaction tolling agreement equivalent to 4 million tons of LNG per year with partners that include Sempra Energy, of the United States. Sempra Energy plans to export 12 million tons per year at the Cameron terminal in Louisiana, the United States. Initial LNG production is slated for the second half of 2017, upon receiving related approvals, including an export license for non-FTA countries from the Department of Energy in the United States. Moreover, this is a joint project with Mitsui's Machinery & Infrastructure Segment.

Participation in Browse LNG Project in Australia

Through Japan Australia LNG (MIMI) Pty. Ltd., a 50-50 joint venture between Mitsui and Mitsubishi Corporation, Mitsui has begun participation in the Browse LNG Project that Woodside Petroleum Limited, of Australia, is advancing. This large-scale development project plans to refine, liquefy, and ship natural gas and condensate produced at the Browse gas and condensate fields off Western Australia. The joint venture partners will work to prepare an optimal development plan to realize early commercialization of this LNG project.

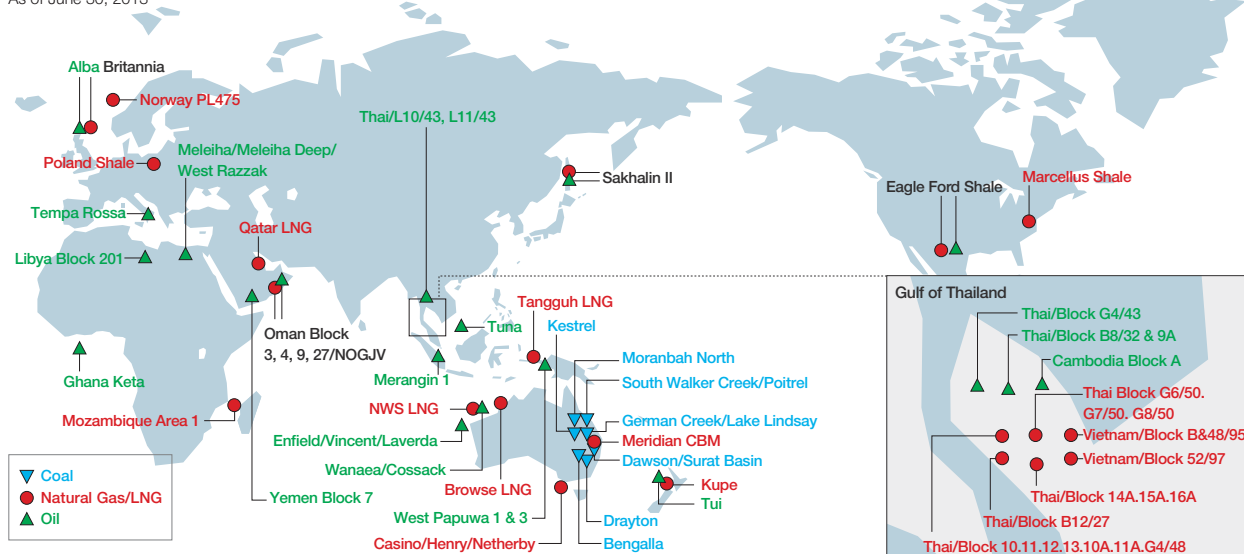
► New Energy and Environmental Business

We are pursuing new energy and environmental business to contribute to the realization of a low-carbon society in areas that include biomass and other renewable energies and new energies, such as hydrogen.

Operational Data

Major Upstream Assets in Energy Business

As of June 30, 2013



Major Upstream Assets (Natural Gas/LNG/Oil)

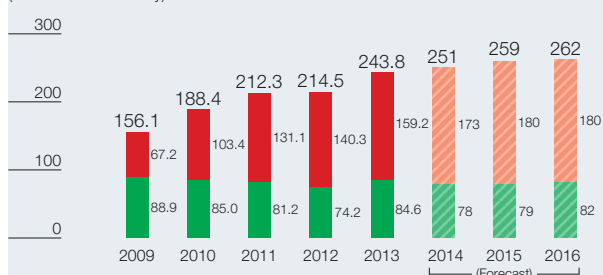
As of June 30, 2013

	Exploration					Development			Production	
	Bid	Seismic	Processing	Drilling	Valuation	FEED	FID	Development	Production	
Natural Gas/LNG Project	Australia: Laverda* ¹ and 21 other permits (MEPAU) New Zealand: PEP50119 and 3 other permits (MEPAU) Papua New Guinea: PPL426 (MEPAU) Thailand: Block L10/43 and 3 other permits (MOECO) Vietnam: Blocks B&48/95, 52/97* ¹ (MOECO) Cambodia: Block A (MOECO) Indonesia: Merangin 1, Tuna, West Papua 1 & 3 (MOECO) Poland: Poland Shale (MEPOL) Norway: PL475 (MOECO) Egypt: Meleiha Deep (MEPME) Yemen: Block 7 (MEPME) Libya: Block 201 (MOECO) Mozambique: Area 1* ¹ (MEPMOZ) Ghana: Keta (MEPGK)					USA: Marcellus Shale (MEPUSA)* ² , Eagle Ford Shale (MEPTX)* ² Australia: Meridian CBM (MEPAU)* ² , Browse LNG (JAL-MIMI) Mozambique: Area 1* ¹ (MEPMOZ)			Russia: Sakhalin II LNG (Sakhalin Energy) Australia: NWS LNG (JAL-MIMI), Casino/Henry/Netherby, Meridian CBM (MEPAU) New Zealand: Kupe (MEPAU) Thailand: Blocks 10.11.12.13.10A.11A.G4/48, Block B12/27, Blocks 14A.15A.16A, Blocks B8/32 & 9A, Block G4/43 (MOECO) Indonesia: Tangaugh LNG (KG Berau/KG Wiriagar) USA: Marcellus Shale (MEPUSA), Eagle Ford Shale (MEPTX) Qatar: Qatargas 1 LNG (MILNED), Qatargas 3 LNG (Mitsui Qatargas 3) Oman: NOGJV (MEPME) UK: Britannia (MEPUK)	
Oil Project	USA: Eagle Ford Shale (MEPTX)* ² Italy: Tempa Rossa (MEPIT)					Russia: Sakhalin II (Sakhalin Energy) Australia: Wanaea / Cossack (JAL-MIMI), Enfield / Vincent (MEPAU) New Zealand: Tui (MEPAU) Thailand: Blocks 10.11.12.13.10A.11A.G4/48, Blocks 8/32 & 9A, Block G4/43, L11/43 (MOECO) Oman: Blocks 3, 4, 9, 27 (MEPME) Egypt: Meleiha/West Razzak (MEPME) USA: Eagle Ford Shale (MEPTX) UK: Alba, Britannia (MEPUK)				

*1. Proved undeveloped *2. Partly in production

Oil/Gas: Equity Share of Output (Announced in August 2013)

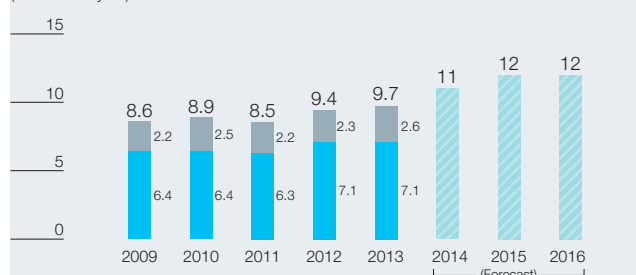
(Thousand barrels/day)



■ Natural gas/LNG ■ Oil

Coal: Equity Share of Output (Announced in May 2013)

(Million tons/year)



■ Coking coal ■ Fuel coal

* From the year ending March 31, 2014, only the total of coking coal and fuel coal is shown.



Food Resources Business Unit

Managing Officer, Chief Operating Officer of Food Resources Business Unit

Kazuo Nakayama



CHIEF OPERATING OFFICER'S STATEMENT

The world's population has already exceeded seven billion and is expected to grow to nine billion by 2050. This rapid population growth, combined with regional disparities in the capacity of food supply, is widening the gap between supply and demand for food, making the securing of food resources and the establishment of a stable supply structure critical issues for people around the world.

Our business unit is engaged in providing a stable and efficient supply of safe food from the world's major food-producing regions. In the area of grains and oilseeds, in addition to our existing grain collection business in the United States and our grain production and collection business in Brazil, in the year ended March 31, 2013, we participated in grain collection businesses in Russia and Australia as we accelerate our development of a global grain business. Our direct involvement in the production of agricultural products and their collection in producing regions enables us to quickly obtain information from those regions as well as to maintain traceability, which contributes to efficient distribution and food safety. In the sugar business, in addition to our existing sugar manufacturing business in Thailand, we are expanding our sources for the stable supply of raw materials through new equity participations as well as by further strengthening our overseas sugar manufacturing business and working with Mitsui Sugar Co., Ltd. to increase sales of SPOON brand sugar. We are also developing businesses in the areas of functional food ingredients, livestock and fisheries. Through these activities and in cooperation with the Food Products & Services Business Unit, we aim to support both the supply and the demand sides of a wide range of food-related areas and to build an even stronger value chain.

Main Strategies

- Strengthen supply capabilities by securing food resources from major producing regions around the world
- Enhance our global marketing capacity
- Establish a solid food value chain through cooperation with reliable domestic and overseas partners



Soybean farm, AGRÍCOLA XINGU S.A. (Brazil)

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Capital and business alliance with Sodrugestvo Group S.A. in Russia to strengthen grain export business ➤ P.067
- Investment in Khonburi Sugar Public Company Limited of Thailand
- Participation in Plum Grove Pty Ltd to expand Australian grain business

		(¥ billion)		
As of or for the Years Ended / Ending March 31		2012*	2013*	2014 (Forecast)
Net Income (Loss)	Segment	17.0	10.3	16.0
	Business Unit	4.2	(1.6)	—
Total Assets	Segment	1,239.1	1,313.9	—
	Business Unit	335.0	386.2	—

* Segment figures before reorganization of business units on April 1, 2013

Business Activities

- **Resources:** Investment in overseas food resources businesses; and import and domestic and offshore trade of grains, oilseeds and oils and raw sugar
- **Materials:** Investment in overseas food materials businesses (manufacture of edible oil products, shrimp farming and broiler chicken raising); trade of food materials; and manufacture and sale of food materials in Japan (sugar, broiler chicken, starch and saccharified products, sugar alcohol and other functional food ingredients, and feed and functional feed)

Market Outlook

As the global population increases and economy expands, the need to secure food resources and guarantee a stable supply of food is expected to rise due to the acceleration of mismatches between areas of limited food supply and continuously growing demand for food. With the development of economic partnership agreements, such as TPP, change of the framework of industry and trade is expected.

Business Overview

Resources

In the food resources business area, we are engaged in the production, distribution and sale of grain, oilseeds and sugar in major producing regions. In Brazil, Xingu Aguri AG and Multigrain Trading AG (formerly Multigrain AG*, 100% shareholding, Switzerland) are engaged in agricultural production and grain distribution, mainly of soybeans, and in the United States, United Grain Corp. (100% shareholding) is engaged in grain origination and the export of grain, including wheat, corn and soybeans. In October 2012, we acquired a stake in Sodrugestvo Group S.A. ("Sodrugestvo," 10% shareholding), operator of a Russia-based grain business, and in December we acquired a stake in the Australian grain accumulator Plum Grove Pty Ltd (25% shareholding). Mitsui's affiliated company in Thailand, The Kumphawapi Sugar Co., Ltd. and Kaset Phol Sugar Limited are engaged in sugar manufacturing, and in February 2013 we invested in Khonburi Sugar Public Company Limited. Also, we promote rice export projects in Myanmar.

We will enhance our global marketing capacity through food resources businesses in major producing regions to demand regions, including Japan and elsewhere in Asia, the Middle East and Africa.

* In April 2013, Multigrain AG merged its subsidiary Xingu AG. Further, as the result of a May 2013 company split, Multigrain AG became Xingu Agri AG and Multigrain Trading AG.



Multigrain S.A. grain inland storage site at Bahia (Brazil)

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Capital and business alliance with Sodrugestvo in Russia to strengthen grain export business

Mitsui concluded an agreement with Sodrugestvo to acquire 10% of its shares. Sodrugestvo is the largest oilseed crusher in Russia and has facilities for grain import and export. At the same time, the companies concluded an agreement for a strategic business alliance.

Sodrugestvo crushes soybeans for oil and sells protein raw materials for feed, such as soybean meal. As well as operating crushing plants in Kaliningrad Oblast, the westernmost part of Russia, Sodrugestvo owns quality logistics infrastructure, including facilities in an ice-free port—which are very valuable in Russia—and grain hopper wagons. Sodrugestvo has exploited this infrastructure to establish an integrated supply system for feed materials. Also, the company will export grains accumulated from Russia and countries of the former Soviet Union (FSU) to Europe, Africa and the Middle East.

Based on the strategic business alliance agreement, Mitsui exports and sells grains Sodrugestvo accumulates from Russia and FSU countries. At the same time, Mitsui intends to collaborate in Sodrugestvo's feedstuff and livestock businesses in Russia and FSU countries, where demand for meat is increasing.

Materials

In the area of food materials, we operate businesses in processed edible oil, refined sugar, compound feed, and livestock and fisheries. Overseas, VENTURA FOODS, LLC, in which we acquired a 50% shareholding through WILSEY FOODS, INC. (90% shareholding), supplies processed edible oil for the institutional market in the United States. Our businesses in Japan include broiler chicken raising, processing and sales by PRIFOODS CO., LTD.; the manufacture and sale of starch and saccharified products by San-ei Surochemical Co., Ltd.; sugar refining and sales by Mitsui Sugar Co., Ltd.; and the manufacture and sale of compound feed by Nippon Formula Feed Manufacturing Company Limited.

We will strengthen our domestic business base and develop an overseas food processing business, with the aim of providing a stable supply of safe food globally.

Food Products & Services Business Unit

Managing Officer, Chief Operating Officer of Food Products & Services Business Unit

Yasuharu Fujiyoshi



CHIEF OPERATING OFFICER'S STATEMENT

The Food Products & Services Business Unit aims to be a lifeline that provides a stable supply of safe food and adds convenience to the daily lives of consumers at a global level. To achieve these goals, we operate a broad food value chain that encompasses agricultural production through sales to consumers and work with the Food Resources Business Unit in many regions around the world. Our unit's strengths lie in the relationships of trust we have developed with reliable partners over many years in Japan and overseas and in such functions as demand chain management that we have refined to constantly address demand-side needs.

With rising incomes leading to a growing middle class, especially in emerging markets, lifestyles around the world are experiencing rapid changes. At the same time, although undergoing a gradual contraction accompanying the aging of its population, Japan is still a huge market. With an eye toward the post Trans-Pacific Partnership (TPP), we need to think about what roles Japan will play in this new framework. Going forward, the issues for our unit are to utilize Mitsui's comprehensive strengths to raise our presence in the domestic market while quickly responding to quantitative and qualitative changes in consumption overseas.

Our unit's core business bases are in materials, distribution and retail, and we are creating a new business model through integrated manufacturing, intermediate distribution and wholesaling and retail sales. We are also strengthening our ties with reliable partners in Japan and overseas by jointly supporting those partners' global expansion. We will continue to pursue the challenge of developing new businesses by quickly addressing changes in the business environment.

Main Strategies

- Strengthen our distribution platform in response to quantitative and qualitative changes in consumption in Japan
- Accelerate initiatives in growing overseas markets through alliances with quality partners in Japan and overseas
- Develop new business models to address market changes



Coffee farm in Brazil

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Participation in franchise operations business in Chongqing, China ➤ **P.069**

		(¥ billion)		
As of or for the Years Ended / Ending March 31		2012*	2013*	2014 (Forecast)
Net Income	Segment	17.0	10.3	16.0
	Business Unit	11.3	12.6	—
Total Assets	Segment	1,239.1	1,313.9	—
	Business Unit	428.5	459.0	—

* Segment figures before reorganization of business units on April 1, 2013

Businesses Activities

- **Materials:** Investment in beverages and beverage materials businesses and food materials businesses; and trade of beverage materials and food materials
- **Distribution:** Wholesale operations; and trade of processed foods
- **Retail:** Trade of food materials, food products, containers, packaging materials and miscellaneous daily goods; and support services for retailers, such as logistics management, including demand chain management, and product planning and development
- **Agri-food business**

Market Outlook

In the Japanese market, we are seeing a gradual decrease in demand as well as qualitative changes in consumption, which can be attributed to such factors as declines in the population as well as an aging population and a declining birthrate. In addition, agriculture in Japan is becoming more industrialized and changing rapidly, largely in response to the possibility of Japan's participation in the TPP free trade agreement. Also, as the advancement of information technologies enables the provision of new services, we expect to see changes in consumption trends. Meanwhile, the markets of emerging economies in Asia and the Middle East are expected to grow due to population increases and economic development.

Business Overview

► Materials

We procure stable supplies of beverage materials, including fruit juices, coffee and teas, and food materials for dairy products from producing regions around the world and provide them to consuming regions, mainly Japan and elsewhere in Asia. In Japan, Mitsui Norin Co., Ltd. (100% shareholding) produces and sells tea leaves and tea products, and overseas, MITSUI ALIMENTOS LTDA. (100% shareholding, Brazil) exports coffee beans and roasts and sells coffee in Brazil.

We aim to become a global player by entering overseas businesses to secure stable supply sources and by strengthening our sales in overseas markets. We will also work with quality partners in Japan and overseas to develop beverage and processed food production businesses in growing overseas markets, including China and other parts of Asia.

► Distribution

MITSUMI FOODS CO., LTD. (100% shareholding), a food wholesaler and the core company in our wholesale business, operates a nationwide distribution network selling processed foods and alcoholic beverages to general merchandise stores, supermarkets, convenience stores, and catering and restaurant chains.

We will enlarge the distribution network centered on MITSUI FOODS CO., LTD. as a mediator between manufacturers and retailers. Also, we are working with food product manufacturers to develop food product businesses in regions showing growth, mainly in Asia.



Distribution depot of
MITSUI FOODS CO., LTD.

► Retail

Under a comprehensive alliance with Seven & i Holdings Co., Ltd., Mitsui and wholly owned subsidiaries MITSUI FOODS CO., LTD., VENDOR SERVICE CO., LTD., RETAIL SYSTEM SERVICE CO., LTD. and Bussan Logistics Solutions Co., Ltd. supply food and packaging materials and provide demand chain management and logistics

functions in Japan. Overseas, BUSSAN BEIJING LOGISTICS ENTERPRISE LTD., in China, and MITSUI BUSSAN LOGISTICS, INC. (100% shareholding), in the United States, provide services to 7-Eleven stores outside Japan.

We will strive to further strengthen our retail support function and apply Mitsui's retail support functions to the overseas expansion and other new business ventures of Seven & i Holdings Co., Ltd. We have entered the franchise operations business in the Chinese city of Chongqing through a joint venture with our important Chinese partners New Hope Group Co., Ltd. and Seven-Eleven (China) Investment Co., Ltd.

Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Participation in franchise operations business in Chongqing, China

Aiming to open 7-Eleven stores in the Chinese city of Chongqing, Mitsui, Seven-Eleven (China) Investment Co., Ltd., a subsidiary of Seven-Eleven Japan Co., Ltd., and Southern Hope Industrial Co., Ltd., a subsidiary of China's New Hope Group Co., Ltd., have agreed to establish a new joint venture.

Chongqing has been designated by the Chinese government as one of four directly controlled municipalities along with Beijing, Shanghai and Tianjin. As one of China's inland hub cities, Chongqing promises significant economic development. This rapid economic growth is expected to boost demand in the retail industry, including demand for convenience stores. The joint venture aims to develop a store network in the city, opening its inaugural store in 2013.

Mitsui will draw on its ability to provide multifaceted services, including products and raw materials supply and logistics, to develop the business through coordination with the franchise operations business.

► Agri-Food Business

We are working to support agricultural management and production and enhance our agricultural logistics business with the aim of contributing to the preservation and development of Japanese agriculture. With Japan's participation in TPP negotiations, we will work to provide new functions and services to industrialize Japanese agriculture.

Consumer Service Business Unit

Executive Managing Officer, Chief Operating Officer of Consumer Service Business Unit

Satoshi Tanaka



CHIEF OPERATING OFFICER'S STATEMENT

The Consumer Service Business Unit aims to evolve its business models to address changes around the world, utilizing Mitsui's comprehensive strengths to enrich people's lives with high-value-added services. We promote and develop diverse businesses that meet the needs of customers in six business areas: medical and healthcare, real estate, services, housing and industrial materials, fashion, and media, which newly joined our unit from April 1, 2013.

In the year ended March 31, 2013, we increased the value of our existing investments as illustrated by the successful public offering of IHH Healthcare Bhd., which is the largest hospital group in Asia, on Bursa Malaysia and the Singapore Stock Exchange. At the same time, we developed new business models that meet the demand of consumers in the global market, especially in emerging countries.

During the year ending March 31, 2014, the second year under the Medium-term Management Plan, we will continue to collaborate with leading partners to build a global business network and create new business models through evolving our functions and capabilities in our six business areas. We will also work on maximizing cash flow from existing businesses as well as executing strategic asset recycling.

Main Strategies

- Accelerate business development to capture consumer demand in emerging markets
- Create additional value through repositioning from "agent" to "principal"
- Further enhance business portfolio by adding good quality assets and strategic asset recycling
- Challenge and create new business for next generation
- Strengthen comprehensive business engineering capabilities through cross-divisional initiatives

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Agreement to participate with Japan's Otsuka Pharmaceutical Factory, Inc. in IV (intravenous) products manufacturing and sales joint venture in India ➤ P.071
- Initial public offering of IHH and agreement to open a clinic specializing in treatment of liver diseases and living donor liver transplant surgery in Singapore ➤ P.081
- Participation in building development project in business park in Singapore ➤ P.081
- Establishment of joint venture with JGC Corporation and local government to prepare master plan and promote inward investment in business park in Chongqing, China ➤ P.072
- Participation in woodchip processing and exporting business in Chile ➤ P.072
- Acquisition of shares of TOTO Ltd.'s subsidiary in India
- Acquisition of U.S. apparel brand Paul Stuart, Inc.



IHH's hospital, Mount Elizabeth Novena Hospital (Singapore)

As of or for the Years Ended / Ending March 31		(¥ billion)		
		2012*	2013*	2014 (Forecast)
Net Income (Loss)	Segment	17.0	10.3	16.0
	Business Unit	1.5	(0.7)	—
Total Assets	Segment	1,239.1	1,313.9	—
	Business Unit	475.6	468.7	—

* Figures before reorganization of business units on April 1, 2013

Business Activities

- **Medical and healthcare:** Hospital operations and management support, businesses in peripheral areas of hospital operations and contract business for pharmaceuticals development as well as manufacturing
- **Real estate:** Real estate development, management and related services
- **Services:** Contract food services, facility management and development of services businesses overseas
- **Housing and industrial materials:** Housing materials, woodchip, pulp and paper products, packaging materials and off-the-road tires for mining equipment
- **Fashion:** Brand marketing business, fashion e-commerce and procurement of apparel products
- **Media:** TV shopping and broadcasting

Market Outlook

The Japanese business-to-consumer ("B2C") market is mature due to an aging population and a declining birthrate, which has led to changes in the quality of services required, such as an emphasis on medical and healthcare services and the pursuit of safety, security and convenience.

Meanwhile, the B2C markets in China and other Asian countries are expected to expand in quantitative and qualitative terms due to improvements in living standards and changes in lifestyles accompanying population growth and economic development.

Business Overview

► Medical and Healthcare

In healthcare service networks, we will contribute to create an advanced medical care environment and better local communities by engaging in hospital operations and management support globally and by developing businesses in peripheral areas of hospital operations, mainly through IHH Healthcare Bhd. ("IHH," 20.3% shareholding, Malaysia), which is the largest hospital group in Asia. In the pharmaceuticals value chain, we provide solutions for the pharmaceutical industry through the services of a contract research organization (CRO) and a contract manufacturing organization (CMO). We are accelerating the global development of the CMO business, mainly with MicroBiopharm Japan Co., Ltd. (80% shareholding), which is a manufacturer of pharmaceutical and chemical products, and we will develop the pharmaceutical business in partnership with leading manufacturers in emerging markets, where demand for pharmaceuticals is expected to grow.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Initial public offering of IHH and agreement to open a clinic specializing in treatment of liver diseases and living donor liver transplant surgery in Singapore

We acquired a stake of IHH, which is the largest hospital group in Asia, in May 2011. IHH successfully made an initial public offering on both Bursa Malaysia and the Singapore Stock Exchange in July 2012. We decided to open a clinic specializing in the treatment of liver diseases and living donor liver transplant surgery at IHH's hospital in Singapore along with International Frontier Medical Support, which is a general incorporated association led by Dr. Tanaka, one of Japan's top transplant surgeons. We intend to cater to the increasing needs of advanced medical treatment in Asia, contribute to the globalization of Japan's high-quality healthcare services, and increase the corporate value of IHH by adding to its healthcare offerings.

► Real Estate

We are engaged in developing and operating office buildings, logistics properties and residences, and real estate-related service business, both in Japan and overseas. Especially in Asian countries, we are seeking opportunities to participate in developing properties with experienced partners. We are also expanding our senior property business portfolio in the United States and challenging the development of smart cities in Japan and Asia, with a view toward positive changes in the social environment. Further, we enhance the value of our real estate portfolio through proactive asset recycling.



Chongqing LJNA Yulin
Business Park site
(within the red
boundary line) (China)

► Services

We will conduct further development of our domestic business, such as AIM SERVICES CO., LTD. (50% shareholding), Mitsui & Co., Facilities Ltd. (100% shareholding) and the other affiliates and accelerate the global development of our outsourcing and franchise businesses with experienced partners. We are also working to develop the education business as our new business field.

➤ Housing and Industrial Materials

We will secure stable supply sources for forestry resources and establish a supply chain of woodchips to meet growing demand for paper products in Asian markets through afforestation businesses in Australia and woodchip processing and export businesses in Australia and Chile. We will also strive to expand the distribution channel for woodchips in Asian markets, mainly China. In response to the demand in emerging markets, we will strengthen production and sales functions of housing materials, such as lumber in Russia, sanitary ware in India, paper products and industrial materials.

➤ Fashion

We entered into the rapidly growing e-commerce (EC) market through investments in fashion EC companies in China and Taiwan. We have acquired 100% of the shares of Paul Stuart, Inc., an apparel retailer in the United States and a brand licensor for the Japanese market, and will expand our brand marketing business globally. We are also working to develop OEM business for apparel products through MITSUI BUSSAN INTER-FASHION LTD. (100% shareholding).





Flagship store of Paul Stuart, Inc. in New York (United States)

➤ Media



We are operating TV shopping and related service businesses through QVC JAPAN INC. (40% shareholding, Japan), ShopNet Co., Ltd. (87.27% shareholding, Taiwan) and CCTV Shopping Co., Ltd. (25% shareholding, China). Also, we are providing BS digital broadcasting service in Japan through our wholly owned subsidiary World Hi-Vision Channel "TwelV."

CSR Topics

Food Resources Business Unit / Food Products & Services Business Unit

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 Human rights	Consider human rights	<input type="checkbox"/> Supported environmentally friendly rice production and sales through subsidiary TOHO BUSSAN KAISHA, LTD. <input type="checkbox"/> Promoted sales support for palm oil certified by the Roundtable on Sustainable Palm Oil (RSPO)
 Consumer issues	Strengthen food safety management framework	<input type="checkbox"/> Held monthly meetings of food health management committee and food safety seminars to improve our food safety management

Consumer Service Business Unit

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
 Human rights	Respect human rights	<input type="checkbox"/> Obtained concurrence with Mitsui's "Supply Chain CSR Policy" from new suppliers of subsidiary MITSUI BUSSAN INTER-FASHION LTD.
 The environment	Respond to environmental issues	<input type="checkbox"/> Participated in processing and export business of woodchip made of eucalyptus from forestry plantations in Chile ➤ Below <input type="checkbox"/> Participated in Fujisawa Sustainable Smart Town Project
	Raise environmental awareness	<input type="checkbox"/> Produced and aired environmental TV program for children through broadcasting subsidiary Kids Station Inc.
	Promote recycling initiatives	<input type="checkbox"/> Decreased plastic use by improving packaging methods in TV shopping business of associated company QVC JAPAN INC.

Woodchip processing and export business that uses sustainable forest resources

In September 2012, Mitsui participated in a woodchip processing and export business in Chile by establishing a joint venture with Industrial Bosques Cautin S.A., a Chilean plantation and woodchip processing and exporting company. The joint venture processes eucalyptus lumber into woodchips for export and sale.

Further, we have been engaged in forestry and woodchip processing and export in Australia since the mid-1980s. Currently, we own approximately 30,000 hectares of forestry land in the country, where we are developing sustainable forestry resources.

Demand for woodchips—a raw material for paper and biomass fuel—is expected to grow. Therefore, from the viewpoint of enabling global warming countermeasures and preserving forestry resources, we intend to secure sustainable forestry resources and provide stable supplies of woodchips derived from forestry plantations.



Plantation business (Australia)

Operational Data

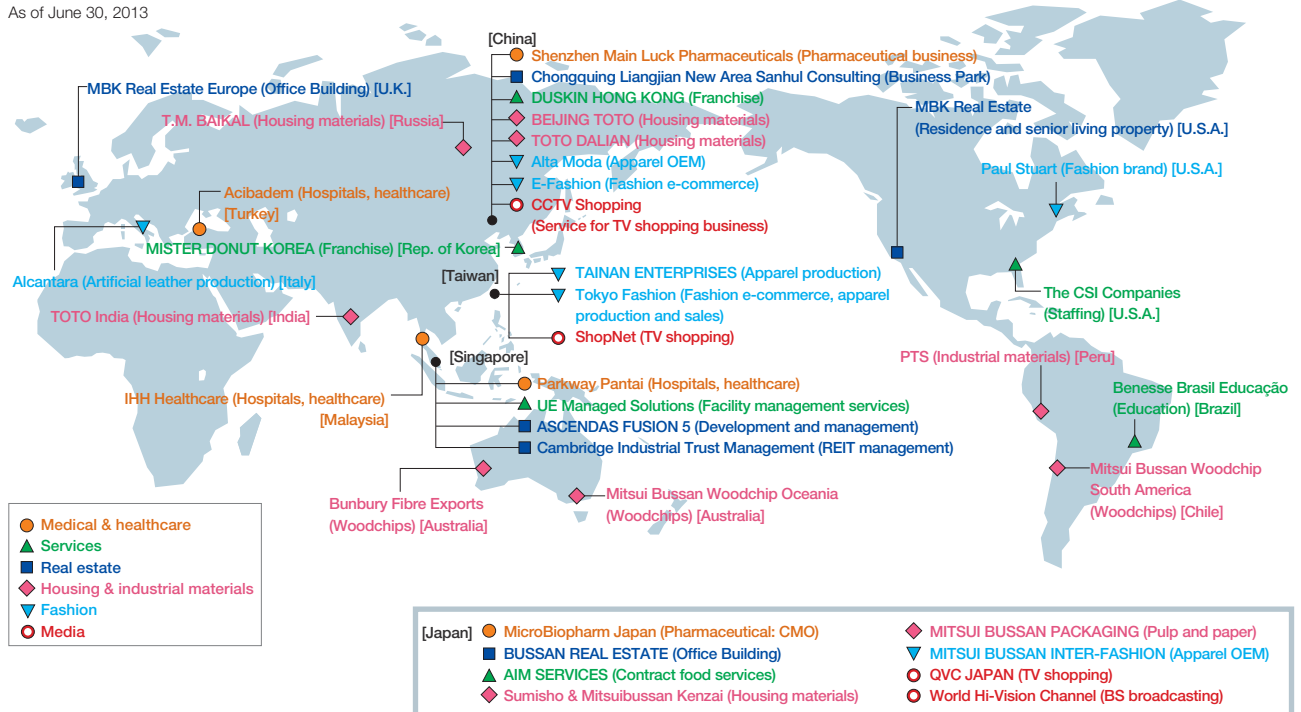
Major Overseas Investments in Food Resources and Food Products & Services Business

As of June 30, 2013



Major Investments in Consumer Service Business

As of June 30, 2013





Innovation & Corporate Development Business Unit

Executive Managing Officer, Chief Operating Officer of Innovation & Corporate Development Business Unit

Atsushi Kume



CHIEF OPERATING OFFICER'S STATEMENT

Our business unit utilizes Mitsui's expertise and capabilities gained through business activities in the information technology (IT), finance and logistics industries, along with domestic and foreign partners, to create next-generation businesses, build a stable earnings base, and contribute to the expansion and evolution of Mitsui's business areas.

In the IT segment, our IT Innovation Business is introducing IT into the medical, agricultural and other sectors, and our Internet Business is working on businesses related to e-commerce. In the finance segment, we are proactively pursuing strategic investment in growing business areas and asset management businesses, mainly in real estate. In the logistics segment, we intend to further strengthen our existing logistics businesses, including warehousing and vessel charter operations. We are also working aggressively to develop and promote new businesses worldwide by integrating and utilizing our IT, finance and logistics functions.

In addition, our unit provides functions to other business units to enhance Mitsui's comprehensive strengths and expand our business areas. Such activities include IT consulting, M&A advisory, risk management through derivatives trading and insurance, and the analysis and proposal of solutions for logistics topics. By strengthening these functions and developing specialized human resources, we strive to provide useful functions to all of Mitsui's businesses.

Main Strategies

- Solidify earnings base by strengthening existing businesses and promoting new businesses
- Create new business fields and next-generation businesses
- Contribute to the expansion of Mitsui's comprehensive strengths through our business unit's IT, finance and logistics functions



Vessel owned by TRI-NET (JAPAN) INC.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014" at a Glance

- Investment in Viridity Energy Inc. to develop energy optimization business utilizing information technology **➤ P.076**
- Establishment of joint venture for smart community projects with Fujitsu Limited **➤ P.076**
- Execution of strategic alliance agreement with Li & Fung Limited, Hong Kong's largest trading company **➤ P.077**

As of or for the Years Ended / Ending March 31	(¥ billion)		
	2012*	2013*	2014 (Forecast)
Net Income (Loss)	(32.2)	3.6	(3.0)
Total Assets	573.5	769.0	—

* Figures before reorganization of business units on April 1, 2013

Business Activities

- **IT Business:** Utilization of IT in industrial and retail businesses to enhance efficiency and create additional value; online payment business; e-commerce business; Internet-based marketing business; information security business; systems and network integration business; business process outsourcing business
- **Financial Business:** Commodity derivatives business; principal investment business (start-ups, growth and buyout); leasing business; asset management business
- **Logistics & Insurance Business:** Integrated international transport; operation of warehouses and delivery centers; logistics engineering; operation of tramp vessels; insurance agency and brokerage business; operation of captive insurance (self-insurance)

Market Outlook

In the IT business, massive amounts of data are being accumulated in the Internet, due to the dissemination of ITC devices, such as smartphones, as well as the evolution of IT infrastructure, such as cloud computing. As a result, we are heading toward the realization of a next-generation society in which the advancement of IT is closely linked with the real economy. For example, IT is starting to be utilized to optimally control infrastructure. To prepare for the beginning of such an age, technologies continue to be innovated and new services and business models constantly appear.

The financial business continues to see vigorous investment in growing markets and areas with potential for creating new businesses through technological innovation. Representative areas include medical, healthcare, environmental, and IT businesses. In commodity derivatives, we anticipate further expansion of business areas to new products, such as iron ore, coking coal and electricity in addition to products that have had a strong need for hedging traditionally.

As for the logistics & insurance business, while logistics to and from Japan are declining and Japan's position as a hub is weakening, regional logistics & logistics infrastructure in the emerging countries are expected to expand. Furthermore, from the perspective of the future business expansion of Mitsui, the strengthening of the Companywide logistics platform that supports Mitsui's trade and logistics as a global group is becoming more important than ever.

Business Overview

IT Business

With the dissemination of smartphones and other information devices, as well as the evolution of IT infrastructure, such as cloud-based services, IT in society and industry has shown rapid progress. With these environmental changes from the advancement of IT in mind, we are using IT as a starting point for the creation of next-generation businesses that address the needs of the times. We will also help the Mitsui Group address environmental changes and become more competitive by providing IT functions.

Internet Business In addition to developing e-commerce, online payment, and Internet marketing businesses in Japan and overseas, we are developing a comprehensive Internet services business for Asia and other emerging markets.



QIWI plc's settlement terminal (Russia)

IT Innovation Business We are building and pursuing new businesses utilizing IT in such areas as medical, healthcare and agriculture; working on the creation of new service businesses by the use of advanced data; and developing systems and network integration businesses through associated companies, information security businesses, energy-saving engineering businesses and call center businesses.

In addition, along with pursuing businesses related to next-generation Internet devices and services, we will work to discover and identify the technologies and devices needed for those businesses. Other areas we are exploring include IT controls for smart grids, new environmental and IT-related businesses, such as rechargeable batteries, and energy storage businesses using storage batteries.



TV room, TPV Technology Limited (Taiwan)

Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Investment in Viridity Energy Inc. to develop energy optimization business utilizing information technology

In September 2012, Mitsui invested in Viridity Energy Inc. (17% shareholding), of the United States, which operates a business that exploits IT to optimize power supply and demand. Targeting such large users as plants and universities, Viridity Energy Inc. optimizes power supply and demand by forecasting demand, power generation and power prices at each user's site and preparing real-time operational plans that maximize economic merits for each user. Through its investment in this business, Mitsui will develop IT-enabled energy optimization business in ASEAN countries and other parts of Asia as well as develop a business for large storage batteries using IT-enabled control of storage batteries, mainly in the United States.

Financial Business

We are building a new platform for Mitsui's growth through businesses that utilize Mitsui's financial expertise and network. We are developing a balanced, wide range of businesses in such areas as principal investment, commodity derivatives, asset management (securities business and management of various funds, including real estate for logistics and infrastructure), leasing and M&A advisory.

Principal Investment Business We aim to invest and generate returns through our global investment network, targeting areas where future growth is expected, including such business sectors as environment and medical or regions with emerging markets. By spearheading investments in fields where Mitsui has not yet entered, we will contribute to the evolution of Mitsui's business structure and create new businesses.

Commodity Derivatives Business Through the provision of risk management functions utilizing derivatives, we help fulfill the hedging needs of our customers and other business units against fluctuations in the prices of precious metals, non-ferrous metals, energy and agricultural products. In addition, we will work to establish a stable earnings base by meeting customer needs through introducing the hedge trading of iron ore and other new products as well as derivatives trading.

Asset Management Business We will accumulate quality assets in logistics real estate and infrastructure funds by utilizing our expertise from traditional businesses and promote the introduction and development of new fund businesses. In addition, we will contribute to Mitsui's development of new business areas and optimization of capital efficiency by providing investment opportunities and introducing funds from domestic and overseas investors.



Logistics facility operated by a real estate and infrastructure fund (Japan)

M&A Advisory Function We are providing an internal advisory function to strengthen Mitsui's business base in various areas and restructure businesses of associated companies, thereby contributing to the progress and the quality of projects on a Companywide basis.

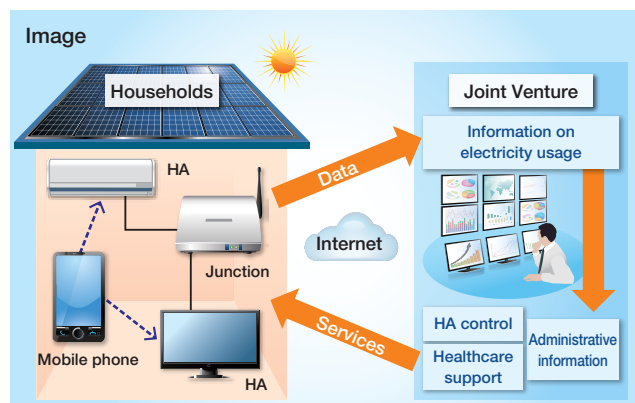
Achievements under the Medium-term Management Plan “Challenge and Innovation 2014”

Establishment of joint venture for smart community projects with Fujitsu Limited

In December 2012, Mitsui and Fujitsu Limited, of Japan, established a joint venture company, Future City Solutions Limited (Mitsui 49%, Fujitsu 51%), to develop and manage a smart community project.

With the ability to use energy more efficiently and provide residents with lifestyles that are both comfortable and eco-friendly, “smart communities” are garnering increasing attention as a possible solution for such issues as global warming, increasing urban population density, and pressure on power supplies stemming from the Great East Japan Earthquake.

The joint venture company will first develop systems for utilizing the Internet to monitor the electricity usage of households and provide centralized management for electricity usage. By using the power usage data collected and compiled through this system, the company aims to create new services for residents, including medical, welfare and government-related services.



HA: Home appliances

Logistics & Insurance Business

Logistics is an essential function for the qualitative enhancement of Mitsui's business and the expansion of our trading activities. In addition to formulating and proposing optimal logistics strategies that reflect our on-site experience, we operate various businesses that support Mitsui's business activities, including international transportation, warehousing and delivery, vessel chartering and cold chain logistics. To cover risk exposure in trade and business investment and add stability to Mitsui's business, we utilize our risk management functions in the insurance sector via our risk consulting, insurance agency and insurance broker businesses.

Integrated Logistics Business We aim to build a logistics platform for emerging economies, particularly in Asia, by making maximum use of our logistics expertise. We are also strengthening the competitiveness of our domestic and overseas warehousing and delivery businesses and our international shipping business. In addition, we are promoting the cold chain logistics business in Asian countries, including Japan, and contributing to the safety and security of food distribution.



Unloading a thermal power generator from the A-124 (United States)


Insurance & Risk Management Business We are working to enhance the insurance agency and brokerage businesses as well as evaluate the risks associated with our business on a global basis and provide appropriate insurance-related risk management expertise by building our global insurance structure.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Execution of strategic alliance agreement with Li & Fung Limited, Hong Kong's largest trading company

In May 2012, Mitsui concluded an agreement for a strategic alliance in the logistics business with LF Logistics Management Ltd. ("LF Logistics"), a logistics subsidiary of Li & Fung Limited, Hong Kong's largest trading company. In addition to its mainstay trading business, the Li & Fung Limited operates logistics businesses in China and Southeast Asia through LF Logistics. With approximately 190 logistics centers, mainly in China and Southeast Asia, LF Logistics provides warehousing and delivery services to consumer goods manufacturers and other customers. By taking advantage of each other's logistics centers and capabilities as well as experience and expertise, Mitsui and LF Logistics aim to build a mutually complementary relationship and create synergies to expand our business. Going forward, we aim to build a joint distribution business model that uses both companies' logistics platforms to provide Japanese companies with a variety of services, including Japanese-quality comprehensive logistics services for apparel manufacturers developing store networks in China as well as cold storage and delivery for food manufacturers.

CSR Topics

Core subjects	CSR priorities	Main initiatives for the year ended March 2013
	Reduce load on environment	<input type="checkbox"/> Advanced businesses aimed at reducing environmental burden, including energy-saving IT businesses, such as optimization of electric power distribution and manufacturing and sales of rechargeable batteries and LED
	Promote investment in environment-related companies	<input type="checkbox"/> Advanced planning and development of integrated environmental cities through joint venture with Ove Arup and Partners International Ltd. (United Kingdom) <input type="checkbox"/> Established joint venture for smart community projects with Fujitsu Limited ➤ P.076
	Provide optimized logistics services	<input type="checkbox"/> Shortened transport routes in Japan by building transport scheme that uses nearby ports <input type="checkbox"/> Contributed to efficiency of transportation systems through subsidiary Trinet Logistics Co., Ltd. by offering distribution processing services

Americas Segment

Americas Business Unit

Executive Managing Officer, Chief Operating Officer of Americas Business Unit

Mitsuhiro Kawai



CHIEF OPERATING OFFICER'S STATEMENT

With rising labor costs in China and lower energy and resource costs accompanying the shale revolution, the economic region covered by the North American Free Trade Agreement (NAFTA) is reemerging as a location for production. Goods consumed within the region are now increasingly produced within the region. In addition, shale gas and oil production combined with excess capacity in China and other regions is leading to surpluses in global production, which is increasing the importance of the United States as a market. We also believe that the United States will remain the foundation of innovation, a place where new technologies and business models emerge and spread to the rest of the world.

Central and South America have abundant mineral resources, including iron ore, copper and phosphate rock, as well as food resources, including soybeans, sugar, coffee, fruit juice and marine products, making the region a global export base for these products. Although there has been a decline in external demand resulting from the protracted financial crisis in Europe and the decelerating growth of emerging market economies, increasing internal demand is generally supporting solid economic growth in the region. Recognizing these trends, we will strengthen and expand our intra-Americas business and businesses between the Americas and the rest of the world. With the U.S. market as our base, we will strive to create new businesses and position the region as an even stronger operating base.

Market Outlook

There has been a pick-up in corporate business results and a rise in stock prices in the United States, due to the quantitative easing by the Federal Reserve Bank and the regaining of industrial competitiveness powered by the decline in raw material, fuel and electricity costs resulting from the shale revolution. The U.S. economy is on a recovery track as a modest decline in the unemployment rate has been contributing to recoveries in personal income and consumer spending, higher automotive unit sales and an improvement in the housing market. Overall, economies in Central and South America continue to grow steadily, thanks to rich supplies of minerals and food resources,

an expanding middle class, and a demographic structure with a young population as well as an inexpensive labor force. In addition, consumer demand has been growing due to rising income levels in the region. We believe the comparative position of the Americas is rising amid a global environment in which Europe is struggling with financial crisis, other advanced economies are facing demographic problems associated with aging populations, and China along with other emerging countries are seeing a slowdown of economic growth.

Business Strategy

In the Americas Business Unit, our subsidiaries and their affiliated companies in North and South America are conducting the trading of various products and related businesses.

Recognizing the re-shoring and recovery of industrial competitiveness in the U.S. manufacturing sector and the importance of the United States as a market, Mitsui will focus on those businesses that take advantage of the rapidly expanding oil and gas well tubular market accompanying the shale revolution, new construction of chemical production facilities while material costs decline, and increasing demand in the tank terminal business. In addition, with the strong recovery in the automobile industry, we will continue to strengthen the steel processing business in the automobile segment and in a wide range of supporting industries. Furthermore, the growing aging population, the recovery of the housing market and a

rebound in consumption will strengthen our senior living and food products businesses in the United States.

In the innovation area, while continuing to work on the medical and healthcare related business, we will focus on identifying and promoting new technologies and business models originating in the United States, mainly targeting such areas as energy efficiency utilizing information technology, robotics and peripheral business related to foods and agriculture.

In Central and South America, we see the region's importance as a global export base for mineral and food resources continuing to grow.

In the mineral resource related business, we will continue to strengthen the mining business with quality partners, such as Vale in Brazil and Codelco in Chile, and support related infrastructure

business, including electric power, water and logistics, as well as services business in the areas of construction machinery and off-the-road tires. In the foods area, we will strengthen soybean production and distribution at Xingu Agri AG and Multigrain Trading AG in Brazil, salmon farming in Chile with a local large corporation, and the sugar,

coffee and fruit juice businesses, among others. We will also expand our automotive-related business, including the automotive steel plate processing business, mainly in Brazil and Mexico, thereby further strengthening our current endeavors in domestic consumer markets.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

New tank terminal construction for gas and liquefaction in Houston, Texas, in preparation for higher demand arising from shale revolution

Intercontinental Terminals Company LLC ("ITC"), Mitsui's wholly owned subsidiary in the United States, will build a new tank terminal for gas and liquefaction in Pasadena near Houston, Texas.

ITC currently has a tank terminal with an area of approximately 1.1 million square meters in Houston. However, Mitsui decided to establish a new tank terminal in anticipation of further demand for such facilities from the oil and petrochemical industries due to the shale revolution. On the bank of a canal and adjacent to major chemical manufacturers, the Pasadena site is an ideal logistics hub location. ITC will continue to offer chemical production companies safe, efficient storage and shipping of oil and chemical products.



Intercontinental Terminals Company (United States)

Entering salmon farming business in Chile

In Chile, the main industries are copper mining and agriculture, forestry and fisheries. Mitsui has concluded an agreement with one of Chile's major salmon farmers, Multiexport Foods S.A., to establish a joint venture and participate in the salmon farming business. The joint venture (30% shareholding by Mitsui) will have 21 aquaculture facilities in Chile, where salmon will be cultivated from roe to maturity. Through this aquaculture initiative, Mitsui intends to cater to the increasing food demand in China and other emerging economies in Asia due to an improvement in income levels in the region.



Salmon farm (Chile)

(¥ billion)

As of or for the Years Ended / Ending March 31	Americas			EMEA			Asia Pacific		
	2012	2013	2014 (Forecast)	2012	2013	2014 (Forecast)	2012	2013	2014 (Forecast)
Net Income (Loss)	16.4	12.4	17.0	1.2	(0.9)	3.0	49.2	27.5	33.0
Total Assets	428.4	501.5	—	106.1	114.0	—	275.8	321.9	—

EMEA (Europe, the Middle East, and Africa) Segment

EMEA (Europe, the Middle East, and Africa) Business Unit

Executive Managing Officer, Chief Operating Officer of EMEA (Europe, the Middle East, and Africa) Business Unit

Hironobu Ishikawa



CHIEF OPERATING OFFICER'S STATEMENT

Comprising a large territory with diverse markets, the EMEA region presents major business opportunities. The region has many facets, with promising markets for the future, markets undergoing rapid growth, and markets currently facing difficulties. Against this backdrop, our business unit's challenge is to understand the relationships between these diverse and complex economic environments and the employees who work in those environments while creating and sharing best practices for each situation. The continued unstable economic environment has taught us that we cannot treat the global market as one market and that we need to try various solutions that maintain a balance between internationalization and localization.

The important issues for us in the current fiscal year are to promote investment and further deepen and evolve our strategies for the emerging markets of Africa and the Middle East. The keys to moving forward are to create new business models, partners and markets and, more than anything else, to further strengthen and develop our human resources.

Our business unit is currently thinking about strategies for a sustainable future. We are cultivating human resources to move our businesses forward in emerging markets, with a focus on growth. Despite the difficulties, I am confident the region holds major hidden opportunities.

Net Income (Loss) and Total Assets ▶ P.079

Market Outlook

Following the debt crisis in Europe, market uncertainties have since been alleviated and further measures for the economic recovery initiated by the governments are expected.

The Middle East is focusing increasingly on developing public infrastructure, laying the foundations of new industries that exploit energy resources, and training the personnel who will support the region going forward.

Although African countries' economic infrastructures remain weak, the continent has been attracting considerable attention as the last frontier of economic growth due to the high potential for resource development, infrastructure development to capitalize abundant resources, and rise in food demand accompanying population growth.

Business Strategy

In addition to pursuing next-generation businesses based on close relationships with regional partners, we continue to use our regional origination function to contribute to local communities through the challenge to create new business platforms. In Africa, we are addressing the needs of various countries in areas that contribute to national development and the development of future generations, such as education and agricultural development, and we are stepping up our efforts to create business in the areas of infrastructure and energy.

We are working toward the realization of a low-carbon society through environmental businesses, including renewable energies, smart grids and equipment for electric vehicles, and aim to build new businesses with global partners.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Participation in fabrication and assembly business of large welded structures

Mitsui and the founding family of Global Energy Holdings Limited ("Global Energy," United Kingdom) have established GEG (Holdings) Limited (United Kingdom) as a joint venture holding company for businesses that Global Energy owns in the energy and resources industries. Mitsui has a 25% stake in the company, while Global Energy owns the remaining 75%. Global Energy provides a variety of value-added services to the energy industry through the fabrication and assembly of large welded structures, inspection and repair, and technical support. In addition, it aims to support the offshore wind power generation sector.



Nigg yard of Global Energy, which has one of the largest dry docks in Europe (United Kingdom)

Asia Pacific Segment

Asia Pacific Business Unit

Senior Executive Managing Officer, Chief Operating Officer of Asia Pacific Business Unit

Takashi Yamauchi



CHIEF OPERATING OFFICER'S STATEMENT

The countries, communities and companies of the Asia-Pacific region are steadily gaining strength, with an increasingly broad range of dynamic business areas, and are accelerating their global development. There is no question that with its population growth and rising standards of living, the region is becoming the engine driving the growth of the global economy. Our unit's strengths lie in our networks within the region and our comprehensive strengths derived from operating multifaceted businesses. We are drawing on these strengths to build strong alliances with leading partners while playing an essential role in building Mitsui's global business.

During the second year under the Medium-term Management Plan, we will continue to expand our trading within and outside the region and our business investment in major product groups. We will also strive to meet growing demand in the region arising from its population growth by strengthening our business model, which is tailored to the region, through stepped-up efforts in such areas as retail and the securing of agricultural, forest and marine assets and resources. In addition, going forward we expect the emerging markets of Asia to modernize at a rapid pace. We will closely follow this trend and work to create new businesses in these countries and communities and to contribute to the development of emerging markets in a way that leads to the expansion of Mitsui's business areas. To support these efforts, we will continue to develop and promote human resources within the region and to transfer staff within and from outside the region.

Our unit is pursuing the challenge of creating new businesses that transcend regional, national and business area boundaries to swiftly address the diverse needs of the Asia-Pacific region.

Net Income and Total Assets ➤ **P.079**

Market Outlook

Although transitioning into a phase of stable growth, China is likely to remain the driver of Asia's economy. Emerging economies in Asia, including such strategic countries for Mitsui as India, Indonesia and Myanmar, promise continued growth. The accompanying increase in Asian countries' domestic demand is expected to create more opportunities for investment in local industries.

Business Strategy

We aim to expand our business by building strategic alliances with leading local companies in the region. In addition to strengthening our relationships with major resource companies, in non-resource areas, we are accelerating the expansion of our logistics operations with a focus on the growth of locally launched businesses. At the same time, we are contributing to local economic development through participation in social infrastructure projects.

In terms of strategic countries, in India, we are building relationships with leading local partners to establish an earnings base and logistics infrastructure business for basic industries, including iron and steel products and chemicals. In Indonesia, our activities comprise: the acquisition of natural resources and the development of regional trading; business development in the retail market; business expansion in the basic industries; and the enhancement of infrastructure business. In Myanmar, we intend to address a wide range of areas, including metal resources, energy, infrastructure, chemicals and lifestyle-related industries.

Accompanying the Asia-Pacific region's economic growth, there has been a rapid increase in infrastructure projects for electric power, water and logistics, and we will proactively participate in these projects and expand our business. Along with local projects in

Thailand, India and Indonesia, we are developing businesses in third countries in partnership with leading companies in Singapore and other countries in the region.

We are also expanding and strengthening our hospital and related businesses, mainly in the emerging markets of Asia, where population growth and the aging of the population are seen leading to increased demand for medical services. We will also proactively develop plant resources, including woodchips and palm plantations within the region, with a view toward the Asian market.

Achievements under the Medium-term Management Plan "Challenge and Innovation 2014"

Participation in building development project in business park in Singapore

Through collaboration with major government-owned real estate developer Ascendas Pte Ltd. (Singapore), Mitsui has participated in a building development project within the one-north business park, which is under development in Singapore. Since 2001, Singapore's government has been developing this business park as a national project to create a hub for cooperation between industry and academia by constructing world-class research and business facilities. With this goal in mind, the development of the 200-hectare business park is progressing rapidly.



Fusionopolis 5 Project
perspective drawing

Major Subsidiaries and Associated Companies

(As of March 31, 2013)

	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Iron & Steel Products			
Subsidiaries			
Mitsui & Co. Steel Ltd.	Domestic sales, export and import of steel products for construction and other steel products	Japan	100.0
Bangkok Coil Center Co., Ltd.	Steel processing	Thailand	99.1
Regency Steel Asia Pte Ltd.	Wholesale and retail of steel products	Singapore	92.5
Associated Companies			
Nippon Steel Trading Co., Ltd.	Trading of iron and steel products, non-ferrous metals, machinery	Japan	25.2
Shanghai Bao-Mit Steel Distribution Co., Ltd.	Processing and sales of steel products	China	35.0
Mineral & Metal Resources			
Subsidiaries			
Mitsui-Itochu Iron Pty. Ltd.	Mining and sales of Australian iron ore	Australia	70.0
Mitsui Iron Ore Development Pty. Ltd.	Mining and sales of Australian iron ore	Australia	100.0
MITSUMI BUSSAN METALS CO., LTD.	Sales and trading of scrap, ferroalloys and non-ferrous material products	Japan	100.0
Mitsui Raw Materials Development Pty. Limited	Investment in Sims Metal Management Ltd., a scrap metal recycler	Australia	100.0
Japan Collahuasi Resources B.V.	Investment in Collahuasi copper mine in Chile	Netherlands	61.9
Mitsui Bussan Copper Investment & Co., Ltd.	Investment in Caserones copper mine in Chile	Japan	100.0
Oriente Copper Netherlands B.V.	Investment in copper business in Chile through Inversiones Mineras Acrux SpA	Netherlands	100.0
MBAPR Holdings Corp.*1	Investments in nickel and cobalt smelting business in Philippines	Philippines	100.0
Associated Companies			
Valepar S.A.	Holding company of Vale S.A.	Brazil	18.2
Inner Mongolia Erdos Electric Power & Metallurgical Co., Ltd.	Coal mining, power generation, ferrous alloy and chemical production and water pumping	China	25.0
NIPPON AMAZON ALUMINIUM CO., LTD.	Investments in aluminium smelting business in Brazil	Japan	20.9
SUMIC Nickel Netherlands B.V.	Investments in nickel producing business in New Caledonia and sales of products	Netherlands	47.6
Machinery & Infrastructure			
Subsidiaries			
Mitsui & Co. Plant Systems, Ltd.	Sales of various plants, electric power facilities and transportation equipments	Japan	100.0
ATLATEC, S.A. de C.V.	Designing, building and operation of water treatment plants	Mexico	85.0
MITSUMI GAS E ENERGIA DO BRASIL LTDA.	Investments in gas distribution companies in Brazil	Brazil	100.0
MIT Gas Mexico, S. de R.L. de C.V.	Investments in gas distribution companies in Mexico	Mexico	100.0
Drillship Investment B.V.	Investment in deepwater drilling service business	Netherlands	100.0
Mit Investment Manzanillo B.V.	Investment in LNG terminal in Mexico	Netherlands	100.0
MIT POWER CANADA LP INC.	Investment in Greenfield Power Generation Project in Ontario	Canada	100.0
Mitsui Rail Capital Holdings, Inc.	Freightcar leasing and management in North America	U.S.A.	100.0
Mitsui Rail Capital Europe B.V.	Locomotive leasing and management in Europe	Netherlands	100.0
Mitsui Rail Capital Participacoes Ltda.	Freightcar leasing and management in Brazil	Brazil	100.0
Mitsui Renewable Energy Europe Limited	Investment for renewable energy in Europe	United Kingdom	100.0
Toyota Chile S.A.	Import and sales of automobiles and auto parts in Chile	Chile	100.0
TRANSFREIGHT, LLC	Auto parts logistics	U.S.A.	100.0
Veloce Logistica SA	Auto parts logistics	Brazil	100.0
Mitsui Bussan Automotive (Thailand) Co., Ltd.	Sales, leasing and service of automobiles	Thailand	100.0
Mitsui Automotive CIS Investment B.V.	Investment in automotive-related companies in Russia	Netherlands	100.0
PT. Bussan Auto Finance	Motorcycle retail finance	Indonesia	90.0
BAF (Thailand) Co., Ltd.	Motorcycle retail finance	Thailand	100.0
Komatsu-Mitsui Maquinarias Peru S.A.	Sales of construction and mining equipment	Peru	60.0
Road Machinery, LLC	Sales of construction and mining equipment	U.S.A.	100.0
Mitsui Automotriz S.A.	Retail sales of automobiles and auto parts	Peru	100.0
MITSUMI AUTO FINANCE CHILE LTDA.	Automobile retail finance	Chile	100.0
Orient Marine Co., Ltd.	Shipping business	Japan	100.0
OMC SHIPPING PTE. LTD.	Shipping business	Singapore	100.0
Mitsui Bussan Aerospace Co., Ltd.	Import and sales of helicopters and defense and aerospace products	Japan	100.0

	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Associated Companies			
Toyo Engineering Corporation	Engineering and construction for industrial facilities	Japan	22.9
AES JORDAN HOLDCO, LTD.	Investment in power producing business in Jordan	Cayman Islands	40.0
P.T. Paiton Energy	Power generation in Indonesia	Indonesia	40.5
IPM Eagle LLP	Investments in power generation business	United Kingdom	30.0
IPM (UK) Power Holdings Limited	Investments in power generation business	Gibraltar	26.3
Compania de Generacion Valladolid S. de R.L. de C.V.	Power generation in Mexico	Mexico	50.0
MT Falcon Holdings Company, S.A.P.I. de C.V.	Investment in power generation business in Mexico	Mexico	40.0
JM ENERGY CO., LIMITED	Investment in power generation business in China	Hong Kong	50.0
Galaxy NewSpring Pte. Ltd.	Investments in water business in China	Singapore	50.0
Toyota Canada Inc.	Import and sales of Toyota automobiles and parts	Canada	49.0
Penske Automotive Group, Inc.	Automotive retailer	U.S.A.	17.2
KOMATSU MARKETING SUPPORT AUSTRALIA PTY LTD	Sales of construction and mining equipment	Australia	40.0
PT. Yamaha Indonesia Motor Manufacturing	Manufacture and sales of motorcycles	Indonesia	15.0

Chemicals

Subsidiaries

DAIICHI TANKER CO., LTD.	Operation of chemical tankers	Japan	100.0
Japan-Arabia Methanol Company Ltd.	Investments in methanol producing business in Saudi Arabia and sales of products	Japan	55.0
Shark Bay Salt Pty. Ltd.	Production of salt	Australia	100.0
Mitsui & Co. Texas Chlor-Alkali, Inc.	Investments in chlor-alkali producing business in U.S.	U.S.A.	100.0
Mitsui Bussan Chemicals Co., Ltd.	Sales and trading of solvents and coating materials	Japan	100.0
Mitsui Bussan Frontier Co., Ltd.	Export of electronics devices and EMS / SCM business	Japan	100.0
Daito Chemical Co., Ltd.	Manufacture and sales of industrial chemicals	Japan	70.0
P.T. Kaltim Pasifik Amoniak	Production and sales of anhydrous ammonia	Indonesia	75.0
Mitsui AgriScience International SA/NV	Investments in crop protection businesses in Europe	Belgium	100.0
MITSUMI & CO. PLASTICS LTD.	Sales of plastics and chemicals	Japan	100.0
Mitsui Bussan Agro Business Co., Ltd.	Development and sales of fertilizers and agricultural products	Japan	100.0
Mitsui Bussan Fertilizer Resources B.V.	Investment in phosphorus ore mining in Peru and global marketing business	Netherlands	100.0

Associated Companies

Santa Vitoria Acucar e Alcool Ltda	Production and sales of bioethanol	Brazil	50.0
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Energy

Subsidiaries

Mitsui Oil Exploration Co., Ltd.	Exploration, development and production of oil and natural gas	Japan	73.3
Mitsui E&P Middle East B.V.	Exploration, development and production of oil and natural gas	Netherlands	100.0
Mitsui E&P Australia Pty Limited	Exploration, development and production of oil and natural gas	Australia	100.0
Mitsui E&P USA LLC	Exploration, development and production of oil and gas	U.S.A.	100.0
Mitsui E&P Texas LP	Exploration, development and production of oil and gas	U.S.A.	100.0
Mitsui E&P UK Limited	Exploration, development and production of oil and natural gas in Europe & Africa	United Kingdom	100.0
Mitsui E&P Mozambique Area 1 Limited	Exploration, development and production of oil and natural gas in Mozambique	United Kingdom	50.0
Mitsui Oil Co., Ltd.	Sales of petroleum products in Japan	Japan	89.9
Mitsui Coal Holdings Pty. Ltd.	Investments in Australian coal business	Australia	100.0
Westport Petroleum, Inc.	International trading of petroleum products and crude oil	U.S.A.	100.0
Mitsui & Co. Energy Trading Singapore Pte. Ltd.	International trading of petroleum products and crude oil	Singapore	100.0
Mitsui Sakhalin Holdings B.V.	Investments in Sakhalin Energy Investment Company Ltd.	Netherlands	100.0
Mitsui Gas Development Qatar B.V.	Exploration, development and production of oil and natural gas	Netherlands	100.0
MITSUMI & CO. LNG INVESTMENT LIMITED	Investment in LNG projects	United Kingdom	100.0

Associated Companies

BHP Billiton Mitsui Coal Pty. Ltd.	Mining and sales of Australian coal	Australia	16.8
ENEOS GLOBE Corporation	LPG imports and marketing, fuel cell and energy photovoltaic systems marketing	Japan	30.0
Japan Australia LNG (MIMI) Pty. Ltd.	Exploration, development and sales of crude oil and natural gas	Australia	50.0

Major Subsidiaries and Associated Companies

	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Lifestyle			
Subsidiaries			
TOHO BUSSAN KAISHA, LTD.	Import and sales of agricultural and marine products	Japan	96.3
WILSEY FOODS, INC.	Investments in processed oil food company	U.S.A.	90.0
PRIFOODS CO., LTD.	Production, processing and sales of broilers	Japan	46.4
San-ei Surochemical Co., Ltd.	Manufacture and sales of sugars, pharmaceuticals, feedstuffs and other products	Japan	70.0
Multigrain AG*2	Production, origination, logistics and merchandising of agriproducts	Switzerland	100.0
Mitsui Norin Co., Ltd.	Manufacture and sales of food products	Japan	100.0
MITSUI ALIMENTOS LTDA.	Export of coffee beans and domestic sales of roasted coffee	Brazil	100.0
MITSUI FOODS CO., LTD.	Wholesale of foods and beverages	Japan	100.0
Bussan Logistics Solutions Co., Ltd.	Operation and management of logistics centers	Japan	100.0
VENDOR SERVICE CO., LTD.	Sales and distribution of food and packaging materials	Japan	100.0
RETAIL SYSTEM SERVICE CO., LTD.	Sales of foods and groceries, services for retailers	Japan	100.0
BUSSAN REAL ESTATE CO., LTD.	Real estate sales, leasing and management	Japan	100.0
MITSUI BUSSAN INTER-FASHION LTD.	Planning and management of production and distribution of apparel	Japan	100.0
Mitsui Bussan Woodchip Oceania Pty. Ltd.	Plantation, processing and sales of woodchip	Australia	100.0
MicroBiopharm Japan Co., Ltd.	Manufacture and sales of medicines and chemicals	Japan	80.0
MBK Healthcare Partners Limited	Investment in IHH Healthcare Bhd.	United kingdom	100.0
Associated Companies			
Nippon Formula Feed Manufacturing Company Limited	Manufacturing and sales of compound feedstuffs	Japan	42.9
Mitsui Sugar Co., Ltd.	Manufacture of refined sugar	Japan	32.5
The Kumphawapi Sugar Co., Ltd.	Production and sales of sugar	Thailand	44.7
AIM SERVICES CO., LTD.	Contract food services	Japan	50.0
Sumisho & Mitsuibussan Kenzai Co., Ltd.	Sales of building materials and contract construction work	Japan	50.0
Innovation & Cross Function			
Subsidiaries			
ShopNet Co., Ltd.*3	TV shopping in Taiwan	British Virgin Islands	87.2
Mitsui Knowledge Industry Co., Ltd.	Planning, development and sales of information and communication systems	Japan	58.4
Mitsui Electronics Inc.	Sales of electronics devices and equipment	Japan	100.0
Mitsui & Co. Global Investment Ltd.	Investment in venture businesses	Japan	100.0
Mitsui & Co., Principal Investments Ltd.	Investment in private equity	Japan	100.0
Mitsui Bussan Commodities Ltd.	Trading of non-ferrous metals	United Kingdom	100.0
Mitsui & Co. Precious Metals, Inc.	Trading of precious metals	U.S.A.	100.0
Mitsui & Co. Commodity Risk Management Ltd.	Trading of energy derivatives	United Kingdom	100.0
TRI-NET (JAPAN) INC.	International integrated transportation services	Japan	100.0
Trinet Logistics Co., Ltd.	Domestic warehousing business	Japan	100.0
Tokyo International Air Cargo Terminal Ltd.*4	Operation of air cargo terminal at Tokyo International Airport	Japan	100.0
Portek International Private Limited*4	Development and operation of container terminals	Singapore	90.0
Mitsuibussan Insurance Co., Ltd.	Non-life and life insurance agency services	Japan	100.0
Associated Companies			
QVC JAPAN INC.*3	TV shopping using a 24-hour dedicated channel	Japan	40.0
CCTV Shopping Co., Ltd.*3	Service for TV shopping business in China	China	25.0
Moshi Moshi Hotline, Inc.	Comprehensive telemarketing and direct marketing operations	Japan	34.4
TPV Technology Limited	Design, manufacturing and sales of display-related products	Bermuda	20.2
JA Mitsui Leasing, Ltd.	Leasing and financing business	Japan	33.4
Americas			
Subsidiaries			
Mitsui Foods, Inc.	Trading canned foods, chilled foods, juice ingredient and coffee	U.S.A.	100.0
United Grain Corporation of Oregon	Grain merchandising	U.S.A.	100.0
Champions Pipe & Supply, Inc.	Sales of oil and gas well tubular products	U.S.A.	100.0
Cinco Pipe And Supply, LLC	Sales of oil and gas well tubular products	U.S.A.	100.0

	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Associated Companies			
MBK Real Estate LLC	Real estate-related business	U.S.A.	100.0
Mit Wind Power Inc.	Investment in wind power generation company	U.S.A.	100.0
Intercontinental Terminals Company LLC	Chemical tank leasing	U.S.A.	100.0
Ellison Technologies Inc.	Sales of machine tools	U.S.A.	88.8
Game Changer Holdings Inc.	Investment in steel processing company	U.S.A.	100.0
Novus International, Inc.	Manufacturing and sales of feed additives	U.S.A.	65.0
Hydro Capital Corporation	Investment in water treatment plants in Mexico	U.S.A.	100.0
Mitsui & Co. (U.S.A.), Inc.	Trading	U.S.A.	100.0
Mitsui & Co. (Canada) Ltd.	Trading	Canada	100.0
MITSUMI & CO. (BRASIL) S.A.	Trading	Brazil	100.0

Europe, the Middle East and Africa

Subsidiaries			
MBK Real Estate Europe Limited	Real estate-related business	United Kingdom	100.0
Plalloy MTD B.V.	Compounding of plastic raw materials	Netherlands	60.0
EURO-MIT STAAL B.V.	Steel processing	Netherlands	90.0
Mitsui & Co. Europe PLC	Trading	United Kingdom	100.0
Mitsui & Co. Deutschland GmbH	Trading	Germany	100.0
Mitsui & Co. Benelux S.A./N.V.	Trading	Belgium	100.0
Mitsui & Co. Italia S.p.A.	Trading	Italy	100.0
Mitsui & Co., Middle East Ltd.	Trading	United Arab Emirates	100.0
Associated Companies			
ITC RUBIS TERMINAL ANTWERP NV	Chemical tank leasing	Belgium	50.0
GEG (Holdings) Limited	Fabrication, upgrading, inspection and maintenance of welded structures	United Kingdom	25.0

Asia Pacific

Subsidiaries			
Mitsui Water Holdings (Thailand) Ltd.	Investment in water supply business	Thailand	100.0
Mitsui & Co. (Asia Pacific) Pte. Ltd.	Trading	Singapore	100.0
Mitsui & Co. (Thailand) Ltd.	Trading	Thailand	100.0
Mitsiam International Ltd.	Trading	Thailand	55.0
Mitsui & Co. (Australia) Ltd.	Trading	Australia	100.0

All Other

Subsidiaries			
Mitsui & Co. (Hong Kong) Ltd.	Trading	China	100.0
Mitsui & Co. (China) Ltd.	Trading	China	100.0
Mitsui & Co. (Shanghai) Ltd.	Trading	China	100.0
Mitsui & Co. (Taiwan) Ltd.	Trading	Taiwan	100.0
Mitsui & Co. Korea Ltd.	Trading	Korea	100.0
MITSUMI BUSSAN BUSINESS PARTNERS CO., LTD.	Provision of HR & GA services to Mitsui and its subsidiaries	Japan	100.0
Mitsui & Co. Financial Services Ltd.	Financing services within the Group	Japan	100.0
Mitsui & Co. Financial Services (Asia) Ltd.	Financing services within the Group	Singapore	100.0
Mitsui & Co. Financial Services (Europe) Plc	Financing services within the Group	United Kingdom	100.0
Mitsui & Co. Financial Services (U.S.A.) Inc.	Financing services within the Group	U.S.A.	100.0
Mitsui Bussan Trade Services Ltd.	Provision of logistics-related services to Mitsui and its subsidiaries	Japan	100.0
Mitsui Bussan Financial Management Ltd.	Provision of accounting and treasury-related services to Mitsui	Japan	100.0

*1. In May 2013, MBAPR Holdings Corp. changed its name to Mitsui & Co. Mineral Resources Development (Asia) Corp.

*2. In May 2013, as the result of a company split, Multigrain AG became Xingu Agri AG and Multigrain Trading AG.

*3. Transferred from the Innovation & Corporate Development segment to the Lifestyle segment as part of the reorganization of business units as of April 1, 2013.

*4. Transferred from the Innovation & Corporate Development segment to the Machinery & Infrastructure segment as part of the reorganization of business units as of April 1, 2013.

Platform to support “Challenge” and “Innovation”

We aim to demonstrate “Mitsui’s CSR” by continuously providing value to society through our core businesses and social contribution.

Developing human resources and building and improving corporate governance and internal control structures will provide the platform for such activities.

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People are Mitsui's most important asset. By developing human resources and treating people well, we are confident we will be able to create businesses suited to the times and the business environment, and that our company will steadily evolve.

Number of employees

Consolidated
45,148
Non-Consolidated **6,167**

Number of participants in Great East Japan Earthquake volunteer programs (cumulative)

More than **900**



More than 900 Mitsui employees have participated in volunteer programs for the disaster area since they began in May 2011. Also, we are actively tackling restoration of the disaster stricken area through our core businesses by creating business projects rooted in local communities to invigorate the regional economy.

Mitsui's forests

We have continued efforts to increase healthy forests in Japan through sustainable forestry.



74 locations throughout Japan



Approx. **44,000** ha

4 key subjects

Mitsui considers four of the ISO 26000 core subjects to be most important in fulfilling its corporate social responsibility through its business activities.



Human rights



Environment



Community involvement and development



Consumer issues

Corporate Governance and Internal Controls

To achieve the management objectives set out on the opening page Mitsui adopts a Corporate Governance structure that includes a Board of Corporate Auditors.

The Board of Directors, composed of 13 Directors including 4 External Directors, and 41 Managing Officers, of whom 8 serve concurrently as Directors, are responsible for the management and operation. The Board of Directors appoints Managing Officers, who serve concurrently as Chief Operating Officers of the headquarter business units or regional business units and supervise business teams directly. Directors with extensive knowledge of Mitsui's operations execute their duties in a responsive and flexible manner.

To ensure that the operation, including the execution of business, by the Board of Directors and Managing Officers is appropriate and

adheres to the Company's management objectives, Mitsui has developed and operates (1) Corporate Governance, which serves mainly as a framework for monitoring and auditing of management by the Board of Directors and Corporate Auditors, and (2) Internal Controls, which serves as a framework for control and supervision of its operation by Mitsui's management. (For details, please see page 092.)

Further, Mitsui has enacted basic principles for Corporate Governance and Internal Controls, the "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles," and disclosed them on its website.

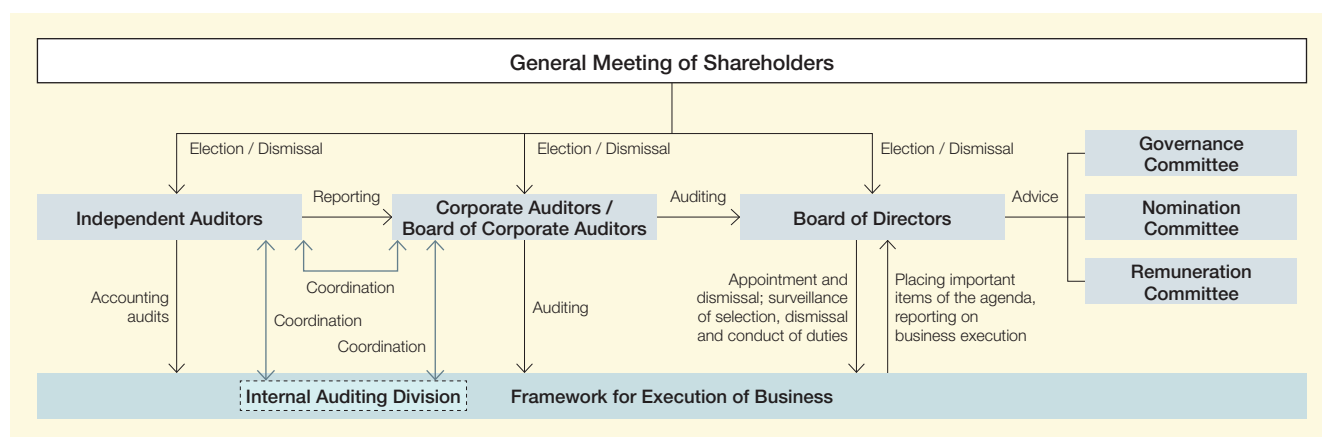


<http://www.mitsui.com/jp/en/company/governance/system/>

Corporate Governance

Mitsui has established a Board of Corporate Auditors in addition to the Board of Directors, the highest management monitoring body at Mitsui, and has built a corporate governance structure for execution and monitoring of management by the Board of Directors and the Corporate Auditors. In addition to the development of monitoring through the Board of Directors, with the monitoring function provided by the highly independent Board of Corporate Auditors and Independent Auditors, Mitsui is implementing a strengthened auditing structure. In structuring and operating the corporate governance framework, Mitsui places emphasis on "improved transparency and accountability" and "clarification of the division of roles between management oversight and execution" aiming for a more efficient management and strengthened monitoring function.

The Corporate Governance Framework



Board of Directors

The Board of Directors is the highest management monitoring body at Mitsui. Each Director, as a member of the Board of Directors, oversees the execution of duties of the Representative Directors, Directors, and Managing Officers, who are responsible to run the business of Mitsui.

Although the Board of Directors is the highest body for the execution of business as well, to achieve the prioritized value of

"clarification of the division of roles between management oversight and execution," Mitsui introduced the Managing Officer System in April 2002 and transferred significant authority on the execution of business to the Managing Officers. By such division of roles, Mitsui is achieving effective management monitoring by the Board of Directors, which also carries out management.

External Directors

The External Directors are responsible for supervising the Board of Directors, which oversees management execution, from a neutral third-party perspective. Mitsui has been appointing External Directors since 2003, aiming for better corporate governance, and currently has four External Directors specializing in the fields of labor, international corporate strategy, diplomacy and fiscal and monetary affairs. In addition to providing supervision from the standpoint of neutrality, External Directors contribute to business management based on their expertise and experience.

Selection Criteria

The following are considered when selecting External Directors at Mitsui.

- ☐ External Directors must possess extensive knowledge and experience required to deliberate on the resolutions by the Board of Directors, or experience or knowledge of his or her field as necessary to monitor the management.
- ☐ The independence of External Directors from Mitsui is valued to secure the management monitoring function.
- ☐ Diversity in terms of background, gender, etc. of External Directors is considered so that the perspectives of diverse stakeholders will be incorporated into the monitoring of business activities.
- ☐ There is a possibility of problems arising in individual transactions, such as conflict of interests between the External Director and Mitsui, but such issues shall be addressed through appropriate operation and procedures at the meeting of the Board of Directors.

Reasons for Appointment

Nobuko Matsubara

Ms. Matsubara is appointed so that the management may benefit from her knowledge and experience in labor issues gained over the years within the public sector, as well as for her independent oversight.

Ikujiro Nonaka

Mr. Nonaka is appointed so that the management may benefit from his deep insight and supervisory capabilities related to management acquired over the years as an expert in international corporate strategy as well as for his independent oversight.

Hiroshi Hirabayashi

Mr. Hirabayashi is appointed so that the management may benefit from his wealth of international experience and knowledge gained as a diplomat as well as for his independent oversight.

Toshiro Muto

Mr. Muto is appointed so that the management may benefit from his deep insight into fiscal and monetary affairs and economics in general, gained at the Ministry of Finance and the Bank of Japan, as well as for his independent oversight.

Support Systems

Mitsui believes that adequate support systems are necessary to enable External Directors to participate in discussions of the Board of Directors and realize supervisory roles.

In preparation for both regular and extraordinary meetings of the Board of Directors, prior explanations are given to External Directors by the Board of Directors' office (Legal Division and Secretariat) along with referential materials for the agenda. As the need arises, managers from business units that are involved in matters the Board of Directors will discuss provide External Directors with explanations in greater detail.

In addition, through the Board of Directors, External Directors realize mutual coordination between their activities and those of internal audits, corporate auditor's audits, and accounting audits and supervise and audit Internal Controls. External Directors receive regular reports on internal audit results and plans, the Board of Corporate Auditors' audit results and plans, summaries of the management letters of the Independent Auditors, results of assessments based on the Financial Instruments and Exchange Act of Japan, the operational status of compliance programs, and the development and operation of other systems related to Internal Controls.

Advisory Bodies to the Board of Directors

Mitsui has established the Governance Committee, the Nomination Committee and the Remuneration Committee as advisory bodies to the Board of Directors in which the External Directors and External Corporate Auditors are included as members.

Advisory Bodies

Governance Committee

Composition	Role
Committee chair: Chairman of the Board of Directors President and CEO, 2 External Directors (Nobuko Matsubara and Ikujiro Nonaka), 3 Internal Directors and 1 External Corporate Auditor (Naoto Nakamura)	This committee is tasked with studying the state and direction of Mitsui's corporate governance, while taking into consideration the viewpoint of External Directors and Corporate Auditors.

Nomination Committee

Composition	Role
Committee chair: President and CEO 2 External Directors (Ikujiro Nonaka and Hiroshi Hirabayashi) and 2 Internal Directors	This committee is tasked with establishing the selection criteria and processes used in nominating Directors and Managing Officers and evaluating Director nomination proposals.

Remuneration Committee

Composition	Role
Committee chair: External Director (Toshiro Muto) President and CEO and 2 Internal Directors	This committee is tasked with studying the system and decision-making process related to remuneration and bonuses—including the evaluation of remuneration proposals—for Directors and Managing Officers.

Board of Corporate Auditors

As a company with a Board of Corporate Auditors, Mitsui's Corporate Auditors have a mandate from the shareholders to monitor the execution of duties by the Directors. While each of the five currently appointed Corporate Auditors carries out auditing as an independent body, the Board of Corporate Auditors is in place to serve as the sole and exclusive consultative body forming opinions related to audits and to ensure the auditing activities by the Corporate Auditors are conducted in an effective manner.

Appointment

The Board of Corporate Auditors deliberates on whether the candidate for the Corporate Auditors is agreeable or not, prior to the submission by the Board of Directors to the General Meeting of

Shareholders. The Board of Corporate Auditors holds prior discussion with the Directors on procedures for deciding Corporate Auditor candidates and determining proposals regarding candidates.

Mitsui appoints External Corporate Auditors with the objective of further heightening the neutrality and independence of the auditing system, and in particular it is expected that the External Corporate Auditors will give objective voice to their auditing opinion from the standpoint of neutrality, building on such factors as independence and ability to influence people. When selecting candidates for External Corporate Auditors, the Board of Corporate Auditors takes into consideration such factors as relations with Mitsui, its management and important staff members and confirms that no issues with independence arise.

Message from the Board of Corporate Auditors



We, Corporate Auditors, play an important role in corporate governance by monitoring from an independent standpoint whether the Directors are carrying out appropriate decision-making processes in accordance with the business judgment rule and, as necessary, giving advice and recommendations to the Directors.

To appropriately execute duties as a Corporate Auditor, it is necessary for us to have in advance sufficient understanding of the Company and its business. Since Mitsui as a *sogo shosha* (general trading company) participates in a wide business area, two Full-time Corporate Auditors with long experience at Mitsui update information and knowledge of such various businesses through routine auditing practice including attendance at important internal meetings held on a daily basis. By sharing with the other Corporate Auditors information and knowledge obtained through such activities, Corporate Auditors endeavor to deepen and widen their understanding of what is "now" taking place at Mitsui, its business strategies and the issues it faces and to build diversified opinions. Especially, equipped with the activities above and based on the knowledge and expertise they have built up in their respective fields, the External Corporate Auditors express their opinion at the meetings of Board of Directors and other situations from more independent and neutral standpoint as External Corporate Auditors.

Also, we make efforts toward improvement of our own auditing environment with the assistance of the Corporate Auditor Division for effective and efficient auditing. In addition to the meeting of the Board of Directors, we keep regular discussions with the Directors and Managing Officers, make visits to important business locations in Japan and overseas, and promote communication and information exchange with the Corporate Auditors of affiliated companies at many occasions.

Furthermore, we continue active exchange of opinions and information with the Independent Auditors including receiving their reports on important auditing items and regular auditing updates, and closely coordinate with the Internal Auditing Division.

Aiming to contribute to the further strengthening of corporate governance at Mitsui, we as the members, of Board of Corporate Auditors are determined to continue these day-to-day auditing activities.

The reasons for appointment of each External Corporate Auditor are as follows.

Reasons for Appointment

Naoto Nakamura

Mr. Nakamura has been appointed in expectation of the expression of his objective audit opinions from an independent and neutral standpoint and from the experience and perspective he has gained mainly as an attorney at law, particularly in the field of corporate law.

Kunihiro Matsuo

Mr. Matsuo has been appointed in expectation of the expression of his objective audit opinions from an independent and neutral standpoint and from the many years of experience and perspective he has gained, mainly as a prosecutor and as an attorney at law.

Hiroyasu Watanabe

Mr. Watanabe has been appointed in expectation of the expression of his objective audit opinions from an independent and neutral standpoint and from the experience and perspective he has gained, mainly at the Ministry of Finance and also as a graduate school professor.

Support Systems

Cooperation with Internal Audits

Full-time Corporate Auditors frequently exchange information with the Internal Auditing Division, which is an organization responsible for internal controls and risk management under the direct control of the President and CEO, in addition to in principle attending all of the feedback sessions on regular internal audits by the Internal Auditing Division. The General Manager of the Internal Auditing Division periodically reports on the plans and results of internal audits to the Board of Corporate Auditors. The Corporate Auditors, as necessary, request reports on the internal control system, risk evaluation and other matters from the Internal Auditing Division and internal control related divisions, and also ask for their cooperation on matters related to audits.

At meetings such as meetings of the Board of Corporate Auditors, the External Corporate Auditors coordinate with Independent Auditors and the Internal Auditing Division by periodically receiving reports regarding the status and results of their audit activities and exchanging information and opinions.

Also, Corporate Auditors, including External Corporate Auditors, attend meetings of the Board of Directors and, in the same manner as Directors, receive regular reports on internal audit results and plans through the Board of Directors.

Corporate Auditor Division

The Corporate Auditor Division is an organization to assist the Corporate Auditors, with at least three dedicated staff members with the necessary and appropriate knowledge and skills to carry out this role.

In addition to the timely provision of corporate information by the Full-time Corporate Auditors and staff at the Corporate Auditor Division, the essence of the meetings between Full-time Corporate Auditors and staff members of the Corporate Auditor Division is provided to External Corporate Auditors periodically. When necessary, advance distribution of materials and advance explanations are conducted regarding regular and extraordinary meetings of the Board of Corporate Auditors and of the Board of Directors.

Independent Auditors

At the end of the fiscal year, the Independent Auditors report to the Board of Corporate Auditors the audit procedures and results of audits on accounting and internal controls and exchange opinions on these. During a fiscal year, the Corporate Auditors hold monthly meetings with the Independent Auditors and receive reports from the Independent Auditors about their audit plans, the items of focus in audits, the status of audits and other matters. In the meetings, the participants exchange information and have discussions on the execution of effective and efficient accounting audits and internal control audits.

Activities

Auditing by the Corporate Auditors covers a variety of areas, among which are execution of duties by Directors, decision-making processes at the meetings of the Board of Directors and others, status of construction and operation of the internal control system, independence of the Independent Auditors, effectiveness of the internal control systems, system of financial reporting, accounting policies and processing of financial information, audit of financial statements, reports from the Independent Auditors, and the system of disclosure.

Meetings of the Board of Corporate Auditors are held once per month as a general rule in order to receive reports, hold discussions and make decisions on important audit-related matters. Extraordinary meetings are also held as necessary. A total of 16 meetings were held in the year ended March 31, 2012, and a total of 21 meetings were held in the year ended March 31, 2013. Moreover, the average attendance of External Corporate Auditors was more than 19 times in the year ended March 31, 2013.

Full-time Corporate Auditors attend important internal meetings and committees, including the Corporate Management Committee. In addition to periodical meetings between the Corporate Auditors and the Chairman and the President and CEO, Full-time Corporate Auditors also receive reports and exchange opinions during individual meetings with Directors and Managing Officers and hold regular meetings with the Officers and general managers in charge of the corporate staff divisions.

Directors' Remuneration

Pursuant to the deliberations by the Remuneration Committee which is chaired by an External Director, remuneration of Directors (excluding External Directors) is a sum of fixed basic salary and a performance-linked bonus based on Mitsui's consolidated net income.

Performance-linked bonuses paid to Directors other than External Directors are calculated based on a formula that the Remuneration Committee has deemed appropriate and the Board of Directors has approved subsequently.

Total performance-linked bonuses are 0.1% of consolidated net income (¥500 million if consolidated net income is greater than ¥500 billion). Individual amounts to be paid out will be calculated based on the category of position of each Director.

In order to align the interest of the Internal Directors with that of the shareholders, each Director is required to purchase Mitsui's shares in an amount equivalent to at least 10% of his or her monthly remuneration, but less than ¥1 million through the Mitsui Executives' Shareholding Association.

As for the External Directors, in order to maintain the position of a neutral third party, the remuneration is limited to a fixed salary with no link to Mitsui's performance, and there is no obligation of share purchasing for the External Directors.

Remuneration of the Corporate Auditors is determined through deliberation among the Corporate Auditors, the total of which should

not exceed the amount determined at the General Meeting of Shareholders. Corporate Auditors receive only monthly fixed salaries, which are not linked to the performance of Mitsui.

The remuneration of Directors and Corporate Auditors paid out during the year ended March 31, 2013 was as follows (retirement compensation program has been abolished, and except for those payments that were approved prior to the abolition of the program, no retirement compensation is paid):

Remuneration

Category of Position	Number of Recipients	(¥ million)		
		Basic Remuneration	Bonus	Total Remuneration
Directors (Excluding External Directors)	11	657	308	965
Corporate Auditors (Excluding External Corporate Auditors)	2	113	—	113
External Directors and External Corporate Auditors	8	87	—	87
Total	21	857	308	1,165

Independent Auditors

Mitsui appoints certified public accountants belonging to Deloitte Touche Tohmatsu LLC as Independent Auditors to carry out auditing under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan as well as auditing of consolidated

financial statements in English. To secure prompt financial closing and reliability, the auditing work of Mitsui and its consolidated subsidiaries is in principle entrusted solely to Deloitte Touche Tohmatsu, which belongs to the same network as Deloitte Touche Tohmatsu LLC.

Internal Controls

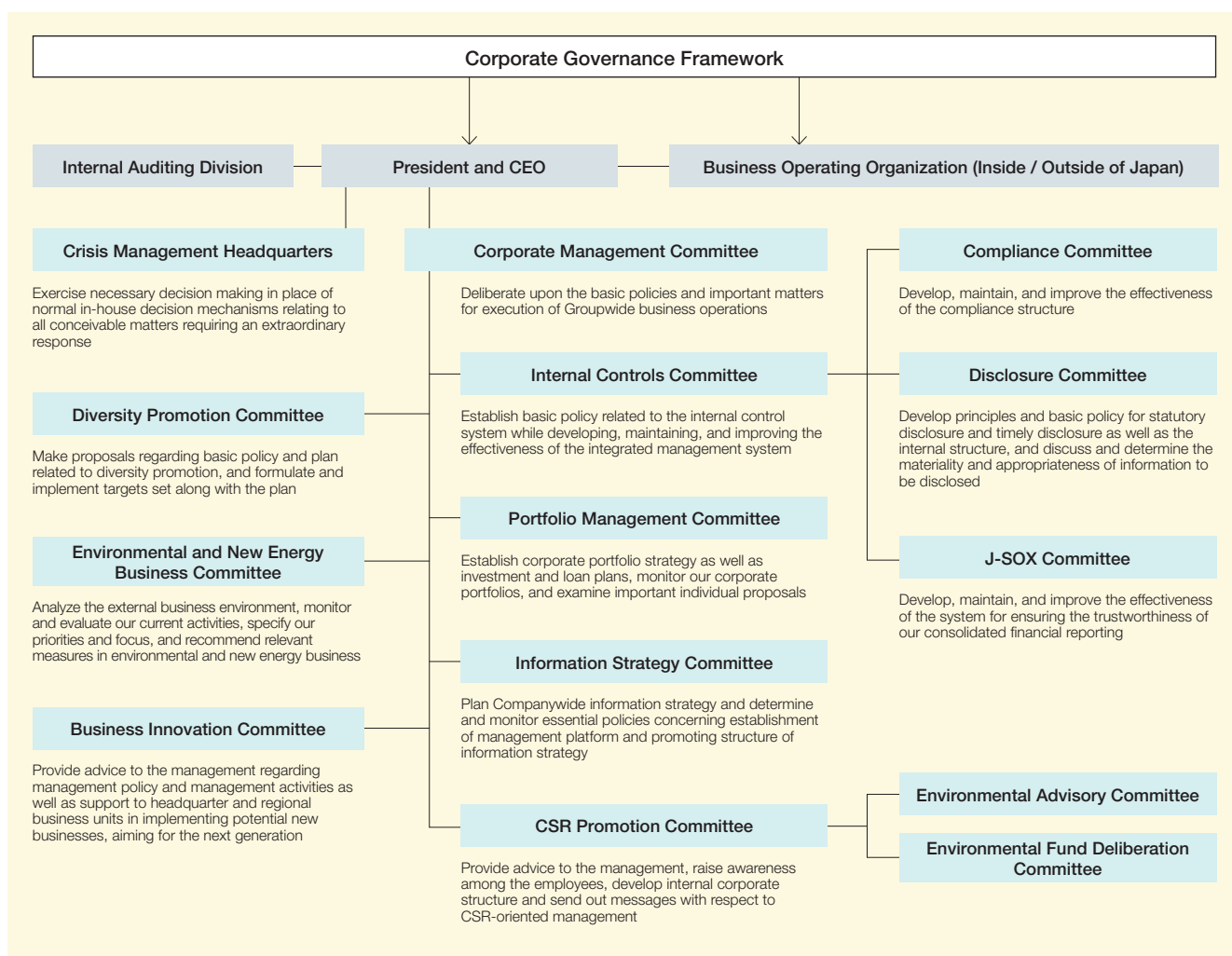
At Mitsui, we define internal controls as a system for the control and supervision of our operations by the management team.

The Board of Directors has the role of and responsibility for providing the basic design of internal controls on a Companywide consolidated basis based on the Companies Act, related laws, the Articles of Incorporation and other internal rules, and of overseeing the design, operation and assessment of internal controls. Representative Directors, Directors and Managing Officers have the role of and responsibility for maintaining, operating and assessing internal controls at Mitsui and its affiliated companies based on the basic design for internal controls set out by the Board of Directors, and the role of and responsibility for establishing an internal control environment that facilitates awareness of internal controls among the officers and the employees of the Company. Basic design is drafted by the Internal Controls Committee, an organization under the Corporate Management Committee, which is also responsible for the development, maintenance and improvement of effectiveness of the integrated management system for internal controls. In building and operating internal control systems, Mitsui pursues the following four objectives.

- 1 Improvement of effectiveness and efficiency of operations;**
- 2 Ensuring compliance with generally accepted accounting principles and the reliability of financial reporting;**
- 3 Compliance with applicable laws and regulations, along with management philosophy and internal rules including various codes of conduct reflecting management philosophy; and**
- 4 Safeguarding of Company assets.**

In order to achieve these objectives, Mitsui has in place the following structure and works to ensure its maintenance and proper operation.

Framework for Internal Controls and Execution of Business Activities



To achieve the four objectives as well as the management objectives of Mitsui, these organizations play their role within the following structure.

Compliance

Under the recognition of “without compliance, we would have no work and ultimately no company,” Mitsui carries out corporate management with emphasis on compliance. With the Chief Compliance Officer as a chairperson and including an external lawyer as an observer, the Compliance Committee develops Mitsui’s compliance system and maintains and enhances its effectiveness.

Furthermore, Mitsui conducts a range of training programs aimed at further improving the compliance awareness and knowledge of officers and employees. In the year ended March 31, 2013, Mitsui

conducted a compliance awareness survey questionnaire targeting all of its officers and employees and employees of affiliated companies working in Japan. For the development and operation of compliance programs at our affiliated companies, support is provided to the compliance officers at affiliated companies, by ways such as individual visits to major affiliated companies within Japan. We are continuously working to develop a compliance system for the entire consolidated Group.

Risk Management

The Chief Operating Officers of headquarter and regional business units manage risks arising from the operation of Mitsui's businesses within the scope of the authority the Company delegates to them. However, if assuming risk that exceeds the scope of this authority, Chief Operating Officers must obtain approval from the Corporate Management Committee or the relevant Representative Director or Executive Managing Officer in accordance with the internal approval system. In business fields considered typically to have higher levels of risks, including environment-related business and business with a high public profile, a particularly careful investigation is carried out through the Specially Designated Business Management System.

Construction and maintenance of the risk management systems and response to significant risks on a Companywide level are handled by such organizations as the Portfolio Management Committee, the Internal Controls Committee, the CSR Promotion Committee and the Crisis Management Headquarters. The corporate staff divisions are responsible in their respective fields for surveillance of the risk position of the Company as a whole, risk control within the prescribed range of their authority, and assistance of the relevant Representative Directors and Managing Officers.

Internal Controls over Financial Reporting

Mitsui implements the internal controls framework as stipulated in the Financial Instruments and Exchange Act of Japan. In addition to Companywide discipline, Mitsui has been conducting self-assessment

by units subject to evaluation and testing by an independent division concerning the effectiveness of accounting and financial closing controls, IT controls and business process level controls.

Internal Controls Related to Information Systems and Information Security

The Information Strategy Committee establishes important policies related to information strategies on a global and Groupwide basis. Further, the committee leads Mitsui's efforts to build and operate information systems, develop internal rules required for information security, and strengthen the management of risks related to information, including the risk of information leakage. The committee ensures the establishment of systems to control risk associated with

information assets appropriately. Specifically, it establishes rules for procuring, introducing, and operating information assets; principles of conduct relating to information security for system divisions; requirements for information risk management systems and the basic of information management; and internal rules relating to the treatment of personal information required in the course of business operations.

Internal Audits

The Internal Auditing Division verifies the status of development and management of internal controls, evaluates the suitability and effectiveness of risk management, and gives advice and suggestions for improvements.

During the regular audits that cover Mitsui, overseas branches, overseas trading subsidiaries, and Japanese and overseas affiliated companies, particularly subsidiaries, Internal Auditors carry out independent and objective evaluations, pursuant to the internal auditing guidelines, with an emphasis on risk management,

effectiveness of management and operations, compliance and appropriate financial reporting. In addition, the following audits are implemented as internal audits: cross-organizational and cross-functional audits by target and item and extraordinary audits to get a whole picture of such events that caused or could cause irregular economic losses or that jeopardized or could jeopardize the corporate trust, in order to identify the responsibility and recommend measures to clarify causes and methods to prevent recurrence.

Corporate Group

While the formulation of the basic design of internal controls is the responsibility of the management, its construction, development and operation involves all members. Mitsui has set out the "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles," and as far as is rational in the light of laws and other considerations, it requests all subsidiaries to develop and operate internal control systems based on these principles. As for its associated companies,

Mitsui coordinates with other equity participants and encourages the associated companies to develop and operate equivalent internal controls. An affiliated company supervising officer is appointed for each affiliated company from among Mitsui officers and employees, and these officers are required to oversee management based on the "Rules on Delegation of Authority for Supervising Officers of Affiliated Companies."

Interview with the Chief Compliance Officer



Representative Director, Executive Managing Officer,
Chief Compliance Officer

Koichi Tanaka

Q1 “Compliance” is an integral component of the internal controls system. Please let us know how you apprehend “compliance.”

We have a strong belief that a sound reputation is the foundation of our business, and that, unless we comply with corporate ethics and social norms in addition to laws, regulations, and internal rules of the Company, such reputation would be easily lost. Thus, by the word “compliance,” we require our employees and officers to act in accordance with our corporate ethics, based on our management philosophy and social norms in addition to laws and regulations as well as internal rules of the Company.

Q2 What kind of mindset should each of your personnel adopt in being compliant?

First of all it is important that our personnel act in a sensible manner and with sense of commitment to society. They need to be conscious of what is required by society today, think concretely about what they should do in their business, and constantly work to be compliant in conducting their daily duties.

Q3 What should be done to prevent compliance incidents from happening?

Visiting frontline locations, acquiring a good grasp of the situation, and using “imagination” is of the utmost importance. For example, when starting up business in an area that we are not necessarily familiar with, it is important to grasp changes in the environment quickly and to imagine and think what could happen and what might be actually happening.

My view is that, if openness in the organization is maintained and if we can use imagination, many of the compliance issues can be prevented before happening. A workplace environment where indications of a potential compliance incident can be sensed and consultation with people nearby can be done freely is very important.

Q4 What do you think is necessary to maintain and improve Mitsui’s compliance system?

We regard continuous education and training to be of the utmost importance in the enhancement of compliance. To raise awareness among personnel and to stimulate their imagination, in addition to the various training sessions, I am trying to take every opportunity to share the lessons learned and points to be noted.

We also believe in the importance of the rules on how to deal with conduct that is against our compliance policy. We have reporting and consulting channels for raising compliance concerns, and we are trying to grasp closely the various issues that could take place within the Company. We also believe that it is important to deal with misconduct strictly, if and when such cases are found.

Q5 What would be your ideal state of compliance?

I am aiming toward establishing an independent compliance framework at the frontline that is integrated with management as it moves forward for the “challenge and innovation” in new business. Compliance is not something that we do because “we have to” or because “we are forced to”; it should be carried out naturally and without thinking, as a part of daily work and life, just like breathing. It is essential that we constantly keep in mind the need to create an environment in which misconduct does not occur and to create a system where “natural compliance” can be carried out.

Mitsui's Business Activities and Corporate Social Responsibility

Mitsui believes its corporate social responsibility (CSR) is to continually contribute to society through its core business. As we develop businesses, create new value and build interpersonal relationships, we hope to contribute directly and indirectly to the healthy growth of local communities—at home and abroad—and the global economy for better standards of living for everyone.

Basic CSR Policy

- 1** We will conduct our business activities with honesty and integrity, make prudent efforts to understand the culture, traditions and customs of countries and regions around the world, and reinforce the importance of CSR with each of our employees. Based on our conscientious management, we will strive to enhance corporate value to stakeholders and to produce value to society.
- 2** We will make every effort to actively contribute to the achievement of a sustainable society through the promotion of sustainable development as well as maintaining a strong awareness of the importance of preserving the global environment. We will also emphasize the importance of interactive communication with stakeholders to understand their concerns and fulfill our accountability for our CSR activities.
- 3** We recognize the significance and importance of the human rights contained in the general principles of international standards such as the Universal Declaration of Human Rights. Throughout all occasions of our entire business activities, we will give due consideration to basic labor rights.
- 4** As a global company with operations throughout the world, we will support Mitsui & Co.'s group companies in the practice and implementation of our CSR policies, and will sincerely seek our business counterparties' understanding and cooperation to support this initiative.

Contributing to Society through Our Core Business and Mitsui's CSR

If society is not sustainable, the companies in society will not be sustainable. Also, if a company is not sustainable, it cannot fulfill its social responsibilities. Through its many years of development as a company, Mitsui has constantly sought to anticipate how society will evolve and to consider how the Company should wield its potential as well as further advance its functions and capabilities.

The way we work and the way we think are still very much based on the values espoused by Takashi Masuda, the first president of the former Mitsui & Co., Ltd.*, founded in 1876, and are reflected in our stance toward our work. The principles of Mitsui's CSR have always reflected our founder's values to "avoid infatuation with immediate

advantage, achieve enduring prosperity and harbor grand aspirations," and that way of thinking is unchanged to this day.

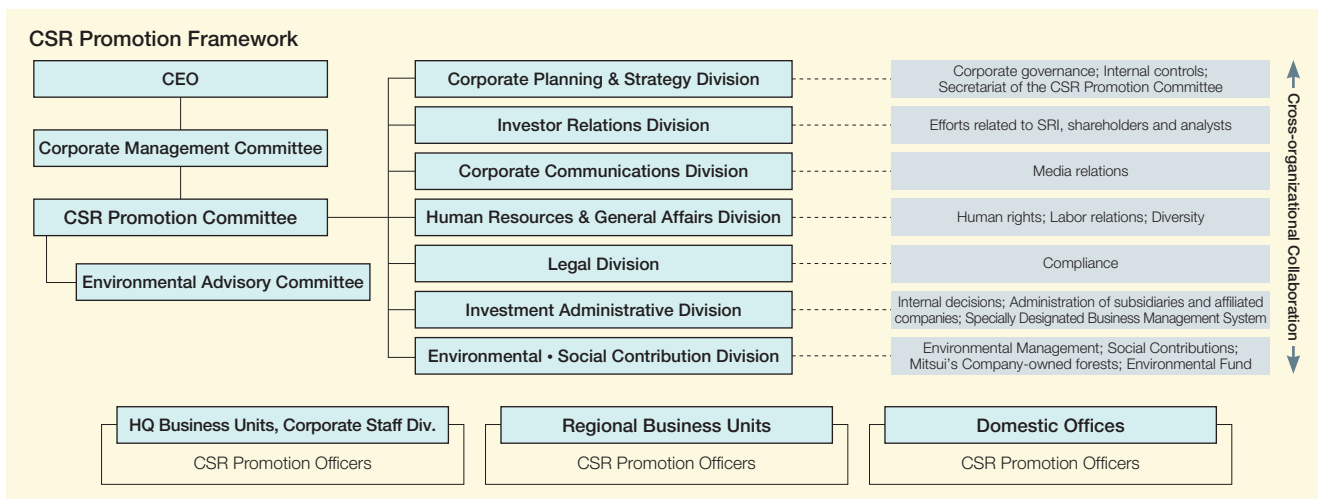
For Mitsui, putting CSR into practice means identifying social issues and providing value to society through its core business while aiming to create a better world. For that reason, we are practicing *Yoi-Shigoto* (good quality work) day after day, year after year by (1) being beneficial to society; (2) being useful to and creating added value for our customers and partners; and (3) providing a worthwhile challenge for each employee.

* Legally speaking, there has been no continuation between the former Mitsui & Co., Ltd. and the current Mitsui & Co., Ltd.

Developing the CSR Promotion Framework

In the year ended March 31, 2005, Mitsui formed the CSR Promotion Committee as an advisory body to the Corporate Management Committee to develop Mitsui's internal framework with respect to CSR and work to raise CSR awareness among employees. Mitsui also promotes CSR-related activities based on cross-organizational collaboration to meet the needs and expectations of society in relation to the Company's social values and initiatives.

As a measure to facilitate planning and promotion of the CSR activities, such as practicing CSR management and penetration of the "*Yoi-Shigoto* (good quality work)" concept in the organization, together with the staff in the workplaces of each unit, we appoint CSR Promotion Officers in each of the corporate staff divisions, headquarter business units, regional business units and domestic offices, and we are building our internal CSR network. We also hold a CSR Promotion Officers' Meeting once every quarter as a place for officers to share information.



CSR Promotion Committee

The CSR Promotion Committee submits proposals to the Corporate Management Committee on CSR-related management policies and business activities, inculcates the importance of CSR management throughout the Company, makes recommendations with respect to “Specially Designated Businesses,” and conducts other related activities.

The committee's chairman is the executive officer in charge of corporate staff divisions (oversees the Corporate Planning & Strategy Division), and its deputy-chairman is the executive officer in charge of corporate staff divisions, including the Human Resources & General Affairs Division and the Legal Division. The general managers of each corporate staff division—the Corporate Planning & Strategy Division (secretariat), the Investor Relations Division, the Corporate Communications Division, the Human Resources & General Affairs Division, the Legal Division, the Investment Administrative Division, and the Environmental • Social Contribution Division—serve as its members.

The committee has the following duties:

1. Develop fundamental policies on the management of the Company's CSR and fundamental plans for activities promoting CSR
2. Configure and establish an internal corporate structure for the management of the Company's CSR
3. Determine the key issues to focus on each year for activities to promote the CSR measures of the Company and ensure progress on these
4. Respond to issues related to CSR, both within and external to the Company
5. Decide whether to support individual proposals qualified as Specially Designated Businesses, and determine necessary precautions for projects that will be supported

Furthermore, the Environmental Advisory Committee has been established under the CSR Promotion Committee, with the objective of responding to various CSR-related issues.

Business Activities and Corporate Social Responsibility

Mitsui's business activities comprise the following six areas: Metals, Machinery & Infrastructure, Chemicals, Energy, Lifestyle, and Innovation & Corporate Development. To fulfill our corporate social responsibility through our business activities, we are particularly focusing on four areas (human rights, the environment, consumer issues, and community involvement and development) out of the core subjects specified in ISO 26000*.

To see “CSR Management Accomplishments and Goals,” which describe the CSR management activities for Mitsui, as well as “CSR Objectives and Accomplishments for Fiscal Year Ended March 31, 2013 by Business Area,” please visit our website.

* ISO 26000: An international standard related to social responsibility, established by the International Organization for Standardization, to encourage organizations in helping to achieve sustainable development. It consists of the following seven core subjects: organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development.



Mitsui's Environmental Initiatives

Regarding measures in response to environmental issues as one of its highest management priorities, Mitsui advances environmental initiatives on a global basis. We are resolutely endeavoring to reduce environmental risk and burden across a diverse range of business activities in an effort to develop a sustainable society.

Environmental Policy

Guiding Principles

1 Mitsui & Co. believes that one of its most important management themes involves providing a positive response to environmental issues on a global Group basis, in order to contribute to the creation of a future where the dreams of the inhabitants of our irreplaceable Earth can be fulfilled.

2 Mitsui & Co. will make every possible effort towards realizing a “sustainable development” which is aimed at creating a harmony between the economy and the environment on a global Group basis.

➤➤➤ In view of the above principles, and in accordance with the Action Guidelines shown below, Mitsui & Co. will design, periodically evaluate, and continually improve an adequate risk management system, including response to matters such as global warming, nature conservation with consideration given to biological diversity, and the prevention of pollution, which will cover the wide range of activities that it undertakes on a global scale. At the same time, we will strive to ensure the development and dissemination of earth-friendly technologies and further reinforce our responsibility with respect to the environment on a global Group basis.

Action Guidelines

1 Compliance with relevant environmental laws and regulations

We will comply with various relevant environmental laws and regulations, as well as all agreements signed by the Company for promoting business activities.

2 Efficient utilization of resources and energy

We will strive to reduce the burden on the environment within each of our workplaces and in our business activities through the efficient utilization of resources and energy, as well as the reduction, reuse, and recycling of waste and its proper disposal.

3 Environmental care for products and services offered, as well as existing and new businesses

We will give the utmost consideration to the environment to the extent technologically and economically feasible by exercising an appropriate degree of influence in enlisting the understanding and support of involved business partners, as well as evaluating the impact that we have on the environment, not only in the prevention of pollution, but on such issues as global warming and the conservation of biological diversity as well.

4 Contribution to providing industrial solutions to environmental issues

We will engage in business activities with the goal of providing rational and permanent industrial solutions, and contribute to the realization of “sustainable development” by exploiting our individual abilities and the collective strengths of our organization in cooperation with our global partners.

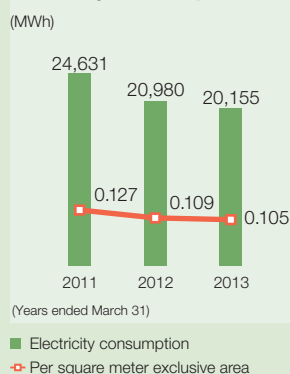
Environmental Management System

To facilitate effective environmental management, Mitsui & Co. has implemented a global Environmental Management System across the entire Group, applicable to all operational areas from the President through to each business unit. A Chief Environmental Officer has been appointed to assist the President with his management responsibilities in relation to environmental issues, and the general manager of the Environmental•Social Contribution Division has been appointed as the Environmental General Manager to execute environmental

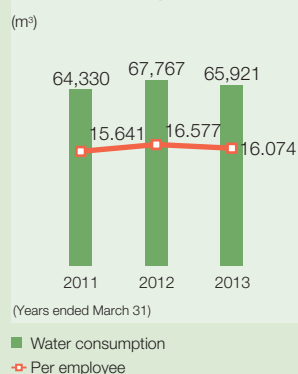
management. In addition, a number of environmental managers have been appointed, including the Chief Operating Officers of each business unit, the general managers of each corporate staff division, the general managers of each branch and office in Japan, the chief operating officers of regional business units and directly managed area unit leaders. This organizational framework enables environmental management on a Groupwide basis.

Reducing the Environmental Impact of Offices

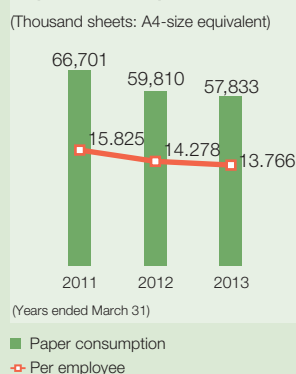
Electricity Consumption*1



Water Consumption*2



Paper Consumption*1



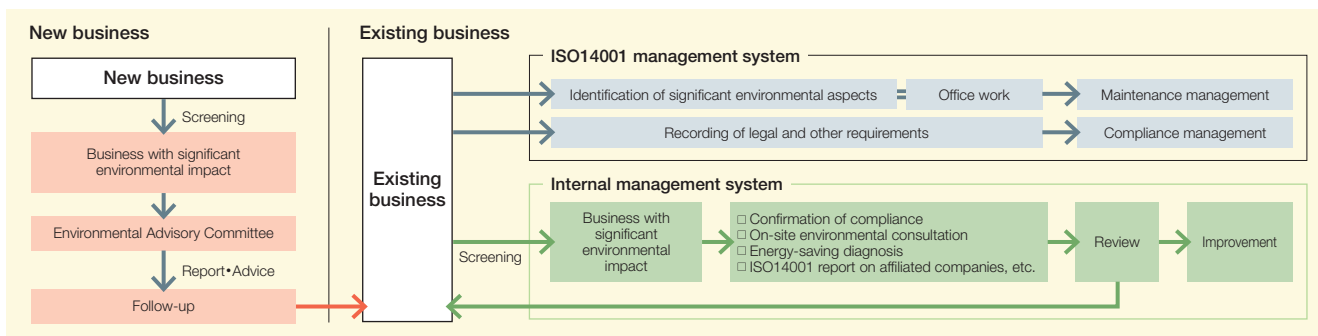
Waste*2



Environmentally Friendly Business Activities

Mitsui aims to conduct environmentally friendly business activities by analyzing and controlling various environmental risks appropriately. Through quantitative and qualitative evaluations of environmental risk, we identify existing projects that affect the environment significantly. We mitigate this environmental risk by focusing management efforts on conducting environmental inspections and researching relevant laws and regulations. Furthermore, we undertake management based on the ISO14001 standards. In Japan, ISO14001 acquisition is mandatory not only for Mitsui's Head Office and branches and offices but also for subsidiaries with high environmental burdens or risks.

As for new projects, we conduct internal assessments. When necessary, the CSR Promotion Committee and the Environmental Advisory Committee provide recommendations about whether to proceed with or how to improve projects. Ultimately, representative directors make the final decisions on whether to proceed with a project, once proposal documents have circulated the relevant divisions. We mainly select members of the Environmental Advisory Committee from outside experts and attorneys familiar with environmental policies and technological trends in a wide range of fields—including global warming, environmental restoration, water and energy.



Environmental Inspection Case Studies

Case Study 1: ShinSankoKoukan (Japan)

ShinSankoKoukan manufactures and sells electric resistance welded steel pipe (steel pipe welded with high frequency electricity for manufacture into round or square pipe). An environmental consultation confirmed that the company conducts painstaking environmental management in day-to-day operations. In addition, appropriate environmental management is improving product yields and occupational safety management. As a result, careful environmental management has led to improvements in labor safety management, with a record 15 consecutive months without incident, as of July 2013. ShinSankoKoukan is working to enhance safety and cleanliness at its factory by promoting a high level of environmental awareness among staff.



Case Study 2: Paiton Energy (Indonesia)

P.T. Paiton Energy is an independent power producer, which sells energy to Indonesia's state-owned electric power company, P.T. PLN. We were able to confirm that the company has established CSR KPIs (Key Performance Indicators) based on risk assessment. It constantly monitors and manages its environmental impact. Moreover, we confirmed that the company has established a high degree of trust in the region, as it makes social contributions including medical and educational support.

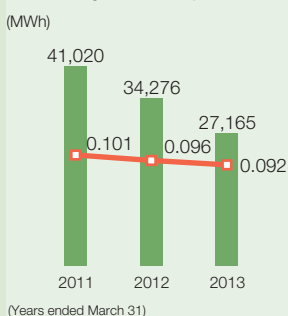


Chart notes

- *1. Figures for Electricity Consumption and Paper Consumption are all offices in Japan (Mitsui & Co., Head Office Building (Tokyo), 6 offices, and 5 branches).
- *2. Figures for Water Consumption and Waste recycling are for the following Mitsui-owned buildings: (FY11/3 Mitsui & Co. Head Office Building; Nagoya Building (Chubu Office); Toyota Building (Toyota Branch) and Osaka Building (Kansai Office), FY12/3 and FY13/3 Mitsui & Co. Head Office Building; Nagoya Building (Chubu Office); and Osaka Building (Kansai Office)).
- *3. Scope of coverage: Estimates of electric power usage and the volume of CO₂ emissions for all locations in Japan are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy. The scope includes not only Mitsui's Head Office, subsidiaries and branches, but also buildings owned in Mitsui's name in Japan as well as rental buildings, offices and training centers.
- *4. Subsidiaries and affiliated companies in Japan are domestic consolidated subsidiaries as specified in the Financial Instruments and Exchange Law. Estimates are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy.
- *5. Overseas subsidiaries and affiliated companies are overseas subsidiaries included within the scope of consolidation. Estimates are based on the computation criteria contained in the World Business Council for Sustainable Development (WBCSD) and GHG protocols (2004).

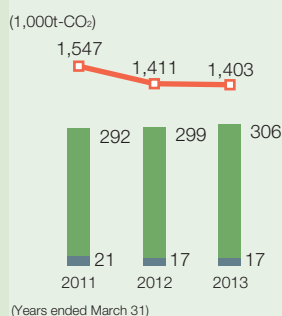
Management of Greenhouse Gas (GHG) Emissions

Electricity Consumption*3



■ Electricity consumption
 ▬ Per square meter exclusive area

CO₂ Emissions*3, 4, 5



■ Domestic locations
 ■ Subsidiaries in Japan and affiliated*4
 ▬ Overseas subsidiaries and affiliated*5

Environmental Communication

Mitsui communicates with multiple stakeholders, including nongovernmental organizations and nonprofit organizations. Also, every June during Mitsui Environment Month, we hold a variety of events aimed at raising employees' environmental awareness. In the year ended March 31, 2013, we organized lectures on global warming's effect on marine ecosystems. Other initiatives included strengthening environmental management by expanding and improving training about environmental laws and regulations and training based on the ISO14001 standards.



Mitsui Is People—Human Resources to Translate into Assets

Mitsui, with its long history and tradition, has held the belief that human resources are its greatest asset and has maintained its objective of training and developing human resources who can contribute to society. This is why it is often said that “Mitsui is people.”

To implement its management philosophy and continue to contribute to society through generating *Yoi-Shigoto* (good quality work), one of the most important tasks is for Mitsui to continue to raise the quality of individual personnel through human resource training and development activities.

Key Elements of Mitsui's Human Resource System

Mitsui positions its human resource system as a “means for fulfilling its corporate mission and realizing its management philosophy” and focuses on the following three key policies.

1 Dissemination of Mitsui's Management Philosophy Comprising Its Mission, Vision and Values (MVV)

Through introducing an appraisal standard that does not focus simply on short-term quantifiable performance, but places importance on how an employee's work contributes to achieving our management philosophy over the medium-to-long term in the personnel system, we will ensure thorough dissemination and sharing of our MVV broadly among employees.

2 Development of Human Resources

We will develop human resources who can take the leadership in implementing our management philosophy.

3 Appropriate Appointment and Allocation of Personnel

We appoint and allocate human resources effectively from a Companywide perspective, based on appropriate human resources management.

Human Resource Development Programs

The cornerstone of our human resource development is on-the-job training (OJT) and to support and supplement human resource development through OJT we also implement off-the-job training by various forms of training. Diverse opportunities are provided for training personnel to become effective global businesspeople, such as Overseas Trainee Dispatch for sending all business staff overseas within five years of their joining the company and Foreign Language & Business Culture Trainee. In addition, we devise training programs from the hiring and initial employee education stages with the aim of nurturing human resources who



are capable of undertaking global group management. At the same time, as we continue to develop these training programs, we are constantly perfecting our training courses for improving professional skills in various sectors.

Development of Human Resources for Management on a Global Group Basis

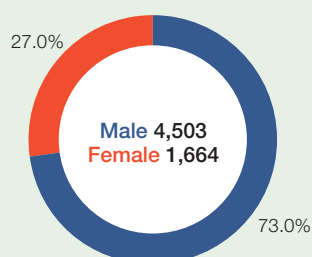
We believe that the development of human resources at our group companies is essential for supporting our consolidated global management.

We are also placing more emphasis on the training of non-head-quarters-hired staff (NS) at the Company's Head Office and its HR Training Center with the objective of promoting the globalization of human resources. We also offer short-term training programs, which consist of plenary sessions and OJT of up to one year, and medium- and long-term training extended for more than one year. In addition,

Number of Employees by Gender

(As of March 31, 2013)

Number of employees (non-consolidated): 6,167

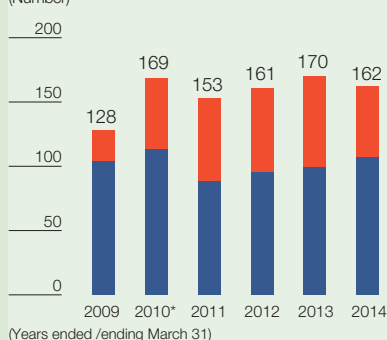


* Not including those in administrative staff positions and contract employees

* Average personnel turnover (over the past three years): 2.85%

Hires of New Graduates for the Managerial Career Path by Gender

(Number)

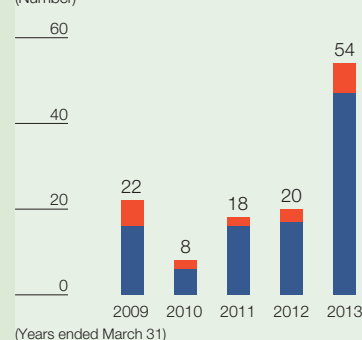


■ Male ■ Female

* From year ended March 31, 2010, figures include operations personnel

Mid-career Hires by Gender

(Number)



■ Male ■ Female

the Global Managers' Program (GMP) was introduced for the training of future leaders for overseas operations who will be responsible for consolidated global management. Further, we have been conducting the Global Management Academy (GMA) since 2011 in collaboration with Harvard Business School. The GMA is attended by headquarter-hired staff, non-headquarter-hired staff, employees of overseas Group companies, and employees of Mitsui's overseas partner

companies aiming at broadening Mitsui's diversity globally.



Diversity Management Initiatives

Mitsui aims to become a global business enabler and is pursuing diversity management initiatives as an important corporate strategy for realizing the creation of new value.

We want to create a corporate culture and mindset and build and continuously upgrade systems that are conducive to diversity and thereby heighten our competitiveness as a company. Through these

efforts, we intend to maintain and strengthen our flexibility and adaptability and become a company where all personnel throughout the world are free to realize their capabilities to the utmost as they contribute in diverse fields regardless of gender, nationality, background, or working style.

Hiring of Disabled Persons

In 1981, we established MITSUI BUSSAN BUSINESS PARTNERS CO., LTD. (formerly Bussan Service Co., Ltd.), a trailblazing special-purpose subsidiary for the employment of people with disabilities. A large number of disabled persons are currently employed in a variety of personnel and administrative capacities, including printing, mailing,

various kinds of data processing, business travel arrangement and settlement, personnel payroll and benefits administration and office layout management, and for over 20 years we have exceeded the statutory employment rate for people with disabilities. As of March 2013, 2.48% of Mitsui's employees were disabled.

Creating a Good Work Environment

We consider it very important to improve the work environment to enable all employees—the leaders in our efforts to generate *Yoi-Shigoto* (good quality work)—to achieve a work-life balance and work with a sense of job satisfaction and peace of mind. In addition to ensuring all employees have health checkups, holding a variety of health-related seminars, and expanding and improving mental healthcare systems and other systems that support employees' health, we have established a range of supportive measures for employees who work while undertaking childcare or family care. In 2008 and 2011, we have been recognized by Japan's Minister of Health, Labour and Welfare as a company that is actively providing support for child raising.

To create an environment in which each and every employee is able to work energetically and in which employees and the Company can continue to grow together, we actively discuss a variety of common issues with the Mitsui & Co. Labor Union. Mitsui also holds labor-management discussion meetings to confer on business activities and plans, various personnel-related systems and human resource development, and provides a venue for exchanging views on a variety of matters with management in each business unit, with the aim of maintaining a healthy and cooperative relationship between management and labor.



"Kurumin" mark

Foreign Geographic Areas (As of March 31, 2013)

(Number)	Americas	Europe, Middle East, Africa	Asia, Oceania	Other*	Total
Headquarter-hired staff	315	233	535	156	1,239
Non-headquarter-hired staff	605	773	1,914	—	3,292

* Overseas trainees

Number of Non-Headquarter-hired Staff Dispatched to Head Office

(As of March 31, 2013) (Number)	
Number of Japanese business integration program trainees	9
Number of Japanese language and business program trainees	11
Number of intra-Company transferees	18
Total	38

Number of Employees Taking Childcare or Family Care Leave by Gender

(Years ended March 31)	2008	2009	2010	2011	2012	2013
Childcare leave (male/female)	3/32	5/40	1/38	3/37	6/40	4/34
Family care leave (male/female)	0/ 5	0/ 2	0/ 0	1/ 2	0/ 1	2/ 4

Mitsui's Social Contributions

Mitsui shall give full consideration to its economic role and social raison d'être. Moreover, Mitsui is expected to create value for society through not only its business activities but also exploration beyond its main business activities and by addressing some of the many issues that society confronts. In particular, Mitsui has defined three areas of focus based on its strengths, expertise, and understanding: namely international exchange, education, and the environment.

Social Contributions Guiding Principles

We will build a congenial relationship with our stakeholders by striving to develop harmony with the global community and local communities in accordance with Mitsui's management philosophy (Mission, Vision, and Values), and we will actively contribute to the creation of a future where the dreams of the inhabitants of our irreplaceable Earth can be fulfilled.

Toward Achieving the Millennium Development Goals of the United Nations

Mitsui endorses the achievement by 2015 of the eight Millennium Development Goals of the United Nations, which include eradicating extreme poverty and hunger. As part of its concrete actions aimed at achieving these goals, Mitsui is working with the United Nations Development Programme to construct a solar powered irrigation water pumping facility for a farming community in Mozambique. Providing the Chibuto Millennium Village in Gaza Province with the infrastructure to supply irrigation water will improve agricultural productivity, thereby increasing incomes and helping the community become self-sufficient and sustainable.



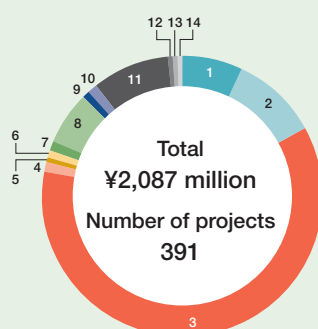
Initiatives for International Exchanges and Education

Since 2005, Mitsui has been developing initiatives themed on multicultural harmony that focus primarily on supporting the children of Brazilians living in Japan. Currently, we provide scholarships to approximately 300 children. Also, we support a distance-learning program that trains teachers for Brazilian schools in Japan.

Further, as a general trading company with operations worldwide, we focus efforts on education that fosters personnel with an international perspective. Our wide-ranging initiatives in this regard include establishing the Mitsui Endowed Professorship Fund at Dartmouth College in the United States; instituting endowed lecture programs at universities overseas, such as Peking University in China and Saint Petersburg State University in Russia; and providing scholarships to non-Japanese students studying in Japan through the Mitsui-Bussan Scholarship Program for Indonesia and other funds.



Social Contributions in the Year Ended March 31, 2013



Activity category	Number of activities	Percentage* (Monetary amounts)
1 International exchange and cooperation	56	7%
2 Education, social education	60	10%
3 Environmental protection	32	62%
4 Social welfare	62	1%
5 Health and medicine	13	0%
6 Sports	26	1%
7 Academic activities, research	10	1%
8 Arts and culture	48	6%

Activity category	Number of activities	Percentage* (Monetary amounts)
9 Archaeology, preservation of traditional culture	1	1%
10 Local community involvement	55	1%
11 Assistance to disaster-stricken communities	20	9%
12 Assistance to disaster-prevention in communities	1	0%
13 Human rights	4	0%
14 NPO infrastructure-building work	3	0%

Total	391	100%
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* Percentages based on money amounts

Mitsui & Co., Ltd. Environment Fund

In July 2005, Mitsui launched the Mitsui & Co., Ltd. Environment Fund as a grant program aimed at realizing sustainable development by supporting various initiatives and research projects of nonprofit organizations and universities that contribute to solving global environmental problems. The fund mainly comprises capital from Mitsui, but it also receives donations from the Company's officers, employees and retirees. Moreover, Mitsui encourages them to submit proposals for and take part in grant projects.

In the year ended March 31, 2013, through restoration grant projects we continued the previous fiscal year's support for restoration following the Great East Japan Earthquake while continuing to support existing general grant projects. (For details about restoration grant projects, please see the below column "Support in the Year Ended March 31, 2013, for Restoration following the Great East Japan Earthquake.")

Mitsui's Forests

Mitsui's Forests

Mitsui owns forests at 74 locations throughout Japan, from Hokkaido to Kyushu, covering approximately 44,000 hectares. Involved in forestry for more than a century, we have continued efforts to increase healthy forests in Japan through sustainable forestry based on cycles of planting, cultivating, felling and using.

New Initiative to Encourage the Use of Domestic Timber

As Japan's third largest private owner of forestry, Mitsui is promoting forestry conservation and the use of domestic timber by advancing a wood biomass energy project that uses as fuel previously discarded branches, trunk ends and roots that are a lumbering by-product.

Further, aiming to promote use of domestically produced wood in offices, we have established the Forestarea space at our Head Office,

featuring wooden furniture and fixtures. Through Forestarea, we are highlighting the importance of using domestically produced timber to protect and develop Japan's forests.

Environmental Education through Forests

Mitsui conducts environmental education for children—the leaders of the next generation—and their guardians. As well as operating the Mori no Kyoshitsu website themed on studying forests and the environment, we offer opportunities to experience the forestry industry or observe nature in our forests, conduct environment-related classes at elementary and junior high schools nationwide, and cosponsor an environmental education project a newspaper company organizes.

Support in the Year Ended March 31, 2013, for Restoration following the Great East Japan Earthquake

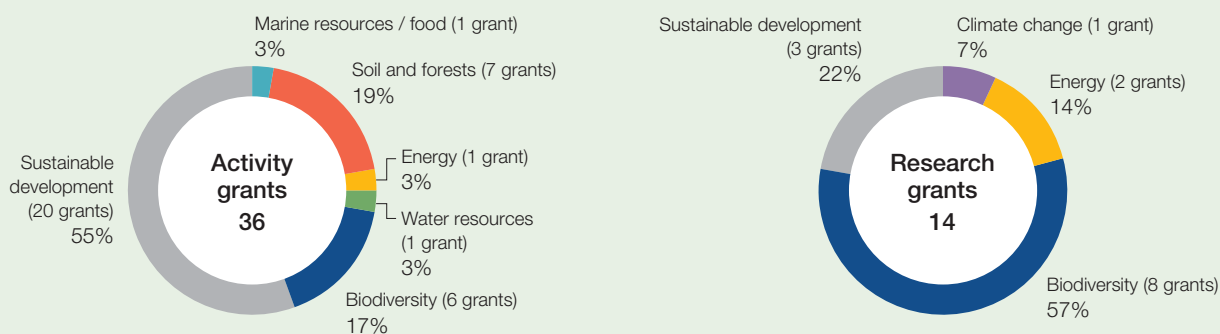
In the year ended March 31, 2013, aiming to meet the changing needs of the disaster stricken area and support its residents over the medium-to-long term, we established a scholarship fund for the orphaned children of firefighters that perished while responding to the Great East Japan Earthquake and donated LED streetlights to temporary housing complexes in the town of Minamisanriku. Also, more than 900 Mitsui employees have participated in volunteer programs for the disaster area since they began in May 2011.

Meanwhile, we are actively tackling restoration of the disaster stricken area through our core businesses by creating business projects rooted in local communities to invigorate the regional economy. For example, we are collaborating with Sumitomo Corporation to support the building of a marine food processing complex for the Kesennuma Shishiori Processing Cooperative. In another initiative, we are building a mega-solar power generation facility in an area of Higashimatsushima the disaster damaged.



Mitsui & Co., Ltd. Environment Fund

Grant Projects by Category in the Year Ended March 31, 2013



Directors and Corporate Auditors

As of June 21, 2013

Directors



1 Shoei Utsuda

Director,
Chairman of the Board
of Directors

2 Masami Iijima

Representative Director,
President and
Chief Executive Officer

3 Seiichi Tanaka

Representative Director,
Executive Vice President

4 Fuminobu Kawashima

Representative Director,
Executive Vice President

5 Daisuke Saiga

Representative Director,
Senior Executive
Managing Officer

6 Joji Okada

Representative Director,
Senior Executive
Managing Officer,
Chief Financial Officer

7 Masayuki Kinoshita

Representative Director,
Senior Executive Managing Officer,
Chief Information Officer,
Chief Privacy Officer

8 Shintaro Ambe

Representative Director,
Senior Executive Managing Officer

9 Koichi Tanaka

Representative Director,
Executive Managing Officer,
Chief Compliance Officer

Corporate Auditors



Satoru Miura



Motonori Murakami

Independent Directors / Auditors

As of June 21, 2013

External Directors



Nobuko Matsubara

Date of Birth: January 9, 1941

Current Position: Director
(since June 23, 2006)

Principal Position at Business Organization Outside Mitsui:

- External Director, Daiwa Securities Group Inc.

Prior Positions:

Apr. 1964	Entered the Ministry of Labor	Sep. 2002	Ambassador Extraordinary and Plenipotentiary of Japan to Italy
Mar. 1987	Director of International Labor Division, Minister's Secretariat, Ministry of Labor	Nov. 2002	Ambassador Extraordinary and Plenipotentiary of Japan to Albania, to San Marino and to Malta
Oct. 1991	Director-General of Women's Bureau, Ministry of Labor	Jan. 2006	Advisor to Japan Institute of Workers' Evolution
Jul. 1997	Vice Minister of the Ministry of Labor	Jul. 2006	Chairperson of Japan Institute of Workers' Evolution
Apr. 1999	President, Japan Association for Employment of Persons with Disabilities	Jul. 2012	Honorary Chairperson, Japan Institute of Workers' Evolution (current position)



Ikujiro Nonaka

Date of Birth: May 10, 1935

Current Position: Director
(since June 22, 2007)

Principal Positions at Business Organizations Outside Mitsui:

- External Director, Seven & i Holdings Co., Ltd.
- External Director, Trend Micro Incorporated

Prior Positions:

Apr. 1958	Joined Fuji Electric Co., Ltd.	Apr. 2000	Professor, Graduate School of International Corporate Strategy, Hitotsubashi University
Apr. 1977	Professor, Management Faculty, Nanzan University	Apr. 2006	Professor Emeritus, Hitotsubashi University (current position)
Jan. 1979	Professor, National Defense Academy of Japan	Jan. 2007	First Distinguished Drucker Scholar in Residence, Drucker School of Claremont Graduate University (current position)
Apr. 1982	Professor, Institute of Business Research, Hitotsubashi University	Apr. 2012	Specially Appointed Professor, Waseda University (current position)
Apr. 1995	Professor, Graduate School of Knowledge Science, JAIST		
May 1997	Xerox Distinguished Professor in Knowledge, Walter A. Haas School of Business, University of California, Berkeley (current position)		



Hiroshi Hirabayashi

Date of Birth: May 5, 1940

Current Position: Director
(since June 22, 2007)

Principal Position at Business Organization Outside Mitsui:

- External Director, DAIICHI SANKYO COMPANY, LIMITED

Prior Positions:

Apr. 1963	Entered the Ministry of Foreign Affairs	Jan. 2003	Ambassador Extraordinary and Plenipotentiary to Djibouti
Aug. 1993	Director-General, Economic Cooperation Bureau, Ministry of Foreign Affairs	Jun. 2006	Ambassador in charge of Inspection, Ministry of Foreign Affairs
Jan. 1998	Ambassador Extraordinary and Plenipotentiary to India and to Bhutan	Jun. 2007	President, The Japan-India Association (current position)
Sep. 2002	Ambassador Extraordinary and Plenipotentiary to France and to Andorra	Jun. 2009	Vice President, The Japan Forum on International Relations, Inc. (current position)



Toshiro Muto

Date of Birth: July 2, 1943

Current Position: Director
(since June 23, 2010)

Principal Position at Business Organization Outside Mitsui:

- External Corporate Auditor, Nippon Steel & Sumitomo Metal Corporation

Prior Positions:

Apr. 1966	Entered the Ministry of Finance	Jul. 2008	Chairman, Daiwa Institute of Research Ltd. (current position)
Jul. 1999	Director-General of the Budget Bureau, Ministry of Finance	Apr. 2009	Director, Principal, The Kaisei Academy (current position)
Jun. 2000	Administrative Vice Minister, Ministry of Finance		
Jan. 2003	Special Advisor, Ministry of Finance		
Mar. 2003	Deputy Governor, Bank of Japan		

External Corporate Auditors



Naoto Nakamura

Date of Birth: January 25, 1960

Current Position: Corporate Auditor
(since June 23, 2006)

Principal Position at Business Organization Outside Mitsui:

- External Corporate Auditor, Asahi Group Holdings, Ltd.

Prior Positions:

Apr. 1985	Admitted to the member of Daini Tokyo Bar Association Joined Mori Sogo Law Office
Apr. 1998	Founded HIBIYA PARK LAW OFFICES and became a partner
Feb. 2003	Founded Law Firm of Naoto Nakamura (currently Law Firm of Nakamura, Tsunoda & Matsumoto) and became a partner (current position)



Kunihiro Matsuo

Date of Birth: September 13, 1942

Current Position: Corporate Auditor
(since June 24, 2008)

Principal Positions at Business Organizations Outside Mitsui:

- External Director, Japan Exchange Group, Inc.

- External Corporate Auditor, TOYOTA MOTOR CORPORATION

- External Corporate Auditor, Komatsu Ltd.

- External Corporate Auditor, BROTHER INDUSTRIES, LTD.

- External Corporate Auditor, Seven Bank, Ltd.

- External Corporate Auditor, TV TOKYO Holdings Corporation

Prior Positions:

Apr. 1968	Appointment as Public Prosecutor
Dec. 1999	Vice Minister of Justice
Jun. 2004	Attorney General
Sep. 2006	Admission as Attorney at Law



Hiroyasu Watanabe

Date of Birth: April 11, 1945

Current Position: Corporate Auditor
(since June 23, 2009)

Principal Positions at Business Organizations Outside Mitsui:

- External Corporate Auditor, NOMURA Co., Ltd.

- External Corporate Auditor, JX Holdings, Inc.

Prior Positions:

Jul. 1969	Entered the Ministry of Finance	Apr. 2004	Professor, Graduate School of Finance, Accounting & Law, Waseda University (current position)
Jul. 1997	Director-General, Tokyo Taxation Bureau, National Tax Agency		
Jul. 1998	Director-General, Customs and Tariff Bureau, Ministry of Finance		
Jun. 2000	President, Policy Research Institute, Ministry of Finance		
Jul. 2002	Commissioner, National Tax Agency		

FACT DATA

The consolidated financial statements have been prepared on the basis of accounting principles generally accepted in the United States.

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	109 Statements of Consolidated Income / Statements of Consolidated Comprehensive Income
	110 Statements of Changes in Consolidated Equity
	111 Statements of Consolidated Cash Flows
	112 10-Year Financial Data (Including Sustainability Data)
	114 Results by Operating Segment

Please refer to the *Annual Securities Report* for more detailed financial information.
The *Annual Securities Report* can be downloaded using the link below.

 **Download from** <http://www.mitsui.com/jp/en/ir/library/securities/>

Consolidated Balance Sheets

Mitsui & Co., Ltd. and Subsidiaries
As of March 31, 2013 and 2012

Millions of Yen

	2013	2012
ASSETS		
Current Assets:		
Cash and cash equivalents	1,425,174	1,431,112
Time deposits	4,740	4,130
Marketable securities	367	1,087
Trade receivables:		
Notes and loans, less unearned interest	291,052	322,585
Accounts	1,608,915	1,616,191
Associated companies	138,588	116,885
Allowance for doubtful receivables	(16,463)	(17,860)
Inventories	746,584	515,758
Advance payments to suppliers	135,120	129,987
Deferred tax assets—current	15,644	37,513
Derivative assets	61,081	53,664
Other current assets	220,729	215,271
Total current assets	4,631,531	4,426,323
Investments and Non-current Receivables:		
Investments in and advances to associated companies	2,325,255	1,709,082
Other investments	816,343	792,492
Non-current receivables, less unearned interest	523,904	454,191
Allowance for doubtful receivables	(37,362)	(36,840)
Property leased to others—at cost, less accumulated depreciation	330,627	272,746
Total investments and non-current receivables	3,958,767	3,191,671
Property and Equipment—at Cost:		
Land, land improvements and timberlands	218,801	202,834
Buildings, including leasehold improvements	442,255	401,451
Equipment and fixtures	1,668,246	1,306,754
Mineral rights	203,142	158,967
Vessels	42,478	42,539
Projects in progress	235,084	152,789
Total	2,810,006	2,265,334
Accumulated depreciation	(1,239,736)	(1,009,451)
Net property and equipment	1,570,270	1,255,883
Intangible Assets, less Accumulated Amortization	118,448	110,307
Deferred Tax Assets—Non-current	31,538	15,626
Other Assets	14,027	12,013
Total	10,324,581	9,011,823

Consolidated Balance Sheets

	Millions of Yen	
	2013	2012
LIABILITIES AND EQUITY		
Current Liabilities:		
Short-term debt	663,129	307,132
Current maturities of long-term debt	421,211	372,657
Trade payables:		
Notes and acceptances	46,057	53,308
Accounts	1,438,287	1,342,343
Associated companies	71,272	110,289
Accrued expenses:		
Income taxes	54,091	73,111
Interest	16,985	16,619
Other	80,971	93,266
Advances from customers	98,470	106,787
Derivative liabilities	83,940	65,262
Other current liabilities	70,917	83,256
Total current liabilities	3,045,330	2,624,030
Long-term Debt, less Current Maturities	3,184,957	2,898,218
Accrued Pension Costs and Liability for Severance Indemnities	68,312	55,799
Deferred Tax Liabilities—Non-current	266,544	283,614
Other Long-term Liabilities	319,334	289,352
Contingent Liabilities		
Equity		
Mitsui & Co., Ltd. Shareholders' equity:		
Common stock—no par value	341,482	341,482
Authorized, 2,500,000,000 shares; Issued, 1,829,153,527 shares in 2013 and 1,829,153,527 shares in 2012		
Capital surplus	429,828	430,491
Retained earnings:		
Appropriated for legal reserve	69,653	65,500
Unappropriated	2,405,008	2,192,494
Accumulated other comprehensive income (loss):		
Unrealized holding gains on available-for-sale securities	135,832	90,476
Foreign currency translation adjustments	(94,912)	(380,457)
Defined benefit pension plans	(74,124)	(68,163)
Net unrealized losses on derivatives	(24,974)	(24,302)
Total accumulated other comprehensive loss	(58,178)	(382,446)
Treasury stock, at cost: 4,027,206 shares in 2013 and 4,204,441 shares in 2012	(5,974)	(6,203)
Total Mitsui & Co., Ltd. shareholders' equity	3,181,819	2,641,318
Noncontrolling interests	258,285	219,492
Total equity	3,440,104	2,860,810
Total	10,324,581	9,011,823

Statements of Consolidated Income

Mitsui & Co., Ltd. and Subsidiaries
Years Ended March 31, 2013 and 2012

	Millions of Yen	
	2013	2012
Revenues:		
Sales of products	4,408,144	4,753,167
Sales of services	392,088	377,033
Other sales	111,377	121,402
Total revenues	4,911,609	5,251,602
Cost of Revenues:		
Cost of products sold	3,901,272	4,166,337
Cost of services sold	161,858	147,561
Cost of other sales	58,040	59,425
Total cost of revenues	4,121,170	4,373,323
Gross Profit	790,439	878,279
Other Expenses (Income):		
Selling, general and administrative	521,075	514,798
Provision for doubtful receivables	14,761	15,097
Interest income	(41,724)	(37,172)
Interest expense	42,910	42,612
Dividend income	(80,057)	(86,461)
Gain on sales of securities—net	(44,905)	(21,937)
Loss on write-down of securities	27,278	33,481
Gain on disposal or sales of property and equipment—net	(6,207)	(5,697)
Impairment loss of long-lived assets	12,342	14,049
Impairment loss of goodwill	—	4,209
Other expense (income)—net	30,868	(7,911)
Total other expenses (income)	476,341	465,068
Income before Income Taxes and Equity in Earnings	314,098	413,211
Income Taxes:		
Current	182,327	186,815
Deferred	(23,978)	(14,193)
Total income taxes	158,349	172,622
Income before Equity in Earnings	155,749	240,589
Equity in Earnings of Associated Companies—Net	176,226	232,090
Net Income before Attribution of Noncontrolling Interests	331,975	472,679
Net Income Attributable to Noncontrolling Interests	(24,049)	(38,182)
Net Income Attributable to Mitsui & Co., Ltd.	307,926	434,497

Statements of Consolidated Comprehensive Income

Mitsui & Co., Ltd. and Subsidiaries
Years Ended March 31, 2013 and 2012

	Millions of Yen	
	2013	2012
Comprehensive Income (Loss):		
Net income before attribution of noncontrolling interests	331,975	472,679
Other comprehensive income (loss) (after income tax effect):		
Unrealized holding gains (losses) on available-for-sale securities	40,871	(9,897)
Foreign currency translation adjustments	306,112	(37,127)
Defined benefit pension plans:		
Net prior service credit	40	25
Net actuarial loss	(5,948)	(9,670)
Net unrealized losses on derivatives	(753)	(9,899)
Total other comprehensive income (loss) (after income tax effect)	340,322	(66,588)
Comprehensive income before attribution of noncontrolling interests	672,297	406,111
Comprehensive (income) loss attributable to noncontrolling interests	(41,037)	(33,082)
Comprehensive income attributable to Mitsui & Co., Ltd.	631,260	373,029

Statements of Changes in Consolidated Equity

Mitsui & Co., Ltd. and Subsidiaries
Years Ended March 31, 2013 and 2012

Millions of Yen

	2013	2012
Common Stock:		
Balance at beginning of year	341,482	341,482
Balance at end of year	341,482	341,482
Capital Surplus:		
Balance at beginning of year	430,491	430,152
Equity transactions with noncontrolling interest shareholders	(663)	339
Balance at end of year	429,828	430,491
Retained Earnings:		
Appropriated for Legal Reserve:		
Balance at beginning of year	65,500	61,763
Transfer from unappropriated retained earnings	4,153	3,737
Balance at end of year	69,653	65,500
Unappropriated:		
Balance at beginning of year	2,192,494	1,860,271
Net income attributable to Mitsui & Co., Ltd.	307,926	434,497
Cash dividends paid to Mitsui & Co., Ltd. shareholders	(91,248)	(98,537)
Transfer to retained earnings appropriated for legal reserve	(4,153)	(3,737)
Losses on sales of treasury stock	(11)	(0)
Balance at end of year	2,405,008	2,192,494
Accumulated Other Comprehensive Income (Loss) (After Income Tax Effect):		
Balance at beginning of year	(382,446)	(321,135)
Unrealized holding gains (losses) on available-for-sale securities	44,052	(6,293)
Foreign currency translation adjustments	285,903	(35,622)
Defined benefit pension plans:		
Net prior service credit	40	25
Net actuarial loss	(6,001)	(9,644)
Net unrealized losses on derivatives	(660)	(9,934)
Equity transactions with noncontrolling interest shareholders	934	157
Balance at end of year	(58,178)	(382,446)
Treasury Stock, at Cost:		
Balance at beginning of year	(6,203)	(6,341)
Purchases of treasury stock	(15)	(16)
Sales of treasury stock	244	154
Shares sold: 2013—189,295 shares; 2012—131,400 shares		
Balance at end of year	(5,974)	(6,203)
Shares in treasury: 2013—4,027,206 shares; 2012—4,204,441 shares		
Total Mitsui & Co., Ltd. shareholders' equity	3,181,819	2,641,318
Noncontrolling Interests:		
Balance at beginning of year	219,492	187,142
Dividends paid to noncontrolling interest shareholders	(13,580)	(14,712)
Net income attributable to noncontrolling interests	24,049	38,182
Unrealized holding losses on available-for-sale securities (after income tax effect)	(3,181)	(3,604)
Foreign currency translation adjustments (after income tax effect)	20,209	(1,505)
Defined benefit pension plans (after income tax effect):		
Net prior service credit	0	—
Net actuarial gain (loss)	53	(26)
Net unrealized (losses) gains on derivatives (after income tax effect)	(93)	35
Equity transactions with noncontrolling interest shareholders and other	11,336	13,980
Balance at end of year	258,285	219,492
Total Equity:		
Balance at beginning of year	2,860,810	2,553,334
Losses on sales of treasury stock	(11)	(0)
Net income before attribution of noncontrolling interests	331,975	472,679
Cash dividends paid to Mitsui & Co., Ltd. shareholders	(91,248)	(98,537)
Dividends paid to noncontrolling interest shareholders	(13,580)	(14,712)
Unrealized holding gains (losses) on available-for-sale securities (after income tax effect)	40,871	(9,897)
Foreign currency translation adjustments (after income tax effect)	306,112	(37,127)
Defined benefit pension plans (after income tax effect):		
Net prior service credit	40	25
Net actuarial loss	(5,948)	(9,670)
Net unrealized losses on derivatives (after income tax effect)	(753)	(9,899)
Sales and purchases of treasury stock	229	138
Equity transactions with noncontrolling interest shareholders and other	11,607	14,476
Balance at end of year	3,440,104	2,860,810

Statements of Consolidated Cash Flows

Mitsui & Co., Ltd. and Subsidiaries
Years Ended March 31, 2013 and 2012

Millions of Yen

	2013	2012
Operating Activities:		
Net income before attribution of noncontrolling interests	331,975	472,679
Adjustments to reconcile net income before attribution of noncontrolling interests to net cash provided by operating activities:		
Depreciation and amortization	198,852	153,475
Pension and severance costs, less payments	9,366	9,243
Provision for doubtful receivables	14,761	15,097
Gain on sales of securities—net	(44,905)	(21,937)
Loss on write-down of securities	27,278	33,481
Gain on disposal or sales of property and equipment—net	(6,207)	(5,697)
Impairment loss of long-lived assets	12,342	14,049
Impairment loss of goodwill	—	4,209
Deferred income taxes	(23,978)	(14,193)
Equity in earnings of associated companies, less dividends received	(60,492)	(72,804)
Changes in operating assets and liabilities:		
Decrease (increase) in trade receivables	62,484	(134,283)
Decrease (increase) in inventories	106,338	(33,045)
Increase in trade payables	11,331	39,397
(Decrease) increase in accrued expenses	(35,416)	19,737
Decrease (increase) in advance payments to suppliers	33,145	(297)
(Decrease) increase in advances from customers	(16,077)	(44,226)
Change in derivative assets and liabilities—net	(28,802)	1,779
Decrease in short-term debt—other secured financing	(121,547)	—
Payment for settlement of the oil spill incident in the Gulf of Mexico	—	(86,105)
Other—net	(9,018)	30,425
Net cash provided by operating activities	461,430	380,984
Investing Activities:		
Net (increase) decrease in time deposits	(382)	253
Investments in and advances to associated companies	(292,387)	(181,163)
Sales of investments in and collection of advances to associated companies	61,795	82,267
Acquisitions of available-for-sale securities	(11,041)	(2,682)
Proceeds from sales of available-for-sale securities	31,318	25,605
Proceeds from maturities of available-for-sale securities	1,535	4,276
Acquisitions of held-to-maturity debt securities	(867)	(236)
Proceeds from maturities of held-to-maturity debt securities	10	—
Acquisitions of other investments	(67,462)	(49,933)
Proceeds from sales and maturities of other investments	76,955	67,632
Increase in long-term loan receivables	(246,482)	(110,250)
Collection of long-term loan receivables	113,922	108,848
Additions to property leased to others and property and equipment	(418,818)	(364,337)
Proceeds from sales of property leased to others and property and equipment	19,900	23,473
Acquisitions of businesses, net of cash acquired	(21,293)	(48,482)
Proceeds from sales of businesses, net of cash divested	—	6,538
Net cash used in investing activities	(753,297)	(438,191)
Financing Activities:		
Net increase in short-term debt	161,481	41,420
Proceeds from long-term debt	757,519	486,714
Repayments of long-term debt	(607,003)	(367,774)
Transactions with noncontrolling interests shareholders	921	(4,533)
(Purchases) sales of treasury stock—net	(13)	138
Payments of cash dividends	(91,270)	(98,571)
Net cash provided by financing activities	221,635	57,394
Effect of Exchange Rate Changes on Cash and Cash Equivalents	64,294	(10,134)
Net (Decrease) Increase in Cash and Cash Equivalents	(5,938)	(9,947)
Cash and Cash Equivalents at Beginning of Year	1,431,112	1,441,059
Cash and Cash Equivalents at End of Year	1,425,174	1,431,112

10-Year Financial Data (Including Sustainability Data)

Mitsui & Co., Ltd. and Subsidiaries
Years Ended March 31

	2004	2005	2006	2007
Consolidated Operating Results (For the Year):				
Revenues	¥2,980.3	¥3,525.7	¥4,115.5	¥4,880.7
Gross Profit	¥ 609.9	¥ 725.8	¥ 816.6	¥ 903.7
Operating Income	¥ 120.6	¥ 198.0	¥ 265.8	¥ 308.9
Equity in Earnings of Associated Companies	¥ 40.1	¥ 65.9	¥ 94.2	¥ 153.1
Net Income Attributable to Mitsui & Co., Ltd.	¥ 68.4	¥ 121.1	¥ 202.4	¥ 301.5
Consolidated Financial Position (At Year-End):				
Total Assets	¥6,716.0	¥7,593.4	¥8,573.6	¥9,813.3
Total Mitsui & Co., Ltd. Shareholders' Equity	¥ 963.3	¥1,122.9	¥1,677.9	¥2,110.3
Cash and Cash Equivalents	¥ 685.0	¥ 819.9	¥ 734.1	¥ 806.6
Interest-bearing Debt	¥3,360.5	¥3,539.8	¥3,564.7	¥3,918.1
Net Interest-bearing Debt	¥2,675.5	¥2,719.9	¥2,830.6	¥3,111.5
Consolidated Cash Flows (For the Year):				
Net Cash Provided by Operating Activities	¥ 100.1	¥ 200.1	¥ 146.4	¥ 239.3
Net Cash Used in Investing Activities	¥ (134.2)	¥ (224.0)	¥ (347.3)	¥ (418.0)
Net Cash Provided by (Used in) Financing Activities	¥ (12.2)	¥ 171.3	¥ 92.3	¥ 272.3
Free Cash Flow	¥ (34.1)	¥ (23.9)	¥ (200.9)	¥ (178.7)
Investments and Loans	—	—	—	¥ (770.0)
Divestitures	—	—	—	¥ 240.0
Net Cash Outflow	—	—	—	¥ (530.0)

Financial Indicators:				
Return on Equity (ROE)	7.5%	11.6%	14.5%	15.9%
Return on Assets (ROA)	1.0%	1.6%	2.4%	3.1%
Net Debt-to-Equity Ratio (Net DER) (times)	2.78	2.42	1.69	1.47
Amounts per Share:				
Net Income Attributable to Mitsui & Co., Ltd.				
Basic	¥ 43.25	¥ 76.55	¥126.26	¥ 174.26
Diluted	¥ 40.89	¥ 72.12	¥118.85	¥ 165.32
Cash Dividends Declared	¥ 8	¥ 15	¥ 24	¥ 34
Consolidated Dividend Payout Ratio (%)	18%	19%	20%	20%
Shareholders' Equity	¥609.28	¥709.66	¥973.85	¥1,182.48
Stock Price:				
Stock Price (closing stock price on the Tokyo Stock Exchange) (yen)	¥ 934	¥ 989	¥1,702	¥2,200
Price Earnings Ratio (PER) (times)	21.60	12.92	13.48	12.62
Price Book-Value Ratio (PBR) (times)	1.54	1.39	1.75	1.87
Sustainability:				
Number of Employees (Consolidated)	39,735	38,210	40,993	41,761
Ratio of External Directors (%)	18.2%	18.2%	27.3%	30.8%
Paper Consumption (thousand sheets; A4-size equivalent)	100,456	73,879	95,423	94,361

Notes: 1. Figures for prior years have not been reclassified in accordance with Accounting Standard Codification ("ASC") 205-20, "Presentation of Financial Statements – Discontinued Operations."

2. Operating Income is comprised of (a) gross profit, (b) selling, general and administrative expenses, and (c) provision for doubtful receivables.

3. Tax effects on investments in associated companies which were formerly included in "Equity in Earnings" are included in "Income Taxes" from the year ended March 2010.

Figures for prior years have not been reclassified.

4. Interest-bearing debt was calculated deducting capital lease obligations and ASC815 fair value adjustment until the year ended March 31, 2006.

5. Investments and Loans and Divestitures are disclosed from the year ended March 31, 2007.

6. Per-share information is calculated based on the number of shares issued at year-end.

						Billions of Yen	Millions of U.S. Dollars
	2008	2009	2010	2011	2012	2013	2013
	¥5,738.9	¥5,535.2	¥4,096.4	¥4,679.4	¥5,251.6	¥ 4,911.6	\$ 52,251
	¥ 988.1	¥1,016.3	¥ 702.0	¥ 859.2	¥ 878.3	¥ 790.4	\$ 8,409
	¥ 374.8	¥ 394.7	¥ 144.5	¥ 317.0	¥ 348.4	¥ 254.6	\$ 2,709
	¥ 154.3	¥ 84.8	¥ 131.5	¥ 242.1	¥ 232.1	¥ 176.2	\$ 1,875
	¥ 410.1	¥ 177.6	¥ 149.7	¥ 306.7	¥ 434.5	¥ 307.9	\$ 3,276
	¥9,537.8	¥8,364.2	¥8,369.0	¥8,598.1	¥9,011.8	¥10,324.6	\$109,836
	¥2,183.7	¥1,881.7	¥2,230.1	¥2,366.2	¥2,641.3	¥ 3,181.8	\$ 33,849
	¥ 911.6	¥1,153.5	¥1,416.0	¥1,443.6	¥1,435.2	¥ 1,429.9	\$ 15,212
	¥3,685.6	¥3,668.6	¥3,471.7	¥3,377.5	¥3,578.0	¥ 4,269.3	\$ 45,418
	¥2,774.0	¥2,515.1	¥2,055.7	¥1,933.9	¥2,142.8	¥ 2,839.4	\$ 30,206
	¥ 415.8	¥ 582.7	¥ 632.4	¥ 504.5	¥ 381.0	¥ 461.4	\$ 4,909
	¥ (104.8)	¥ (290.9)	¥ (180.1)	¥ (484.0)	¥ (438.2)	¥ (753.3)	\$ (8,014)
	¥ (185.1)	¥ (9.8)	¥ (214.4)	¥ 33.8	¥ 57.4	¥ 221.6	\$ 2,358
	¥ 311.0	¥ 291.8	¥ 452.3	¥ 20.5	¥ (57.2)	¥ (291.9)	\$ (3,105)
	¥ (710.0)	¥ (520.0)	¥ (360.0)	¥ (690.0)	¥ (650.0)	¥ (960.0)	\$ (10,213)
	¥ 610.0	¥ 190.0	¥ 210.0	¥ 190.0	¥ 210.0	¥ 220.0	\$ 2,340
	¥ (100.0)	¥ (330.0)	¥ (150.0)	¥ (500.0)	¥ (440.0)	¥ (740.0)	\$ (7,872)

						Yen	
	19.1%	8.7%	7.3%	13.3%	17.4%	10.6%	
	4.3%	2.1%	1.8%	3.6%	4.8%	3.0%	
	1.27	1.34	0.92	0.82	0.81	0.89	
							U.S. Dollars
	¥ 227.20	¥ 97.59	¥ 82.12	¥ 168.05	¥ 238.10	¥ 168.72	\$ 1.79
	¥ 224.82	¥ 97.32	¥ 82.11	¥ 168.05	—	—	—
	¥ 46	¥ 25	¥ 18	¥ 47	¥ 55	¥ 43	\$ 0.48
	20%	26%	22%	28%	23%	25%	25%
	¥1,202.03	¥1,033.22	¥1,222.11	¥1,296.66	¥1,447.34	¥1,743.34	\$18.55
	¥2,020	¥ 986	¥1,571	¥1,491	¥1,357	¥1,313	
	8.89	10.10	19.13	8.87	5.70	7.78	
	1.69	0.96	1.29	1.15	0.94	0.75	
	42,621	39,864	41,454	40,026	44,805	45,148	
	30.8%	33.3%	30.8%	30.8%	30.8%	30.8%	
	92,973	85,547	76,049	66,701	59,810	57,833	

7. Diluted Net Income Attributable to Mitsui & Co., Ltd. per Share for the years ended March 31, 2012 and 2013 are not disclosed because there are no dilutive potential shares.

8. The U.S. dollar amounts, except cash dividends, represent translations of the Japanese yen amounts at the rate of ¥94.00=U.S.\$1, the approximate rate of exchange on March 31, 2013.

9. The U.S. dollar amounts represent translations of the Japanese yen amounts at the rate in effect on the payment date.

10. Price Earnings Ratio (PER) is calculated based on the year-end closing stock price on the Tokyo Stock Exchange divided by Basic Net Income Attributable to Mitsui & Co., Ltd. per share.

11. Price Book-Value Ratio (PBR) is calculated based on the year-end closing stock price on the Tokyo Stock Exchange divided by Shareholders' Equity per share.

12. Paper Consumption is calculated based on all offices in Japan (Head Office (Tokyo), 6 offices and 5 branches).

Results by Operating Segment

	Iron & Steel Products		Mineral & Metal Resources		Machinery & Infrastructure		Chemicals		Energy	
(As of or for the years ended March 31)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Consolidated Operating Results (¥ billion)										
Gross Profit	40.6	42.8	158.7	194.8	104.3	94.0	69.1	65.2	190.7	219.1
Operating Income (Loss)	3.6	9.6	123.9	173.1	(8.3)	(8.2)	7.4	10.3	134.9	173.5
Equity in Earnings (Losses) of Associated Companies	3.1	4.0	42.9	131.2	32.0	38.0	6.6	6.7	56.7	53.9
Net Income (Loss)	(2.9)	9.5	90.5	201.3	20.5	17.7	(1.3)	9.1	164.8	188.1
Consolidated Financial Condition (¥ billion)										
Total Assets	510.6	523.9	1,577.0	1,121.7	1,526.7	1,340.7	703.5	685.9	1,940.4	1,750.5
Investments in and Advances to Associated Companies	31.0	26.1	844.5	553.2	459.6	344.0	84.1	76.2	279.5	131.9
Property Leased to Others and Property and Equipment	14.4	13.6	340.4	238.4	197.6	151.0	70.3	65.5	768.6	584.5
Consolidated Cash Flows (¥ billion)										
Net Cash Used in Investing Activities	(0.2)	(5.6)	(344.3)	(44.8)	(78.1)	(53.9)	(4.9)	(24.9)	(289.0)	(145.6)
Number of Employees										
Consolidated	1,959	1,881	512	475	15,107	14,791	2,794	2,885	1,056	1,066
Mitsui*1	394	399	259	239	808	799	705	714	435	408

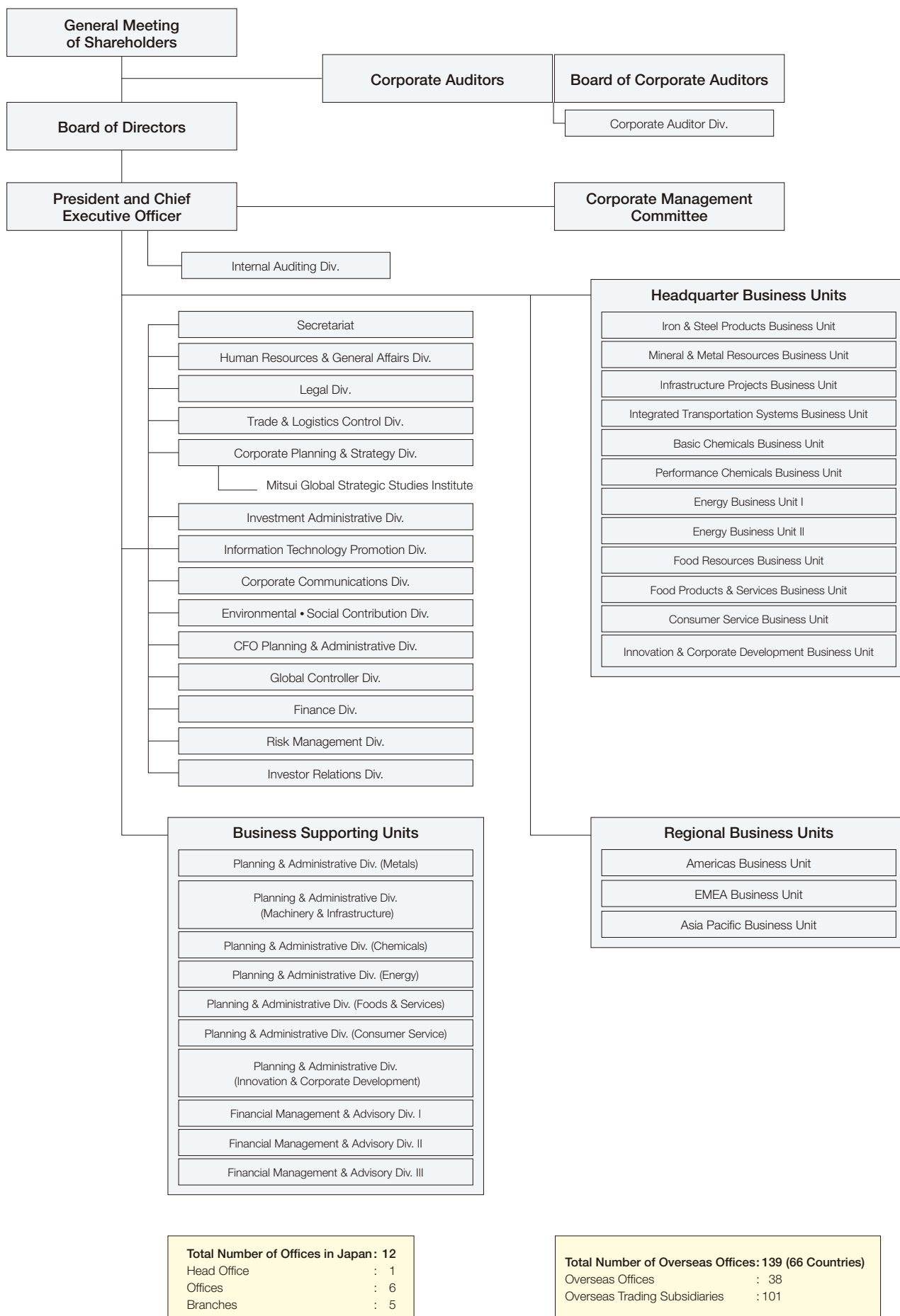
	Lifestyle		Innovation & Cross Function*2		Americas		Europe, the Middle East and Africa		Asia Pacific	
(As of or for the years ended March 31)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Consolidated Operating Results (¥ billion)										
Gross Profit	106.0	112.0	41.4	53.5	66.0	75.6	15.6	18.2	10.5	11.7
Operating Income (Loss)	(5.5)	10.6	(32.9)	(20.1)	11.4	24.3	(3.7)	(0.7)	(5.9)	(4.2)
Equity in Earnings (Losses) of Associated Companies	8.3	9.3	18.0	(20.4)	3.5	4.3	0.4	0.5	4.9	4.7
Net Income (Loss)	10.3	17.0	3.6	(32.2)	12.4	16.4	(0.9)	1.2	27.5	49.2
Consolidated Financial Condition (¥ billion)										
Total Assets	1,313.9	1,239.1	769.0	573.5	501.5	428.4	114.0	106.1	321.9	275.8
Investments in and Advances to Associated Companies	230.3	210.0	138.9	134.2	49.5	40.6	13.1	8.9	177.2	136.3
Property Leased to Others and Property and Equipment	205.2	194.4	70.5	73.3	96.7	69.9	11.8	10.9	3.4	3.1
Consolidated Cash Flows (¥ billion)										
Net Cash Used in Investing Activities	(22.9)	(138.7)	9.0	2.1	(16.3)	(17.3)	(1.1)	(0.2)	0.3	0.3
Number of Employees										
Consolidated	7,829	8,113	5,733	5,785	4,622	4,278	945	1,074	1,569	1,451
Mitsui*1	806	800	528	540	211	201	149	162	217	216

*1. Number of Employees does not include part-time and temporary workers.

*2. The name of the operating segment was changed to Innovation & Corporate Development due to the reorganization of business units as of April 1, 2013.

Organization Chart

As of April 1, 2013



Corporate Information

▶ As of March 31, 2013

Trade Name

MITSUI & CO., LTD.

Date of Establishment

July 25, 1947

Common Stock

¥341,481,648,946

Number of Employees

Consolidated: 45,148

Mitsui: 6,167

Number of Affiliated Companies for Consolidation

Subsidiaries: 268

Associated companies: 142

Investor Information

▶ As of April 1, 2013

Securities Identification Code

8031

Stock Exchange Listings

Tokyo, Osaka, Nagoya, Sapporo, Fukuoka

* On July 16, 2013, the cash equity market of the Osaka Securities Exchange was integrated into the Tokyo Stock Exchange.

Fiscal Year

From April 1 to March 31

General Shareholders' Meeting

June

Administrator of the Register of Shareholders

Sumitomo Mitsui Trust Bank, Limited

4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005

Contact Information for Above

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Business Planning Department

8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063

American Depository Receipts

Ratio: 1ADR = 20 common shares

Exchange: OTC (Over-the-Counter)

Symbol: MITSY

CUSIP Number: 606827202

Depository and Registrar

Citibank, N.A. Shareholder Services

P.O. Box 43077, Providence,

Rhode Island 02940-3077, U.S.A.

Tel: 1-877-248-4237 (Toll free in the U.S.)

1-781-575-4555 (Overseas Dial-In)

E-mail: citibank@shareholders-online.com

URL: www.citi.com/adr

▶ As of March 31, 2013

Unit Share

100 shares

Number of Shareholders

228,835 shareholders

Number of Shares Issued

1,829,153,527 shares

(including 3,713,589 treasury shares)

Number of Shares Authorized

2,500,000,000 shares

Major Shareholders

The Master Trust Bank of Japan, Ltd. (Trust account)

Japan Trustee Services Bank, Ltd. (Trust account)

SSBT OD05 OMNIBUS ACCOUNT - TREATY CLIENTS

Sumitomo Mitsui Banking Corporation

Japan Trustee Services Bank, Ltd. (Trust account 9)

Nippon Life Insurance Company

THE CHASE MANHATTAN BANK,

N.A. LONDON SECS LENDING OMNIBUS ACCOUNT

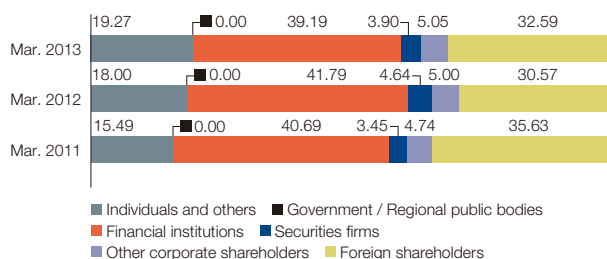
Mitsui Sumitomo Insurance Company, Limited

Barclays Securities Japan Limited

Sumitomo Mitsui Trust Bank, Limited

Composition of Shareholders

(%)



* The figures in the above graph reflect all shareholders and shares held but exclude shareholders who own less than one trading unit.

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CSR Website

<http://www.mitsui.com/jp/en/csr/>

➤ CSR reporting was completed with reference to the following guidelines:

- ☐ GRI (Global Reporting Initiative), *Sustainability Reporting Guidelines 3.0*
- ☐ Ministry of the Environment, Japan, *Environmental Accounting Guidelines 2005*
- ☐ ISO 26000 (*Guidance on social responsibility*)



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